



2015 Annual Report
**READY FOR LIFE
AND WORK**



Office of the Chancellor
Dr Ziggy Switkowski

GPO Box 2476
Melbourne VIC 3001
Australia

Tel. +61 3 9925 2000
Fax +61 3 9925 3939

15 March 2016

The Hon Steven Herbert MLC
Minister for Training and Skills
2 Treasury Place
East Melbourne VIC 3000

Dear Minister,

In accordance with the requirements of regulations under the *Financial Management Act 1994*, I am pleased to submit for your information and presentation to parliament the Annual Report of RMIT University for the year ended 31 December 2015.

The Annual Report was approved by the Council of RMIT University at its meeting on 15 March 2016.

Yours sincerely

A handwritten signature in black ink, appearing to read "J. P. Switkowski".

Dr Z E Switkowski AO
Chancellor

Published by:
RMIT University
Marketing
Building 1, Level 2
124 La Trobe Street
Melbourne

GPO Box 2476
Melbourne VIC 3001
Australia

Tel. +61 3 9925 2000
ABN: 49 781 030 034
CRICOS provider code: 00122A
RTO code: 3046

Project manager and editor: Pauline Charleston
Design layout and production: Jael Rincón, Vince Lowe

RMIT University's 2015 Annual Report and previous reports are available online at:
www.rmit.edu.au/about/governance-and-management/governance/annual-reports/



Contents

Letter of Transmittal	2	DISCLOSURE INDEX	35
ORGANISATIONAL OVERVIEW		FINANCIAL STATEMENTS	
Strategy, Vision, Mission and Values	4	Declarations	38
Chancellor's Statement	6	Independent Auditor's Report	39
Vice-Chancellor's Statement	7	Income Statement	41
About RMIT	8	Statement of Comprehensive Income	42
Organisational Chart	9	Statement of Financial Position	43
Senior Officers	10	Statement of Changes in Equity	44
Academic Schools and Research Institutes	12	Statement of Cash Flows	45
Statistical Snapshot	13	Contents to the Notes to the Financial Statements	46
Financial Performance	14	Notes to the Financial Statements	47
REPORT OF OPERATIONS		Income Statement for the Years 2015 to 2011 inclusive	107
Strategic Plan to 2020	15	Balance Sheet for the Years 2015 to 2011 inclusive	108
Life-Changing Experiences	17		
Passion with Purpose	19		
Shaping the World	21		
Students and Staff	24		
Sustainability and Resource Usage	27		
UNIVERSITY GOVERNANCE			
Governance	28		
Council Members	29		
Council Committees	30		
RMIT Subsidiaries	31		
Statutory Reporting	32		
Risk Management and Internal Audit	33		
Consultancies	34		
Objects of the University	34		

Strategy, Vision, Mission, Values

Strategy to 2020

RMIT's Strategic Plan, *Ready for Life and Work*, sets out the goals and directions through which the University proposes to shape its future.

Our Vision

A global university of technology, design and enterprise.

Our Mission

RMIT exists to create transformative experiences for our students, getting them ready for life and work, and to help shape the world with research, innovation, teaching and engagement.

RMIT embraces the task of extending the benefits of a fast-innovating, high-skill knowledge economy to our whole community and our world. We are dedicated to helping shape a new urban and industrial renaissance in the global economy. We are driven by impact and focused on the challenges and opportunities emerging around us.

As the world economy transforms, we have a responsibility to make the resulting changes work for the whole of society.

Our distinctive approach to connected education and research links creative ideas with technical knowledge. We empower students to shape their own lives, achieve impact and create valued places for themselves through work and engagement in the wider community. RMIT understands how to do this during a period of deep technological change – because we have been through it before.

RMIT began helping people and organisations make the transition to an industrial society more than a century ago. Today, we embrace the challenge of helping to shape a new urban and industrial renaissance in a global economy.

The innovation and pace of change now under way is immense. New industries are being created while others are destroyed. Yet more are being transformed and renewed. The mass factories of the past are being replaced by clusters of production centred around new knowledge, technology, skills and creativity. Students, workers and institutions need entrepreneurship and teamwork to adapt and succeed.

Today, how we learn is just as important for success as where and what we learn. Being ready for life and work means combining contemporary ideas and deep knowledge with cutting-edge learning skills and methods.

We are passionately committed to growing interdisciplinary expertise and creative thinking, together with practical application and problem-solving directly relevant to the lives of the communities we serve.

Our commitment to serving students from all backgrounds is equally strong. This includes a responsibility to take a leading role in supporting Aboriginal and Torres Strait Islander students, to ensuring access and effective support for students with disadvantaged backgrounds, and to embracing the global diversity and talent of all our students and staff.

In the coming years RMIT will offer programs and research in ways that will:

- enhance creativity and impact
- fully embrace the digital environment
- get students, experts and employers working together
- apply learning through work and enterprise
- draw upon the leading edge of industry practice
- introduce students to potential employers and investors
- encourage students to belong to the life of their cities and their world
- help students to start and succeed in enterprises of their own

We will deploy our distinctive research capabilities to make new discoveries, to innovate through practice and to generate ideas and culture that enrich the economy and community. Our unique mix of interdisciplinary expertise and collaborative clustering will help to solve complex local national and global problems.

For RMIT, this approach is both historically grounded and firmly contemporary. This is how we were established and how we have developed over almost 130 years. Being a university of technology, design and enterprise and a great urban university located in some of the most dynamic and creative cities around the world gives us a major advantage.

By building on what we have achieved and embracing the possibilities of digital, economic and social transformation, RMIT will help to shape the future in a way that no other university can.

Our task is to bring the talents of our staff and students together with industry and the community to renew ourselves through teaching, learning, research and collaborative innovation, all supported by new technology.

Our Values

Passion

We take pride in RMIT and its achievements and we are deeply committed to extending and deepening RMIT's positive impact.

Impact

RMIT achieves impact through an applied, practice-based approach to meeting contemporary needs. We shape the world for the better through collaborative design, research, learning and problem-solving.

Inclusion

RMIT creates life-changing opportunities for all, welcomes students and staff from diverse backgrounds, honours the identity and knowledge of Aboriginal and Torres Strait Islander nations, and is an accessible and open institution dedicated to serving the needs of the whole community.

Courage

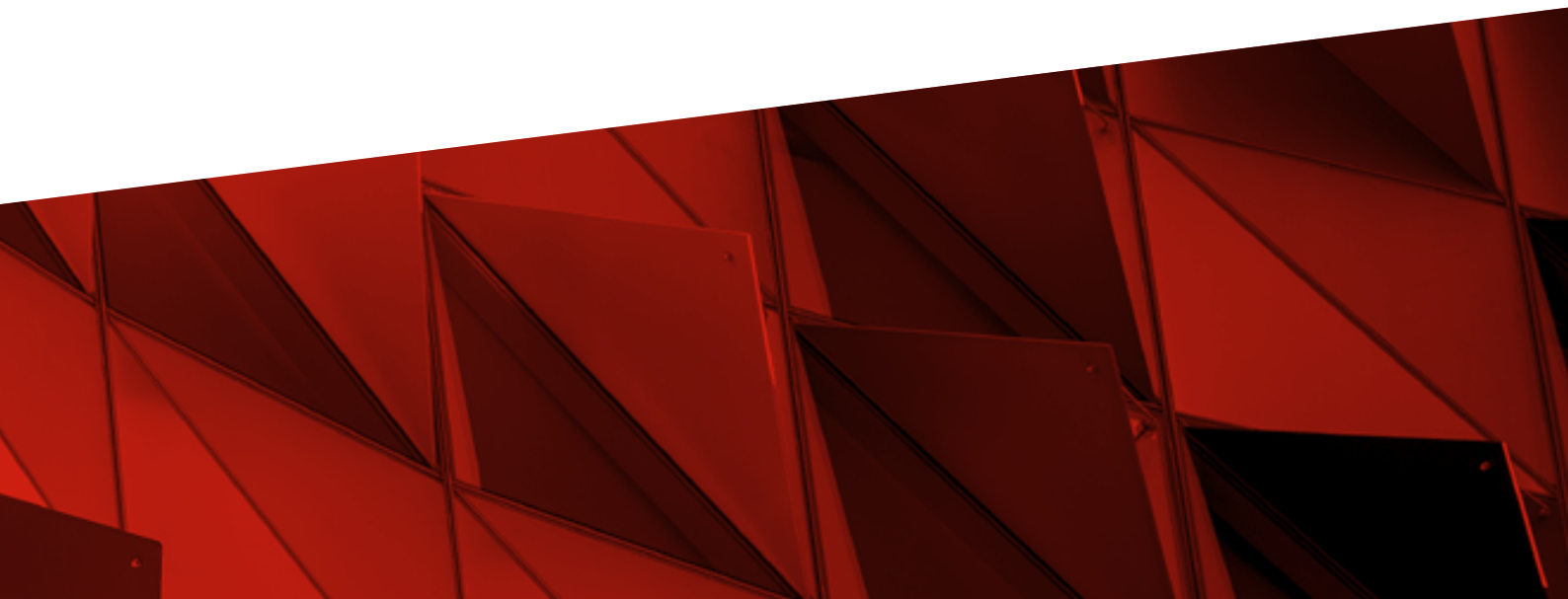
We are honest and fair in our conduct and relationships. We embrace new thinking and evidence, test it rigorously and apply it to our own learning. We are strongly committed to performance, accountability and value for money. We speak out on issues of importance to our community and our world. We respect the rights of others and our obligations to the health of the planet.

Agility

We are forward-looking, balanced and sustainable in our approach to organisation and resourcing. We are able to adapt quickly and effectively to new pressures and opportunities.

Imagination

We value innovation and creativity as essential qualities of our work and resources for the economy and society. We are committed to developing, applying and sharing new ideas and perspectives.



Chancellor's Statement



2015 was an important year for RMIT University, its students and staff. We welcomed a new Vice-Chancellor with a global track record in innovation and with a mandate to continue to improve the unique RMIT student experience. Martin Bean CBE joined us in January, returning to Australia after 20 years in the US and UK.

Martin previously held the positions of Vice-Chancellor of The Open University, the UK's largest academic institution and a global leader in the provision of flexible learning, and General Manager of Microsoft's Education Products Group. He has also held various executive leadership roles at Novell and other companies integrating technology and learning systems.

2015 saw the enunciation of the next five-year Strategic Plan to lead the University into the future. Not surprisingly, at its core, the Strategic Plan is focused on graduating students ready for life and work.

As a global university of technology, design and enterprise, RMIT works with industry and the community to provide life-changing experiences for our students, to make a difference in the world.

We've placed the student at the centre of the RMIT experience – we want our students to have global, meaningful and innovative experiences throughout their time at the University, and beyond, embracing real connection with industry and communities globally.

On the financial side, the year saw consolidated group revenues reach \$1163 million, up 7.9 per cent, and operating cash flows of \$160 million. Given our strong balance sheet and the current low interest rate environment, this cash flow augmented by borrowings is sufficient to fund the near billion dollars of capital investment we expect to make in support of offshore campuses, new infrastructure, IT systems and research facilities over the next five years or so.

The University continues to be well served by its Council members and I am grateful to my colleagues for their diligence, enthusiasm and wisdom in helping guide our institution. We welcomed Ms Anne Ward and Mr Gary Hogan to the Council during 2015 and farewellled Professor Julianne Reid. In particular, I would like to thank the Deputy Chancellor, Ms Janet Latchford, who has fulfilled her duties in Melbourne and globally with grace, rigour and finesse.

RMIT looks forward to the challenges and opportunities that will define the sector in the years ahead, and to our position within it. Under the leadership of the Vice-Chancellor and his executive team, University staff are creating an environment designed to provide a special student experience, deliver a respected and relevant educational credential, and produce students ready to make their mark in the world.

A handwritten signature in dark ink, reading "J. P. Switkowski". The signature is written in a cursive style.

Dr Ziggy Switkowski AO
Chancellor

Vice-Chancellor's Statement

I am proud to say that in 2015 RMIT University adopted a new Strategic Plan that was shaped by the ideas of our staff, students and partners. *Ready for Life and Work* outlines the values and goals that we will pursue together over the next five years. It will transform the way we work and learn to achieve positive impact for our students and the wider community.

Thousands of people in our RMIT community contributed valuable ideas and feedback to online forums, discussions, workshops and team meetings.

The strategy is built around three directions. The first is transforming the life experience of our students by graduating them ready for life and work. To achieve this, our teaching must inspire students and empower them with attributes that will be valued in our changing economy.

Second is the direction that makes the first possible: uniting passion and purpose. Our aim is to support and empower our people with clearer, smarter and simpler systems that deepen our culture of teamwork and collaboration.

Our third direction is shaping the world through our teaching and research. In 2015, the quality of RMIT's research work was recognised and endorsed by the Australian Research Council through the Excellence in Research for Australia evaluation. I am also proud to say that RMIT is ranked among the top 15 Australian universities in the 2015-16 QS World University Rankings, and is 21st among QS's top 50 under 50 in the world.

Through our Strategic Plan we will build on this to deliver research and innovation that is applied, interdisciplinary and engaged with industry.

In 2015, RMIT enrolled over 83,000 students, from the Victorian Certificate of Education (VCE) to postgraduate study. Our students are part of the innovation and enterprise revolution taking place right now; their time at RMIT will involve work-integrated learning and a mutually beneficial connection to our alumni and employer networks.

Our strong financial position has allowed RMIT to invest in the facilities, services and infrastructure that will make a real difference to our students, staff members and community. This includes the New Academic Street project, which is renewing student spaces for learning, collaboration and creative exchange at the heart of our City campus.

In 2015, RMIT also delivered improvements to our services and facilities based on requests and feedback from our students. These include thousands of computers at our Melbourne campuses and 53 new and upgraded study spaces.

From a personal perspective, over the course of my first year as Vice-Chancellor and President of RMIT, I have been inspired by the RMIT community's readiness to embrace a bold new way of thinking and working.

It has been a pleasure getting to know our students and staff in Victoria, Vietnam, Singapore and Barcelona, and I'm immensely proud of our achievements over the last 12 months.

I look forward to working with students, staff and partners to continue shaping RMIT for the better in 2016.

Martin Bean CBE
Vice-Chancellor and President



About RMIT

RMIT is a global university of technology, design and enterprise in which teaching, research and engagement are central to achieving positive impact and creating life-changing experiences for our students.

One of Australia's original educational institutions founded in 1887, RMIT University now has 83,000 students. The University enjoys an international reputation for excellence in professional and vocational education, applied and innovative research, and engagement with the needs of industry and the community.

We offer postgraduate, undergraduate and vocational programs, enabling students to have the option of work-relevant pathways between vocational and higher education qualifications. A range of scholarships is available to support education and research.

With three campuses in Melbourne (City, Brunswick and Bundoora), two in Vietnam (Hanoi and Ho Chi Minh City) and a centre in Barcelona, Spain, RMIT is a truly global university.

RMIT also offers programs through partners in Singapore, Hong Kong, mainland China, Indonesia, Sri Lanka, India, Belgium, Germany, Austria and the Netherlands, and enjoys research and industry partnerships on every continent.

From the design of curriculum to applied research, RMIT works closely with domestic and international industry partners to equip students with the knowledge and state-of-the-art skills that enable them to excel in their chosen professions. As a result, RMIT graduates are highly regarded around the world for their leadership skills and work readiness.

We pride ourselves on our work-integrated learning opportunities which combine theory with practice in a workplace environment, ensuring that graduates are equipped with the skills and insight that employers value in the ever-changing global economy.

RMIT's researchers are engaged alongside our partners world-wide in solving practical problems of our time. Our connections to industry partners, to governments, and to the urban communities within which we operate, are vital.

The quality of the RMIT's research work has been endorsed by the Australian Research Council. In the 2015 Excellence in Research for Australia evaluation, RMIT was rated "well above world standard" in 13 research fields and "above world standard" in a further nine fields.

RMIT has a 5-Star QS ranking for excellence in higher education and is ranked among the top 15 Australian universities in the 2015–16 QS World University Rankings.

In the 2015 QS Top 50 Under 50 index, RMIT rose to 21st in the world among universities less than 50 years (RMIT was granted university status in 1992). Strong feedback from global academics and an improvement in citations of research helped drive the stronger ranking.

RMIT features among the world's top 200 institutions in 13 of the 30 subject areas in the 2015 QS subject rankings.

For the first time, we are 20th in the world and the highest ranked Australian university for Art and Design. We are also 33rd in the world for Architecture, and among the world's top 100 universities in Engineering (Civil and Structural; Electrical and Electronic; and Mechanical, Aeronautical and Manufacturing); Computer Science and Information Systems; and Business and Management Studies.

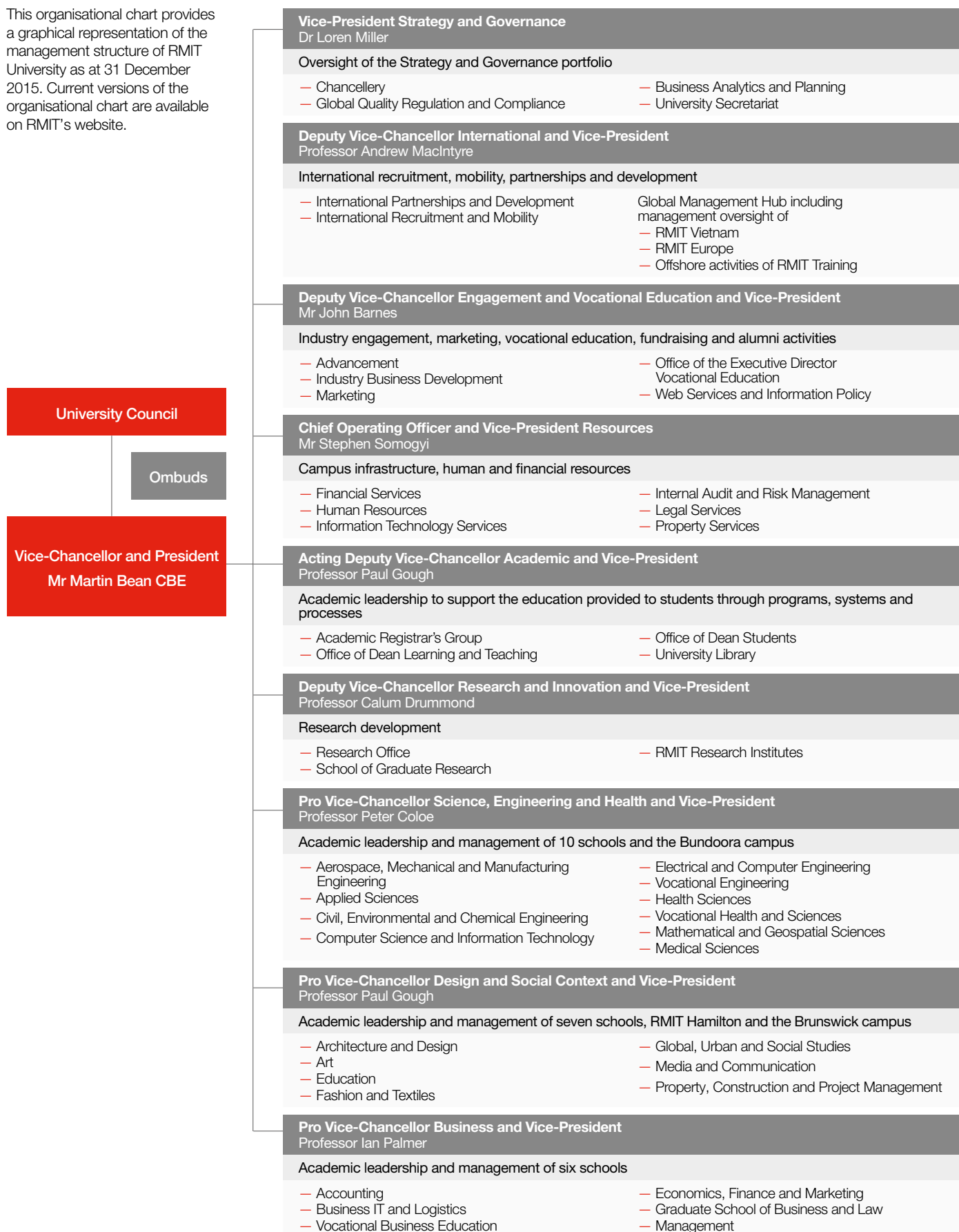
RMIT Vietnam was awarded a prestigious Golden Dragon Award from the Vietnamese Government for the 12th consecutive year, recognising its excellence in education and research.

Our latest capital investment project, the New Academic Street, will transform the heart of the City campus, refurbishing four Swanston Street buildings, opening them to the streetscape, and creating interconnected learning spaces, outdoor terraces, light wells and enhanced library facilities.

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

Organisational Chart

This organisational chart provides a graphical representation of the management structure of RMIT University as at 31 December 2015. Current versions of the organisational chart are available on RMIT's website.



Senior Officers



Vice-Chancellor and President

Mr Martin Bean CBE

LLD (London), BEd (UTS)

Martin Bean was appointed Vice-Chancellor and President of RMIT in January 2015. He previously held the positions of Vice-Chancellor of The Open University, the UK's largest academic institution, and General Manager of Microsoft's Education Products Group.

Prior to that, Martin Bean held various executive leadership roles at Novell and other companies integrating technology and learning systems. In 2012, he launched FutureLearn, the UK's first at-scale provider of Massive Open Online Courses.

Martin Bean has won numerous awards in the UK and US for his contribution to education, and in 2015 was awarded a Commander of the Order of the British Empire for services to higher education. In 2014 he was named one of the UK Prime Minister's Business Ambassadors and in 2013 he was awarded an Honorary Doctor of Laws from the University of London.



Chief Operating Officer and Vice-President Resources

Mr Steve Somogyi

MSc (Melb), SM (MIT), FIAA, FAICD, F Fin

Steve Somogyi was appointed to this role in 2006, having previously had extensive experience in the financial services and health care industries, including three years as executive member of the Australian Prudential Regulation Authority and many years in senior executive roles with National Mutual.

Mr Somogyi is a Fellow of the Institute of Actuaries of Australia, the Australian Institute of Company Directors and the Financial Services Institute of Australia.

He is a Commissioner on the Safety, Rehabilitation and Compensation Commission; a Director of ANZ Wealth companies, Guild Group companies, UniSuper, Higher Education Services, Spatial Vision Innovations, RMIT Vietnam Holdings and RMIT Training; and a Trustee of RMIT Foundation.



Deputy Vice-Chancellor Research and Innovation and Vice-President

Professor Calum Drummond

BscEd, BSc(Hons), PhD, DSc (Melb), FAICD, FTSE, FRACI, FRSC, CChem

Professor Drummond has a leadership role in the nurturing of discovery and practice-based research, and in building and enhancing capability in research and innovation across the University.

Professor Drummond joined RMIT in 2014 from CSIRO where he was Group Executive for Manufacturing, Materials and Minerals, and previously Chief of Materials Science and Engineering. He was also previously the inaugural Vice-President Research at CAP-XX.

He remains an active research professor and has published more than 200 articles and patents in the area of advanced materials. In 2015, he was the recipient of the Victoria Prize for Science and Innovation and the HG Smith Memorial Medal from the Royal Australian Chemical Institute.



Pro Vice-Chancellor Business and Vice-President

Professor Ian Palmer

BA(Hons) (ANU), PhD (Monash), FASSA

Professor Palmer's leadership of the College of Business is informed by a distinguished academic career in Australia and overseas.

A previous President of ANZAM and foundation Chair of the Business Academic Research Directors Network, Professor Palmer was elected in 2008 to the US Academy of Management's Organizational Development and Change Division as Representative-at-Large. He was also appointed Chair of the Research Quality Framework Panel 10 for Economics, Commerce and Management, and to Life Membership of ANZAM.

In 2011 Professor Palmer was appointed a Fellow of the Academy of the Social Sciences in Australia and is the current Treasurer of the Australian Business Deans Council.



Pro Vice-Chancellor Design and Social Context, and Acting Deputy Vice-Chancellor Academic and Vice-President

Professor Paul Gough

BA(Hons), MA, PhD (Royal College of Art), FRSA, RWA

A painter, broadcaster and writer, Professor Gough has exhibited internationally, most recently in UK, Canada, New Zealand and Australia, with representation in several permanent art collections. These have included London's Imperial War Museum, the Canadian War Museum, and New Zealand's National War Memorial.

Professor Gough is a prolific researcher and sought-after research supervisor. He has published six books on the representation of war and peace, and more than 100 research papers.

He has chaired international research assessment schemes in UK, Australia, Rumania, New Zealand and Hong Kong, and has addressed universities and research councils on international research and evaluation schemes.



Pro Vice-Chancellor Science, Engineering and Health and Vice-President

Professor Peter Coloe

BSc(Hons), PhD (Monash), FASM

Professor Coloe was appointed to this role in 2008. He served on Council from 1999 to 2008 and chaired the Academic Board from 2000 to 2008. A prolific researcher and sought-after research supervisor, Professor Coloe has more than 160 publications and has been awarded three worldwide patents.

Professor Coloe has served as an advisor to the Federal Government's Biosecurity Australia risk assessment panel and the Victorian Government's biotechnology task force. He is a Fellow of the Australian Society for Microbiology, a member of the International Union of Microbiological Sciences, an honorary member of the Australian Veterinary Association, an ARC and NHMRC grants referee, and serves on Microbiology Australia's Editorial Board.



Deputy Vice-Chancellor Engagement and Vocational Education and Vice-President

Mr John Barnes

BA (Monash), BEd (Deakin), GradDip BA (Swinburne), GradDip CSP (ACSA), MBA (RMIT)

John Barnes has had extensive involvement in tertiary education, particularly in vocational education. Prior to joining RMIT in 2012, he held senior management positions in TAFE institutes for 16 years, most recently as General Manager, Business Development at Kangan Institute of TAFE. He was appointed DVC Engagement and Vocational Education in March 2014.

Mr Barnes has extensive experience in developing industry relationships, both in Australia and internationally. He is committed to strong educational outcomes in responding effectively to industry, student and government needs.



Deputy Vice-Chancellor International and Vice-President

Professor Andrew MacIntyre

BA(Hons), MA, PhD (ANU), FASSA

Before joining RMIT in 2014, Professor MacIntyre was Professor of Political Science at ANU, where he also served as Dean of the College, Director of the Research School of Asia and the Pacific, and Founding Director of the Crawford School of Public Policy.

He was previously Professor and Interim Dean at the University of California San Diego's Graduate School of International Relations and Pacific Studies.

Professor MacIntyre was the founder of the Australia-Indonesia Governance Research Partnership and serves on the Bulletin of Indonesian Economic Studies' editorial board. He is Vice-Chairman of AusPECC and a director of the Australian-American Leadership Dialogue and Asia Foundation in Australia. He is currently the chair of RMIT Vietnam and RMIT Europe.



Vice-President Strategy and Governance

Dr Loren Miller

BSc (Monash), GradCert (Public Policy) (Melb), GradDipEd (Melb), MBA (MBS), DEd (Melb)

Dr Miller was appointed to this role in June 2015, having previously worked as Associate Vice-President (Finance) and Director of Business Strategy at Monash University. This included board membership of Monash College and the IITB-Monash Research Academy in India.

Dr Miller has extensive experience in strategic management consulting in both the higher education and corporate sectors, having worked for the Boston Consulting Group and Strategic Project Partners. She is a graduate of the Australian Institute for Company Directors and is currently undertaking the CPA professional program.



President RMIT Vietnam and Vice-President RMIT University

Professor Gael McDonald

BBus (Massey), MBA (UWA), PhD (LSE)

Professor McDonald commenced as President of RMIT Vietnam in February 2014, having previously been Pro Vice-Chancellor of Deakin University's Faculty of Business and Law and Secretary of the Australian Business Deans Council.

Her background has included the roles of Vice-President International, Vice-President Research, Dean of Business and Professor of Business Ethics at Unitec Institute of Technology, New Zealand. She is a past President of ANZAM and has also consulted in the private sector.

Professor McDonald has published widely and is author of *Business Ethics: A Contemporary Approach* and co-author of *Surviving and Thriving in Postgraduate Research* and *Organising an Academic Conference: Guidelines for Scholarly and Financial Success*.



Executive Director RMIT Europe

Dr Marta Fernandez

MSc (Granada), PhD (UCL), CEng, FRSA

Dr Fernandez commenced as Executive Director of RMIT Europe in November 2015. Her career has spanned many years of senior management roles in the UK, most recently as Global Research Leader at international consultancy Arup.

She teaches research and development management at the University of Granada and holds honorary appointments at University College London and Imperial College Business School.

Dr Fernandez has a strong interest in urban wellbeing, particularly the impact of design and technology to improve wellbeing in cities, and has been a member of European expert panels for nature-based solutions in cities, active ageing and the built environment.



Chief Executive Officer, RMIT Training

Rachel Holthouse

BA (Monash), DipEd (Melb), RSA/Cambridge CELTA (RMIT), MAppLing (Macquarie), GAICD

Ms Holthouse was appointed to this role in 2009. She previously held senior positions at the University of Melbourne, including Executive Manager of Business Strategy and Operations for the Department of Otolaryngology, home of Australia's renowned Bionics Institute.

She has also worked in Asia as Director of Hawthorn-Singapore Language School, and in Scotland as Principal of Edinburgh School of English. This role included corporate governance responsibilities on the board of UMEE UK Ltd.

Ms Holthouse is committed to the creation and implementation of high-quality innovative educational products and services. She has achieved global partnerships with educational organisations and corporations for RMIT Training.

Academic Schools and Research Institutes

As at 31 December 2015, RMIT University offered programs of study in 23 schools across three academic colleges.

College of Business

School	Head of School
Accounting	Professor Garry Carnegie
Business IT and Logistics	Professor Caroline Chan
Economics, Finance and Marketing	Professor Timothy Fry
Graduate School of Business and Law	Professor Mark Farrell
Management	Professor Pauline Stanton
Vocational Business Education	Mr Graham Airey

College of Design and Social Context

School	Head of School
Architecture and Design	Professor Richard Blythe
Art	Professor Julian Goddard
Education	Professor Robert Strathdee
Fashion and Textiles	Professor Robyn Healy
Global, Urban and Social Studies	Professor David Hayward
Media and Communication	Professor Martyn Hook
Property, Construction and Project Management	Professor Ron Wakefield

College of Science, Engineering and Health

School	Head of School
Aerospace, Mechanical and Manufacturing Engineering	Professor Adrian Mouritz
Applied Sciences	Professor Andrew Smith
Civil, Environmental and Chemical Engineering	Professor Chun Qing Li
Computer Science and Information Technology	Professor Athman Bouguettaya
Electrical and Computer Engineering	Professor Michael Austin
Health Sciences	Professor Charlie Xue
Mathematical and Geospatial Sciences	Professor John Hearne
Medical Sciences	Professor David Pow
Vocational Engineering	Mr Peter Ryan
Vocational Health and Sciences	Ms Cheryl Underwood

Research Institutes

In 2015 RMIT had four Research Institutes, uniting researchers from across the University within multidisciplinary teams.

Institute	Director
Design Research Institute	Professor Swee Mak
Global Cities Research Institute	Professor Peter Fairbrother
Health Innovations Research Institute	Professor David Adams
Platform Technologies Research Institute	Professor Xinghuo Yu

Statistical Snapshot

Sector/Level Enrolments (headcounts)	2011	2012	2013	2014	2015 ¹
Higher Education (HE)	55,178	56,724	59,313	61,083	62,142
Postgraduate Research	1,690	1,761	1,873	1,944	2,113
Postgraduate Coursework	10,625	9,984	9,836	10,043	9,966
Undergraduate	39,008	40,409	42,197	43,508	44,402
Sub Degrees	3,855	4,570	5,407	5,588	5,661
Open Universities Aust	7,277	6,914	6,090	5,393	4,601
Postgraduate	564	628	617	676	727
Undergraduate	6,713	6,282	5,473	4,717	3,874
Vocational Education (VE)	19,667	17,935	16,200	14,324	15,179
Diploma and Advanced Diploma (AQF 5-6)	8,854	8,302	7,853	7,064	7,536
Certificates III and IV (AQF 3-4)	8,527	7,327	6,215	5,733	5,674
Certificates I and II (AQF 1-2)	1,099	1,029	912	314	320
VCE/VCAL	526	562	572	493	458
Other ²	661	715	648	720	1,191
Foundation Studies	723	606	626	788	1,103
Total	82,845	82,179	82,229	81,588	83,025

Student Fee-Type Enrolments (HE and VE load in %)					
Higher Education					
Government-funded	43	47	49	51	52
Australian fee-paying	6	5	5	5	5
International Onshore	22	20	18	19	19
International Offshore	17	16	16	16	15
Vietnam	12	12	11	10	9
Other	0	0	1	0	0
Vocational Education					
Government-funded	72	73	77	77	75
Australian fee-paying	17	19	16	16	17
International Onshore	7	6	6	7	8
International Offshore	2	1	0	0	0
Other	2	2	1	0	0

Student Load					
Student load EFTSL HE	40,423	41,475	44,169	45,475	46,037
Student contact hours VE	7,959,312	7,842,106	7,054,268	6,571,174	6,977,224

Award Completions					
Higher Education	14,894	15,775	18,034	16,846	15,989
Postgraduate Research	231	233	297	277	279
Postgraduate Coursework	4,538	4,218	4,025	3,666	3,255
Undergraduate (including Associate Degrees and Diplomas)	10,125	11,324	13,712	12,903	12,455
Vocational Education	6,590	6,662	6,384	5,635	5,659
Total	21,484	22,437	24,418	22,481	21,648

Graduate Outcomes %	2011	2012	2013	2014	2015 ¹
Higher Education (Domestic)					
Student satisfaction	80.4	79.2	78.3	79.2	77.2
Graduates in full-time employment	77.6	74.3	69.1	65.8	65.7
Graduates in further full-time study	13.7	13.5	16.1	16.4	15.3
Vocational Education					
Student satisfaction	85.4	86.6	86.0	85.4	85.0
Graduates in employment	78.5	74.4	77.2	69.6	65.9
Graduates in further study	40.1	45.5	44.1	53.6	53.7

Performance Indicators ³	2011	2012	2013	2014 ⁴	2015
Research					
Research income from international sources—total	\$3.3m	\$2.4m	\$1.9m	\$4.1m	\$5.0m
Research income from international sources—%	8.5%	6.5%	5.0%	6.5%	7.8%
Staff					
HE International academic staff onshore	44.0%	45.2%	46.7%	48.9%	51.0%
HE Academic staff Level B and above holding PhDs	67.6%	74.6%	77.4%	81.6%	86.0%
Mobility					
HE and VE student mobility uptake (onshore EFTSL)	4.0%	4.1%	4.5%	3.2%	5.9%
HE UG completions with a mobility experience	15.3%	14.6%	14.7%	18.9%	24.5%
HE and VE International students EFTSL	41.9%	39.1%	38.2%	37.8%	37.5%
International student ranking in QS World University Rankings	6th	8th	12th	40th	138th
Industry					
Industry scholarships	\$3.0 m	\$6.6m	\$5.0m	\$6.1m	\$10.5m
Industry scholarships (student load EFTSL)	1,193.4	2,642.3	1,984.9	2,423.2	4,210.3
Commercial revenue from industry	\$35.0m	\$32.4m	\$30.7m	\$31.9m	\$36.4m
Industry scholarships as a % of load (HE onshore EFTSL)	4.2%	8.9%	6.2%	7.2%	12.1%

¹ Some 2015 indicators are provisional and will not be finalised until Q2 2016. HE and VE data excludes Foundation Studies and OUA unless specified. VE student load converted using Student Contact Hours/720.

N/A: Not yet available
UG: Undergraduate
PG: Postgraduate

² Non-award programs not elsewhere classified.

³ This represents a subset of RMIT's Business Plan Indicators.

⁴ Some 2014 and historical values updated to reflect final position.

Financial Performance

The consolidated 2015 net operating result for RMIT University and its subsidiaries was \$67.7 million, continuing the strong results of recent years. RMIT University's operating result was \$60.5 million, or 5.7 per cent of revenue.

For the consolidated group, revenue increased to \$1163.1 million in 2015 from \$1078.3 million in 2014. Expenditure increased to \$1091.1 million from \$1001.4 million, resulting in an operating result of \$67.7 million after income tax. Cash balances for the group totalled \$99.0 million.

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

Revenue increased to \$1063.9 million from \$988.5 million. Australian Government Financial Assistance – including HECS-HELP and VET FEE-HELP – increased to \$563.2 million from \$530.4 million. Commonwealth research grants increased to \$25.3 million from \$24.4 million.

VE-specific State Government grants totalled \$32.1 million, an increase of \$0.5 million on 2014. VET FEE-HELP revenue increased slightly to \$21.4 million from \$20.0 million.

Course fees and charges increased to \$357.5 million from \$323.6 million, or 10.5 per cent. International fee-paying student revenue increased by 11.8 per cent (or \$32.3 million) to \$307.1 million. Other fees and charges increased by 8.6 per cent to \$12.5 million.

Investment revenue increased slightly to \$5.5 million based on the amounts of funds available in short-term deposits. RMIT's Council - approved investment policy ensures only high quality securities issued by prudentially safe institutions are utilised.

Expenditure increased by 9.4 per cent to \$1000.7 million from \$914.5 million in 2014.

Employee benefits and on-costs increased by 8.9 per cent to \$604.3 million, excluding the effect of deferred superannuation benefits. Salary increases were incurred according to the Enterprise Agreement. The average number of fulltime-equivalent staff was 3843 – 178 higher, or an increase of 4.9 per cent, compared to 2014.

Repairs and maintenance increased to \$23.9 million from \$21.1 million.

The operating result attributed to VE was a profit of \$2.2 million, compared to a profit of \$1.8 million in 2014. Revenue increased by 11.6 per cent to \$176.5 million. Total expenses increased by 11.4 per cent (\$17.8 million) to \$174.3 million.

Current assets increased to \$161.1 million from \$148.9 million, with cash and cash equivalents increasing by \$7.1 million.

Current liabilities increased by \$30.0 million mainly due to increases in trade creditors and provisions.

Capital expenditure was \$244.0 million, compared to \$156.2 million in 2014, with property-related capital expenditure being a large proportion of the total for the year.

Based on the future capital works program, RMIT entered into an agreement with CBA and Westpac in 2014 for the provision of \$296 million in long-term borrowings. This was an increase from the previous \$225 million facility, with funds drawn down as per the agreement commencing Quarter 1, 2015. The total outstanding loan at the end of 2015 was \$210.0 million, compared to \$125.0 million at the end of 2014.

From a subsidiaries perspective, RMIT Vietnam delivered a profit of \$4.7 million.

RMIT Training delivered a very small surplus compared to a loss of \$0.7 million in 2014. The 2015 result included a \$5 million donation to RMIT University, as compared to a \$4 million donation in 2014.

RMIT Foundation delivered an operating result of \$2.7 million compared to \$2.5 million in 2014.

Strategic Plan to 2020

In 2015, RMIT University created and launched a new Strategic Plan, *Ready for Life and Work*.

The Strategic Plan was developed through #shapeRMIT, an open process that invited everyone in the University's diverse community to contribute to the University's future.

Through workshops, forums and online conversations, thousands of individuals provided feedback and ideas on any aspect of University life, big and small. Feedback on everything from IT systems to student facilities and staff performance was considered, ensuring that ours is a Strategic Plan shaped by the entire University community.

A Directions Paper outlining proposed strategic directions and goals was released, promoted by giant posters on University buildings. Feedback from subsequent public consultations was taken into account before the final Strategic Plan was approved by the University's Council in October.

Ready for Life and Work sets out what makes RMIT different as a university, outlining a simple but powerful vision for a global university of technology, design and enterprise.

The strategy centres on three broad directions: offering life-changing experiences for students, uniting passion and purpose in academic and professional staff, and shaping the world around us through research and teaching. At its core, the plan is focused on graduating students ready for life and work.

RMIT is committed to simplifying and enhancing processes and systems to deliver clear and timely information; enhancing employment opportunities for graduates; and creating a strong digital focus for staff and students.

We are renewing our commitment to inspiring teaching and learning, embedding digital tools and applications across the whole student journey, and unleashing the potential of our learning management system.

Through the strategy, we are also intensifying our commitment to innovation by supporting enterprising solutions in fields of existing expertise and building collaborations between students, researchers, industry and governments.

We will continue developing the skills that students need as they move into the world of work by creating toolkits, work-integrated learning opportunities and an array of support for their personal learning needs.

RMIT will bring together the entrepreneurial talent of our staff, graduates and students through collaborative initiatives, shared spaces, funding support, mentoring for ideas creation and incubation. As the public and economic innovation agenda gathers pace across the Asia-Pacific region, RMIT is committed to making positive impact by drawing on the University's extensive networks of talent and expertise.

University colleges and work units are using the Strategic Plan to develop priorities and to determine the best use of resources in 2016. RMIT's planning and implementation team will translate these priorities into actions across the organisation.

#shapeRMIT will continue to encourage engagement and feedback, holding the University to account and accelerating learning and sharing across the RMIT community.

This Report highlights key achievements, activities and highlights for the University in 2015 against the three broad directions outlined in the new Strategic Plan.





RMIT's Emily MacPherson Building opened in 1926.

Celebrating the University's past and future

RMIT students and staff were asked to #shapeRMIT during a week of activities focused on celebrating our foundations and planning for our future.

The activities included a Q&A forum hosted by former RMITV participant Waleed Aly, at which students, prominent alumni and guests debated the University's future direction. Passion, experience, commitment and innovation were key themes to emerge from the forum.

Events to celebrate the University's 128th birthday were held at the City, Brunswick and Bundoora campuses, attracting 12,500 people and providing free food, music, entertainment and activities.

A special artwork was created based on student feedback about what they wanted from the University over the next five years.

Events were held for Vietnam and Singapore-based students and staff later in the year.

Engagement with #shapeRMIT

Total website page views: 82,974

Individual sessions (unique and returning): 22,782

Unique users: 13,527

People registered for online discussions: 1,009

Comments on Five Minutes for Five Years webpage: 933



Students and staff were encouraged to post images of the celebration to social media.

You asked. We delivered.

From the miniature world of USB charging points to the construction of new study spaces, RMIT has sought and acted on student feedback.

In collaboration with the student union, RUSU, the University delivered improvements in Melbourne spanning from immediate solutions to long-term structural change.

Enhancements to facilities and services under the project *You asked. We delivered.* included:

- installation of 2000 powerpoints and 70 microwaves across all campuses
- upgrade of 122 drinking fountains
- upgrade and development of 53 study spaces and student lounges
- 1765 new chairs
- development of a 24-hour computer lab
- cheaper parking at Brunswick and Bundoora campuses
- increase in online grading (50,000 assessments graded using GradeMark in 2015)
- increase in recording of lectures (3,600 lectures recorded in 2015)
- a new Myki top-up facility at Bundoora campus

The improvements were communicated to students as a multi-channel campaign led by a series of fun videos shared on social media.

Life-Changing Experiences

RMIT will create life-changing experiences by offering transformative education and connected pathways to students from all backgrounds.

A key plank of RMIT's new Strategic Plan is to deliver life-changing educational experiences integrating learning, campus, social and work connections, and to facilitate pathways opened up by these experiences. This change in perspective and opportunity is integral to ensuring that students are ready for life and work.

At the heart of a transformative student experience is:

- contemporary, rigorous, imaginative teaching
- digitally enabled learning
- diversity as the source of educational and collaborative excellence
- a trailblazing approach to assessment and credentials
- learning integrated with work at every stage of the student journey
- the opportunity for students to experience a range of cultures, traditions, ideas and perspectives to ensure they are equipped to contribute to a diverse global workforce

The University will continue to deliver a distinctive form of connected education that supports access, progression and pathways for students from all backgrounds, experience and cultures. We will create new ways of recognising student learning and capability that capture the knowledge, competencies and impact of our students.

RMIT places significant emphasis on providing opportunities to gain overseas industry and clinical experience. All students have the chance to participate in international experiences including student exchange, global intensives, industry placements and research programs, internships and volunteering, as well as cross-campus opportunities at the Melbourne and Vietnam campuses. More than 2000 RMIT students took part in a global mobility program in 2015.

RMIT Vietnam is extending its exchange program to enable students to study one or two semesters in Melbourne or at one of 195 university partners in 40 countries. In 2014–15, 300 students joined the exchange program to study in the US, Australia, the Netherlands and the UK, and 140 students completed a semester overseas in 2015 through the Study Abroad program.

RMIT is strengthening its relationship with India by awarding internships to postgraduate students from the International Institute of Information Technology, Bangalore. The two researchers will develop cloud support applications for industrial automation engineering and personal safety monitoring within the VXLab.

Australia's largest trading facility for finance students was launched at RMIT in partnership with Thomson Reuters. The high-tech teaching environment and systems enable undergraduate and postgraduate students to complete simulated client transactions drawing on live data feeds and analytics from global financial markets.

As well, RMIT Vietnam has become the first to introduce a financial markets trading lab in a country without a stock exchange. The state-of-the-art classroom facility, replicating a real-world trading room, is equipped with 30 special computers and financial data software from Reuters.

Defence Force members wanting to start their own business are being assisted by a nationally-accredited initiative, the Prince of Wales' Lead Your Own Business program. Based on a program put in place by The Prince's Charities in Canada, the course will involve completion of the Certificate IV in Small Business at RMIT's simulated business space, as well as extensive mentoring by industry experts.

For over a decade, RMIT has worked closely with the ADF to provide technical training, and in 2015 the University entered into a new \$911,000 contract for a training program using the latest military technologies.

Each year, some 650 fully fledged business plans are created by students through programs such as the New Enterprise Incentive Scheme and RMIT's Business Plan Competition, Business Skills for Creative Industries course and a range of short courses.

In response to this overwhelming interest, RMIT has established a \$5 million New Enterprise Incentive Fund (NEIF) to support business start-ups from the student and alumni community through interest-free loans.

The fund is administered through a board of leading corporate advisors, entrepreneurs, staff and alumni, chaired by broadcaster Eddie McGuire.

RMIT's Fastrack Innovation Program, a collaborative initiative with Deloitte Australia, entered its ninth year. The program sees 24 students from the Entrepreneurship program embedded each year in Deloitte Digital under the guidance of a mentor and coach.

Fifteen students were awarded grants to study on an Australian Consortium for In-Country Indonesian Studies program in Jakarta, as part of RMIT's engagement with the New Colombo Plan and AsiaBound Grants funding programs.



Launch of new trading facility: Student Rachel Huang; Thomson Reuters Head of Sales Pacific, Matt Whaley; Professor Ian Palmer; student Thompson Nguyen.



RMIT is providing technical and business training for Defence Force personnel. Photo: Commonwealth of Australia.



NEIF funding recipients: Katarina Matic (The Young Ones), Anca Grigoras (Metta Skincare), Petrea Dickinson (The Young Ones) and Courtenay Tyrrell (MAUDE Studio).



Fastrack Innovation Program award winners Sophie McDonald, Jake Allan and Ben Grant developed a technology-based solution to help people who struggle to pay fines due to disadvantage and hardship.

In 2015, RMIT won the Best Educational Course Provider in Logistics in the Asian Freight, Logistics and Supply Chain awards. The awards are based on nominations and voting by more than 15,000 *Asia Cargo News* readers and subscribers.

RMIT students won the prestigious L'Oréal Brandstorm national competition for the fourth consecutive year. The competition gives marketing and business students the opportunity to combine theory and creativity by producing new concepts and communications for specific product lines. The winning team travelled to Paris to represent Australia in the international final.

Interior Design students enhanced their intercultural awareness at the Hangzhou International Design Week, during which they designed and installed a series of sculptural objects embodying the theme of healing, for display in both Melbourne and Hangzhou, China. Their installation attracted 15,000 visitors over seven days.

Communication Design students will have the chance to travel, study and work in London and Copenhagen as well as Melbourne and Brisbane as part of INTERACT, an innovative cross-cultural program linking coursework, studio practice and work-integrated learning.

The program – a collaboration between four universities and 16 industry partners – comprises studio-based teaching with an emphasis on applied projects in creative industry settings, and will conclude with an exhibition of student and staff works at the 2017 London Design Festival.

Students and staff at a Fijian high school celebrated the opening of an IT lab built by an RMIT team, in a landmark project to be replicated across the island nation. Developed through a partnership with the Reach 4 Your Future Foundation, which specialises in promoting IT literacy in the Pacific region, the finished lab will connect 100 schools with online education.

Also in Fiji, civil engineering students redesigned and rebuilt a bridge in a remote community which collapsed in 2004 after heavy flooding. RMIT has worked with Fiji National University since 2014 on collaborative projects including research, development of engineering programs and staff and student exchange.

RMIT's first pharmacy graduates spent 2015 giving back to their communities, having all secured internships in Melbourne or in regional areas. The program was the first new Victorian program in the discipline for more than 100 years. The four-year honours degree involves placements in hospitals, health centres and pharmacies, as well as a final-year clinical research project.

A final-year project by IT students produced an application which has now passed the half million download mark. The First Time Pregnancy app provides support to new mothers by illustrating how the foetus is developing throughout the pre-natal period.

RMIT's North Melbourne Teaching Academy for Professional Practice opened its doors in 2015. Funded for two years by the Department of Education and Training, the academy will boost pre-service teachers' practical skills by better harnessing the educational knowledge and classroom insights of experienced teachers.

A new group of remote health service graduates was welcomed into the alumni community in ceremonies held in Alice Springs, Katherine and Ngukurr. RMIT's unique Diploma of Community Services (Alcohol and Other Drugs and Mental Health) and Certificate IV in Alcohol and Other Drugs are designed to meet the vocational training needs of Northern Territory community workers in better managing social issues in local communities.

The programs are delivered with funding from the NT Government and health service providers. New scholarships funded by RMIT Foundation were announced at the ceremonies, which will support NT Aboriginal and Torres Strait Islander students to study at RMIT in Melbourne.

The old Melbourne Magistrate's Court, which forms part of RMIT's City campus, provided the ideal venue for the International Maritime Law Arbitration Mooting competition's first visit to Melbourne. The event, held annually world-wide since 1999, gave Business Law students a unique opportunity to appear before a panel of arbitrators to debate complex legal issues based on factual scenarios.

As part of an innovative work-integrated learning project, RMIT's Office of Urban Transformations Research worked with the Reactivate Latrobe Valley initiative to rejuvenate unused vacant land and unite struggling regional communities. Researchers worked with 150 local volunteers to plant 100,000 sunflower seeds across three hectares at five sites in Moe, Traralgon and Morwell.

Through an ongoing collaboration between Brimbank City Council and RMIT, Civil Engineering students gained valuable industry exposure by mapping and analysing the condition of 1600km of footpaths in Melbourne's north-west.

RMIT Vietnam's Master of Engineering program won an IEAA Excellence Award for Innovation in International Education. The first of its kind in Vietnam, it offers full Professional Engineer accreditation from Engineers Australia. It is also the first program offered by an Australian university overseas under the Australian Department of Foreign Affairs and Trade's pioneering scholarship scheme.

A team of Engineering students beat 21 groups from 11 Australian universities to win the Telstra University Challenge for a device that can share ECG data between medical professionals. As part of their third-year design subject, the group developed a system that can transmit patient scans to reduce the wait for diagnosis and treatment and improve patient outcomes.

A National Library Community Heritage Grant will enable RMITV to bring to life historical footage of some of Australia's best-loved performers. The funding will support a large-scale assessment of the student-run community station's archive, with footage to be digitised.



A new academy will arm student teachers with the practical skills they need to educate and inspire the next generation.



Health service graduates with Vice-Chancellor Martin Bean CBE in Desert Park, Alice Springs. Photo: Charlie Lawson.



Supreme Court Justice John Digby addresses the International Maritime Law Arbitration Moot.



ReActivate Latrobe Valley director Craig Douglas, RMIT's Rosalea Monacella and volunteer Lynton Azlin at a rejuvenated former service station site in Morwell.



RMITV's Nicholas Stevens receives a government grant from Senator Simon Birmingham, federal Minister for Education and Training.

Passion with Purpose

We will go forward with passion and purpose, empowering our people with smarter, simpler systems and managing our resources for a sustainable future.

RMIT's staff and partners are fundamental to achieving our mission. The new Strategic Plan aims to support, develop and empower the University's staff in all areas of the organisation to achieve greater impact and learning. This includes a commitment to providing more effective and supportive processes and systems, and to ensuring the intelligent, timely use of information and analytics.

We will continue to prioritise:

- a team approach to work
- management of financial, physical and social resources for long-term performance and value
- development of places and spaces for creativity and collaboration
- an ongoing commitment to environmental sustainability
- digital infrastructure to support everyday work and to enable creativity and collaboration

A key factor is the provision of a quality and sustainable built environment across all campuses. This embodies a commitment to provide students with enhanced campus facilities through the continued upgrade and development of modern, adaptable and fit-for-purpose places and spaces for learning, collaboration and creativity.

Building on the success of the Swanston Academic Building, the New Academic Street is a key project transforming the heart of the City campus to provide students and staff with facilities to support innovation and enterprise, as well as enhanced access.

The lower levels of four 1970s buildings along Swanston Street will be integrated with the surrounding streetscape, fostering engagement with the Melbourne CBD community. The project will create rooftop spaces, a library double its current capacity, a sophisticated student administration hall (RMIT Connect), media precinct and numerous study spaces, all with the aim of enhancing the student experience.

The first stage commenced in 2015. As part of these works, 39 sub-projects were completed to enable vacation of existing buildings. They included the development of Heavy Structures and Light Structures labs at Bundoora campus, providing Engineering students with purpose-built teaching and research facilities equipped with high-end apparatus.

In a major new initiative aimed at advancing the attractiveness of all campuses, RMIT is building competitively priced accommodation at Bundoora campus. Due for completion early in 2016, the Bundoora West Student Accommodation facility aims to provide a supportive, state-of-the-art environment for students who are far from home.

The \$52.5 million facility will offer 370 beds for rental at reasonable rates. With varied accommodation types and technology-rich communal spaces, the facility will redefine traditional halls of residence.

Refurbishments in 2015 included the Old Melbourne Gaol Gatehouse (Building 11) and Foresters Hall (Building 24). Both works were completed following stringent Victorian heritage requirements in view of the significance of each building to Melbourne's cultural history.

The Gaol Gatehouse refurbishment has maintained the heritage value of the 1860 bluestone building, while providing a modern sustainable working environment.

RMIT has continued to receive industry recognition for its architecture. A'Beckett Urban Square, RMIT's urban recreational and landscaping space, was recognised by Australian Institute of Architects at the Victorian Architecture Awards with the Urban Design award, as well as a Highly Commended award in the Sustainable Design category.

McCraith House, home to RMIT's Writers-in-Residence program, received a Victorian Heritage Award from the National Trust for its recent refurbishment.



The Old Melbourne Gaol Gatehouse was re-opened by Minister for Training and Skills, Steve Herbert, and RMIT Vice-Chancellor, Martin Bean CBE.



The refurbished Old Melbourne Gaol Gatehouse.



Refurbishment of the 1888 home of the Ancient Order of Foresters returned its facade to original condition through rich detailing and decoration.



A'Beckett Urban Square was designed as a piece of "urban theatre" in Melbourne's CBD. Photo: John Gollings.

Australia's newest hub for fashion education and research has been created at RMIT's Brunswick campus, giving students the opportunity to respond to the changing demands of the global fashion design and textiles industries.

The \$8 million flagship building redevelopment includes a 190-seat interactive lecture theatre, new design studios, production labs, digital audio and video equipment, specialist machine rooms and breakout lounges.

RMIT is globally acclaimed for its dynamic and challenging fashion and textiles programs. The development of these facilities supports the positioning of RMIT as the only Australian institute to feature in the top 10 of *The Business of Fashion's* 2015 Global Fashion School Rankings.

RMIT is translating its expertise in health sciences into education programs and clinical training for healthcare professionals through the opening of a new Health Sciences Clinic in Bundoora.

The facility offers discounted treatments to the public in Chinese herbal medicine and therapies, acupuncture, chiropractic, osteopathy and psychology, providing much-needed services in the rapidly expanding northern suburbs growth corridor.

The RMIT Research Node of the ARC Centre of Excellence for Nanoscale BioPhotonics was opened in October. The state-of-the-art \$3 million laboratory will enable researchers to use light to explore deep inside human cells and better understand health problems like fertility, chronic pain and heart disease.

Specialised optical and nanomaterial work areas, high-end instrumentation and two state-of-the-art microscopy systems will support this high-tech activity.

RMIT has become Australia's only academic facility to combine connectivity to industrial automation labs with state-of-the-art visualisation and cloud computing capabilities. The new multi-million dollar Virtual Experiences Laboratory (VXLab) offers a pivotal capability for global collaboration in research areas such as heavy industry, games and immersive experiences in virtual and augmented reality, building and construction management, and remote teaching initiatives.

Facilities include a 3D virtual experience room, immersive multi-perspective visualisation, videoconference and streaming capability to remote sites combined with high-res tiled display.



A redeveloped design studio at RMIT's School of Fashion and Textiles in Brunswick.



RMIT Council member, Janet Latchford; Vice-Chancellor, Martin Bean CBE; Minister for Training and Skills, Steve Herbert; and Andrew Giles MP, at the opening of the Health Sciences Clinic.



RMIT's Brant Gibson and Senator Bridget McKenzie at the launch of the Centre of Excellence for Nanoscale Biophotonics.

Global Graduations

More than 3300 students celebrated the end of their studies at RMIT graduation ceremonies in Vietnam, Singapore, Indonesia, Hong Kong and Malaysia.



Business graduates in Singapore.



Graduation celebrations in Hanoi.



Hong Kong graduates wait to receive their testamurs.

Shaping the World

We will shape the world by focusing on high-impact research and collaboration, by embedding industry and enterprise into everything we do, and by ensuring global reach and outlook.

RMIT pursues its goals through a global network of staff, alumni, facilities and partnerships spread across key urban centres around the world. Our student experiences, research and education are connected to the leading edges of industry and enterprise.

Research at RMIT is a source of inspiration for our students, a catalyst for innovative solutions and a driver of impact and innovation. Our focus on technology, design and enterprise reflects the University's cumulative expertise in fields and methods through which people learn how to shape the world for the better and create new solutions to shared problems.

In 2015, researchers opened up new possibilities for diagnosis, treatment and health analysis by developing high-tech gas sensing capsules that can send data from inside the gut to a mobile phone. Being able to accurately measure intestinal gases could accelerate knowledge about how specific gut micro-organisms contribute to gastrointestinal disorders experienced by a large proportion of the population, enabling tailored diets and improved digestive health.

Diabetes Australia announced funding for research into ways of preventing or managing diabetes. With an estimated 74 Victorians developing diabetes every day and 300,000 in the State already living with the disease, the RMIT researchers will explore novel therapies and new drugs that could reduce the detrimental cardiovascular changes seen in diabetes and metabolic syndrome.

RMIT researchers aim to develop new therapies to extend and improve the lives of those with chronic obstructive pulmonary disease and asthma, as part of a three-year \$720,000 project funded by the National Health and Medical Research Council. The study is also examining the link between COPD and lung cancer, and complements ongoing explorations into the use of acupuncture and Chinese herbal medicines to treat COPD and hayfever.

The China-Australia International Research Centre for Chinese Medicine – formed in 2013 as a joint initiative between RMIT, the Guangdong Provincial Academy of Chinese Medical Sciences, and the Guangdong Provincial Hospital of Chinese Medicine – has reached a major milestone. Researchers published two publications in 2015 through *World Scientific* that will inform tertiary education and clinical practice by providing a reference of clinically-evaluated Chinese medicine treatments for 26 common medical conditions.

State-of-the-art equipment at RMIT's MicroNano Research Facility, which opened in 2014, has enabled award-winning research into stretchy UV sensors. Dr Madhu Bhaskaran, Deputy Director of the Facility, has the chance to work with international partners and turn her flexible electronics into commercial products, after winning a Victoria Fellowship.

Researchers in the Functional Materials and Microsystems Research Group also made their mark internationally with the development of wearable sensor patches, which detect harmful UV radiation known to trigger melanoma and dangerous toxic gases such as hydrogen and nitrogen dioxide.

RMIT is fostering the next generation of humanitarian designers through a new postgraduate degree to build critical skills in design-led disaster recovery. The Master of Disaster, Design and Development was launched at RMIT's European hub and will be taught in both Melbourne and Barcelona. It was developed in partnership with the International Federation of the Red Cross and UN-Habitat.

The program enables students to explore how design can be used as a strategic tool to help resolve complex global challenges including poverty, natural disasters and climate change.

A new book by an RMIT researcher on designing resilient housing after natural disasters was also launched. Dr Iftekhar Ahmed has been chosen as a member of a key UN project to secure climate resilient housing for coastal communities in Bangladesh facing severe poverty and high vulnerability to climate change impacts.

Centre for Urban Research researchers are working with the Department of the Environment as part of the Clean Air and Urban Landscapes hub of the \$142.5 million National Environmental Science Programme. The Centre prioritises applied research that will yield measurable improvements in air quality, urban ecology, planning, design, public health and green infrastructure.

The Minister for Industry, Lily D'Ambrosio, launched a plan at Bundoora campus to make the city's northern region a major food industry hub with the assistance of RMIT's facilities and expertise. The *Food and Beverage Growth Plan – Melbourne's North* outlines strategies to grow jobs and investment in the region, with RMIT playing a vital role in providing research and skills development.



Illustration of a swallowable capsule with built-in gas sensor, microprocessor and wireless high-frequency transmitter. Image: Nam Ha.



Associate Professors Ross Vlahos and Steven Bozinovski aim to reduce the human and financial toll of lung disease.



RMIT experts in traditional and complementary medicine conduct research that contributes to the provision of evidence-based health care to the community.



Dr Madhu Bhaskaran receives the 2015 Victoria Fellowship in Physical Sciences from Minister for Industry, Lily D'Ambrosio.

The Centre for Game Design Research – Australia’s first – was officially launched in August. The centre brings together scholars, artists, designers, engineers and students across RMIT and in other universities and industry. As well as focusing on games for entertainment, relaxation and social interaction, the Centre aims to raise awareness of the use of games in solving problems in other sectors.

An interactive tabletop developed in the Centre’s first year of operation was recognised with a 2015 Victorian Premier’s Design Award. Designed as a rehabilitation tool for people with acquired brain injuries, the system integrates digital media software, tangible user interfaces, augmented feedbacks and artistic expression. Clinical evaluations show that it helps patients to relearn movement skills and improve their day-to-day functioning.

A partnership launched in 2015 with the Victorian Council of Social Service will promote research into the causes and impacts of poverty and disadvantage in Victoria. The Industry Fellowship Research Program, the first in a series of collaborative initiatives between RMIT and VCOSS, will support scholarships and research initiatives to identify innovative solutions to social issues.

RMIT partnered with the National Gallery of Victoria on two significant exhibitions in 2015. The University’s industrial designers and engineers featured in the *Shifting Gear: Design, Innovation and the Australian Car* exhibition. RMIT also sponsored the *Summer Architecture Commission*, which was designed by RMIT alumnus John Wardle and launched by the Vice-Chancellor, Martin Bean CBE.

Two graduates of the Fashion Design (Honours) degree were the sole winners of the annual Australian Fashion Foundation awards, including six-month internships at renowned European or American fashion houses. RMIT fashion graduates have won the award five times since it was established in 2009.

As part of a global learning initiative to raise awareness about sustainable innovation in the apparel industry, RMIT fashion students and staff collaborated with counterparts at Buffalo State, Manchester Metropolitan and Beijing Institute of Fashion Technology in 2015. The CONNECT project enabled open communication regarding consumption, the environmental impact of textile waste, and creative solutions through all phases of the fashion cycle from sourcing, manufacturing and design through to end of life.

RMIT will partner with CA Technologies to help thwart cyber hackers in a research project that has attracted more than \$1 million in funding. The research aims to uncover new ways to mitigate potential threats by focusing on different forms of risk assessment and the identification of high risk user behaviour patterns to deliver better forms of authentication and user management.

RMIT took part in Melbourne Knowledge Week by hosting the third segment of the Global Futures Forum in conjunction with ANZ. Incorporating design thinking and innovation, the forum brought together a prominent industry panel from finance, technology, government, creative digital industries and crowd funding.

The world’s top nuclear weapon policy and strategy experts gathered in Melbourne at a conference hosted by RMIT’s Centre for Global Research in collaboration with the Massachusetts Institute of Technology and the Nuclear Studies Research Initiative.

The week examined the history, current challenges and future threats facing the global nuclear order. The conference was the greatest gathering of nuclear specialists ever held in Australia, bringing together scholars and strategists from the US, UK, China, Iran, Australia and NZ.

RMIT’s Design for Impact festival, held over two weeks in August at the Design Hub, showcased innovation, entrepreneurship and intelligent systems that challenge design, the materials we use and the way we do things. The festival comprised 38 events which helped to explain the role of design in achieving effective and sustainable solutions to complex societal issues.

The international exhibition *Smart Flexibility: Advanced Materials and Technologies* was held for the first time in Australia, concurrently with the festival. The exhibition explored the capabilities of structures and materials designed to adapt architecture to its environment. It was curated by Materfad, Barcelona’s renowned materials centre.

As part of the EU Horizon 2020 research and innovation funding scheme, RMIT Europe has been named a partner in a €2.5 million research project to critically examine the adult education environment in Europe, including existing initiatives, pathways and accessibility.

The 2015 Writers Immersion and Cultural Exchange program brought five Australian and five Asian writers to Vietnam for a collaborative residency in Hoi An, followed by public panel discussions in Hanoi. The program is supported by RMIT and the Copyright Agency Cultural Fund.

Researchers collaborated with medical device company Anatomics and a neurosurgeon to successfully deliver Australia’s first vertebral cage to a patient with severe back pain. The custom-made titanium spinal implant was designed and developed at RMIT’s Advanced Manufacturing Precinct using 3D printing (or additive manufacturing).



The *Elements* project designed to enhance a patient’s motor and cognitive skills was awarded the Premier’s Digital Design Award.



VCOSS CEO Emma King with RMIT’s Professor David Hayward and Vice-Chancellor Martin Bean CBE at the launch of the Industry Fellowship Research Program.



Fashion graduate Grace Butterworth (right) will head to London after receiving an Australian Fashion Foundation grant.



Pixel Skin at the *Smart Flexibility* exhibition. Photo courtesy of Orangevoid.



Minister for Families, Children and Youth Affairs, Jenny Mikakos (left, with Professors Charlotte Williams and David Hayward) visited RMIT to discuss work in child protection and human services with Social Work students.

A research partnership that has developed fast 3D metal printing won the 2015 Bosch Venture Forum Award in Germany. RMIT worked with industry partner Effusion to achieve a remarkable design for the 3D printer using kinetic manufacturing technology. The project was funded by a Future Designers Grant from the Department of State Development, Business and Innovation.

The Advanced Manufacturing Precinct won the International Education Award in the 2015 Victorian Manufacturing Hall of Fame Awards, in recognition of its design innovation and technological expertise.

The award acknowledged the impact of RMIT's research and education in additive manufacturing, with local and international partnerships across the aerospace, automotive, defence and medical sectors. RMIT was the only Australian university honoured in the Awards.

RMIT Training conducted intensive training programs for Indonesian English language teachers and air traffic controllers in Melbourne and Indonesia during the year. The training formed part of a partnership with the Indonesian Ministry of Transportation, which established an RMIT English Language Test for Aviation (RELTA) test centre at the Indonesian Civil Aviation Institute.

RELTA is one of only two English proficiency tests that have been recognised by the United Nations' International Civil Aviation Organization and included in the agency's Home of English Language Proficiency Programme.



New 3D printing technology developed by RMIT in Germany with industry partner Effusion.



Minister for Industry Lily D'Ambrosio presents RMIT's Professor Aleksandar Subic with the International Education Award, with Don Matthews, ED of the Industry Capability Network Victoria.

Excellence in Research

RMIT's research was ranked among the best in the world in the 2015 Excellence in Research for Australia evaluation. RMIT was rated "well above world standard" in 13 fields and "above world standard" in a further nine fields.

Our research in 11 areas of science (including medical science), applied mathematics and engineering, as well as in architecture and media and communications, is ranked among the best in Australia.

The results reflect the University's focused investment in research as part of the strategy to further develop RMIT as a research institution that creates impact through collaboration.

RMIT received significant external research funding during the year, including \$4.9 million in Australian Research Council funding schemes. The funding includes projects relating to nanoparticle inhalation risk assessment, database query optimisation and spatial data management, and the structural reliability of nanocomposite structures.

Seven early career researchers were awarded Discovery Early Career Researcher awards totalling \$2.3 million, while RMIT received six ARC Linkage grants totalling \$1.8 million.

More than \$1.9 million was awarded in ARC Discovery project funding, including \$480,000 for a study into the design of tuneable microstructures for enhanced reliability and productivity in additive manufacturing, which has attracted researchers from Ohio State University and the CSIRO.

Two teams of RMIT researchers attracted Linkage Infrastructure, Equipment and Facilities grants. One of the facilities supports cutting-edge research into multi-layer ceramic microsystems, and will provide a resource that could be the key to breakthroughs in micro/nanotechnologies and telecommunications.

RMIT researchers were also successful in attracting \$1.6 million in National Health and Medical Research Council grants. Projects include the development of a portable, needle-free DNA-based flu vaccine delivery system, and a study into the provision of safer general anaesthesia.



NHMRC grant recipient Professor Leslie Yeo demonstrates the fine mist created by a prototype nebuliser, which could allow vaccines to be inhaled rather than injected.

Students and Staff

Careers and Employability

RMIT was recognised for excellence in student employability in the Victorian Government's 2015 International Education Awards. The Excellence in International Student Employability and Career Development award confirmed RMIT's reputation for producing graduates who are highly valued by employers world-wide.

The award acknowledged several interconnected initiatives as part of a comprehensive "Create Your Future Career" strategy to assist students in increasing their employability. The strategy includes a cloud-based Industry Mentoring Program to facilitate partnerships between students, alumni and industry professionals.

The mentoring program, and the unique technology that underpins it, ensures that RMIT's international students are highly advantaged in accessing networks and developing their employability. In 2015, the program linked 675 students with alumni and industry partners.

As well, RMIT's Jobs on Campus program has provided students with practical work experience to improve their employability and employment outcomes.

The University has also implemented a work-integrated learning system, InPlace, for all VE and HE programs in Melbourne and Vietnam. The system will expand learning and graduate employment opportunities and coordinate student engagement with more than 7000 industry partners and alumni. As well, a University-wide program was launched to enhance students' key employability skills through co-curricular activities tailored to their interests and ambitions.

A new drop-in Job Shop has been established on campus to facilitate services such as resumé reviews, job search advice and work placement assistance.

RMIT Vietnam introduced the Personal Edge program to help students learn the social and personal skills required to succeed in today's competitive world.

Equity and Diversity

More than 3000 students from regional, indigenous and disadvantaged backgrounds in 173 secondary schools participated in *I Belong* activities this year through the University's Schools Network Access Program (SNAP).

The program aims to give priority entry for under-represented groups and build secondary students' awareness and aspirations. More than 1700 students received an RMIT offer through SNAP for 2015 entry.

RMIT launched a new Disability Resource Centre at the Ho Chi Minh City campus to support students and staff with disabilities – the first of its kind in a Vietnam tertiary institution. The service identifies a student's learning disabilities and provides

them with appropriate assessments, support and adjustments. RMIT Vietnam secured significant sponsorship funding from the Jardine Matheson Group, a diversified Asian business group.

RMIT Vietnam awarded 93 scholarships worth VND27 billion to prospective and current students, including nine President's scholarships recognising exceptional academic results and leadership.

In Melbourne, industry scholarships and prizes were created for RMIT students with the support of new industry partners Jayco, Airmaster and Leighton Contractors. Scholarships with existing partners BMD Group and Boeing were renewed.

Student Experience

In response to student feedback, RMIT student services have been brought together into a single service model. RMIT Connect enables easy access to student administration and support services, providing expanded self-service digital options and enhanced on-campus service delivery.

Following the development of a new Sports Centre on Bundoora campus, the RMIT Redbacks were crowned overall champions at the 2015 Southern University Games. As well, RMIT's first indigenous team achieved success in volleyball at the Indigenous University Games.

Learning and Teaching

RMIT's Global Learning by Design project has delivered on its goal to transform courseware through innovative design and flexible delivery. The project connects staff and students globally through core learning and teaching activities. Curriculum design patterns have been incorporated into 50 per cent of undergraduate programs and a wide range of options have been made available for teaching staff to enhance their program delivery.

A new Graduate Future Careers project aimed at increasing employability outcomes has produced a range of innovative resources, tools, curriculum design practices and a career development learning matrix.

RMIT has strengthened its learning and teaching expertise by offering ongoing professional development programs and developing educational capability models. Major events at RMIT in 2015 included Learning and Teaching Expos in Melbourne and Vietnam, and the International Society for the Scholarship of Teaching and Learning's conference.

A structured process of peer review in Melbourne and Vietnam supports good teaching practices as well as academic promotion and internal teaching awards.

A digital learning and teaching strategy has been developed at RMIT Vietnam with interactivity at its core. It includes learning spaces which allow distance collaboration between student groups in Ho Chi Minh City and Hanoi.



Minister for Training and Skills Steve Herbert presents the award for Excellence in International Student Employability and Career Development award to RMIT's Careers and Employability unit.



RMIT's new online mentoring platform makes it easier for students and mentors to connect and communicate.



RMIT's Campus Store was named Best Bookstore for 2015 at the Australian Campus Booksellers Association conference.



RMIT's first indigenous University Games team.

Health, Safety and Wellbeing

2015 has seen continued focus on safety risk management with particular emphasis on mental health awareness and education, chemical management and contractor safety management.

RMIT continues to drive positive return to work, injury management and workers compensation by enabling managers and supervisors with the appropriate skills and capacity. This is enhanced by an early intervention program which is leading the way with best practice standards. The workers' compensation premium remains stable, reflecting this process.

There was significant investment to ensure the availability of adequate and accessible automatic external defibrillators across RMIT campuses.

Staff Engagement

RMIT conducted its fourth All Staff Survey across all campuses to gauge staff satisfaction and engagement against a range of questions.

Since 2007 when the survey was first conducted, the University has seen a continuous increase in staff satisfaction levels, and the 2015 survey showed improved satisfaction in most areas.

Talent, Capability and Development

Two recruitment campaigns for the University resulted in 20 new postdoctoral fellows and 15 research fellows joining the University, as well as the appointment of 34 academics to the College of Business.

Early Career Development Fellowship campaigns were undertaken resulting in 18 new appointments, and an Industry Fellow campaign led to 12 appointments across all colleges.

Workforce planning, talent retention and performance management strategies were implemented to build a flexible workforce with the right skills and capability. The University's leadership development strategy and Diversity and Inclusion Plan to 2020 were initiated.

Code of Conduct

The Code of Conduct for Staff defines how RMIT's values are demonstrated in the University's day-to-day activities, and outlines the standards of behaviour expected by all members of the RMIT staff community. The Code of Conduct principles are as follows:

Respecting others	When working with others, staff are expected to treat students, other staff and members of the community with respect for their rights and obligations.
Behaving professionally	Staff are expected to carry out their work duties in a professional and conscientious manner at all times.
Avoiding conflict of interest	Staff must take reasonable steps to avoid any actual or potential conflict of interest and act in the best interests of the University.
Using University resources	Staff are expected to use all University facilities, equipment and processes efficiently, carefully and in a proper manner.
Recognising intellectual freedom	Staff have a general right to intellectual freedom of enquiry and expression. This applies to areas of intellectual life over which the academic can demonstrate that they possess a level of expertise.

Employment Statistics – Melbourne

Staff type	Total FTE*		Female FTE*		% Female	
	2014	2015	2014	2015	2014	2015
Academic (HE)	1,742	1,850	694	729	40	39
Teaching (VET)	629	639	307	305	49	48
Professional	2,306	2,363	1,431	1,448	62	61
Executive	95	95	30	26	32	27
Total	4,772	4,947	2,462	2,508	52	51

New staff recruitments	Female	%	Male	%	Total
Academic (HE)	91	35	171	65	262
Teaching (VET)	19	40	28	60	47
Professional	240	61	151	39	391
Executive	4	9	39	91	43
Total	354	48	389	52	743

Employment Statistics – Vietnam

Staff type	Total FTE*		Female FTE*		% Female	
	2014	2015	2014	2015	2014	2015
Academic (HE)	167	126	61	46	37	37
English language programs	106	66	35	18	33	27
Professional	367	330	245	218	67	66
President's office	14	15	5	5	36	33
Total	654	537	346	287	53	53

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

Data as at 31 December 2015

Occupational Health and Safety

	2013	2014	2015
Lost time injury frequency rate	2.86	1.81	2.07
<i>Change to previous year</i>	-15%	-37%	+14%
WorkCover claims submitted	38	32	37
<i>Change to previous year</i>	-22%	-16%	+15%
OHS incident reports	413	426	370
<i>Change to previous year</i>	+13%	+3%	-13%
WorkSafe notifiable incidents	6	13	23
<i>Change to previous year</i>	-45%	+117%	+77%
WorkSafe improvement notices	3	0	1

Student Diversity

	2011	2012	2013	2014 ¹	2015 ²
All Students %					
Higher Education					
Female	50	49	49	48	48
Male	50	51	51	52	52
International	51	49	47	44	44
Domestic	49	51	53	56	56
Vocational Education					
Female	46	45	44	43	40
Male	54	55	56	57	60
International	6	5	5	7	8
Domestic	94	95	95	93	92
Age Group %					
Higher Education					
Young people 15-19	10	12	10	11	12
Aged 20-24	57	57	57	58	59
Mature age 25-44	30	28	30	28	27
Mature age 45+	3	3	3	3	2
Vocational Education					
Young people 15-19	30	31	31	29	30
Aged 20-24	32	32	31	33	34
Mature age 25-44	30	29	30	30	30
Mature age 45+	9	9	8	8	6
Equity (Domestic) %					
Higher Education (Undergraduate only)					
School leavers	44	44	47	40	42
VE student admissions to HE	20	18	18	20	17
Overseas born	20	20	20	21	21
Non-English speaking background	5	5	6	6	6
Rural/remote	11	11	8	9	9
Low socio-economic status (postcode)	15	16	16	14	16
Aboriginal and Torres Strait Islanders	0.4	0.5	0.4	0.4	0.4
Vocational Education					
School leavers	17	15	14	14	16
Overseas born	25	25	26	26	27
Non-English speaking background	9	10	10	10	11
Rural/remote	12	13	12	11	13
Low socio-economic status (postcode)	16	18	19	17	21
Aboriginal and Torres Strait Islanders	1.2	1.2	1.1	1.3	1.1

	2011	2012	2013	2014 ¹	2015 ²
HE and VE Broad Field of Education (Load in EFTSL/EFTS)³					
Natural and Physical Sciences	3,363	3,593	3,996	2,402	2,525
Information Technology	4,141	3,911	3,863	2,851	2,716
Engineering and related technologies	6,656	7,035	7,021	8,431	8,809
Architecture and Building	3,245	3,307	3,244	4,262	4,561
Agriculture, Environment and related studies	333	355	390	299	297
Health	3,182	3,322	2,991	3,260	3,503
Education	1,282	1,285	1,434	1,667	1,335
Management and Commerce	13,948	13,621	15,048	19,162	18,879
Society and Culture	7,945	8,264	8,469	4,139	4,312
Creative Arts	6,572	6,815	6,881	7,304	7,863
Mixed field programs	811	859	630	825	927
Total	51,478	52,367	53,967	54,602	55,727
HE and VE Attendance Type/Mode					
Full Time	47,210	48,674	50,928	53,553	54,016
Internal	43,410	44,197	46,489	48,623	49,337
Multi-modal ⁴	3,800	4,477	4,439	4,930	4,679
Part Time	25,022	23,757	22,781	20,622	22,111
Internal	24,441	23,087	22,059	19,903	21,442
Multi-modal ⁴	581	670	722	719	669
Distance/fully online	2,613	2,228	1,804	1,232	1,194
Open Universities Australia (OUA)	7,277	6,914	6,090	5,393	4,601
Foundation Studies (FS)	723	606	626	788	1,103
Total (HE, VE, OUA and FS)	82,845	82,179	82,229	81,588	83,025

¹ Some 2014 and historical values updated to reflect final position.

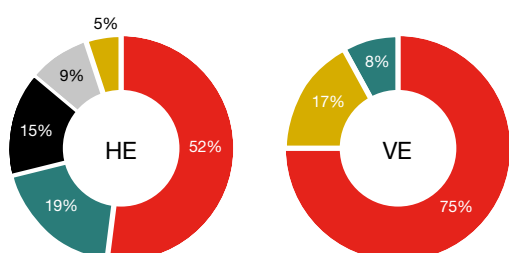
² 2015 data is provisional as at February 2016. Final data available April 2016. Figures are based on student enrolments and exclude OUA and Foundation Studies unless specified.

³ VE EFTSL converted using Student Contact Hours/720

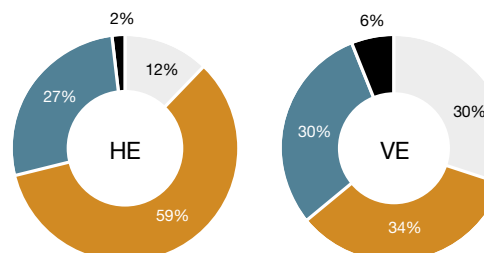
⁴ Multi-modal refers to both internal and external mode of attendance.

Student Fee-Type Enrolments (HE and VE Load in %)

Student fee type	HE	VE
Government-funded	52	75
Australian fee-paying	5	17
International Onshore	19	8
International Offshore	15	0
Vietnam	9	0
Indonesia	0	0



Age group	HE % headcount	VE % headcount
Young people 15-19	12	30
Aged 20-24	59	34
Mature age 25-44	27	30
Mature age 45+	2	6



Sustainability and Resource Usage

RMIT is committed to incorporating sustainability principles and practices into learning and teaching, research and operational activities.

Australia's largest tertiary education infrastructure renewal project, the Sustainable Urban Precincts Program, was progressed in 2015 across the University's three Melbourne campuses.

Intended to be complete in September 2017, the \$98 million project aims to reduce electricity use by 239 million kilowatt hours over eight years, leading to a 30,000-tonne reduction in greenhouse gas emissions. Water use will be cut by an estimated 68 million litres. Air conditioning services to 45 per cent of all three campuses are being upgraded.

In a world-first, research and education are an integral part of delivering on the project's bold targets, with the aim of giving students and staff the opportunity to contribute and learn from this once-in-a-generation program. As well as investing in infrastructure renewal, the program is providing \$4.8 million in funding to support teaching and research projects, including 13 PhD scholarships.

Also in 2015, RMIT's teaching and research of sustainability in the built environment received global recognition in winning the Royal Institution of Chartered Surveyors' Sustainability Award. The award, which is aligned to the United Nations Principles for Responsible Management Education, showcases best practice and achievement in construction-related programs.



RMIT's green research and teaching team.

RMIT students were honoured at the annual Green Gown Awards, managed by Australasian Campuses Towards Sustainability, for Greening RMIT – a student-run initiative dedicated to promoting sustainable food and gardening on campus.

Since 2008, RMIT has committed to a target in partnership with the Australian Technology Network of Universities to reduce greenhouse gas emissions by 25 per cent by 2020, compared to 2007 as the base. To date, the University has met all interim targets and is on track to achieve the overall target by 2020.

Resource Usage	2007	2008	2009	2010	2011	2012	2013	2014	2015
Annual energy consumption per floor area (GJ/GFA)	0.767	0.758	0.732	0.788	0.798	0.767	0.759	0.749	0.773
Water consumption per EFTSL (kl)	5.7	5.5	5.1	4.9	4.7	4.9	5.1	5.8	5.2
Greenhouse gas emissions (t CO ² -e)	79,124	70,548	61,414	63,890	64,608	65,053	65,192	64,402	64,798
GreenPower consumption (MWh)	1,072	8,648	11,329	11,953	11,852	11,925	12,545	12,159	12,403

GFA: Gross Floor Area. EFTSL: equivalent full-time study load.

	2015
Reduction in emissions from 2007 baseline	18%
Reduction in energy per floor area from 2007 baseline	8%

Governance

RMIT University is governed by a Council that in 2015 consisted of:

- the Chancellor
- the Vice-Chancellor
- the Chair of the Academic Board
- four persons appointed by the Governor in Council
- one person appointed by the Minister
- four persons appointed by Council

Consistent with the Royal Melbourne Institute of Technology Act 2010, as from time to time amended, the Council is the governing body of the University and has responsibility for the general direction and superintendence of the University.

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

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

As part of its commitment to good governance practices, in 2003, the University Council adopted a charter containing broad governance principles. This charter is reviewed annually and a review commenced in 2015. Declarations received from Council members have indicated no conflict of interest or pecuniary interest other than remuneration disclosed in the financial statements.

The University has paid a premium for an insurance policy for the benefit of the directors and employees of RMIT and controlled entities of RMIT.



L to R: Dr Stephen Duckett, Mr James Michelmore, Ms Anne Ward, Ms Amanda Way (University Secretary), Dr Ziggy Switkowski AO, Mr Bruce Akhurst, Mr Martin Bean CBE, Mr Brett Paton, Ms Janet Latchford, Mr Gary Hogan AM CSC, Professor David Hayward, Ms Rhonda O'Donnell.

In accordance with its charter the Council reviews its performance regularly, with an evaluation being completed during the year. As well as its regular meetings, Council had two strategic discussions in 2015, the first focusing on regulation, benchmarking and strategic priorities, and the second on higher education business models, the strategic plan and priorities for 2016 including financial planning and the University's focus areas.

The Nomination and Remuneration Committee oversaw nominations to Council, its committees and subsidiaries, as well as induction and professional development for Councillors. In line with Victorian Government guidelines, optional remuneration was available for independent members of Council.

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

Most controlled entities reviewed their statements of governance principles and reported on changes to the skills, experience and qualifications of directors, and on their frameworks for risk management and internal audit.

RMIT is compliant with the Voluntary Code of Best Practice for the Governance of Australian Universities.

Council Members in 2015

Mr Bruce Akhurst

Appointed by RMIT Council, member since 1 August 2013.

Most recent appointment: 1 August 2013.

BEd(Hons) (Monash), LLB.

Other directorships: Library Board of Victoria, Adstream Holdings Pty Ltd (Chair), Paul Ramsay Holdings Pty Ltd.

Mr Martin Bean CBE

Vice-Chancellor and President (ex-officio), member since 27 January 2015.

Most recent appointment: 27 January 2015.

BEd(Adult) (UTS), LLD(Hon) (London).

Emeritus Professor Stephen Duckett

Appointed by the Minister, member since 7 April 2014.

Most recent appointment: 7 April 2014.

DipEd(Tert) (DDIAE), DipLegStud (La Trobe), BEd (ANU), MHA, PhD, DSc (UNSW), DBA (Bath), FASSA, FAHMS, FAICD.

Other directorships: South Australian Health Performance Council.

Professor David Hayward

Chair of the Academic Board (ex-officio), member since 11 February 2014.

Most recent appointment: 1 February 2015.

BA, GradDipUrbSoc (Swinburne), PhD (Monash), GAICD, MAIPA.

Mr Gary Hogan AM, CSC

Appointed by Governor in Council, member since 13 October 2014.

Most recent appointment: 29 September 2015.

BA (Hons), Master of Defence Studies (UNSW).

Ms Janet Latchford

Appointed by Governor in Council, member since 18 May 2010.

Most recent appointment: 1 January 2013.

Deputy Chancellor since 8 September 2014.

BCom (Melb), FCPA, GAICD.

Other directorships: RCD Fund.

Mr James Michelmore

Appointed by RMIT Council, member since 1 January 2014.

Most recent appointment: 1 January 2014.

AssDegEngTech(Mechanical) (RMIT), BEng (Automotive)(Hon) – current studies.

Ms Rhonda O'Donnell

Appointed by Governor in Council, member since 23 September 2008.

Most recent appointment: 1 January 2013.

GradDip (InnovServMgt), MAppSc (InnovServMgt) (RMIT), FAIM, MAICD, MAHRI.

Other directorships: MTAA Superannuation Fund Pty Ltd, Slater & Gordon Ltd, Catapult Group International Ltd, O'Donnell Global Solutions.

Mr Brett Paton

Appointed by RMIT Council, member since 1 January 2013.

Most recent appointment: 1 January 2013.

BEd (Monash), ACA.

Other directorships: Escala Partners Pty Ltd (Chair), PLC Venture Capital (Singapore) (Chair).

Professor Julianne Reid

Appointed by RMIT Council, member since 7 May 2014.

Most recent appointment: 7 May 2014 to 7 April 2015.

BPharm(Hons), PhD (Qld), MAICD.

Dr Ziggy Switkowski AO

Chancellor (ex-officio), member since 1 January 2011.

Most recent appointment: 1 January 2011.

BSc(Hons), PhD (Melb), FAICD, FTSE.

Other directorships: NBN Co (Chair), Suncorp Ltd (Chair), Tabcorp Holdings Ltd, Oil Search Ltd.

Ms Anne Ward

Appointed by RMIT Council, member since 28 May 2015.

Most recent appointment: 28 May 2015.

BA, LLB (Melb).

Other directorships: Colonial First State Investments Ltd (Chair), Qantas Superannuation Ltd (Chair), Zoological Parks and Gardens Board (Chair), MYOB Group Ltd, Avanteos Investments Ltd (Chair) and Colonial Mutual Superannuation Pty Ltd (Chair).

Council Committees

Council has established committees to assist it in discharging its responsibilities. Each committee had a work plan of activity to exercise its responsibilities in 2015, and all committees reported to Council on their activities.

Audit and Risk Management Committee

The Audit and Risk Management Committee acts on behalf of Council to monitor the audit controls and risk management of the University and associated processes. Its objectives are to assist Council in discharging its responsibilities to the University and its controlled entities with respect to:

- the integrity of the annual financial statements and financial reporting
- exposure to legal and business risk
- the effectiveness of the external and internal audit functions
- the adequacy and effectiveness of financial management, financial control systems and other internal controls
- the process for monitoring compliance with laws and regulations
- monitoring of compliance with the code of conduct

Nominations and Remuneration Committee

The Nominations and Remuneration Committee acts on behalf of Council to ensure Council and the Boards of RMIT-controlled entities have an effective balance of skills and experience and to monitor senior executive remuneration. The Committee meets to:

- recommend candidates for Council vacancies to Council or to the Minister for Training and Skills as appropriate to ensure the Council has an effective balance of relevant skills, experience and knowledge
- recommend to Council a person to be appointed or reappointed as Chancellor and Deputy Chancellor
- recommend to Council membership of Council committees and oversee the appointment of directors to RMIT-controlled entities
- recommend candidates to Council for honorary awards
- annually agree and monitor performance targets for the Vice-Chancellor
- annually decide on the quantum of the Vice-Chancellor's performance bonus and total employment cost
- consider, when required, issues relating to the Vice-Chancellor's contract and make recommendations to Council
- review and set total employment cost ranges for all executive staff
- review and approve the performance assessments and bonuses recommended by the Vice-Chancellor for the direct-report senior executives
- recommend the appointment and reappointment for more than 12 months of senior executive staff who report to the Vice-Chancellor
- provide advice to the Vice-Chancellor on executive performance appraisal mechanisms

Infrastructure and Information Technology Committee

The Infrastructure and Information Technology Committee is responsible to Council for the provision of advice on infrastructure and information technology matters within the Capital Development Plan. The Committee meets to:

- consider major capital infrastructure and information technology projects/investments of significant complexity or risk, or of strategic significance to the organisation, and make recommendations to Council about future directions (it is the responsibility of Management to bring to the attention of the Committee any project variance of significance)
- oversee and monitor significant projects already in progress to ensure they evidence value for money, efficiency, meet key milestones and performance indicators, align with the University's strategy, and produce measurable benefits for the organisation (Vice-Chancellor to identify significant projects for Committee oversight)
- oversee the University's operating and capital expenditure on infrastructure and information technology assets and projects
- receive and consider quarterly environmental scans of factors external to RMIT that may impact on the University's infrastructure and how it can be used by the University to maximise its impact
- develop a Capital Development Plan encompassing both information technology and infrastructure, including long-term and short-term priorities, in accordance with the University Strategic Plan for endorsement to Council
- oversee the University's asset management, covering the physical assets of the University, their condition, maintenance and lifecycle planning
- oversee the identification and analysis of risks to the University's infrastructure and information technology assets and the development of appropriate mitigation strategies to support resilience and operational effectiveness
- establish sub-committees as required from time to time
- consider any appropriate matters referred to it by Council or the Vice-Chancellor, and refer issues to Council that require decisions by Council as they arise
- meet in accordance with an annual meeting schedule and in addition will convene to consider matters as appropriate at short notice. Members will receive regular reporting between meetings where that facilitates the Committee's functions.

Attendance at Council and Committee Meetings 2015

Name	Council	Audit and Risk Management	Nominations and Remuneration	Infrastructure and Information Technology
Bruce Akhurst	7/8			6/6
Stephen Duckett	7/8	3/3	3/4	
Martin Bean	8/8			5/5
David Hayward	6/8			4/6
Gary Hogan	8/8			6/6
Janet Latchford	8/8	6/6	4/4	
James Michelmore	7/8			
Rhonda O'Donnell	7/8			4/6
Brett Paton	8/8	6/6		
Julianne Reid	1/2			
Ziggy Switkowski	8/8		4/4	5/6
Anne Ward	5/5	2/3		

Notes

- Professor Reid's term ended 7 April
- Ms Ward's term commenced 28 May

RMIT Subsidiaries

All University subsidiaries are governed by a Board of Directors which includes a member or members of the RMIT University Council. Financial performance, operational highlights and risk management are reported quarterly to Council.

RMIT Foundation

The RMIT Foundation was established in 1994 to receive philanthropic gifts and donations made to RMIT University. RMIT Foundation is managed by a Board of Trustees whose actions are governed by a trust deed. The deed makes the trustees responsible for the prudent stewardship of the funds they invest and manage on behalf of RMIT University. The Board is also responsible for ensuring that donors' wishes in making their gifts are met.

Trustees are appointed by RMIT Council. The Board includes higher education, business and community leaders, and financial and legal experts. The following are examples of the funds that RMIT Foundation administers.

The International Visiting Fellowship provides support to internationally engaged research, enabling scholars from around the world who are undertaking research in RMIT's areas of strength to spend time with RMIT academic staff.

Similarly, the International Research Exchange Fellowship supports researchers at overseas partner institutions and at RMIT to make exchange visits in support of collaborative research. The John Storey Junior Memorial Fund allows undergraduate students to visit a sister institution overseas for a period of study. The Malcolm Moore Industry Research Award encourages the development of applied research and strong links between RMIT and its industry partners.

The majority of the Foundation's funds are tied to specific scholarships, prizes, bursaries and grants which support equity in access; overcoming individual financial hardship; excellence in many discipline areas; study and research overseas; presentation of high-quality research; industry placements; and community leadership.

RMIT Vietnam Holdings Pty Ltd

RMIT Vietnam Holdings is wholly owned by RMIT University and in turn owns RMIT International University Vietnam. It also accepts and transfers funds destined for RMIT International University Vietnam and philanthropic projects in Vietnam.

RMIT Vietnam Holdings was engaged in six projects in Vietnam on behalf of and funded by the Atlantic Philanthropies. These projects principally entailed the construction and development of four Learning Resource Centres, each of approximately 7500 square metres, at the Universities of Hue, Danang, Can Tho and Thai Nguyen. Other projects included translation

of the Dewey Decimal System into Vietnamese, training of staff in Vietnam libraries through the National Task Force program, and development of library resources in Vietnam.

Through RMIT Vietnam Holdings, Atlantic Philanthropies has provided funds for a scholarship program for disadvantaged students studying at RMIT Vietnam.

RMIT Spain SL

RMIT Spain SL is the registered name of the company that establishes RMIT's presence in Europe. It trades as RMIT Europe. Since it was established in June 2013, it has grown and developed in three main areas:

- Research: matching European research opportunities to RMIT strengths; supporting the development of multisectoral and transnational research collaborations; accessing European research funding.
- Student mobility: contributing to the global experience of RMIT students through a range of mobility activities in Europe including exchange, joint masters and PhD degrees, industry placements and global intensives.
- Partnerships: building and maintaining high-quality and high-profile academic and industry partnerships to help RMIT raise its reputation in Europe and achieve its research and mobility goals.

European research proposals increased from 16 applications in 2014 to 28 in 2015, of which nine were successful, eight were unsuccessful and 11 are awaiting determination.

RMIT Europe will lead the management of European partnerships for the University to ensure a coordinated relationship framework. A strategic review of engagement has been in progress and opportunities for strengthening key partnerships are being explored with several institutions.

Work is underway to ensure that European Global Intensives (study tours) are coordinated for the University and offer high quality opportunities to all postgraduate students in a number of locations.

The 22 events held in 2015 included an intensive for Mandarin Oriental Hotel executives worldwide to undertake the MBA Executive program.

RMIT Europe was also a key sponsor and participant in the Sónar+D international conference which brings together experts in digital creativity and innovation technology. The conference provided networking opportunities and showcased RMIT research to a large number of visitors and the media.

RMIT Training Pty Ltd

RMIT Training focuses on two business activities: English language programs, and support for academic and professional communities through our Informit Collections and media products.

RMIT English Worldwide (REW) works closely with educational organisations and industry to provide English language training. Partner organisations across Asia, Europe and the Middle East work with REW to help students and professionals improve their English. Notable international organisations such as the United Nations' International Civil Aviation Organization recognise REW assessment and training.

The Informit Collections enable researchers to find Australasian content to support their research needs, as well as helping professionals access journals and literature in specialist industries. EduTV, TVNews and educational media products support learning across the HE sector.

Informit is accessible from all state and university libraries in Australia and from an increasing number of prestigious international institutions such as the British Library and Oxford University.

Supporting these activities is a Finance, HR and IT team which provides specialised services for the online products and services the company provides. Production and Client Services teams also support the organisation. The latter includes administration for short and single courses offered by schools across RMIT University, which is provided as a donation service along with the University Press activity.

The company's strategic and business plans align with the University's strategic plans and the company continues to be profitable.

Spatial Vision Innovations Pty Ltd

Spatial Vision provides geospatial technology services for environmental, land, asset, emergency and health management to government and a growing range of private sector clients. Integrating geographic and organisational data, Spatial Vision provides award-winning solutions including business and planning systems, advanced spatial analyses and practical mapping applications to address some of Australia's most pressing environmental, economic and resource issues.

In 2015, Spatial Vision implemented a Corporate Strategy and new organisation structure to better reflect the needs of the company. The Strategy includes revisions to the company's range of products and services and an even greater focus on business development. During the year, Spatial Vision was appointed Australian and NZ reseller of GIS Cloud, an innovative product suite offering GIS anywhere and on any device.

The company continues to be recognised for its innovation, winning the People and Community category at the 2015 NSW Spatial Excellence Awards. Undertaken for the NSW Office of Water, *Our Water* is an interactive web platform designed to inform the community about the State's water resources.

Statutory Reporting

Freedom of Information

During the reporting period, RMIT received 11 applications under the Freedom of Information Act 1982 (Vic):

Access granted in full	1
Access granted in part:	6
Pending:	0
Lapsed:	0
Withdrawn:	0
Refused:	4
No existing documents:	0
Other:	0

(Applications under Sections 34 and 39)

The University is subject to the provisions of the Freedom of Information Act and has in place procedures to ensure that it meets its compliance obligations. The University's Freedom of Information Officer for 2015 was employed in the University Secretariat.

Protected Disclosures

The Protected Disclosure Act 2012 (Vic) (the Act) sets out the legislative framework for receiving protected disclosures and protecting those who make them.

RMIT is not authorised to accept protected disclosures. Protected disclosures relating to the University or its officers can be made to the Victorian Independent Broad-Based Anti-Corruption Commission. The role of protected disclosure coordinator is carried out by the University Secretary and queries may be directed to that officer.

The Protected Disclosure Management Instruction outlines how RMIT will respond to the requirements of the Act and is available online at: www.rmit.edu.au/policies/pdminstruction

Building Act 1993

To the best of our knowledge and having undertaken all reasonable enquiries and due diligence, we confirm that the University has met compliance with the building and maintenance provisions of the Building Act 1993. Signed annual statements of compliance have been received from contractors where appropriate.

Commercial Activities

Commercial activities of RMIT University for 2015: Nil

Commercial activity of controlled entities: Nil

Report of Operations

The RMIT Annual Report 2015 was prepared in accordance with the Financial Reporting Directions issued by the Department of Treasury and Finance.

National Competition Policy

RMIT has developed costing and pricing models that apply all relevant university costs, including overhead and other indirect costs, and, where appropriate, adjust prices to factor in any competitive advantage the University may have.

The price adjustments offset any inequalities that may exist for the University and enable the University to co-exist with private businesses in a variety of commercial market activities. Most importantly, these models also enable the University to comply with the National Competition Policy including the requirements of the Government policy statement *Competitive Neutrality: A Statement of Victorian Policy and subsequent reforms*.

Public Funding

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

Fees and Charges

In 2015, there were no changes to the level of fees charged to students by the University.

Schedule of Fees and Charges

All fees charged to students at RMIT University are set and approved under the authority of Council. An approved Schedule of Fees and Charges is published each year which lists all fees that may be charged to students. The 2015-16 schedules are available online at: www.rmit.edu.au/study-with-us/applying-to-rmit/local-student-applications/fees/approved-schedule-of-fees-and-charges/

Tuition Fees

In 2015, domestic non-government funded fees increased by an average of 5.7 per cent. International onshore student fees were increased by an average of 5.0 per cent.

Course Material and Administrative Fees

There were no significant changes to the level of fees charged as course material and administrative fees.

Additional Information

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

- Declarations of pecuniary interests
- Shares held by senior officers
- Publications
- Major external reviews
- Overseas visits undertaken
- Promotional, public relations and marketing activities
- Research and development activities
- Occupational health and safety of employees
- Industrial relations
- Sponsored committees
- Consultancies

Enquiries should be directed to:
Vice-President Strategy and Governance
RMIT University
GPO Box 2476, Melbourne VIC 3001
Tel. (03) 9925 2000

Risk Management and Internal Audit

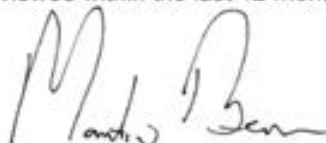
The University has implemented a risk management framework that establishes a systematic process of identification, management and monitoring of risk. The framework is supported by:

- Council's Audit and Risk Management Committee, which regularly monitors and reports to Council on the adequacy of arrangements in place to ensure that risks are effectively managed, and on the outcomes of risk management activities across the group
- a risk management policy that clearly articulates and assigns roles and responsibilities
- the annual review and update of a University-wide risk profile using outcomes from risk assessments that are undertaken by all academic and administrative areas as an integral part of the business planning process
- active management and monitoring by all academic and administrative areas during the year to ensure that appropriate mitigation measures are in place and that net risk exposures remain consistent with RMIT's objectives and risk appetite
- the provision of risk management support, advice, assessment tools and training for University staff
- execution of the annual internal audit plan which is primarily concerned with evaluating the effectiveness of internal controls, and is risk-based to place greater emphasis on those areas of high risk to the University
- crisis management planning across all University campuses based on a risk management approach
- an insurance program that protects the University from financial loss as a result of physical loss of, or damage to, assets and activities, as well as injuries to University staff, students and third parties.

The University considers that this risk management framework is consistent with the Australian Risk Management Standard (AS/NZS ISO 31000:2009).

Attestation on compliance with the International Standard for Risk Management

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



Martin Bean CBE
Vice-Chancellor and President
RMIT University

Date: 27.1.2016

Consultancies 2015

Vendor name	Approved project amount (\$)	Invoiced amount (\$)	Further commitments (\$)	Description
Pricewaterhouse Coopers	2,023,226	1,377,590	645,635	Review of HR operating model and recruitment strategy, Simplicity project
KPMG	715,412	404,812	310,600	Various strategic advice in market research and IT including security assessment
Ernst & Young	510,635	510,635	Nil	Digital strategy development
Deloitte Touche Tohmatsu	219,000	150,500	68,500	Organisational maturity assessment
Deloitte Consulting Pty Ltd	190,000	190,000	Nil	LeadRMIT scope and design solution
Mercer (Australia) Pty Ltd	160,359	145,351	15,008	Market review and recruitment strategy
Symplicit Pty Ltd	154,220	153,746	474	Market research and career toolkit
Information Services Group	109,327	102,800	6,527	ITS strategic sourcing roadmap
ASG Group Ltd	106,700	106,700	Nil	ITS strategic plan
ShineWing Consulting	98,450	98,450	Nil	Taxation and financial modelling advice, market investment review
Strategic Project Partners	96,800	96,800	Nil	Advice on strategy development
Tempo Partners Pty Ltd	88,516	88,516	Nil	International strategy development
	4,472,646	3,425,901	1,046,744	

The above represents a complete list of all 2015 consultancies.

Objects of RMIT University

Extract from the RMIT Act 2010:

The objects of the University include:

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

Disclosure Index

Item No	Source	Summary of Reporting Requirement	Page(s)
STANDING DIRECTIONS OF THE MINISTER FOR FINANCE			
1	SD 4.2(g)	Report of Operations contains general information about the entity and its activities, highlights for reporting period and future initiatives and is prepared on a basis consistent with financial statements pursuant to the Financial Management Act 1994.	4–34
2	SD 4.2(h)	Report of Operations is prepared in accordance with Financial Reporting Directions.	32
3	SD 4.2(j)	Report of Operations is signed and dated by Chancellor or equivalent and includes date of Council Meeting at which Annual Report was approved.	2
4	SD 4.2(a)	Financial Statements are prepared in accordance with: <ul style="list-style-type: none"> – Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements; – Financial Reporting Directions; and – Business Rules. 	38, 47 32, 38, 47 N/A
5	SD 4.2(b)	Financial Statements available, including: <ul style="list-style-type: none"> – Balance Sheet and income statement (Statement of Financial Position); – Statement of Recognised Income and Expense (Income Statement); – Cash Flows Statement; and – Notes to the financial statements. 	43 41 45 46–106
6	SD 4.2(c) and FMA s 49	The financial statements must contain such information as required by the Minister and be prepared in a manner and form approved by the Minister. They must be signed and dated by the Accountable Officer, CFAO and a member of the Responsible Body, in a manner approved by the Minister, stating whether in their opinion the financial statements: <ul style="list-style-type: none"> – Present fairly the financial transactions during reporting period and the financial position at end of the period; – Were prepared in accordance with Standing Direction 4.2(c) and applicable Financial Reporting Directions; and – Comply with applicable Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements. 	38
7	SD 4.2(d)	Financial Statements are expressed in the nearest dollar except where the total assets, or revenue, or expenses of the institution are greater than: <ul style="list-style-type: none"> – \$10,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$1,000; and – \$1,000,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$100,000. 	55
8	SD 4.2(e)	The financial statements were reviewed and recommended by the Audit Committee or Responsible Body prior to finalisation and submission.	2, 38–40
9	SD 4.5.5	Attestation on compliance with the Australian/New Zealand Risk Management Standard.	33
FINANCIAL REPORTING DIRECTIONS			
10	FRD 03A	Accounting for dividends	N/A
11	FRD 07A	Early adoption of authoritative accounting pronouncements	55–56
12	FRD 10	Disclosure Index	35–36
13	FRD 11	Disclosure of ex-gratia payments	100
14	FRD 17B	Long service leave and annual leave for employees	47, 53–54, 65, 78–79
15	FRD 21B	Disclosures of responsible persons, executive officer and other personnel (contractors with significant management responsibilities) in the Financial Report	97–100
16	FRD 22G	Consultants: Report of Operations must include a statement disclosing each of the following: <ol style="list-style-type: none"> 1. Total number of consultancies of \$10,000 or more (excluding GST) 2. Location (e.g. website) of where details of these consultancies over \$10,000 have been made publicly available 3. Total number of consultancies individually valued at less than \$10,000 and the total expenditure for the reporting period AND for each consultancy more than \$10,000, a schedule is to be published on the University website listing: <ul style="list-style-type: none"> – Consultant engaged – Brief summary of project – Total project fees approved (excluding GST) – Expenditure for reporting period (excluding GST) – Any future expenditure committed to the consultant for the project 	34
17	FRD 22G	Manner of establishment and the relevant Minister	8, 28, 97

18	FRD 22G	Purpose, functions, powers and duties linked to a summary of activities, programs and achievements	4–5, 8, 9, 15–30, 34
19	FRD 22G	Nature and range of services provided including communities served	4–27
20	FRD 22G	Organisational structure and chart, including responsibilities	9, 12, 28–30
21	FRD 22G	Names of Council members	29
22	FRD 22G	Operational and budgetary objectives, performance against objectives and achievements	6–27
23	FRD 22G	Occupational health and safety statement including performance indicators and performance against those indicators. Reporting must be on the items listed at (a) to (e) in the FRD.	25
24	FRD 22G	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	25
25	FRD 22G	Summary of the financial results for the year including previous four-year comparisons	107–108
26	FRD 22G	Significant changes in financial position during the year	14
27	FRD 22G	Key initiatives and projects, including significant changes in key initiatives and projects from previous years and expectations for the future	6–27
28	FRD 22G	Major changes or factors affecting performance	14
29	FRD 22G	Discussion and analysis of operating results and financial results	7, 14
30	FRD 22G	Post-balance sheet date events likely to significantly affect subsequent reporting periods	86
31	FRD 22G	Where a university has a workforce inclusion policy, a measurable target and report on the progress towards the target should be included	25
32	FRD 22G	Schedule of any government advertising campaign in excess of \$100,000 or greater (exclusive of GST) include list from (a) – (d) in the FRD	N/A
33	FRD 22G	Summary of application and operation of the Freedom of Information Act 1982	32
34	FRD 22G	Statement of compliance with building and maintenance provisions of the Building Act 1993	32
35	FRD 22G	Statement where applicable on the implementation and compliance with the National Competition Policy	32
36	FRD 22G	Summary of application and operation of the Protected Disclosure Act 2012	32
37	FRD 22G	Statement, to the extent applicable, on the application and operation of the Carers Recognition Act 2012 (Carers Act), and the actions that were taken during the year to comply with the Carers Act	N/A
38	FRD 22G	Summary of Environmental Performance including a report on office based environmental impacts	27
39	FRD 22G	List of other information available on request from the Accountable Officer and which must be retained by the Accountable Officer (refer to list at (a) – (l) in the FRD)	32
40	FRD 25B	Victorian Industry Participation Policy in the Report of Operations	N/A
41	FRD 26A	Accounting for VicFleet Motor Vehicle Lease Arrangements on or after 1 February 2004	N/A
42	FRD 102	Inventories	50, 71
43	FRD 103F	Non-financial physical assets	52, 73–74
44	FRD 104	Foreign currency	48, 75, 80–81
45	FRD 105A	Borrowing Costs	41, 53, 57–59, 66, 77–78
46	FRD 106	Impairment of assets	41, 47–49, 51, 57, 66
47	FRD 107A	Investment properties	N/A
48	FRD 109	Intangible assets	52–53, 75
49	FRD 110	Cash Flow Statements	45
50	FRD 112D	Defined benefit superannuation obligations	54, 86–87
51	FRD 113A	Investments in subsidiaries, jointly controlled associates and entities	31
52	FRD 119A	Transfers through contributed capital	N/A
53	FRD 120I	Accounting and reporting pronouncements applicable to the reporting period	55–56
54	ETRA, s. 3.2.8	Statement on compulsory non-academic fees, subscriptions and charges payable in 2015	32
55	PAEC	Financial and other information relating to the University's international operations	31, 47–48, 95–96
56	University Commercial Activity Guidelines	– 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	31, 32 37–108

N/A – Not applicable



Royal Melbourne Institute of Technology and Subsidiaries

COUNCILLORS' DECLARATION YEAR ENDED 31 DECEMBER 2015

In our opinion:

The consolidated financial statements of Royal Melbourne Institute of Technology (RMIT) consisting of the Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and the accompanying notes thereto, present fairly the financial position of the University and its subsidiaries as at 31 December 2015 and their financial performance represented by the results of their operations for the year ended on that date.

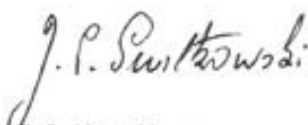
In the Councillors' opinion, as at the date of this declaration, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

The attached financial statements of RMIT and the consolidated entity have been prepared in accordance with the Financial Management Act 1994, applicable Australian Accounting Standards, the Australian Charities and Not-for-profits Commission Act 2012 and other mandatory professional reporting requirements.

All public funds allocated to RMIT have been expended for the purposes specified by the Government or other public funding bodies, and RMIT has complied with applicable legislation, contracts, agreements and program expenditure.

We are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

This declaration is made in accordance with a resolution of the Council of RMIT.



Z. Switkowski
Chancellor



M. Bean
Vice-Chancellor and President

STATEMENT BY PRINCIPAL ACCOUNTING OFFICER

In my opinion:

The financial statements of RMIT present fairly the financial transactions of RMIT and the consolidated entity during the financial year ended 31 December 2015 and the financial position of its operations for the year ended on that date;

Commonwealth financial assistance expected during the financial year ended 31 December 2015 was expended for the purposes for which it was provided;

RMIT has complied in full with applicable legislation, contracts, agreements and the requirements of various program guidelines that apply to the Commonwealth financial assistance identified in these financial statements; and

The financial statements have been prepared in accordance with the Australian Accounting Standards, the Financial Management Act 1994, Standing Direction 4.2(c), the Australian Charities and Not-for-profits Commission Act 2012 and other mandatory professional reporting requirements.

In addition, I am not aware at the date of signing these statements of any circumstances which would render any particulars included in the statements to be misleading or inaccurate and there are reasonable grounds to believe that RMIT will be able to pay its debts as and when they fall due.



S. Donaldson
Chief Finance and Accounting Officer

Dated at Melbourne
This 15 day of March 2016

INDEPENDENT AUDITOR'S REPORT

To the Council members, Royal Melbourne Institute of Technology

The Financial Report

I have audited the accompanying financial report for the year ended 31 December 2015 of the Royal Melbourne Institute of Technology which comprises the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information, and the Councillors' declaration and statement by Principal Accounting Officer of the University and the consolidated entity. The consolidated entity comprises the University and the entities it controlled at the year's end or from time to time during the financial year.

The Council members' Responsibility for the Financial Report

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Council members, as well as evaluating the overall presentation of the financial report.

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

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, I and my staff and delegates have complied with the applicable independence requirements of the Australian Auditing Standards, relevant ethical pronouncements and the *Australian Charities and Not-for-profits Commission Act 2012*.

INDEPENDENT AUDITOR'S REPORT *(continued)*

I confirm that I have given to the Council members a written independence declaration, a copy of which is included in the Council members report.

Opinion

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of their financial performance and cash flows for the year ended on that date
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Regulation 2013*.

MELBOURNE
22 March 2016



Dr Peter Frost
Acting Auditor-General

AUDITOR-GENERAL'S INDEPENDENCE DECLARATION

To the Council members, Royal Melbourne Institute 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 the Royal Melbourne Institute of Technology for the year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the 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
22 March 2016



Dr Peter Frost
Acting Auditor-General

INCOME STATEMENT

for the year ended 31 December 2015

	Note	Consolidated		RMIT	
		2015	2014	2015	2014
		\$'000	\$'000	\$'000	\$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	3	330,467	308,965	330,467	308,965
HELP - Australian Government payments	3	232,686	221,445	232,686	221,445
State and Local Government financial assistance	4	32,488	31,686	32,488	31,686
HECS-HELP - Student payments		17,354	22,063	17,354	22,063
Fees and charges	5	455,620	409,824	369,948	335,064
Other investment income	6	7,996	7,683	5,469	5,271
Consultancy and contracts	7	40,115	35,663	36,518	31,873
Other revenue	8	46,326	40,986	38,967	32,168
Total income from continuing operations		1,163,052	1,078,315	1,063,897	988,535
Expenses from continuing operations					
Employee related expenses	9	662,514	607,932	604,318	554,754
Depreciation and amortisation	10	71,714	64,662	65,507	58,859
Repairs and maintenance	11	24,036	21,058	23,930	21,051
Borrowing costs	12	7,354	6,871	7,772	7,336
Impairment of assets	13	4,056	(4,077)	3,774	(4,277)
Other expenses	14	321,473	304,961	295,427	276,740
Total expenses from continuing operations		1,091,147	1,001,407	1,000,728	914,463
Net result before income tax		71,905	76,908	63,169	74,072
Income tax expense	16	(4,342)	(3,833)	(2,690)	(2,873)
Net result after income tax for the period		67,563	73,075	60,479	71,199
Net result attributable to non-controlling interest	31	153	(124)	-	-
Net result attributed to RMIT entity		67,716	72,951	60,479	71,199

The above Income Statement should be read in conjunction with the accompanying notes.

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2015

	Note	Consolidated		RMIT	
		2015	2014	2015	2014
		\$'000	\$'000	\$'000	\$'000
Net result after income tax for the period		67,563	73,075	60,479	71,199
Items that may be reclassified to profit or loss					
Gain/(loss) on revaluation of available for sale financial assets, net of tax	29	12,044	1,678	12,707	44
Realised (gains)/losses transferred to income statement	29	(157)	-	-	-
Cash flow hedges, net of tax	29	411	(283)	411	(283)
Exchange differences on translation of foreign operations	29	5,502	6,206	-	-
Total items that may be reclassified to profit or loss		17,800	7,601	13,118	(239)
Items that will not be reclassified to profit or loss					
Gain/(loss) on revaluation of land, buildings and artworks, net of tax	29	(383)	171,886	(383)	171,886
Deferred government superannuation contributions	37	3,439	1,858	3,439	1,858
Deferred employee benefits for superannuation	37	(3,439)	(1,858)	(3,439)	(1,858)
Total items that will not be reclassified to profit or loss		(383)	171,886	(383)	171,886
Total comprehensive income		84,980	252,562	73,214	242,846
Total comprehensive income attributable to non-controlling interest	31	153	(124)	-	-
Total comprehensive income attributable to RMIT entity		85,133	252,438	73,214	242,846

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

as at 31 December 2015

	Note	Consolidated		RMIT	
		2015	2014	2015	2014
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets					
Cash and cash equivalents	17	98,984	110,720	90,855	83,779
Receivables	18	55,070	49,534	59,058	53,553
Inventories	19	2,246	1,775	1,782	1,288
Other financial assets	21	43,779	28,132	-	-
Other non-financial assets	24	11,681	12,410	9,413	10,308
Total current assets		211,760	202,571	161,108	148,928
Non-current assets					
Receivables	18	309,518	313,274	309,433	313,210
Available for sale financial assets	20	84,200	54,037	29,276	3,960
Property, plant and equipment	22	2,262,464	2,092,751	2,209,149	2,041,257
Deferred tax asset	16	658	1,016	-	-
Intangible assets	23	25,852	16,883	25,552	16,319
Other financial assets	21	37	158	2,411	2,532
Total non-current assets		2,682,729	2,478,119	2,575,821	2,377,278
Total assets		2,894,489	2,680,690	2,736,929	2,526,206
LIABILITIES					
Current liabilities					
Trade and other payables	25	132,772	127,095	124,252	83,333
Borrowings	26	-	-	-	18,137
Provisions	27	147,019	138,232	134,144	129,237
Current tax liabilities	16	5,785	4,947	5,785	4,947
Other liabilities	28	71,806	73,202	61,468	59,991
Total current liabilities		357,382	343,476	325,649	295,645
Non-current liabilities					
Borrowings	26	231,362	128,868	231,362	128,868
Provisions	27	340,953	328,440	333,115	328,104
Deferred tax liabilities	16	3	4	-	-
Other liabilities	28	117	210	-	-
Total non-current liabilities		572,435	457,522	564,477	456,972
Total liabilities		929,817	800,998	890,126	752,617
Net assets		1,964,672	1,879,692	1,846,803	1,773,589
EQUITY					
RMIT entity interest					
Reserves	29	832,401	814,984	791,220	778,485
Retained earnings	30	1,132,146	1,064,430	1,055,583	995,104
Total RMIT entity interest		1,964,547	1,879,414	1,846,803	1,773,589
Non-controlling interest	31	125	278	-	-
Total equity		1,964,672	1,879,692	1,846,803	1,773,589

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2015

	Consolidated			
	Reserves	Retained Earnings	Non-controlling Interest	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2015	814,984	1,064,430	278	1,879,692
Profit or (loss)	-	67,716	(153)	67,563
Gain/(loss) on revaluation of land, buildings and artworks, net of tax	(383)	-	-	(383)
Gain/(loss) on revaluation of available-for-sale financial assets, net of tax	12,044	-	-	12,044
Realised (gains)/losses transferred to income statement	(157)	-	-	(157)
Exchange differences on translation of foreign operations	5,502	-	-	5,502
Revaluation of hedges	411	-	-	411
Balance at 31 December 2015	832,401	1,132,146	125	1,964,672
Balance at 1 January 2014	635,497	991,404	214	1,627,115
Profit or (loss)	-	72,951	124	73,075
Gain/(loss) on revaluation of land, buildings and artworks, net of tax	171,886	-	-	171,886
Gain/(loss) on revaluation of available-for-sale financial assets, net of tax	1,678	-	-	1,678
Exchange differences on translation of foreign operations	6,206	-	-	6,206
Revaluation of hedges	(283)	-	-	(283)
Other adjustments	-	74	(60)	14
Balance at 31 December 2014	814,984	1,064,430	278	1,879,692

	Parent			
	Reserves	Retained Earnings	Non-controlling Interest	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2015	778,485	995,104	-	1,773,589
Profit or (loss)	-	60,479	-	60,479
Gain/(loss) on revaluation of land, buildings and artworks, net of tax	(383)	-	-	(383)
Gain/(loss) on revaluation of available-for-sale financial assets, net of tax	12,707	-	-	12,707
Revaluation of hedges	411	-	-	411
Balance at 31 December 2015	791,220	1,055,583	-	1,846,803
Balance at 1 January 2014	606,838	923,905	-	1,530,743
Profit or (loss)	-	71,199	-	71,199
Gain/(loss) on revaluation of land, buildings and artworks, net of tax	171,886	-	-	171,886
Gain/(loss) on revaluation of available-for-sale financial assets, net of tax	44	-	-	44
Revaluation of hedges	(283)	-	-	(283)
Balance at 31 December 2014	778,485	995,104	-	1,773,589

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

for the year ended 31 December 2015

	Note	Consolidated		RMIT	
		2015	2014	2015	2014
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Australian Government Grants received	3(g)	535,189	495,117	535,189	495,117
OS-HELP (net)		(97)	561	(97)	561
Superannuation Supplementation		27,760	22,550	27,760	22,550
State Government Grants received		32,488	31,686	32,488	31,686
HECS-HELP - Student payments		17,354	22,063	17,354	22,063
Receipts from student fees and other customers		524,424	508,993	423,208	419,119
Dividends received		2,189	1,813	1,795	1,541
Interest received		4,043	5,187	2,936	3,802
Payments to suppliers and employees (inclusive of GST)		(1,009,414)	(957,682)	(909,671)	(876,255)
Interest and other finance costs		(7,540)	(6,822)	(7,878)	(7,287)
GST recovered/(paid)		35,222	28,446	35,638	28,851
Income tax paid		(1,728)	(2,802)	(1,852)	(2,365)
Net cash provided by/(used in) operating activities	34(b)	159,890	149,111	156,870	139,383
Cash flows from investing activities					
Proceeds from sale of financial assets		2,000	6,000	-	-
Proceeds from sale of property, plant and equipment		2,080	615	2,080	615
Payments for financial assets		(34,487)	(36,986)	(11,840)	(3,900)
Payments for intangible assets		(15,156)	(17,503)	(15,066)	(17,377)
Payments for property, plant and equipment		(235,475)	(150,688)	(227,624)	(142,713)
Proceeds from other financial assets		2,000	-	-	-
Net cash provided by (used in) investing activities		(279,038)	(198,562)	(252,450)	(163,375)
Cash flows from financing activities					
Proceeds from borrowings		312,536	48,868	312,536	48,868
Loans from/(to) related parties		(628)	6	120	(511)
Repayment of borrowings		(210,000)	(30,000)	(210,000)	(30,000)
Net cash provided by (used in) financing activities		101,908	18,874	102,656	18,357
Net increase/(decrease) in cash and cash equivalents		(17,240)	(30,577)	7,076	(5,635)
Cash and cash equivalents at the beginning of the financial year		110,720	135,110	83,779	89,414
Effects of exchange rate changes on cash and cash equivalents		5,504	6,187	-	-
Cash and cash equivalents at the end of the financial year	34(a)	98,984	110,720	90,855	83,779

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTE CONTENTS	PAGE
Notes to the Financial Statements	
Note 1 Summary of significant accounting policies	47
Note 2 Disaggregation information (dual sector and/or operations outside Australia)	57
Note 3 Australian Government financial assistance including HECS-HELP and FEE-HELP	61
Note 4 State and Local Government financial assistance.....	63
Note 5 Fees and charges.....	63
Note 6 Other investment income	64
Note 7 Consultancy and contracts.....	64
Note 8 Other revenue.....	64
Note 9 Employee related expenses.....	65
Note 10 Depreciation and amortisation	65
Note 11 Repairs and maintenance.....	66
Note 12 Borrowing costs	66
Note 13 Impairment of assets	66
Note 14 Other expenses	67
Note 15 Sale of assets	67
Note 16 Income tax	67
Note 17 Cash and cash equivalents.....	69
Note 18 Receivables	69
Note 19 Inventories.....	71
Note 20 Available for sale financial assets	72
Note 21 Other financial assets	72
Note 22 Property, plant and equipment	73
Note 23 Intangible assets.....	75
Note 24 Other non-financial assets	75
Note 25 Trade and other payables	76
Note 26 Borrowings.....	77
Note 27 Provisions	78
Note 28 Other liabilities	80
Note 29 Reserves	80
Note 30 Retained surplus.....	82
Note 31 Non-controlling interest.....	82
Note 32 Contingencies	82
Note 33 Commitments.....	83
Note 34 Notes to statement of cash flows	84
Note 35 Economic dependency.....	86
Note 36 Events occurring after the balance sheet date.....	86
Note 37 Superannuation	86
Note 38 Financial risk management	87
Note 39 Fair value measurements.....	92
Note 40 Subsidiaries	95
Note 41 Related parties	96
Note 42 Remuneration of auditors	97
Note 43 Key management personnel disclosures	97
Note 44 Ex gratia expenses	100
Note 45 Acquittal of Australian Government financial assistance	101

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years reported, unless otherwise stated. The financial statements include statements for Royal Melbourne Institute of Technology (RMIT) as the parent entity and the consolidated entity consisting of RMIT and its subsidiaries (the Group).

The principal address of RMIT is Building 1, 124 LaTrobe Street, Melbourne.

(a) Basis of preparation

The annual financial statements represent the audited general purpose financial statements of RMIT. They have been prepared on an accrual basis and comply with Australian Accounting Standards.

RMIT applies Tier 1 reporting requirements.

Additionally the statements have been prepared in accordance with following statutory requirements:

- *Higher Education Support Act 2003* (Financial Statement Guidelines)
- Australian Accounting Standards Board (AASB) interpretations
- *Financial Management Act 1994*
- *Australian Charities and Not-for-Profits Commission Act 2012*

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

Date of authorisation for issue

The financial statements were authorised for issue by the Council members of RMIT on 15 March 2016.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. They also require management to exercise its judgment in the process of applying RMIT's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis.

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

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates

Depreciation

Management uses external independent valuers to establish the useful life of buildings. Useful lives of other property, plant and equipment are established according to the guidelines provided by the Department of Treasury and Finance, the Australian Taxation Office and Australian Accounting Standards.

Assets are reviewed annually at a class level and this includes making an assessment of the useful life and residual value. Any adjustments to useful lives are then made to a selection of assets within those classes.

Amortisation of Intangible Assets

Management uses estimates of useful life to determine the amortisation of internally developed or acquired Intangible Assets.

Impairment

RMIT assess impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Long Service Leave Provision

In calculating long service leave provisions, management uses a combination of the bond rates issued by the Reserve Bank of Australia, the salary increases in accordance with the Enterprise Bargaining Agreement and the probability factors based on staff retention rates. The methodology is consistent with the Department of Treasury and Finance's long service leave model.

Key Judgments - Provision for impaired receivables

Included in consolidated Accounts Receivable at 31 December 2015 are amounts receivable from customers and students amounting to \$26.402m (2014 - \$20.469m). The full amount of the debt is not recoverable and as such a doubtful debts provision amounting to \$9.732m (2014 - \$7.425m) has been set aside.

Comparative amounts

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

(b) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of RMIT as at 31 December 2015 and the results of all subsidiaries for the year then ended. RMIT and its subsidiaries together are referred to in the financial statements as the Group or the consolidated entity.

1. Summary of significant accounting policies *(continued)*

(b) Basis of consolidation *(continued)*

Subsidiaries are all those entities (including special purpose entities) over which the Group has control. The Group has control over an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power over the investee exists when the Group has existing rights that give it current ability to direct the relevant activities of the investee. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Returns are not necessarily monetary and can be only positive, only negative, or both positive and negative.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method is used to account for the acquisition of subsidiaries by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of financial position and statement of changes in equity.

(c) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

If gains or losses on non-monetary items are recognised in other comprehensive income, translation gains or losses are also recognised in other comprehensive income. Similarly, if gains or losses on non-monetary items are recognised in profit or loss, translation gains or losses are also recognised in profit or loss.

(iii) Group companies

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

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are accounted for by recognising the effective portion in other comprehensive income and the ineffective portion in the income statement. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the gain or loss relating to the effective portion of the hedge that has been recognised in other comprehensive income is reclassified from equity to the income statement as a reclassification adjustment.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

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

Revenue is recognised for the major business activities as follows:

(i) Government financial assistance

Grants from the government are recognised at their fair value where the Group obtains control of the right to receive the grant, it is probable that economic benefits will flow to the Group and it can be reliably measured.

(ii) Fees and Charges

Fees and charges are recognised as income in the year of receipt, except to the extent that fees and charges relate to courses to be held in future periods. Such receipts are treated as income in advance in the statement of financial position. Conversely, fees and charges relating to current year courses are recognised as revenue in the income statement.

(iii) Investment income

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

(iv) Consultancy and Contracts

Contract revenue is recognised in accordance with the percentage of completion method. The stage of completion is measured by reference to labour hours incurred to date as a percentage of estimated total labour hours for each contract.

1. Summary of significant accounting policies *(continued)*

(d) Revenue recognition *(continued)*

(v) Sale of non-current assets

The net profit or loss of non-current asset sales are included as revenue or expense at the date control of the asset passes to the purchaser, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

(vi) Property rental (lease) income

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

(vii) Contribution of assets and donations

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised as revenue at the fair value of the asset received when the Group gains control of the contribution.

(e) Income tax

RMIT does not provide for Australian income tax as it is exempt under provisions of Division 50 of the *Income Tax Assessment Act 1997*.

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction (other than a business combination) that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

Current and deferred tax assets and liabilities relating to the same taxation authority are offset when there is a legally enforceable right to offset current tax assets and liabilities and they are intended to be either settled on a net basis, or the asset is to be realised and the liability settled simultaneously.

Current and deferred tax balances attributable to amounts recognised outside profit or loss are also recognised outside profit or loss.

(f) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases - note 33(b). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

(g) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell. Non-financial assets that were previously impaired are reviewed for possible reversal of the impairment at each reporting date.

(h) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(i) Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are due for settlement no more than 120 days from the date of recognition, and no more than 30 days for other debtors.

Collectability of receivables is reviewed on an ongoing basis. At year end a full review of each debtor balance over 90 Days is conducted. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue for trade and 45 days overdue for student related debt) are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Cash flows relating to short-term receivable are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement.

1. Summary of significant accounting policies (continued)

(i) Receivables (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement within 'Bad and doubtful debts'. When a receivable is uncollectible, it is written off against the allowance account for trade /students receivables. Subsequent recoveries of amounts previously written off are credited against 'Bad and doubtful debts' in the income statement.

Estimated provision for doubtful debts is recorded based on the aged trial balance and the management judgement of debt recovery. Outstanding trade debts that are 90 days overdue are reviewed on an individual basis, and the provision is recorded based on the assessment of the individual debt and the possibility of the debt recovery. Student debts that are 90 days overdue are provided with 100% provision.

No provision is made for receivables from government and education sectors.

(j) Inventories

Stock held for distribution

Stock held for distribution are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Work in Progress

Services:

Valuation of Work in Progress - Services is based on the number of hours charged to project milestones in respect of incomplete and unbilled milestones. These hours are calculated at the average labour cost per billable hour, including on-costs, for the final quarter of the year. An allowance of 10% has been deducted for potential project overruns.

Products:

Valuation of Work in Progress - Products is based on the number of hours charged to project milestones net of budget overruns. These hours are valued at the average direct cost per billable hour.

(k) Investments and other financial assets

Classification

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

During 2015, RMIT changed the method with which it values its investment in Open University Australia and Education Australia from cost to fair value.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term.

(ii) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. RMIT designates certain derivatives as either; (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (2) hedges of highly probable forecast transactions (cash flow hedges).

(a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement within other income or other expense.

Amounts that have been recognised in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the income statement.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in other comprehensive income shall be reclassified to profit or loss as a reclassification adjustment.

(c) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statement.

1. Summary of significant accounting policies *(continued)*

(k) Investments and other financial assets *(continued)*

(iii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance date which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position.

(iv) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

(v) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. In 2015, RMIT now records its investments in Open University Australia and Education Australia as available for sale financial assets as these investments in unrelated entities do not have a maturity date. These assets are reported at fair value.

Regular purchases and sales of financial assets are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are included in the income statement as gains and losses from investment securities.

Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement within other income or other expenses in the period in which they arise.

Changes in the fair value of monetary security denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Fair value

The fair values of quoted investments are based on quoted prices in an active market. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include reference to the estimated price in an orderly transaction that would take place between market participants at the measurement date, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances. In relation to RMIT's investments in unrelated entities, these are valued on a net cash basis.

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. In applying AASB 139, two tests have been considered in determining whether the impairment entries are to be taken to equity: i. the decline is "substantial" (more than 20% below investment cost) and ii. "prolonged" (more than 12 months in that state). Failure to meet either test would require the impairment to be charged to the income statement.

(l) Fair value measurement

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

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

The fair value of assets or liabilities traded in active markets is based on quoted market prices for identical assets or liabilities at the balance sheet date (level 1). The quoted market price used for assets held by the Group is the most representative of fair value in the circumstances within the bid-ask spread.

The fair value of assets or liabilities that are not traded in an active market (for example, over the counter derivatives) is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments (level 2) are used for long term debt instruments held. Other techniques that are not based on observable market data (level 3) such as estimated discounted cash flows, are used to determine fair value for the remaining assets & liabilities. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Fair value measurement of non financial assets is based on the highest and best use of the asset. The Group considers market participants use of, or purchase price of the asset, to use it in a manner that would be highest and best use. In light of AASB 13, the Group has reviewed the fair value principles as well as its current valuation methodologies in assessing the fair value, and the assessment has not materially changed the fair values recognised, eg. the depreciated value represents a reasonable estimate of fair value.

1. Summary of significant accounting policies (continued)**(l) Fair value measurement** (continued)

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(m) Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The last revaluation of land and buildings was performed at the end of 2014. The total revaluation adjustment was \$171.9m consisting of a revaluation of land of \$49.1m, a revaluation of buildings of \$117.6m and a revaluation of artworks of \$5.2m. The next full revaluation is due at the end of 2017. An assessment of land and buildings is performed every year apart from the full revaluation years and any variances greater than 10% are adjusted.

All other property, plant and equipment is relatively low in value, but represents a large proportion of the total volume of assets. Such assets are acquired and disposed of frequently, have short depreciable lives and subject to impairment tests as applicable. There is no evidence to indicate a fair value significantly different from the depreciated cost.

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

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in equity under the heading of revaluation surplus. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are also firstly recognised in other comprehensive income before reducing the balance of revaluation surpluses in equity, to the extent of the remaining reserve attributable to the asset class; all other decreases are charged to the income statement. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred out to retained earnings.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the income statement. When revalued assets are sold, it is Group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

Land and works of art are not depreciated. Depreciation of 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:

	2015	2014
	Years	Years
Buildings	25-100	25-100
Equipment, motor vehicles, furniture and fittings	1.5-20	1.5-20
Leasehold improvements	2-51	2-51
Computer equipment	4	4
Library collection	3-10	3-10

The capitalisation threshold for plant, equipment, computers, motor vehicles and furniture and fittings to be recognised as an asset is \$2,000 (2014: \$2,000). The library collections are capitalised on an individual unit basis as they are considered to be significant in value as a collective group.

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

(n) Leasehold improvements

Leasehold improvements are capitalised and amortised over the shorter of their useful life or the remaining life of the lease.

(o) Intangible assets**(i) Research and development**

Expenditure on research activities is recognised in the income statement as an expense, when it is incurred. Expenditure on development activities, relating to the design and testing of new or improved products, are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development expenditure is recorded as an intangible asset and amortised from the point at which the asset is ready for use. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit, which varies from 4 to 20 years (2014: 4 to 20 years).

(ii) Intellectual property, trademarks and licences

Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation and impairment losses.

(iii) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. The total amount of new internally developed intangible assets must be \$500K or higher in order to be considered for capitalisation.

1. Summary of significant accounting policies (continued)**(o) Intangible assets (continued)****(iv) Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

(v) Amortisation

Intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

The estimated useful lives for the current and comparative years are as follows:

	2015	2014
	Years	Years
Intellectual property, trademarks and licences	4-20	4-20
Capitalised development costs	2-5	2-5
Other intangible assets	3	3

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(p) Trade and other payables

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

(q) 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 removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date and does not expect to settle the liability for at least 12 months after the balance sheet date.

During 2015, the arrangements in relation to unsecured loans from subsidiaries were reviewed and this liability has been reclassified to 'related party payables' in 'trade and other payables'.

(r) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are expensed as incurred in accordance with *Financial Reporting Directive 105*. All other borrowing costs are also expensed.

Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs are included in the definition of borrowing costs.

(s) Provisions

Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost.

Provisions on PhD and HDR scholarships are recognized when the Group has a present legal obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance date. The discount rate used to determine the present value reflects current market assessments of time value of money and the risks specific to the liability.

(t) Employee benefits

Provision is made for employee benefits and on-costs accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

(i) Short-term obligations

Liabilities for short-term employee benefits including wages and salaries, non-monetary benefits and profit-sharing bonuses are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before 12 months after the end of the reporting period, and is recognised in other payables. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

1. Summary of significant accounting policies (continued)**(t) Employee benefits** (continued)**(ii) Other long-term obligations**

The liability for long-term employee benefits such as annual leave, accumulating sick leave and long service leave is recognised in current provisions for employee benefits if it is not expected to be settled wholly before 12 months after the end of the reporting period. It is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. 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.

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

(iii) Retirement benefit obligations

All employees of the Group are entitled to benefits on retirement, disability or death from the Group's superannuation plans. The Group plans are either a defined benefit scheme or a defined contribution scheme. The defined benefit scheme provides defined lump sum benefits based on years of service and final average salary. The defined contribution scheme receives fixed contributions from Group and the Group's legal or constructive obligation is limited to these contributions.

A liability or asset in respect of defined benefit superannuation plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Remeasurement gains and losses arising from experience and adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the statement of financial position.

Past service costs are recognised in income immediately, unless the changes to the superannuation fund are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

Contributions to the defined contribution fund are recognised as an expense as they become payable. Further details are provided in note 37.

(iv) Deferred government benefit for superannuation

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as the Department of Education (Education), the effects of the unfunded superannuation liabilities of RMIT and its controlled entities were recorded in the income statement and the statement of financial position for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements.

The unfunded liabilities recorded in the balance sheet under provisions have been determined by an actuary and relate to the estimates of net liabilities at 30 June 2015. The methodology of measurement of the net liabilities is based on the following actuarial assumptions:

Economic	2015	2014
Discount Rate	3.5% pa	4.1% pa
Salary increase rate	4.0% pa	4.0% pa
Pension Indexation	2.5% pa	2.5% pa

The actuary currently believes, in respect of the long-term financial condition of the Fund, that assets as at 30 June 2015, together with current contribution rates, are not expected to be sufficient to provide for the current benefit levels for both existing members and anticipated new members if experience follows the "best estimate" assumptions or the more conservative "funding" assumptions.

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

Deferred government benefits for superannuation are the amounts recognised as reimbursement rights as they are the amounts expected to be received from the Australian Government for the emerging costs of the superannuation funds for the life of the liability.

(v) Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits not expected to be settled wholly before 12 months after the end of the reporting period are discounted to present value.

(vi) Employee benefit on-costs

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

1. Summary of significant accounting policies *(continued)*

(u) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position and no GST is included on accruals.

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

(v) Repairs and maintenance

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

(w) Restructurings

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

(x) Contingent assets and contingent liabilities

Contingent assets and liabilities are not recognised in the statement of financial position, but are disclosed by way of a note (refer note 32) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of the GST receivable or payable respectively.

(y) Commitments

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

(z) Rounding of amounts

Amounts in the financial statements have been rounded off in accordance with Class order 98/0100 as amended by Class order 04/667, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial statements. Amounts have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

(aa) New Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2015. RMIT's assessment of the impact of these new Standards and Interpretations is set out below:

Standard/Interpretation	Application date	Impact on financial reports
AASB 9 Financial Instruments-The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1 January 2018	Both RMIT University and RMIT Foundation had available for sale financial assets as at 31 December 2015. With the closure of RMIT Foundation, all available to sale financial assets will be transferred to RMIT University. Market value changes will impact on financial results. However, the change of the standards will only affect the method of reporting. Therefore preliminary assessment is that the change should not have material impact on RMIT University.

1. Summary of significant accounting policies *(continued)***(aa) New Accounting Standards and Interpretations** *(continued)*

Standard/Interpretation	Application date	Impact on financial reports
AASB 15 Revenue from Contracts with Customers-The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1 Jan 2017 (Exposure Draft 263 – potential deferral to 1 Jan 2018)	<p>The change of revenue recognition principles will potentially affect financial reporting for RMIT University.</p> <p>AASB conducted a series of consultations with representatives of not-for-profit (NFP) organisations. RMIT's representatives participated in the consultation process individually as well as collectively with other Universities under the banner of AUSFOG (Australian Universities Senior Finance Officer Group).</p> <p>A number of questions were discussed at round table meetings with the AASB. During such discussions, the AASB engaged representatives from various NFP entities to ensure the new standard reflects an appropriate link between legal obligations arising from various contracts, and government funding and accounting assessment and recognition principles. Following the series of round table discussions, the AASB sent 13 questions to the senior financial representatives to address the proposed changes. In order to reflect a collective view of all Universities, questions were addressed by the AUSFOG and detailed input was provided to the consultation process being undertaken by the AASB.</p> <p>A collective submission was provided to the AASB by senior financial representatives of Australian Universities. Current assessment is that the proposed change may potentially have a positive impact on the University's results due to the move from what is effectively 'cash accounting' for Government Grants to the appropriate accrual method.</p> <p>However, this assessment is subject to final published standard.</p>
AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities-The Standard relieves not-for-profit public sector entities from a number of disclosures specified in AASB 13 for assets within the scope of AASB 116 that are held primarily for their current service potential rather than to generate future net cash inflows.	1 July 2016	<p>RMIT University and RMIT Controlled Entities elected to early adopt AASB 2015-7 Fair Value Disclosures of Not-for-Profit Public Sector Entities. The following information is not disclosed within Level 3 of the fair value hierarchy: the quantitative information of significant unobservable inputs and the narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs.</p>

2 Disaggregation information (dual sector and/or operations outside Australia)

(a) Industry - Parent Entity

Operating revenue and expenses for the Higher Education and Vocational Education divisions of the university are shown in the following tables. The figures refer only to RMIT - consolidated totals are not included.

(i) Income Statement

	Higher Education	VET	Total RMIT	Higher Education	VET	Total RMIT
	2015	2015	2015	2014	2014	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from continuing operations						
Australian Government financial assistance						
Australian Government grants	291,226	39,241	330,467	273,948	35,017	308,965
HELP - Australian Government payments	211,244	21,442	232,686	201,421	20,024	221,445
State and Local Government financial assistance	340	32,148	32,488	57	31,629	31,686
HECS-HELP - Student payments	17,354	-	17,354	22,063	-	22,063
Fees and charges	290,574	79,374	369,948	268,437	66,627	335,064
Other investment income	5,177	292	5,469	4,628	643	5,271
Consultancy and contracts	35,479	1,039	36,518	30,423	1,450	31,873
Other revenue	35,961	3,006	38,967	29,282	2,886	32,168
Total income from continuing operations	887,355	176,542	1,063,897	830,259	158,276	988,535
Expenses from continuing operations						
Employee related expenses	492,618	111,700	604,318	454,826	99,928	554,754
Depreciation and amortisation	53,061	12,446	65,507	47,674	11,185	58,859
Repairs and maintenance	19,207	4,723	23,930	16,770	4,281	21,051
Borrowing costs	7,037	735	7,772	6,650	686	7,336
Impairment of assets	2,889	885	3,774	(3,447)	(830)	(4,277)
Other expenses	251,580	43,847	295,427	235,529	41,211	276,740
Total expenses from continuing operations	826,392	174,336	1,000,728	758,002	156,461	914,463
Operating result before income tax	60,963	2,206	63,169	72,257	1,815	74,072
Income tax expense	(2,690)	-	(2,690)	(2,873)	-	(2,873)
Operating result after income tax for the period	58,273	2,206	60,479	69,384	1,815	71,199

(ii) Statement of Comprehensive Income

	Higher Education	VET	Total RMIT	Higher Education	VET	Total RMIT
	2015	2015	2015	2014	2014	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net result after income tax for the period	58,273	2,206	60,479	69,384	1,815	71,199
Items that may be reclassified to profit or loss						
Gain/(loss) on value of available for sale financial assets, net of tax	12,707	-	12,707	44	-	44
Cash flow hedges, net of tax	370	41	411	(254)	(29)	(283)
Total items that may be reclassified to profit or loss	13,077	41	13,118	(210)	(29)	(239)
Items that will not be reclassified to profit or loss						
Gain/(loss) on revaluation of land, buildings and artworks, net of tax	(281)	(102)	(383)	140,528	31,358	171,886
Total comprehensive income	71,069	2,145	73,214	209,702	33,144	242,846

2 Disaggregation information (dual sector and/or operations outside Australia) (continued)**(a) Industry - Parent Entity (continued)****(iii) Statement of Financial Position**

	Higher Education	VET	Total RMIT	Higher Education	VET	Total RMIT
	2015	2015	2015	2014	2014	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS						
Current assets						
Cash and cash equivalents	80,369	10,486	90,855	75,186	8,593	83,779
Receivables	50,920	8,138	59,058	48,657	4,896	53,553
Inventories	1,427	355	1,782	1,030	258	1,288
Other non-financial assets	7,608	1,805	9,413	8,833	1,475	10,308
Total current assets	140,324	20,784	161,108	133,706	15,222	148,928
Non-current assets						
Receivables	309,433	-	309,433	313,210	-	313,210
Available for sale financial assets	29,142	134	29,276	3,960	-	3,960
Property, plant and equipment	1,829,561	379,588	2,209,149	1,675,084	366,173	2,041,257
Intangible assets	19,608	5,944	25,552	12,341	3,978	16,319
Other financial assets	2,411	-	2,411	2,532	-	2,532
Total non-current assets	2,190,155	385,666	2,575,821	2,007,127	370,151	2,377,278
Total assets	2,330,479	406,450	2,736,929	2,140,833	385,373	2,526,206
LIABILITIES						
Current liabilities						
Trade and other payables	102,768	21,484	124,252	67,068	16,265	83,333
Borrowings	-	-	-	18,137	-	18,137
Provisions	114,267	19,877	134,144	110,403	18,834	129,237
Current tax liabilities	5,785	-	5,785	4,947	-	4,947
Other liabilities	56,942	4,526	61,468	55,932	4,059	59,991
Total Current Liabilities	279,762	45,887	325,649	256,487	39,158	295,645
Non-Current Liabilities						
Borrowings	206,090	25,272	231,362	115,594	13,274	128,868
Provisions	329,794	3,321	333,115	324,986	3,118	328,104
Total non-current liabilities	535,884	28,593	564,477	440,580	16,392	456,972
Total liabilities	815,646	74,480	890,126	697,067	55,550	752,617
Net assets	1,514,833	331,970	1,846,803	1,443,766	329,823	1,773,589
EQUITY						
RMIT entity interest						
Reserves	580,736	210,484	791,220	567,940	210,545	778,485
Retained earnings	934,097	121,486	1,055,583	875,826	119,278	995,104
Total equity	1,514,833	331,970	1,846,803	1,443,766	329,823	1,773,589

The allocation of assets and liabilities to Higher Education or VET is made on the following basis:

Cash and cash equivalents

All Bank account balances are allocated on a proportional basis.

Receivables

Receivables directly attributable to Higher Education or VET have been applied and all other trade debtors have been allocated on a proportional basis.

Other financial assets

These are allocated between Higher Education and VET based on their direct relationship to the Division established at the time of acquisition of the asset.

Other assets

These are allocated to Higher Education or VET based on the nature of the asset and its relevance to the Division.

2 Disaggregation information (dual sector and/or operations outside Australia) (continued)**(a) Industry - Parent Entity (continued)****(iii) Statement of Financial Position (continued)****Property, plant and equipment**

The allocation of buildings is based on the usage of space by the VET division. All other assets are allocated to VET division only if directly acquired to be used by VET only.

Trade and other payables

Trade payable directly attributable to either Higher Education or VET have been applied. Other payables have been allocated on a proportional basis.

Borrowings

The non-current interest bearing loan facility represents RMIT's loan with the CBA and Westpac and is allocated on a proportional basis between Higher Education and VET based on the usability of assets. During 2015, the arrangements in relation to unsecured loans from subsidiaries were reviewed and this liability has been reclassified to 'related party payables' in 'trade and other payables'.

Provisions

Provisions have been attributed to either Higher Education or VET as follows:

- directly to the appropriate Division in relation to the teaching and administrative staff operating within each Division;
- administrative support staff not directly operating within the teaching departments have been allocated on a proportional basis; and
- a small number of teaching and administrative staff who operate across the two divisions within the teaching departments have been solely allocated to the area in which they predominantly operate, as it is impractical to determine their proportional contribution to each division.

Other liabilities

Revenue in advance included in other liabilities is directly attributable to either Higher Education or VET, while all other revenue in advance has been allocated on a proportional basis.

(iv) Statement of Changes in Equity

	Higher Education			VET			RMIT
	Reserves	Retained earnings	Total	Reserves	Retained earnings	Total	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as 1 January 2014	427,623	806,440	1,234,063	179,216	117,464	296,680	1,530,743
Profit or (loss)	-	69,384	69,384	-	1,815	1,815	71,199
Cash flow hedges	(254)	-	(254)	(29)	-	(29)	(283)
Gain/(loss) on revaluation of land, buildings and artworks, net of tax	140,528	-	140,528	31,358	-	31,358	171,886
Gain/(loss) on revaluation of available-for-sale financial assets, net of tax	44	-	44	-	-	-	44
Balance at 31 December 2014	567,941	875,824	1,443,765	210,545	119,279	329,824	1,773,589
1 January 2015	567,941	875,824	1,443,765	210,545	119,279	329,824	1,773,589
Profit or (loss)	-	58,273	58,273	-	2,206	2,206	60,479
Cash flow hedges	370	-	370	41	-	41	411
Gain/(loss) on revaluation of land, buildings and artworks, net of tax	(281)	-	(281)	(102)	-	(102)	(383)
Gain/(loss) on revaluation of available-for-sale financial assets, net of tax	12,707	-	12,707	-	-	-	12,707
Balance as 31 December 2015	580,737	934,097	1,514,834	210,484	121,485	331,969	1,846,803

2 Disaggregation information (dual sector and/or operations outside Australia) (continued)**(a) Industry - Parent Entity (continued)****(v) Statement of Cash Flows**

	Higher Education	VET	Total RMIT	Higher Education	VET	Total RMIT
	2015	2015	2015	2014	2014	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities						
Australian Government Grants received	474,506	60,683	535,189	460,100	35,017	495,117
OS-HELP (net)	(97)	-	(97)	561	-	561
Superannuation Supplementation	27,760	-	27,760	22,550	-	22,550
State Government Grants received	340	32,148	32,488	57	31,629	31,686
HECS-HELP – Student payments	17,354	-	17,354	22,063	-	22,063
Receipts from student fees and other customers	349,251	73,957	423,208	348,121	70,998	419,119
Dividends received	1,795	-	1,795	1,541	-	1,541
Interest received	2,437	499	2,936	3,141	661	3,802
Payments to suppliers and employees (inclusive of GST)	(764,124)	(145,547)	(909,671)	(740,927)	(135,328)	(876,255)
Interest and other finance costs	(7,090)	(788)	(7,878)	(6,601)	(686)	(7,287)
GST recovered/(paid)	28,511	7,127	35,638	24,073	4,778	28,851
Income tax paid	(1,852)	-	(1,852)	(2,365)	-	(2,365)
Net cash provided by (used in) operating activities	128,791	28,079	156,870	132,314	7,069	139,383
Cash flows from investing activities						
Proceeds from sale of property, plant and equipment	1,664	416	2,080	385	230	615
Payments for financial assets	(11,840)	-	(11,840)	(3,900)	-	(3,900)
Payments for intangible assets	(12,354)	(2,712)	(15,066)	(13,141)	(4,236)	(17,377)
Payments for property, plant and equipment	(193,480)	(34,144)	(227,624)	(119,762)	(22,951)	(142,713)
Net cash provided by (used in) investing activities	(216,010)	(36,440)	(252,450)	(136,418)	(26,957)	(163,375)
Cash flows from financing activities						
Proceeds from borrowings	281,282	31,254	312,536	43,981	4,887	48,868
Loans from/(to) related parties	120	-	120	(511)	-	(511)
Repayment of borrowings	(189,000)	(21,000)	(210,000)	(27,000)	(3,000)	(30,000)
Net cash provided by (used in) financing activities	92,402	10,254	102,656	16,470	1,887	18,357
Net increase (decrease) in cash and cash equivalents	5,183	1,893	7,076	12,366	(18,001)	(5,635)
Cash and cash equivalents at the beginning of the financial year	75,186	8,593	83,779	62,819	26,594	89,413
Cash and cash equivalents at end of year	80,369	10,486	90,855	75,186	8,593	83,779

(b) RMIT Consolidated Entity

Geographical	Total Revenue		Net Operating Results		Total Assets	
	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australia	1,088,353	1,014,347	63,016	72,935	2,796,423	2,584,764
South East Asia	72,233	62,292	4,845	216	104,134	94,343
Europe	2,466	1,676	(145)	(200)	1,284	1,583
	1,163,052	1,078,315	67,716	72,951	2,901,841	2,680,690

3. Australian Government financial assistance including HECS-HELP and FEE-HELP**(a) Commonwealth Grants Scheme and Other Grants**

	Note	Consolidated		RMIT	
		2015	2014	2015	2014
		\$'000	\$'000	\$'000	\$'000
Commonwealth Grants Scheme		243,983	233,092	243,983	233,092
Indigenous Support Program		437	472	437	472
Partnership & Participation Program		4,869	5,457	4,869	5,457
Disability Support Program		242	324	242	324
Promotion of Excellence in Learning and Teaching		874	535	874	535
Australian Maths & Science Partnership Program		496	520	496	520
Total Commonwealth Grants Scheme and Other Grants	45(a)	250,901	240,401	250,901	240,401

(b) Higher Education Loan Programs

HECS - HELP		167,352	159,536	167,352	159,536
FEE - HELP		40,257	38,257	40,257	38,257
VET FEE - HELP		21,442	20,024	21,442	20,024
SA-HELP		3,635	3,628	3,635	3,628
Total Higher Education Loan Programs	45(b)	232,686	221,445	232,686	221,445

(c) Scholarships

Australian Postgraduate Awards		6,000	5,345	6,000	5,345
International Postgraduate Research Scholarships		464	411	464	411
Commonwealth Education Costs Scholarship		-	(43)	-	(43)
Indigenous Access scholarships		63	54	63	54
Total Scholarships	45(c)	6,527	5,767	6,527	5,767

(d) Education - Research

Joint Research Engagement		7,578	7,157	7,578	7,157
JRE Engineering Cadetship		113	82	113	82
Research Training Scheme		13,699	13,471	13,699	13,471
Research Infrastructure Block Grants		2,064	2,048	2,064	2,048
Sustainable Research Excellence in Universities		1,827	1,678	1,827	1,678
Total Education - Research Grants	45(d)	25,281	24,436	25,281	24,436

(e) Australian Research Council**(i) Discovery**

Projects		7,473	6,356	7,473	6,356
Fellowships		2,238	1,959	2,238	1,959
Total Discovery	45(e)(i)	9,711	8,315	9,711	8,315

(ii) Linkages

Infrastructure		410	500	410	500
Projects		3,497	3,421	3,497	3,421
Total Linkages	45(e)(ii)	3,907	3,921	3,907	3,921

3. Australian Government financial assistance including HECS-HELP and FEE-HELP (continued)**(f) Other Australian Government financial assistance**

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Non-capital				
Superannuation Supplementation	27,402	22,320	27,402	22,320
Other	6,738	3,805	6,738	3,805
Total Non-capital	34,140	26,125	34,140	26,125
Total Australian Government financial assistance	563,153	530,410	563,153	530,410
Reconciliation				
Australian Government Grants (a + c + d + e + f)	330,467	308,965	330,467	308,965
HECS - HELP payments	167,352	159,536	167,352	159,536
FEE - HELP payments	40,257	38,257	40,257	38,257
VET FEE - HELP payments	21,442	20,024	21,442	20,024
SA-HELP payments	3,635	3,628	3,635	3,628
Total Australian Government financial assistance	563,153	530,410	563,153	530,410

(g) Australian Government Grants received - cash basis

	Note	Consolidated		RMIT	
		2015	2014	2015	2014
		\$'000	\$'000	\$'000	\$'000
CGS and Other Education Grants	45(a)	250,901	240,401	250,901	240,401
Higher Education Loan Programs	45(b)	232,123	207,257	232,123	207,257
Scholarships	45(c)	6,527	5,767	6,527	5,767
Education research	45(d)	25,282	24,436	25,282	24,436
ARC grants - Discovery	45(e)	9,711	8,315	9,711	8,315
ARC grants - Linkages	45(e)	3,907	3,921	3,907	3,921
Other Australian Government Grants		6,738	5,020	6,738	5,020
Total Australian Government Grants received - cash basis		535,189	495,117	535,189	495,117
OS-Help (Net)	45(f)	(97)	561	(97)	561
Superannuation Supplementation	45(g)	27,760	22,550	27,760	22,550
Total Australian Government funding received - cash basis		562,852	518,228	562,852	518,228

4. State and Local Government financial assistance

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Non-capital				
Recurrent grants	31,845	31,203	31,845	31,203
Other grants	643	483	643	483
Total State and Local Government Financial Assistance	32,488	31,686	32,488	31,686

5. Fees and charges

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Course fees and charges				
Fee paying onshore overseas students	288,281	257,053	271,676	240,948
Fee paying offshore overseas students	98,669	89,723	35,444	33,840
Continuing education	19,451	20,783	19,421	20,729
Fee paying domestic postgraduate students	8,086	4,487	8,086	4,487
Fee paying domestic undergraduate students	16,314	17,248	16,314	17,248
Fee paying domestic non-award students	3,919	2,766	3,919	2,766
Other domestic course fees and charges	3,082	4,113	2,590	3,547
Total course fees and charges	437,802	396,173	357,450	323,565
Other non-course fees and charges				
Amenities and service fees	14,361	10,499	7,887	7,430
Late fees	214	138	214	138
Library fines	69	6	69	6
Registration fees	38	30	38	30
Other fees and charges	3,136	2,978	4,290	3,895
Total other fees and charges	17,818	13,651	12,498	11,499
Total fees and charges	455,620	409,824	369,948	335,064

6. Other investment income

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Interest	4,745	5,152	3,313	3,713
Dividends	3,251	2,531	2,156	1,558
Total other investment income	7,996	7,683	5,469	5,271

7. Consultancy and contracts

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Consultancy	5,725	5,952	2,774	2,736
Contract research				
Commonwealth Government	13,238	14,876	13,238	14,876
Victorian State Government	2,771	2,509	2,771	2,509
Local Government	764	477	764	477
Industry and other	13,668	10,800	13,346	10,527
Total contract research	30,441	28,662	30,119	28,389
Other contract revenue				
Seminar and conference fees	3,493	567	3,493	567
Service fees	456	482	132	181
Total other contract revenue	3,949	1,049	3,625	748
Total consultancy and contracts	40,115	35,663	36,518	31,873

8. Other revenue

		Consolidated		RMIT	
		2015	2014	2015	2014
	Note	\$'000	\$'000	\$'000	\$'000
Donations and bequests		2,057	1,597	10,571	7,098
Scholarships and prizes		5,750	6,220	5,750	6,220
Product sales		19,786	18,658	7,399	6,929
Property rental		7,004	6,811	8,753	8,018
Foreign exchange gains		1,251	563	276	209
Net realised gain on sale of available-for-sale financial assets		111	22	-	-
Net gain on disposal of property, plant and equipment	15	1,156	59	1,156	62
Supplier rebate		2,046	1,178	2,046	1,178
Other		7,165	5,878	3,016	2,454
Total other revenue		46,326	40,986	38,967	32,168

9. Employee related expenses

	Note	Consolidated		RMIT	
		2015	2014	2015	2014
		\$'000	\$'000	\$'000	\$'000
Academic					
Salaries		270,141	253,604	228,150	215,510
Contributions to superannuation and pension schemes:					
Emerging cost	37(a)	19,164	15,635	19,164	15,635
Funded		34,565	31,658	34,200	31,374
Payroll tax		13,909	13,225	13,618	12,969
Worker's compensation		538	684	486	614
Long service leave expense		5,530	3,865	5,525	3,865
Annual leave expense		19,446	18,314	19,423	18,291
Total academic		363,293	336,985	320,566	298,258
Non-academic					
Salaries		217,323	194,316	204,316	182,028
Contributions to superannuation and pension schemes:					
Emerging cost	37(a)	8,194	6,685	8,194	6,685
Funded		34,315	31,469	32,987	30,223
Payroll tax		13,036	11,899	12,419	11,301
Worker's compensation		582	674	521	646
Long service leave expense		3,791	6,010	3,444	5,838
Annual leave expense		21,980	19,894	21,871	19,775
Total non-academic		299,221	270,947	283,752	256,496
Total employee related expenses		662,514	607,932	604,318	554,754

10. Depreciation and amortisation

	Note	Consolidated		RMIT	
		2015	2014	2015	2014
		\$'000	\$'000	\$'000	\$'000
Depreciation					
Buildings		31,083	26,227	29,520	24,579
Leasehold improvements		1,280	889	1,014	435
Equipment, motor vehicles, furniture and fittings		31,650	31,776	27,682	28,537
Library collection		6,323	5,308	6,323	5,308
Total depreciation	22	70,336	64,200	64,539	58,859
Amortisation					
Amortisation - other intangible assets		1,378	462	968	-
Total depreciation and amortisation		71,714	64,662	65,507	58,859

11. Repairs and maintenance

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Buildings	22,016	19,940	21,915	19,934
Equipment	2,020	1,118	2,015	1,117
Total repairs and maintenance	24,036	21,058	23,930	21,051

12. Borrowing costs

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Interest to related corporations	-	-	423	479
Interest to other corporations	7,354	6,871	7,349	6,857
Total borrowing costs	7,354	6,871	7,772	7,336

13. Impairment of assets

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Amounts set aside for impaired receivables				
Trade debtors	(273)	1,369	(322)	1,393
Student debtors	2,571	2,770	2,342	2,698
Subsidiaries	-	-	-	(2,145)
	2,298	4,139	2,020	1,946
Amounts set aside for impaired intangibles	-	(8,177)	-	(8,177)
Bad debts written off/(recovered) in the Income Statement				
Trade debtors	322	110	322	108
Student debtors	1,432	(157)	1,432	(157)
	1,754	(47)	1,754	(49)
Amounts written off in relation to investment				
Non-related companies	4	8	-	-
	4	8	-	-
Amounts provided for impairment in investment to subsidiaries				
Subsidiaries	-	-	-	2,003
Total impairment of assets	4,056	(4,077)	3,774	(4,277)

14. Other expenses

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Scholarships, grants and prizes	57,328	46,743	60,060	47,200
Non-capitalised equipment	12,265	9,868	12,151	9,767
Advertising, marketing and promotional expenses	21,716	21,142	14,468	15,467
General consumables	11,252	9,816	11,011	9,639
Printing and stationery	5,326	6,061	5,220	5,979
Minimum lease payments on operating leases	30,295	25,923	26,721	22,452
Telecommunications	8,865	6,781	5,642	4,781
Travel, staff development and entertainment	25,011	23,770	22,197	21,271
Foreign exchange losses	891	1,293	647	614
Occupancy Expenses	33,607	29,364	27,511	26,148
Audit fees, bank charges, legal costs, insurance and taxes	7,391	6,711	6,918	6,257
Contractors and consultancy fees	57,307	68,015	54,760	65,614
Patents, copyright and licences	18,204	16,085	17,174	14,011
Memberships and subscription fees	3,201	3,393	3,167	3,369
Computer software support and maintenance	20,590	16,306	20,236	16,020
Other expenses	8,224	13,690	7,544	8,151
Total other expenses	321,473	304,961	295,427	276,740

15. Sale of assets

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Proceeds from disposal of assets				
Property, plant & equipment	2,080	612	2,080	615
Total proceeds from sale of assets	2,080	612	2,080	615
Carrying amount of assets disposed				
Property, plant & equipment	(924)	(553)	(924)	(553)
Total carrying amount of assets sold	(924)	(553)	(924)	(553)
Net gain/(loss) on sale of assets	1,156	59	1,156	62

16. Income tax**(a) Income tax expense**

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Current tax	3,914	4,302	2,907	3,085
Deferred tax	407	(257)	-	-
Adjustment for current tax of prior periods	21	(212)	(217)	(212)
	4,342	3,833	2,690	2,873
Income tax expense is attributable to:				
Net result from continuing operations	4,342	3,833	2,690	2,873
Aggregate income tax expense	4,342	3,833	2,690	2,873

16. Income tax (continued)**(b) Numerical reconciliation of income tax expense to prima facie tax payable**

RMIT's foreign operations are subject to income tax in the following jurisdictions: Germany, Hong Kong, Malaysia, Singapore and Spain.

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Net result from continuing operations before income tax expense	23,409	21,949	17,049	18,018
Tax at the Australian tax rate of 30% (2014: 30%)	7,023	6,585	5,115	5,405
Tax effect of amounts which are not deductible / taxable in calculating taxable income:				
Entertainment	(1)	1	-	-
Non-deductible expenses	(78)	468	-	-
Tax (deduction)/(exemption)	-	(288)	-	-
Additional business income tax provision	-	269	-	-
Sub total	(79)	450	-	-
Difference in overseas tax rates	(3,219)	(2,839)	(2,208)	(2,320)
Adjustment for current tax of prior periods	21	(212)	(217)	(212)
Previously unrecognised tax losses now recouped to reduce current tax expense	175	118	-	-
Deferred income tax benefit reversal/(arising) from deductible temporary differences	421	(269)	-	-
Total income tax expense	4,342	3,833	2,690	2,873

(c) Deferred tax

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Deferred tax assets				
Non-current	658	1,016	-	-
	658	1,016	-	-
Deferred tax liabilities				
Non-current	3	4	-	-
	3	4	-	-
Net deferred tax liabilities	655	1,012	-	-

(d) Current tax liabilities

Current tax liability	5,785	4,947	5,785	4,947
------------------------------	--------------	--------------	--------------	--------------

The following subsidiary is subject to income tax in Australia:

Spatial Vision Innovations Pty Ltd.

17. Cash and cash equivalents

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	20,132	10,869	17,397	6,695
Short-term deposits at call	75,519	86,218	73,458	77,084
Foreign currency bank accounts	3,333	13,633	-	-
Total cash and cash equivalent	98,984	110,720	90,855	83,779

(a) Cash at bank

The cash at bank is bearing floating interest rates between 0.00% and 1.00% (2014 - 0.00% and 1.00%).

(b) Deposits at call

The deposits are bearing floating interest rates between 2.00% and 2.10% (2014 - 2.50% and 2.65%). These deposits have an average maturity of 45 days.

18. Receivables

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Current				
Trade receivables	12,780	10,328	6,249	7,892
Less Provision for impaired receivables	(1,922)	(1,956)	(1,506)	(1,828)
	10,858	8,372	4,743	6,064
Student loans & student receivables	13,622	10,141	13,622	10,141
Less Provision for impaired receivables	(7,610)	(5,469)	(7,610)	(5,469)
	6,012	4,672	6,012	4,672
Government grants receivable	6,545	6,362	6,545	6,362
Deferred government contributions for superannuation*	22,459	22,292	22,459	22,292
Interest receivable	261	248	258	167
Other debtors and accrued income	7,050	7,588	10,033	7,838
Related parties receivable:				
Amounts receivable from subsidiaries	-	-	7,124	6,158
Other receivables	1,885	-	1,884	-
	38,200	36,490	48,303	42,817
Total current receivables	55,070	49,534	59,058	53,553
Non-current				
Other debtors	826	776	793	764
Less Provision for impaired receivables	(200)	-	(200)	-
Deferred government contributions for superannuation*	308,840	312,446	308,840	312,446
Related parties receivable:				
Other related parties	52	52	-	-
	309,518	313,274	309,433	313,210
Total non-current receivables	309,518	313,274	309,433	313,210
Total receivables	364,588	362,808	368,491	366,763

* RMIT recognises a receivable for the amount expected to be received from the Commonwealth Government in respect of unfunded superannuation schemes operated by the State Government. The total consolidated amount owing in respect of these at 30 June 2015 amounted to \$331.3m (\$334.7m as at 30 June 2014). Refer note 27.

18. Receivables (continued)**(a) Impaired receivables**

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Nominal value of impaired receivables				
Trade receivables	1,922	1,956	1,506	1,828
Student loans and student receivables	7,810	5,469	7,810	5,469
	9,732	7,425	9,316	7,297
Amount of provision for impaired receivable set aside				
Trade receivables	1,922	1,956	1,506	1,828
Student loans and student receivables	7,810	5,469	7,810	5,469
	9,732	7,425	9,316	7,297
The ageing of these receivables is as follows:				
3 to 6 months	3,519	3,280	3,476	3,235
Over 6 months	6,213	4,145	5,840	4,062
	9,732	7,425	9,316	7,297

Receivables which were past due but not impaired

These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
3 to 6 months	-	-	-	61
Movements in the provision for impaired receivables are as follows:				
At 1 January	7,425	1,012	7,297	5,351
Provision for impairment recognised during the year	2,629	(199)	2,341	1,946
Write back of provision for impairment	(322)	6,612	(322)	-
At 31 December	9,732	7,425	9,316	7,297

The creation and release of the provision for impaired receivables has been included in Bad and Doubtful debts in the income statement. Amounts charged to the provision are generally written off when there is no expectation of recovering further cash flows.

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

18. Receivables *(continued)***(b) Foreign exchange and interest rate risk**

The carrying amounts of current and non-current receivables are denominated in the following currencies:

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Australian dollar	362,514	360,305	368,114	364,829
American dollar	327	1,085	306	1,063
Euro	860	150	23	142
Hong Kong dollar	41	675	41	675
Japanese yen	-	7	-	7
New Zealand dollar	-	3	-	3
Singapore dollar	-	45	-	45
Vietnamese dong	839	538	-	-
Danish Krone	7	-	7	-
Total receivables	364,588	362,808	368,491	366,763
Current receivables	55,070	49,534	59,058	53,553
Non-current receivables	309,518	313,274	309,433	313,210
Total receivables	364,588	362,808	368,491	366,763

A summarised analysis of the sensitivity of receivables to foreign exchange and interest rate risk can be found in note 38.

19. Inventories

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Current				
Stock held for distribution	2,099	1,604	1,782	1,288
Work in progress	147	171	-	-
Total inventories	2,246	1,775	1,782	1,288

20. Available for sale financial assets

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Non-current				
Investments in managed trust funds - at fair value	70,752	54,037	15,828	3,960
Investments in unlisted shares - at fair value	13,448	-	13,448	-
Total available for sale financial assets	84,200	54,037	29,276	3,960

Investment in Open University Australia was reclassified from Investment in Non-related Entities (2015-\$4.3m from 2014-\$110k) to Available for Sale Financial assets, and from being accounted at amortised cost to fair value to align the accounting treatment of Open University Australia across all shareholders.

Investment in Education Australia was reclassified from Investment in Non-related Entities (2015-\$9.2m from 2014-\$10k) to Available for Sale Financial assets to reflect significant increase in Education Australia assets due to IDP Education Ltd being listed at ASX with the total value of shares as at the end of 2015 as \$417m. Education Australia holds 50% of IDP Education Ltd.

Impairment and risk exposure

None of the financial assets are either past due or impaired.

All available-for-sale financial assets are denominated in Australian currency. For an analysis of the sensitivity of available-for-sale financial assets to price and interest rate risk refer to note 38.

21. Other financial assets

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Current				
Term deposits held-to-maturity	43,779	28,132	-	-
Non-current				
Investments traded on organised markets				
Unlisted shares in subsidiaries	-	-	4,378	4,378
Less Provision for diminution in value of investment	-	-	(2,004)	(2,004)
Unlisted shares in non-related companies	3,342	7,466	3,342	7,466
Less Provision for diminution in value of investment	(3,305)	(7,308)	(3,305)	(7,308)
	37	158	2,411	2,532
Total other financial assets	43,816	28,290	2,411	2,532

22. Property, plant and equipment

		Land	Buildings	Construction in progress	Leasehold improvements	Equipment, motor, vehicles, furniture and fittings	Library collection	Artworks	Total
	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated									
1 January 2014									
Cost		-	35,973	72,002	5,666	27,122	2,622	-	143,385
Valuation		384,279	1,262,482	-	26,392	249,221	84,676	3,037	2,010,087
Accumulated depreciation		-	(50,678)	-	(22,878)	(190,616)	(57,175)	-	(321,347)
Net book amount		384,279	1,247,777	72,002	9,180	85,727	30,123	3,037	1,832,125
Year ended 31 December 2014									
Opening net book amount		384,279	1,247,777	72,002	9,180	85,727	30,123	3,037	1,832,125
Revaluation		49,071	117,614	-	-	-	-	5,201	171,886
Additions		3,950	1,070	116,309	166	17,871	11,715	534	151,615
Transfer out of capital work in progress		1,585	54,126	(70,646)	1,684	13,149	-	73	(29)
Disposals		-	-	-	(4)	(401)	-	(168)	(573)
Depreciation		-	(26,227)	-	(889)	(31,776)	(5,308)	-	(64,200)
Reclassification		-	-	-	(2,424)	2,424	-	-	-
Foreign currency translation gain/(loss)		-	2,898	131	10	(1,112)	-	-	1,927
Closing net book amount		438,885	1,397,258	117,796	7,723	85,882	36,530	8,677	2,092,751
31 December 2014									
Cost		-	43,238	117,796	4,904	33,797	-	-	199,735
Valuation		438,885	1,362,630	-	27,227	273,807	96,391	8,677	2,207,617
Accumulated depreciation		-	(8,610)	-	(24,408)	(221,722)	(59,861)	-	(314,601)
Net book amount		438,885	1,397,258	117,796	7,723	85,882	36,530	8,677	2,092,751
Year ended 31 December 2015									
Opening net book amount		438,885	1,397,258	117,796	7,723	85,882	36,530	8,677	2,092,751
Additions		-	1,970	205,366	96	26,380	5,489	46	239,347
Transfer out of capital work in progress		141	20,445	(64,559)	4,694	39,121	-	158	-
Disposals		(400)	(251)	(1,842)	(8)	(871)	-	-	(3,372)
Depreciation		-	(31,083)	-	(1,279)	(31,651)	(6,323)	-	(70,336)
Foreign currency translation gain/(loss)		-	3,074	120	8	872	-	-	4,074
Closing net book amount	39	438,626	1,391,413	256,881	11,234	119,733	35,696	8,881	2,262,464
31 December 2015									
Cost		-	48,868	256,881	5,036	38,217	101,880	8,881	459,763
Valuation		438,626	1,382,805	-	31,912	326,914	(66,184)	-	2,114,073
Accumulated depreciation		-	(40,260)	-	(25,714)	(245,398)	-	-	(311,372)
Net book amount	39	438,626	1,391,413	256,881	11,234	119,733	35,696	8,881	2,262,464

22. Property, plant and equipment (continued)

		Land	Buildings	Construction in progress	Leasehold improvements	Equipment, motor, vehicles, furniture and fittings	Library collection	Artworks	Total
RMIT	<i>Note</i>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
1 January 2014									
Cost		-	-	66,192	-	-	-	-	66,192
Valuation		384,279	1,262,482	-	26,392	249,441	84,676	3,037	2,010,307
Accumulated depreciation		-	(45,201)	-	(20,513)	(175,536)	(54,553)	-	(295,803)
Net book amount		384,279	1,217,281	66,192	5,879	73,905	30,123	3,037	1,780,696
Year ended 31 December 2014									
Opening net book amount		384,279	1,217,281	66,192	5,879	73,905	30,123	3,037	1,780,696
Revaluation		49,071	117,614	-	-	-	-	5,201	171,886
Additions		3,950	1,050	113,463	-	17,386	11,715	534	148,098
Transfer out of capital works in progress		1,585	51,265	(63,855)	1,585	9,347	-	73	-
Disposals		-	-	-	-	(396)	-	(168)	(564)
Depreciation		-	(24,579)	-	(435)	(28,537)	(5,308)	-	(58,859)
Closing net book amount		438,885	1,362,631	115,800	7,029	71,705	36,530	8,677	2,041,257
31 December 2014									
Cost		-	-	115,800	-	-	-	-	115,800
Valuation		438,885	1,362,631	-	27,227	273,806	96,391	8,677	2,207,617
Accumulated depreciation		-	-	-	(20,198)	(202,101)	(59,861)	-	(282,160)
Net book amount		438,885	1,362,631	115,800	7,029	71,705	36,530	8,677	2,041,257
Year ended 31 December 2015									
Opening net book amount		438,885	1,362,631	115,800	7,029	71,705	36,530	8,677	2,041,257
Additions		-	-	203,951	-	24,296	5,489	46	233,782
Transfers out of capital works in progress		141	20,430	(63,608)	4,693	38,186	-	158	-
Disposals		(400)	(249)	-	(8)	(694)	-	-	(1,351)
Depreciation		-	(29,520)	-	(1,014)	(27,682)	(6,323)	-	(64,539)
Closing net book amount	39	438,626	1,353,292	256,143	10,700	105,811	35,696	8,881	2,209,149
31 December 2015									
Cost		-	-	256,143	-	-	-	-	256,143
Valuation		438,626	1,382,805	-	31,912	326,914	101,880	8,881	2,291,018
Accumulated depreciation		-	(29,513)	-	(21,212)	(221,103)	(66,184)	-	(338,012)
Closing net book amount	39	438,626	1,353,292	256,143	10,700	105,811	35,696	8,881	2,209,149

(a) Valuations of land and buildings

An independent valuation of land and buildings was carried out as at 31 December 2014 by Cunningham Property Consultants Pty Ltd. Fair value disclosure for land and buildings is included in Note 39.

(b) Assets held in the name of the Minister

Land and buildings valued at \$373.39m (2014 - \$369.32m) is held by RMIT on behalf of the Minister. Upon disposal of any such properties, the application of the proceeds will be directed by the Minister.

(c) Fair Value Disclosure

Fair value disclosure for Property, Plant and Equipment is included in Note 39.

23. Intangible assets

	Note	Consolidated		RMIT	
		Software \$'000	Total \$'000	Software \$'000	Total \$'000
1 January 2014					
Cost		9,960	9,960	8,177	8,177
Accumulated amortisation and impairment		(9,146)	(9,146)	(8,177)	(8,177)
Net book amount		814	814	-	-
Year ended 31 December 2014					
Opening net book value		814	814	-	-
Additions		8,319	8,319	8,142	8,142
Transfers from equipment under construction		7	7	-	-
Disposals		(10)	(10)	-	-
Impairment losses		8,177	8,177	8,177	8,177
Amortisation charge	10	(462)	(462)	-	-
Foreign currency translation gain/(loss)		38	38	-	-
Closing net book amount		16,883	16,883	16,319	16,319
31 December 2014					
Cost		18,381	18,381	16,319	16,319
Accumulated amortisation and impairment		(1,498)	(1,498)	-	-
Net book amount		16,883	16,883	16,319	16,319
Year ended 31 December 2015					
Opening net book amount		16,883	16,883	16,319	16,319
Additions		10,317	10,317	10,201	10,201
Amortisation charge	10	(1,378)	(1,378)	(968)	(968)
Foreign currency translation gain/(loss)		30	30	-	-
Closing net book amount		25,852	25,852	25,552	25,552
31 December 2015					
Cost		28,710	28,710	26,520	26,520
Accumulated amortisation and impairment		(2,858)	(2,858)	(968)	(968)
Net book amount		25,852	25,852	25,552	25,552

24. Other non-financial assets

	Consolidated		RMIT	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Current				
Library subscriptions prepaid	1,763	2,089	1,763	2,089
Other prepayments	5,281	6,041	3,013	3,939
IT Prepayment	4,637	4,280	4,637	4,280
Total other non-financial assets	11,681	12,410	9,413	10,308

25. Trade and other payables

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Current				
Trade creditors	52,316	50,002	49,719	47,007
Sundry creditor and operating accruals	79,254	75,383	55,494	34,616
OS-HELP Liability to Australian Government	728	825	728	825
Related party payables	-	-	17,837	-
Derivatives used for hedging	474	885	474	885
Total current trade and other payables	132,772	127,095	124,252	83,333

Foreign currency risk

The carrying amounts of the Group's and parent entity's trade and other payables are denominated in the following currencies:

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Australian dollar	127,737	121,740	123,379	80,688
American dollar	696	1,094	696	1,094
British pound	79	10	79	10
Canadian dollar	-	4	-	4
Chinese renminbi	-	30	-	30
Euro	581	1,346	71	1,346
Hong Kong dollar	3	67	3	67
Indian rupee	12	6	12	6
Singapore dollar	12	10	12	10
Thailand baht	-	80	-	80
Vietnamese dong	3,652	2,708	-	-
Total current trade and other payables	132,772	127,095	124,252	83,333

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 38.

26. Borrowings

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Current				
Amounts payable to subsidiaries - unsecured	-	-	-	18,137
Total current borrowings	-	-	-	18,137

During 2015, the arrangements in relation to unsecured loans from subsidiaries were reviewed and this liability has been reclassified to 'related party payables' in 'trade and other payables'.

	Note	Consolidated		RMIT	
		2015	2014	2015	2014
		\$'000	\$'000	\$'000	\$'000
Non-Current					
Bank loan - unsecured	26(b)	210,000	125,000	210,000	125,000
Other loans - unsecured	26(b)	21,362	3,868	21,362	3,868
Total non-current borrowings		231,362	128,868	231,362	128,868
Total borrowings		231,362	128,868	231,362	147,005

(a) Financing arrangements

Unrestricted access was available at balance date to the following lines of credit:

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Credit standby arrangements				
Fixed term debt facility	-	30,000	-	30,000
Working capital redraw facility	-	10,000	-	10,000
Bank overdraft facility	250	250	-	-
Total facilities	250	40,250	-	40,000
Amount utilised	(2)	-	-	-
Unused credit facility	248	40,250	-	40,000
Bank loan facilities				
Facilities available	296,000	215,625	296,000	215,625
Amount utilised	(210,000)	(125,000)	(210,000)	(125,000)
Unused credit facility	86,000	90,625	86,000	90,625
Technology finance operating lease facility				
Lease facility available	20,000	20,000	20,000	20,000
Amount utilised	(11,680)	(9,876)	(11,680)	(9,876)
Unused credit facility	8,320	10,124	8,320	10,124

26. Borrowings (continued)**(a) Financing arrangements** (continued)

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Business credit card facility				
Business credit facility available	5,000	5,000	5,000	5,000
Amount utilised	(1,258)	(1,267)	(1,258)	(1,267)
Unused credit facility	3,742	3,733	3,742	3,733
Other loan facilities				
Facilities available	27,000	27,000	27,000	27,000
Amount utilised	(21,362)	(3,868)	(21,362)	(3,868)
Unused credit facility	5,638	23,132	5,638	23,132

(b) Details of borrowings**Bank loan facility**

The borrowings at the end of 2015 related to the Syndicated Facilities Agreement with Commonwealth Bank of Australia and Westpac Banking Corporation signed in December 2014 with the utilisation of the facilities commencing in 2015. The total facility is \$296m and is split in equal proportions between two financial institutions and as at the end of the year is represented by \$105m loan from Commonwealth Bank of Australia and \$105m loan from Westpac Banking Corporation.

Credit card facilities

RMIT has entered into an arrangement with its bankers for the provision of a corporate credit card facility. No interest has been paid during the year as all outstanding balances have been paid by the due dates.

Other loans

The Government of Victoria awarded RMIT University with \$27m interest free loan with repayment period over eight years for the Greener Government Building Program. Amount utilised at the end of 2015 was \$21.3m (2014 - \$3.9m).

(c) Fair value

The carrying amounts and fair values of borrowings at balance date are:

	2015		2014	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000
On-balance sheet				
Bank loan	210,000	210,000	125,000	125,000
Other loans	21,362	21,362	3,868	3,868
Business credit card borrowings	1,258	1,258	1,267	1,267
	232,620	232,620	130,135	130,135

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant.

Details of the Group's exposure to risks arising from current and non current borrowings are set out in note 38.

27. Provisions

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Current provisions expected to be settled within 12 months				
Provision for restructuring costs	5,935	11,204	1,915	5,478
Provision for scholarships	8,419	-	2,322	-
Employee benefits and oncosts				
Annual leave - at nominal value	25,724	22,855	24,401	20,776
Long service leave - at nominal value	8,492	8,944	8,089	8,586
Employment oncosts provision - at nominal value	7,042	6,516	6,942	6,409
Deferred benefits for superannuation	22,459	22,292	22,459	22,292
	78,071	71,811	66,128	63,541

27. Provisions (continued)

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Current provisions expected to be settled later than 12 months				
Employee benefits and oncosts				
Annual leave - at net present value	5,499	6,539	5,438	6,511
Long service leave - at net present value	49,047	45,228	48,292	44,613
Employment oncosts provision - at net present value	14,402	14,654	14,286	14,572
	68,948	66,421	68,016	65,696
Total current provisions	147,019	138,232	134,144	129,237
Non-current				
Provision for scholarships	15,120	-	7,703	-
Employee benefits and oncosts				
Long service leave - at net present value	13,289	12,487	12,924	12,186
Employment oncosts provision - at net present value	3,704	3,507	3,648	3,472
Deferred benefits for superannuation	308,840	312,446	308,840	312,446
	340,953	328,440	333,115	328,104
Total non-current provisions	340,953	328,440	333,115	328,104
Total provisions	487,972	466,672	467,259	457,341

	Restructuring costs	Scholarships	Total
	\$'000	\$'000	\$'000
Consolidated 2015			
Carrying amount at start of year	11,204	-	11,204
Additional provisions	1,915	23,540	25,455
Provisions used	(5,871)	-	(5,871)
Provisions reversed	(1,313)	-	(1,313)
Carrying amount at end of year	5,935	23,540	29,475
RMIT 2015			
Carrying amount at start of year	5,478	-	5,478
Additional provisions	1,915	10,026	11,941
Provisions used	(4,165)	-	(4,165)
Provisions reversed	(1,313)	-	(1,313)
Carrying amount at end of year	1,915	10,026	11,941

A total consolidated unfunded liability for retirement benefits of \$331.3m (2014 - \$334.7m) accruing to beneficiaries of the State Superannuation Scheme has been recorded in the statement of financial position as a liability. Refer Notes 1(f) and 37.

28. Other liabilities

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Current				
Australian government unspent financial assistance	2,715	1,136	2,715	1,136
Research grants	17,527	19,511	17,288	19,121
Student fees	50,373	50,856	40,691	38,425
Project fees	324	296	-	-
Other	774	1,310	774	1,309
Deferred lease liabilities	93	93	-	-
Total current other liabilities	71,806	73,202	61,468	59,991
Non-current				
Deferred lease liabilities	117	210	-	-
Total non-current other liabilities	117	210	-	-
Total other liabilities	71,923	73,412	61,468	59,991

29. Reserves

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of year	814,984	635,497	778,485	606,838
Revaluations of hedges	411	(283)	411	(283)
Revaluation of land, buildings and artworks	(383)	171,886	(383)	171,886
Foreign exchange gains/(losses)	5,502	6,206	-	-
Realised (gains)/losses transferred to income statement	(157)	-	-	-
Unrealised valuation gains/(losses) taken to equity	12,044	1,678	12,707	44
Balance at end of year	832,401	814,984	791,220	778,485
Represented by:				
Asset revaluation surplus	815,694	816,077	778,922	779,305
Hedge reserve	(474)	(885)	(474)	(885)
Foreign currency translation reserve	3,021	(2,481)	-	-
Share premium reserve	45	45	21	21
Available for sale revaluation reserve	14,115	2,228	12,751	44
	832,401	814,984	791,220	778,485

29. Reserves (continued)

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Movements in reserves during the year were:				
Asset revaluation surplus				
Balance at beginning of year	816,077	644,191	779,305	607,419
Revaluation of land, buildings and artworks	(383)	171,886	(383)	171,886
Balance at end of year	815,694	816,077	778,922	779,305
Hedge reserve				
Balance at beginning of year	(885)	(602)	(885)	(602)
Revaluations of hedges	411	(283)	411	(283)
Balance at end of year	(474)	(885)	(474)	(885)
Foreign currency translation reserve				
Balance at beginning of year	(2,481)	(8,687)	-	-
Foreign currency translation gains/(losses)	5,502	6,206	-	-
Balance at end of year	3,021	(2,481)	-	-
Share premium reserve				
Balance at beginning of year	45	45	21	21
Balance at end of year	45	45	21	21
Available for sale revaluation reserve				
Balance at beginning of year	2,228	550	44	-
Realised (gains)/losses transferred to income statement	(157)	-	-	-
Unrealised valuation gains/(losses) taken to equity	12,044	1,678	12,707	44
Balance at end of year	14,115	2,228	12,751	44

Nature and purpose of reserves**Asset revaluation surplus**

The asset revaluation surplus is used to record asset revaluation increments and decrements in the value of non-current physical assets.

Hedge reserve

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in hedge reserve.

Foreign currency translation reserve

Exchange differences arising on translation of foreign controlled entities are recognised in the foreign currency translation reserve. The reserve is recognised in the profit and loss when the net investment is disposed of.

Share premium reserve

Amount paid by shareholders for shares in excess of their nominal value.

Available for sale revaluation reserve

Changes in fair value are taken to available for sale revaluation reserve, as described in note 1(k).

30. Retained surplus

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Retained surplus at beginning of year	1,064,430	991,404	995,104	923,905
Net result attributable to RMIT entity	67,716	72,951	60,479	71,199
Other adjustments	-	74	-	-
Retained surplus at end of year	1,132,146	1,064,430	1,055,583	995,104

31. Non-controlling interest

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Outside equity interest in subsidiaries comprises:				
Interest in accumulated funds at the beginning of the year	130	66	-	-
Interest in net operating result	(153)	124	-	-
Other adjustments	-	(60)	-	-
Interest in accumulated funds at the end of the year	(23)	130	-	-
Interest in share capital	120	120	-	-
Interest in reserves	28	28	-	-
Total outside equity interests in controlled entities	125	278	-	-

32. Contingencies**Contingent liabilities**

The RMIT Consolidated Entity and RMIT have contingent liabilities at 31 December in respect of:

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Guarantees				
Contract performance guarantee	28	28	28	28
Security deposit guarantee	20	20	20	20
Non-trade letter of credit/accommodation	74	63	74	63
Lease guarantee	147	141	-	-
Total Guarantees	269	252	122	111

33. Commitments**(a) Capital commitments**

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Plant and equipment				
Due within one year	6,516	10,444	6,516	10,444
GST reclaimable on the above	(502)	(568)	(502)	(568)
Net commitment	6,014	9,876	6,014	9,876
Building works				
Due within one year	267,859	212,590	266,666	211,744
GST reclaimable on the above	(24,242)	(19,249)	(24,242)	(19,249)
Net commitment	243,617	193,341	242,424	192,495
Software				
Due within one year	637	-	637	-
GST reclaimable on the above	(20)	-	(20)	-
Net commitment	617	-	617	-

(b) Operating leases - as lessee

Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities payable:

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Future minimum rental payments for leased premises				
Due within one year	12,439	7,681	8,085	4,383
Due after one year but within five years	25,727	19,759	21,581	13,314
Due after five years	1,906	2,569	1,179	1,585
	40,072	30,009	30,845	19,282
GST payable on the above	(2,942)	(1,889)	(2,804)	(1,753)
Net commitment	37,130	28,120	28,041	17,529
Future minimum rental payments for leased equipment				
Due within one year	6,664	5,251	6,664	5,251
Due after one year but within five years	5,016	4,873	5,016	4,873
	11,680	10,124	11,680	10,124
GST reclaimable on the above	(1,062)	(920)	(1,062)	(920)
Net commitment	10,618	9,204	10,618	9,204
Operating leases - as lessor				
Leases contracted for at the reporting date but not recognised as assets				
Future minimum rental payments for leased premises				
Due within one year	2,677	2,538	2,536	2,535
Due after one year but within five years	3,783	2,918	3,741	2,918
	6,460	5,456	6,277	5,453
GST reclaimable on the above	(572)	(497)	(571)	(496)
Net commitment	5,888	4,959	5,706	4,957

33. Commitments (continued)**(c) Other expenditure commitments**

Commitments related to CRC research and other non capital expenditure

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Due within one year	23,641	32,521	23,596	32,521
Due after one year but within five years	5,534	2,922	5,534	2,922
	29,175	35,443	29,130	35,443
GST reclaimable on the above	(2,443)	(2,691)	(2,439)	(2,691)
Net commitment	26,732	32,752	26,691	32,752
The University has entered into research contracts with the National Health and Medical Research Council and the Australian Research Council, the revenues from which are recognised in the year of receipt. Under these contracts and as at balance date the University is committed to further expenditure to complete the relevant research and satisfy those commitments.	17,288	19,121	17,288	19,121

34. Notes to statement of cash flows**(a) Reconciliation of cash**

For the purpose of the statement of cash flows, cash represents:

Cash on hand, at bank, short term money market deposits, short dated bills of exchange and outstanding bank overdrafts.

Cash at the end of the reporting period is shown in the statement of cash flows and is reconciled to the related items in the financial statements as follows:

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Cash at the beginning of year				
Cash at bank and on hand	10,869	10,027	6,695	7,181
Short-term deposits at call	86,218	108,671	77,084	82,232
Foreign currency bank accounts	13,633	16,412	-	-
	110,720	135,110	83,779	89,413
Cash at the end of year				
Cash at bank and on hand	20,132	10,869	17,397	6,695
Short-term deposits at call	75,519	86,218	73,458	77,084
Foreign currency bank accounts	3,333	13,633	-	-
	98,984	110,720	90,855	83,779
Cash movement for the year	(11,736)	(24,390)	7,076	(5,634)

34. Notes to statement of cash flows (continued)**(b) Reconciliation of operating result after income tax to net cash inflow from operating activities**

	Note	Consolidated		RMIT	
		2015	2014	2015	2014
		\$'000	\$'000	\$'000	\$'000
Operating result for the period after income tax		67,563	73,075	60,479	71,199
Loss/(gain) on sale of property, plant and equipment	8 & 15	(1,156)	(59)	(1,156)	(62)
Loss/(gain) on sale of available-for-sale financial assets	8	(111)	(22)	-	-
Loss/(gain) on sale of other non-financial assets		-	10	-	-
Distribution income re-invested		(2,557)	(2,226)	-	-
Depreciation of property plant and equipment	10	70,336	64,200	64,539	58,859
Amortisation of intangible assets	10	1,378	462	968	-
Net asset impairment loss/(gain)	13	-	(4,038)	-	(4,228)
Bad debt written off	13	-	(47)	-	(49)
Provision for doubtful debts		229	72	-	-
Investment written off/(written back)	13	-	8	-	-
Foreign exchange (gain)/loss		(169)	505	-	405
Write off of plant and equipment		171	2,679	-	-
Income on available for sale financial assets		(647)	-	(647)	-
Changes in assets and liabilities					
Net (increase) / decrease in receivables		(3,740)	4,330	(6,029)	5,058
Net (increase) / decrease in inventories		(469)	(50)	(494)	(129)
Net (increase) / decrease in other non-financial assets		892	(968)	895	(1,028)
Net (increase) / decrease in deferred tax assets		372	(337)	-	-
Net (increase) / decrease in other financial assets		(169)	(257)	121	4
Net increase / (decrease) in payables		15,146	1,097	21,837	(1,954)
Net increase / (decrease) in borrowings		-	-	-	3,074
Net increase / (decrease) in other liabilities		(956)	(3,253)	1,583	(3,309)
Net increase / (decrease) in current tax liability		1,650	317	838	508
Net increase / (decrease) in intercompany payables		-	-	(3,358)	-
Net increase / (decrease) in scholarships provision		7,029	-	10,025	-
Net increase / (decrease) in employee entitlements (excluding deferred superannuation)		5,098	13,615	7,269	11,035
Net cash flows from operating activities		159,890	149,111	156,870	139,383

35. Economic dependency

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
The RMIT Consolidated Entity is reliant on a significant volume of its revenue being derived from:				
Commonwealth Government financial assistance	558,434	547,144	558,434	547,144
Victorian State Government financial assistance	35,259	34,195	35,259	34,195
	593,693	581,339	593,693	581,339
The percentage of the RMIT consolidated entity revenue was sourced from:				
Commonwealth Government financial assistance	47.87 %	50.65 %	52.32 %	55.25 %
Victorian State Government financial assistance	3.02 %	3.17 %	3.30 %	3.45 %

36. Events occurring after the balance sheet date

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the RMIT consolidated entity or parent entity, the results of those operations, or the state of affairs of the RMIT consolidated entity or parent entity in future financial years.

37. Superannuation

Funds to which RMIT or any controlled entity contributed during the financial year:

(a) Defined benefit schemes

	Note	Consolidated		RMIT	
		2015	2014	2015	2014
		\$'000	\$'000	\$'000	\$'000
ESSUPER - State Superannuation Fund - closed	9	27,357	22,320	27,357	22,320

(b) Defined contribution schemes

Victorian Superannuation Fund	3,011	2,292	2,956	2,252
UniSuper	44,944	41,055	44,768	41,028
Other Superannuation Funds	20,926	19,602	19,464	18,317
	96,238	85,269	94,545	83,917

ESSUPER

ESSUPER is the dedicated super fund for emergency services employees and state employees. RMIT has in its staffing profile a number of employees who are members of ESSUPER (formerly called the Victorian State Superannuation Fund or the State Employees Retirement Benefit Scheme) and in respect of whom defined benefits are payable on termination of employment.

As at 30 June 2015, ESSUPER were carrying total liabilities for member benefits in excess of the value of the fund's assets. Hence, unfunded superannuation liabilities exist which are recognised in the financial statements of the funds.

The notional share of this public sector employee superannuation funds unfunded liabilities attributable to RMIT, as assessed by the funds as at 30 June 2015, amounted to \$331.30m (\$334.74m at 30 June 2014). Unfunded liabilities are met by the Australian Government. The net movement for the financial year presented in the Statement of Comprehensive Income is \$3.44m (2014 - \$1.86m).

There was no other unfunded superannuation liability for any other scheme.

37. Superannuation (continued)

(b) Defined contribution schemes (continued)

(i) Defined benefit schemes

ESSSUPER - State Superannuation Fund

RMIT is required to contribute as and when the Higher Education Sector contributors become beneficiaries under the scheme (Emerging cost). The employer's contribution is that which is required to meet the defined benefit.

RMIT is required to contribute on a fortnightly basis for TAFE employees in respect of:

- Revised Scheme 17.30%
- New Scheme 7.40%, 8.60%, 9.50% or 10.30% based on members election.

ESSSUPER - State Employees Retirement Benefit Scheme

RMIT contributes 100.00% of pensions paid in respect of former employees.

(ii) Defined contribution schemes

Victorian Superannuation Fund

RMIT is required to contribute on account of members of the fund at the rate required to meet the "Superannuation Guarantee" - currently 9.50%.

UniSuper Plans

UniSuper is a multi employer superannuation fund operated by UniSuper Limited as the Corporate Trustee and administered by UniSuper Management Pty Ltd, a wholly owned subsidiary of UniSuper Limited. The operations of UniSuper are regulated by the Superannuation Industry (Supervision) Act 1993.

(i) UniSuper offers eligible members the choice of two schemes known as the Defined Benefit Division (DBD) (previously referred to as Defined Benefit Plan) or Accumulation Super (2) (previously referred to as Investment Choice Plan). The contribution rate to the scheme is 21.00% of member's salary of which the member contributes 7.00% and the University 14.00%. From 1 July 2006, members can elect to reduce the level of member contributions with corresponding reductions in benefits.

In 2005, UniSuper advised that the Defined Benefits Plan should be disclosed under the multi employer provisions of AASB 119 Employee Benefits which allowed for defined benefit obligations to be reported on a defined contribution basis with some additional information. AASB 119 Employee Benefits states that this is an appropriate solution for a Defined Benefit Plan where the employer does not have access to the information required and there is no reliable basis for allocating the benefits, liabilities, assets and costs between employers.

As a consequence of changes to the UniSuper Trust deed in December 2006, UniSuper has advised that the foregoing no longer applies and that both the Defined Benefit Division and Accumulation Super (2) plans are defined as Multi Employer Defined Contribution Schemes in accordance with AASB 119 Employee Benefits.

(ii) UniSuper also offers a cash accumulation productivity scheme known as Accumulation Super (1) (previously referred to as the Award Plus Plan (APP)). University employees have no requirement to contribute to the scheme. The University contributes the equivalent of 3.00% of the base salary in respect of those employees who were members of the Defined Benefits Division or the Accumulation Super (2) Plan. Employees who do not qualify for membership of the Defined Benefits Division or the Accumulation Super (2) Plan will have a minimum contribution 9.50% of their annual salary contributed by the University to Accumulation Super (1) prescribed under the Superannuation Guarantee Charges Act 1992.

Casual and non-permanent employees who do not qualify for membership of the Defined Benefit Division or Accumulation Super (2) are eligible for Accumulation Super (1).

The employer is required to contribute on account of eligible employees at a minimum rate of 9.5% to all superannuation funds.

No contribution remained unpaid at the end of the year except to the extent of normal and current terms of payment. The amount payable at 31 December 2015 was \$2.85m (2014 - \$3.37m).

38. Financial risk management

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

(a) Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group by adhering to principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by management on a continuous basis. The Consolidated Entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and data analysis in respect of investment portfolios to determine market risk.

38. Financial risk management (continued)**(b) Foreign currency risk**

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters so as to minimise the total exposure to exchange rate risk.

The Group is mainly exposed to the currencies of the United States of America and Vietnam.

The following table details the Group's sensitivity to a 13% increase or decrease in the Australian Dollar (AUD) against the relevant foreign currencies. 13% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 13% change in foreign currency rates.

	31 December 2015				
	Carrying Amount	Currency rate risk			
		-13.0%		13.0%	
	Result	Equity	Result	Equity	
Consolidated	\$'000	\$'000	\$'000	\$'000	
Financial assets					
Cash and cash equivalents	3,333	433	433	(433)	(433)
Receivables	2,074	270	270	(270)	(270)
Other financial assets	43,779	5,691	5,691	(5,691)	(5,691)
Total financial assets	49,186	6,394	6,394	(6,394)	(6,394)
Financial liabilities					
Payables	5,035	(655)	(655)	655	655

	31 December 2014				
	Carrying Amount	Currency rate risk			
		-8.0%		8.0%	
	Result	Equity	Result	Equity	
Consolidated	\$'000	\$'000	\$'000	\$'000	
Financial assets					
Cash and cash equivalents	13,633	1,091	1,091	(1,091)	(1,091)
Receivables	2,503	200	200	(200)	(200)
Other financial assets	26,132	2,091	2,091	(2,091)	(2,091)
Total financial assets	42,268	3,381	3,383	(3,381)	(3,381)
Financial liabilities					
Payables	5,355	(428)	(428)	428	428
Total financial liabilities	5,355	(428)	(428)	428	428

(c) Interest rate risk

Interest rate exposures arise predominantly from assets bearing floating interest rates. The Group's exposure to interest rates on financial assets is detailed in the liquidity risk management section of this note.

The Group adopts a policy of ensuring that for debt aged 1 year and greater between 20 and 80 percent of its exposure to changes in interest rates on borrowings is on a fixed-rate basis, taking into account assets with exposure to changes in interest rates. The Group enters into and designates interest rate swaps as hedges of the variability in cash flows attributable to interest rate risk.

The sensitivity analysis below has been determined based on the exposure to price adjustments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 100 basis point increase or 50 basis point decrease is used when reporting interest rate risk as this represents management's assessment of the possible change in interest rates:

38. Financial risk management (continued)**(c) Interest rate risk (continued)**

	Interest rate risk				
	Carrying Amount	-0.50%		1.00%	
		Result	Equity	Result	Equity
31 December 2015					
Consolidated		\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and cash equivalents	95,742	(479)	(479)	957	957
Total financial assets	95,742	(479)	(479)	957	957
Financial liabilities					
Borrowings	210,000	1,050	1,050	(2,100)	(2,100)
Interest rate swap	474	(734)	(1,586)	1,469	3,172
Total financial liabilities	210,474	316	(536)	(631)	1,072

	Interest rate risk				
	Carrying Amount	-0.50%		1.00%	
		Result	Equity	Result	Equity
31 December 2014					
Consolidated		\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and cash equivalents	109,165	(546)	(546)	1,092	1,092
Total financial assets	109,165	(546)	(546)	1,092	1,092
Financial liabilities					
Borrowings	125,000	625	625	(1,250)	(1,250)
Interest rate swap	885	(293)	(479)	586	957
Total financial liabilities	125,885	332	146	(664)	(293)

(d) Price risk

Exposure to price risk arises due to the inherent risk of the possibility of unfavourable movements in the market value of the investments.

The sensitivity analysis has been determined based on the exposure to interest rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 10% increase or decrease is used when reporting on price risk as this represents management's assessment of the possible change in prices:

	Price risk				
	Carrying Amount	-10.0%		10.0%	
		Result	Equity	Result	Equity
31 December 2015					
Consolidated		\$'000	\$'000	\$'000	\$'000
Financial assets					
Investments in managed trust funds - at fair value	70,752	-	(7,075)	-	7,075

	Price risk				
	Carrying Amount	-10.0%		10.0%	
		Result	Equity	Result	Equity
31 December 2014					
Consolidated		\$'000	\$'000	\$'000	\$'000
Financial assets					
Investments in managed trust funds - at fair value	54,037	-	(5,404)	-	5,404

38. Financial risk management (continued)**(d) Price risk (continued)**

The valuation of Open University Australia (OUA) is based on the net asset based methodology. A conservative approach was taken to valuation where only easy identifiable net assets were included in final valuation. As there is no active market available for OUA shares the sensitivity analysis applicable to the 50% discount applied to the net assets of OUA.

	Price risk				
	Carrying Amount	-10.0%		10.0%	
		Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	
31 December 2015					
Consolidated					
Financial assets					
Investments in unlisted shares - at fair value (Open University Australia)	4,250	-	(425)	-	425

The valuation of Education Australia is based on the combination of adjusted net assets method, ASX share price and a 30% discount to the "market value" of the shares to reflect that a significant number of University shareholders may independently want to sell their shares in IDP Ltd on the ASX or via trade sale in November 2016. In regard to sensitivity analysis applicable to the discount applied this may not reflect the fair market value investment of Education Australia should the items identified that generated the discount be removed.

	Price risk				
	Carrying Amount	-5.0%		5.0%	
		Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	
31 December 2015					
Consolidated					
Financial assets					
Investments in unlisted shares - at fair value (Education Australia)	9,198	-	(460)	-	460

(e) Liquidity risk

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

Exposure to liquidity risk and the effective average interest rate for each class of financial assets and financial liabilities is set out in the following table.

	Note	Average interest rate	Floating interest rate	Fixed Interest Maturing			Non Interest Bearing	Total
				1 year or less	1 year to 5 years	Over 5 years		
				\$'000	\$'000	\$'000		
Consolidated		%	\$'000	\$'000	\$'000	\$'000	\$'000	
31 December 2015								
Financial assets								
Cash at bank and on hand	17	0.50	20,132	-	-	-	20,132	
Deposits at call	17	2.05	-	75,519	-	-	75,519	
Foreign currency bank accounts	17	-	91	-	-	3,242	3,333	
Receivables, exclude deferred government contributions for superannuation	18	-	-	-	-	33,289	33,289	
Available for sale financial assets	20	-	-	-	-	84,200	84,200	
Deferred tax asset	16	-	-	-	-	658	658	
Term deposits	21	3.20	-	43,779	-	-	43,779	
Shares in non-related companies	21	-	-	-	-	37	37	
Total financial assets			20,223	119,298	-	121,426	260,947	

38. Financial risk management (continued)**(e) Liquidity risk (continued)**

	Note	Average interest rate	Floating interest rate	Fixed Interest Maturing			Non Interest Bearing	Total
				1 year or less	1 year to 5 years	Over 5 years		
		%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated								
31 December 2015								
Financial liabilities								
Trade and other payables, exclude interest rate swaps	25	-	-	-	-	-	(132,298)	(132,298)
Interest rate swaps used for hedging #1	25	2.39	(474)	-	-	-	-	(474)
Borrowings	26	3.44	(210,000)	-	-	-	(21,362)	(231,362)
Current tax liabilities	16	-	-	-	-	-	(5,785)	(5,785)
Deferred tax liabilities	16	-	-	-	-	-	(3)	(3)
Total financial liabilities			(210,474)	-	-	-	(159,448)	(369,922)
Net financial assets (liabilities)			(190,251)	119,298	-	-	(38,022)	(108,975)

	Note	Average interest rate	Floating interest rate	Fixed Interest Maturing			Non Interest Bearing	Total
				1 year or less	1 year to 5 years	Over 5 years		
		%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated								
31 December 2014								
Financial assets								
Cash at bank and on hand	17	0.50	10,869	-	-	-	-	10,869
Deposits at call	17	2.57	16,142	70,076	-	-	-	86,218
Foreign currency bank accounts	17	-	-	12,078	-	-	1,555	13,633
Receivables, exclude deferred government contributions for superannuation	18	-	-	-	-	-	28,070	28,070
Available for sale financial assets	20	-	-	-	-	-	54,037	54,037
Deferred tax assets	16	-	-	-	-	-	1,016	1,016
Term deposits	21	2.40	-	28,132	-	-	-	28,132
Shares in non-related companies	21	-	-	-	-	-	158	158
Total financial assets			27,011	110,286	-	-	84,836	222,133
Financial liabilities								
Trade and other payables, exclude interest rate swaps	25	-	-	-	-	-	(126,210)	(126,210)
Interest rate swaps used for hedging #1	25	3.39	(885)	-	-	-	-	(885)
Borrowings	26	4.83	(125,000)	-	-	-	(3,868)	(128,868)
Current tax liabilities	16	-	-	-	-	-	(4,947)	(4,947)
Deferred tax liabilities	16	-	-	-	-	-	(4)	(4)
Total financial liabilities			(125,885)	-	-	-	(135,029)	(260,914)
Net financial assets (liabilities)			(98,874)	110,286	-	-	(50,193)	(38,781)

#1 The notional principal value for the interest rate swaps at 31 December 2015 was \$150 million (31 December 2014: \$80 million), \$20 million maturing less than 1 year and \$130 million maturing 1 to 5 years (31 December 2014: \$40 million maturing 1 to 5 years). The average contracted fixed interest rate was 2.39% (2014: 3.39%).

38. Financial risk management (continued)**(f) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the entity. The Group has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparty limits that are reviewed and approved by management regularly.

The Group minimises concentrations of credit risk by undertaking transactions with a large number of customers and counterparties, spread across diverse industries and geographical areas and by performing extensive due diligence procedures on major new customers. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the Group's maximum exposure to credit without taking account of the value of any collateral obtained.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has not obtained any collateral or other security for its financial assets.

39. Fair value measurements

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

(a) Fair value measurements

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

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

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

	Note	2015		2014	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Consolidated		\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash at bank and on hand	17	20,132	20,132	10,869	10,869
Deposits at call	17	75,519	75,519	86,218	86,218
Foreign currency bank accounts	17	3,333	3,333	13,633	13,633
Receivables, excluding deferred government contributions for superannuation	18	33,289	33,289	28,070	28,070
Available for sale financial assets	20	84,200	84,200	54,037	54,037
Term deposits	21	43,779	43,779	28,132	28,132
Unlisted shares in non-related companies	21	37	37	158	158
		260,289	260,289	221,117	221,117
Financial liabilities					
Trade and other payables	25	132,772	132,772	127,095	127,095
Borrowings	26	231,362	231,362	128,868	128,868
		364,134	364,134	255,963	255,963

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the consolidated entity approximates their carrying amounts.

The net fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

39. Fair value measurements (continued)**(b) Fair value hierarchy**

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

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

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

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

(i) Recognised fair value measurements

		2015	Level 1	Level 2	Level 3
Consolidated	<i>Note</i>	\$'000	\$'000	\$'000	\$'000
Financial assets					
Available for sale financial assets	20	84,200	70,752	-	13,448
Unlisted shares in non-related companies	21	37	-	-	37
		84,237	70,752	-	13,485
Non-financial assets					
Land	22	438,626	-	-	438,626
Buildings	22	1,391,413	-	-	1,391,413
Leasehold Improvements	22	11,234	-	-	11,234
Equipment, motor vehicles, furniture & fittings, library collection	22	155,429	-	-	155,429
Artworks	22	8,881	-	8,881	-
		2,005,583	-	8,881	1,996,702
Financial liabilities					
Interest rate swaps	25	474	-	474	-

		2014	Level 1	Level 2	Level 3
Consolidated	<i>Note</i>	\$'000	\$'000	\$'000	\$'000
Financial assets					
Available for sale financial assets	20	54,037	54,037	-	-
Unlisted shares in non-related companies	21	158	-	-	158
		54,195	54,037	-	158
Non-financial assets					
Land	22	438,885	-	33,975	404,910
Buildings	22	1,397,257	-	18,120	1,379,137
Leasehold Improvements	22	7,723	-	-	7,723
Equipment, motor vehicles, furniture & fittings, library collection	22	122,412	-	-	122,412
Artworks	22	8,677	-	8,677	-
		1,974,954	-	60,772	1,914,182
Financial liabilities					
Interest rate swaps	25	885	-	885	-

Newly acquired land and buildings classified as Level 2 have been transferred to Level 3 in 2015 where categorised as specialised.

(ii) Disclosed fair values

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

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

The fair values of held to maturity investments and interests in associates that are disclosed in note 20 were determined by reference to published price quotations in an active market (level 1).

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments (level 3).

39. Fair value measurements (continued)**(b) Fair value hierarchy (continued)**

The fair value of non-current borrowings disclosed in note 26 is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial instruments. For the period ending 31 December 2015, the borrowing rates were determined to be between 3.17% and 4.84% depending on the type of borrowing. The fair value of current borrowings approximates the carrying amount, as the impact of discounting is not significant (level 2).

Derivative contracts classified as held for trading are fair valued by comparing the contracted rate to the current market rate for a contract with the same remaining period to maturity.

(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 (for example, over the counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, land (excluding vacant), buildings (excluding recently acquired) equipment and artworks.

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

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

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities which are included in level 3.

Land and buildings are valued independently each year. At the end of each reporting period, the Group updates their assessment of the fair value of each property, taking into account the most recent independent valuations. The Group determines the property's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the Group considers information from a variety of sources, including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based on a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence

All resulting fair value estimates for properties are included in level 3 except for vacant land and recently acquired land and buildings. The level 2 fair value of vacant land has been derived using the sales comparison approach. Sale prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre.

The fair value of financial assets available for sale (Open University Australia and Education Australia) that are not traded in an active market is determined using valuation techniques. For Education Australia a combination of discounted "market value" of the shares in IDP Education Ltd and adjusted net assets methodology was applied and for Open University Australia Net assets methodology was used to reflect the value of investments that are not traded on active markets, but are available for sale to existing shareholders. An independent valuer was engaged by the shareholders to perform an independent valuation.

(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 2015:

	Available for sale financial assets	Land	Buildings	Leasehold Improvement	Equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Level 3 fair value measurements 2015						
Opening Balance	-	404,910	1,379,137	7,723	122,412	1,914,182
Purchases (sales)	-	-	1,970	96	31,869	33,935
Transfers out of capital works in progress	-	141	20,445	4,694	39,121	64,401
Transfers in (out) of Level 3	120	33,975	18,120	-	-	52,215
Depreciations	-	-	(31,083)	(1,279)	(37,974)	(70,336)
Disposals	-	(400)	(250)	(8)	(870)	(1,528)
Foreign currency translation movement	-	-	3,074	8	871	3,953
Unrealised gain/(losses) recognised in other comprehensive income	13,328	-	-	-	-	13,328
Subtotal	13,448	438,626	1,391,413	11,234	155,429	2,010,150
Closing balance	13,448	438,626	1,391,413	11,234	155,429	2,010,150

39. Fair value measurements (continued)**(d) Fair value measurements using significant unobservable inputs (level 3) (continued)**

	Available for sale financial assets	Land	Buildings	Leasehold Improvement	Equipment	Total
Level 3 fair value measurements 2014	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	-	359,299	1,230,012	9,180	115,850	1,714,341
Purchases (sales)	-	-	20	166	29,585	29,771
Transfers out of capital works in progress	-	1,585	54,126	1,684	13,149	70,544
Transfers in (out) of Level 3	-	1,550	950	-	-	2,500
Depreciations	-	-	(25,777)	(893)	(37,083)	(63,753)
Disposals	-	-	-	-	(400)	(400)
Foreign currency translation movement	-	-	2,898	(2,414)	1,311	1,795
Subtotal	-	362,434	1,262,229	7,723	122,412	1,754,798
Revaluation	-	42,476	116,908	-	-	159,384
Subtotal	-	42,476	116,908	-	-	159,384
Closing balance	-	404,910	1,379,137	7,723	122,412	1,914,182

(i) The transfer into Level 3 in 2015 relates to newly acquired and non-specialised land and building in December 2014 that formed part of Level 2 disclosure in 2014 due to its newly acquired status (eg. categorised as L2 in 2014 as depreciation would not be a significant unobservable input). As the land and building is 'specialised' and no longer 'newly acquired' it has been transferred into L3 in 2015.

Investment in Open University Australia was reclassified from Investment in Non-related Entities (2015-\$4.3m from 2014-\$110k) to Available for Sale Financial assets, and from being accounted at amortised cost to fair value. Investment in Education Australia was reclassified from Investment in Non-related Entities (2015-\$9.2m from 2014-\$10k) to Available for Sale Financial assets to reflect significant increase in Education Australia assets.

(ii) 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	Unobservable inputs*
Specialised Land	Market Approach	Community Service Obligation (CSO) adjustment
Buildings	Depreciated Replacement Cost	Direct cost per square metre Useful life
Leasehold Improvements	Depreciated Cost	Cost per unit Useful life
Equipment	Depreciated Replacement Cost	Cost per unit Useful life
Furniture & Fittings	Depreciated Replacement Cost	Cost per unit Useful life
Motor vehicles	Depreciated Replacement Cost	Cost per unit Useful life of vehicles
Investments in unlisted shares - at fair value (Open University Australia)	Net Assets method	
Investments in unlisted shares - at fair value (Education Australia)	Adjusted Net Assets method	

note a - CSO adjustments ranging from 10% to 50% were applied to reduce the market approach value for the Department's specialised land, with the weighted average 50% reduction applied.

* There were no significant inter-relationships between unobservable inputs that materially affects fair value

40. Subsidiaries

The consolidated financial statements are prepared in accordance with AASB 10. Whether the University has "control" in entities are identified per AASB 10, para 7:

- (a) power over the investee;
- (b) exposure, or rights, to variable returns from its involvement with the investee; and
- (c) the ability to use its power over the investee to affect the amount of the investor's returns.

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities in accordance with the accounting policy described in note 1(b):

40. **Subsidiaries** (continued)

	Para 7 (a)	Para 7 (b)	Para 7 (c)	Notes	Class of Shares	Place of Incorporation	Ownership		Shares held		Net equity	
							2015	2014	2015	2014	2015	2014
							%	%	No.	No.	\$'000	\$'000
Controlled entities-corporate												
RMIT Training Pty Ltd	✓	✓	✓	(a)	Ordinary	Australia	100.00	100.00	502,000	502,000	4,885	4,867
RMIT Spain S.L	✓	✓	✓	(f)	Ordinary	Spain	100.00	100.00	1,363,608	1,363,608	748	865
Spatial Vision Innovations Pty Ltd	✓	✓	✓	(b)	Ordinary	Australia	45.90	45.90	102,000	102,000	120	404
RMIT Vietnam Holdings Pty Ltd	✓	✓	✓	(c)	Ordinary	Australia	100.00	100.00	1,225,373	1,225,373	24,349	24,400
RMIT University Vietnam LLC	✓	✓	✓	(d)	Licence	Vietnam	100.00	100.00	-	-	81,183	70,870
Controlled entities - other												
RMIT Foundation	✓	✓	✓	(e)	Unincorporated body	-	-	-	-	-	42,928	41,048
											154,213	142,454

(a) RMIT Training Pty Ltd is a company incorporated under the *Corporations Act 2001* with share capital of 502,000 ordinary shares of \$1 each.

(b) Spatial Vision Innovations Pty Ltd is a company incorporated under the *Corporations Act 2001* with ordinary shares of 222,222 (2014 - 222,222) of \$1 each. The company is a subsidiary of RMIT by virtue of its financial control and the power to appoint the board.

(c) RMIT Vietnam Holdings Pty Ltd (RVH) is a wholly owned entity of RMIT. The company's principal activity is holding RMIT's investment in RMIT International University Vietnam (RIUV) and to hold funds for distribution to operations at the RIUV Campus and RMIT's investment in RIUV. Each year the RVH results will be affected by a timing difference between receipt of grants and the subsequent payment of those grants to RIUV.

(d) RMIT University Vietnam LLC is a wholly owned entity of RMIT Vietnam Holdings Pty Ltd. Its purpose is to provide advanced education to the Vietnamese community in Vietnam.

(e) RMIT Foundation is a trust. Its principal purpose is to raise funds, provide grants to RMIT for the conduct of research, provide for scholarships and student awards and to engage visiting scholars.

(f) RMIT has established a subsidiary in Barcelona. The company was established in 2012. RMIT also provides financial assistance under a Letter of Support.

41. **Related parties**

The following related party transactions occurred during the financial year and were conducted on normal terms and conditions unless otherwise stated:

(a) **Responsible persons and specified executives**

The names, remuneration and retirement benefits of persons who were Councillors of RMIT and specified executives at any time during the financial year are set out in note 43.

(b) **Controlled entities**

Interest in subsidiaries is set out in note 40.

(c) **Transactions with related parties**

The following transactions occurred with related parties:

Aggregate amounts included in the determination of operating result from ordinary activities that resulted from transactions with each class of other related parties within the Group:

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Sale of services				
Fees and charges	-	-	3,910	3,353
Donations and bequests	-	-	6,752	5,300
Rental income	-	-	1,785	1,246
Purchase of services				
Grants, scholarships and prizes	-	-	-	5,300
Service Level Agreement charges	-	-	2,136	-
Project expenditure	-	-	2	-

41. Related parties (continued)**(c) Transactions with related parties** (continued)

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Expenditure incurred on behalf of related parties				
Audit fees	-	-	8	8
Loans advanced to/(repaid by) subsidiaries	-	-	966	(3,027)
Interest expense	-	-	426	479
Interest income	-	-	-	41

(d) Outstanding balances

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Current Receivables	-	-	7,124	6,158
Interest bearing liabilities	-	-	17,837	18,137

(e) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates, except that there are no fixed terms for repayment of loans between the parties. The average interest rate on loans during the year was 2.21% (2014 - 2.60%).

Outstanding balances are unsecured and are repayable in cash.

Certain administrative services are provided by RMIT to a number of entities within the wholly owned group at no charge.

42. Remuneration of auditors

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

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Audit of the Financial Statements				
Fees paid to Auditor-General of Victoria	392	378	281	273
Fees paid to Pricewaterhouse Coopers	56	56	-	-
Total auditing services	448	434	281	273

43 Key management personnel disclosures**(a) Responsible persons related disclosures**

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

(i) Minister

The Hon. Steve Herbert, MP is the current Minister for Training and Skills.

Remuneration of these Ministers is disclosed in the financial statements of the Department of Premier and Cabinet.

Other relevant interests are declared in the Register of Members interests which is completed by each member of Parliament.

43 Key management personnel disclosures (continued)**(a) Responsible persons related disclosures** (continued)**(ii) Names of responsible persons and executive officers**

The following persons were responsible persons and executive officers of RMIT during the year:

Responsible persons	
Council Members	
Akhurst, B.	Michelmores, J.
Bean, M. (term commenced on 27 Jan 2015)	O'Donnell, R.
Duckett, S.	Palmer, G. (term concluded on 28 Feb 2015)
Hayward, D.	Paton, B.
Hogan, G.	Reid, J. (term concluded on 7 April 2015)
Latchford, J.	Switkowski, Z.
	Ward, A. (term commenced on 28 May 2015)

All responsible persons have been in office since the start of the financial year to the date of this report unless otherwise noted above.

Executive Officers	
Barnes, J.	MacIntyre, A.
Coloe, P.	Miller, L. (term commenced 15 Jun 2015)
Donaldson, S.	Palmer, G. (term concluded on 8 Aug 2015)
Drummond, C.	Palmer, I.
Gough, P.	Somogyi, S.

Executive officers disclosed above are RMIT's VCE members only. The executive officers of RMIT's controlled entities are disclosed in the financial statements of the respective entities.

All executive officers have been in office since the start of the financial year to the date of this report unless otherwise noted above.

(b) Remuneration of responsible persons

Income paid or payable, or otherwise made available, to Councillors and/or directors by entities in the RMIT consolidated entity and related parties in connection with the management of affairs of the RMIT entity or its subsidiaries.

	Consolidated		RMIT	
	2015	2014	2015	2014
	No.	No.	No.	No.
\$0-\$10,000	8	14	1	4
\$10,000-\$19,999	8	7	8	7
\$100,000-\$109,999	1	-	-	-
\$120,000-\$129,999	1	-	-	-
\$140,000-\$149,999	1	-	-	-
\$170,000-\$179,999	-	1	-	1
\$200,000-\$209,999	-	1	-	-
\$220,000-\$229,999	1	-	-	-
\$270,000-\$279,999	-	1	-	1
\$290,000-\$299,999	1	-	1	-
\$510,000-\$519,999	1	-	-	-
\$540,000-\$549,999	-	1	-	-
\$570,000-\$579,999	1	-	-	-
\$630,000-\$639,999	-	1	-	-
\$770,000-\$779,999	1	1	1	1
\$950,000-\$959,999	1	-	-	-
Total Numbers	25	27	11	14
Total Amount	\$ 3,836,000	\$ 2,736,000	\$ 1,183,000	\$ 1,342,000

43 Key management personnel disclosures (continued)**(c) Remuneration of executive officers**

Income received or due and receivable from entities in the consolidated entity and related parties by Australian-based executive officers occupying a senior management role except for responsible persons whose remuneration was at least \$100,000. In addition to the senior executive officers reported under Note 43(a) (ii) for RMIT, the Consolidated disclosures below include executives of controlled entities.

Income Band	Consolidated				RMIT			
	2015		2014		2015		2014	
	Total Remuneration	Base Remuneration	Total Remuneration	Base Remuneration	Total Remuneration	Base Remuneration	Total Remuneration	Base Remuneration
\$100,000 - \$109,999	1	1	1	-	-	-	-	-
\$110,000 - \$119,999	-	-	1	1	-	-	1	1
\$120,000 - \$129,999	-	1	-	-	-	1	-	-
\$160,000 - \$169,999	1	1	-	-	1	1	-	-
\$180,000 - \$189,999	-	1	-	-	-	-	-	-
\$190,000 - \$199,999	2	-	-	1	1	-	-	-
\$200,000 - \$209,999	-	1	-	-	-	-	-	-
\$250,000 - \$259,999	-	1	-	-	-	1	-	-
\$260,000 - \$269,999	-	-	2	-	-	-	1	-
\$270,000 - \$279,999	1	-	-	-	-	-	-	-
\$280,000 - \$289,999	-	1	-	2	-	1	-	1
\$310,000 - \$319,999	-	1	-	-	-	-	-	-
\$330,000 - \$339,999	-	-	1	1	-	-	1	1
\$340,000 - \$349,999	1	1	-	2	1	1	-	2
\$350,000 - \$359,999	-	2	-	-	-	2	-	-
\$360,000 - \$369,999	-	1	1	2	-	1	1	2
\$400,000 - \$409,999	1	1	-	-	1	1	-	-
\$410,000 - \$419,999	-	1	1	-	-	-	1	-
\$420,000 - \$429,999	-	1	1	-	-	1	1	-
\$440,000 - \$449,999	-	-	1	-	-	-	-	-
\$450,000 - \$459,999	1	-	-	1	1	-	-	1
\$460,000 - \$469,999	1	-	-	1	1	-	-	1
\$470,000 - \$479,999	1	1	2	1	1	1	2	-
\$480,000 - \$489,999	2	-	-	-	2	-	-	-
\$510,000 - \$519,999	1	-	-	-	1	-	-	-
\$530,000 - \$539,999	1	-	-	-	-	-	-	-
\$540,000 - \$549,999	-	-	1	-	-	-	1	-
\$550,000 - \$559,999	1	-	-	-	1	-	-	-
\$580,000 - \$589,999	1	-	-	-	-	-	-	-
\$600,000 - \$609,999	-	-	1	-	-	-	-	-
\$630,000 - \$639,999	-	-	1	-	-	-	1	-
Total Numbers	16	16	14	12	11	11	10	9
Total annualised employee equivalent (AEE)	13.89	13.89	11.58	11.00	9.66	9.66	8.57	8.16
Total Amount	\$ 6,246,000	\$ 4,771,000	\$ 5,681,000	\$ 4,165,000	\$ 4,552,000	\$ 3,548,000	\$ 4,344,000	\$ 3,370,000

Total remuneration includes includes basic salary, bonus, annual leave, long service leave, termination payments, motor vehicle and other non-monetary benefits received or due and receivable by executive officers. Base remuneration is exclusive of benefits that are more likely to be paid on a discrete basis such as bonus, long service leave, termination payments and retirement benefits.

In 2014 there were a number of acting arrangements and additional termination related costs. In 2015 a number of new senior executives were appointed.

43 Key management personnel disclosures (continued)**(d) Related party transactions**

The following transactions were entered into by RMIT University with related entities of members of Council and Executive Officers:

Council member/ Executive officer	External position held	Nature of transaction	2015 Received/ (Paid) by RMIT \$'000	2014 Received/ (Paid) by RMIT \$'000
Janet Latchford	President and Board member, Epworth Healthcare (2014)	Provision of clinical health placements to RMIT students.	-	(127)
		Establishing and maintaining the Chair to be occupied by key personnel for joint benefit.	-	55
Bruce Akhurst	Director, State Library of Victoria	Venue hire and provision of training/workshops.	(27)	-
Emeritus Professor Stephen Duckett	Director, Health Program at Grattan Institute	Guest speaker at conference.	(3)	-
Rhonda O'Donnell	Director, Catapult Group International Ltd	Provision of computer package/services.	(16)	-
Anne Ward	Chair, Colonial First State Investments Limited	Superannuation expense.	(7)	-
	Chair, Zoological Parks and Gardens Board of Victoria	Provision of research.	38	-
Martin Bean	Board member, Commonwealth of Learning	Reimbursement of conference expenses.	12	-
Gill Palmer	Vice Chair, RMIT Training Pty Ltd	Rental income charged to subsidiary.	1,785	1,246
Andrew MacIntyre	Director, RMIT Training Pty Ltd	Charge back of ELICOS commission and administration fees.	3,822	3,022
Peter Coloe	Director, RMIT International University Vietnam	Service fees charged to subsidiary.	2,743	3,009
Andrew MacIntyre	Director, RMIT International University Vietnam			
Gill Palmer	Director, Open University Australia	Provision of student tuition and charges.	11,200	8,718
Steve Somogyi	Director, Spatial Vision Innovations Pty Ltd Trustee, RMIT Foundation Director and Chair, Audit Committee, UniSuper Limited	Provision of consultancy services by Spatial Vision.	(2)	(25)
		Grants received by RMIT departments.	1,752	1,306
		Director's Fees.	88	14
Dr Ziggy Switkowski AO	Chair, Suncorp Group Ltd	Completion of industry research projects	66	-
Colin Fudge	President RMIT Spain	Service fees paid by parent	(2,136)	(1,399)
Andrew MacIntyre	Director, RMIT Spain	Interest expense paid by parent.	(3)	-

All transactions disclosed above were on normal commercial terms and conditions.

44. Ex gratia expenses

	Consolidated		RMIT	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Gifts or other voluntary payments	46	-	10	-
Total ex gratia expenses	46	-	10	-

45. Acquittal of Australian Government financial assistance

(a) Education - CGS and Other Education Grants

		Commonwealth Grants Scheme#1		Indigenous Support Program	
		2015	2014	2015	2014
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		243,983	233,092	437	472
Net accrual adjustments		-	-	-	-
Revenue for the period	<i>3(a)</i>	243,983	233,092	437	472
Surplus/(deficit) from the previous year		-	-	28	48
Total revenue including accrued revenue		243,983	233,092	465	520
Less expenses including accrued expenses		(243,983)	(233,092)	(766)	(492)
Surplus/(deficit) for the reporting period		-	-	(301)	28
		Partnership & Participation Program #2		Disability Support Program	
		2015	2014	2015	2014
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		4,869	5,457	242	324
Net accrual adjustments		-	-	-	-
Revenue for the period	<i>3(a)</i>	4,869	5,457	242	324
Surplus/(deficit) from the previous year		-	-	(467)	(467)
Total revenue including accrued revenue		4,869	5,457	(225)	(143)
Less expenses including accrued expenses		(4,869)	(5,457)	(280)	(324)
Surplus/(deficit) for the reporting period		-	-	(505)	(467)
		Diversity and Structural Adjustment Fund #3		Promo of Exc in Learning and Teaching	
		2015	2014	2015	2014
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		-	-	874	535
Net accrual adjustments		-	-	-	-
Revenue for the period	<i>3(a)</i>	-	-	874	535
Surplus/(deficit) from the previous year		(11)	(11)	217	5
Total revenue including accrued revenue		(11)	(11)	1,091	540
Less expenses including accrued expenses		-	-	(576)	(323)
Surplus/(deficit) for the reporting period		(11)	(11)	515	217

45. Acquittal of Australian Government financial assistance (continued)**(a) Education - CGS and Other Education Grants (continued)**

	Note	Australian Maths & Science Partnership Program		Total	
		2015	2014	2015	2014
Parent Entity (RMIT) Only		\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		496	520	250,901	240,400
Net accrual adjustments		-	-	-	-
Revenue for the period	3(a)	496	520	250,901	240,400
Surplus/(deficit) from the previous year		722	234	489	(191)
Total revenue including accrued revenue		1,218	754	251,390	240,209
Less expenses including accrued expenses		(464)	(32)	(250,938)	(239,720)
Surplus/(deficit) for the reporting period		754	722	452	489

#1 Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.

#2 Includes Equity Support Program.

#3 Includes Collaboration and Structural Adjustments Program

(b) Higher Education Loan Programs (excl OS-HELP)

	Note	HECS-HELP (Aust. Government payments only)		FEE-HELP #4	
		2015	2014	2015	2014
Parent Entity (RMIT) Only		\$'000	\$'000	\$'000	\$'000
Cash Payable/(Receivable) at the beginning of the year		-	-	(2,131)	(427)
Financial assistance received in cash during the reporting period		167,352	159,536	41,454	36,554
Cash available for the period		167,352	159,536	39,323	36,127
Revenue earned	3(b)	167,352	159,536	40,257	38,257
Cash Payable/(Receivable) at the end of the year		-	-	(934)	(2,131)

	Note	VET FEE-HELP		SA-HELP	
		2015	2014	2015	2014
Parent Entity (RMIT) Only		\$'000	\$'000	\$'000	\$'000
Cash Payable/(Receivable) at the beginning of the year		(1,030)	8,780	22	2,696
Financial assistance received in cash during the reporting period		19,885	10,214	3,432	954
Cash available for the period		18,855	18,994	3,454	3,650
Revenue earned	3(b)	21,442	20,024	3,635	3,628
Cash Payable/(Receivable) at the end of the year		(2,587)	(1,030)	(181)	22

	Note	Total	
		2015	2014
Parent Entity (RMIT) Only		\$'000	\$'000
Cash Payable/(Receivable) at the beginning of the year		(3,139)	11,049
Financial assistance received in cash during the reporting period		232,123	207,258
Cash available for the period		228,984	218,307
Revenue earned	3(b)	232,686	221,445
Cash Payable/(Receivable) at the end of the year		(3,702)	(3,139)

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

45. Acquittal of Australian Government financial assistance (continued)

(c) Scholarships

		Australian Postgraduate Awards		International Postgraduate Research Scholarships	
		2015	2014	2015	2014
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		6,000	5,345	464	411
Net accrual adjustments		-	-	-	-
Revenue for the period	<i>3(c)</i>	6,000	5,345	464	411
Surplus/(deficit) from the previous year		1,101	1,247	(170)	(174)
Total revenue including accrued revenue		7,101	6,592	294	237
Less expenses including accrued expenses		(6,348)	(5,491)	(498)	(407)
Surplus/(deficit) for the reporting period		753	1,101	(204)	(170)
		Commonwealth Education Cost Scholarships #5		Commonwealth Accommodation Scholarships #5	
		2015	2014	2015	2014
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		-	(43)	-	-
Net accrual adjustments		-	-	-	-
Revenue for the period	<i>3(c)</i>	-	(43)	-	-
Surplus/(deficit) from the previous year		(473)	(430)	(118)	(118)
Total revenue including accrued revenue		(473)	(473)	(118)	(118)
Less expenses including accrued expenses		-	-	-	-
Surplus/(deficit) for the reporting period		(473)	(473)	(118)	(118)
		Indigenous Access Scholarship		Total	
		2015	2014	2015	2014
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		63	54	6,527	5,767
Net accrual adjustments		-	-	-	-
Revenue for the period	<i>3(c)</i>	63	54	6,527	5,767
Surplus/(deficit) from the previous year		-	-	341	525
Total revenue including accrued revenue		63	54	6,868	6,292
Less expenses including accrued expenses		(63)	(54)	(6,909)	(5,951)
Surplus/(deficit) for the reporting period		-	-	(41)	341

#5 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.

45. Acquittal of Australian Government financial assistance (continued)

(d) Education Research

		Joint Research Engagement		JRE Engineering Cadetships	
		2015	2014	2015	2014
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		7,578	7,157	113	82
Net accrual adjustments		-	-	-	-
Revenue for the period	<i>3(d)</i>	7,578	7,157	113	82
Surplus/(deficit) from the previous year		-	250	107	50
Total revenue including accrued revenue		7,578	7,407	220	132
Less expenses including accrued expenses		(7,669)	(7,407)	(62)	(24)
Surplus/(deficit) for the reporting period		(91)	-	158	107
		Research Training Scheme		Research Infrastructure Block Grants	
		2015	2014	2015	2014
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		13,699	13,471	2,064	2,048
Net accrual adjustments		-	-	-	-
Revenue for the period	<i>3(d)</i>	13,699	13,471	2,064	2,048
Surplus/(deficit) from the previous year		-	-	-	-
Total revenue including accrued revenue		13,699	13,471	2,064	2,048
Less expenses including accrued expenses		(13,699)	(13,471)	(2,075)	(2,048)
Surplus/(deficit) for the reporting period		-	-	(11)	-
		Sustainable Research Excellence in Universities		Total	
		2015	2014	2015	2014
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		1,827	1,678	25,281	24,436
Net accrual adjustments		-	-	-	-
Revenue for the period	<i>3(d)</i>	1,827	1,678	25,281	24,436
Surplus/(deficit) from the previous year		-	509	107	809
Total revenue including accrued revenue		1,827	2,187	25,388	25,245
Less expenses including accrued expenses		(1,829)	(2,187)	(25,334)	(25,137)
Surplus/(deficit) for the reporting period		(2)	-	54	107

45. Acquittal of Australian Government financial assistance (continued)

(e) Australian Research Council Grants

		Projects		Fellowships	
		2015	2014	2015	2014
(i) Discovery					
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		7,473	6,356	2,238	1,959
Net accrual adjustments		-	-	-	-
Revenue for the period	<i>3(e)(i)</i>	7,473	6,356	2,238	1,959
Surplus/(deficit) from the previous year		3,475	2,666	1,341	1,208
Total revenue including accrued revenue		10,948	9,022	3,579	3,167
Less expenses including accrued expenses		(5,313)	(5,547)	(1,940)	(1,826)
Surplus/(deficit) for the reporting period		5,635	3,475	1,639	1,341

		Total	
		2015	2014
(i) Discovery			
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		9,711	8,315
Net accrual adjustments		-	-
Revenue for the period	<i>3(e)(i)</i>	9,711	8,315
Surplus/(deficit) from the previous year		4,816	3,874
Total revenue including accrued revenue		14,527	12,189
Less expenses including accrued expenses		(7,253)	(7,373)
Surplus/(deficit) for the reporting period		7,274	4,816

		Infrastructure		Projects	
		2015	2014	2015	2014
(ii) Linkages					
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		410	500	3,497	3,421
Net accrual adjustments		-	-	-	-
Revenue for the period	<i>3(e)(ii)</i>	410	500	3,497	3,421
Surplus/(deficit) from the previous year		90	90	2,461	2,028
Total revenue including accrued revenue		500	590	5,958	5,449
Less expenses including accrued expenses		(410)	(500)	(2,827)	(2,988)
Surplus/(deficit) for the reporting period		90	90	3,131	2,461

		Total	
		2015	2014
(ii) Linkages			
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		3,907	3,921
Net accrual adjustments		-	-
Revenue for the period	<i>3(e)(ii)</i>	3,907	3,921
Surplus/(deficit) from the previous year		2,551	2,118
Total revenue including accrued revenue		6,458	6,039
Less expenses including accrued expenses		(3,237)	(3,488)
Surplus/(deficit) for the reporting period		3,221	2,551

45. Acquittal of Australian Government financial assistance (continued)**(f) OS-HELP**

		2015	2014
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000
Cash received during the reporting period		3,281	3,289
Cash spent during the reporting period		(3,378)	(2,728)
Net cash received	<i>3(g)</i>	(97)	561
Cash surplus/(deficit) from the previous period		824	263
Cash surplus/(deficit) for the reporting period		727	824

(g) Superannuation Supplementation

		2015	2014
Parent Entity (RMIT) Only	<i>Note</i>	\$'000	\$'000
Cash received during the reporting period	<i>3(g)</i>	27,760	22,550
University contribution in respect of current employees		3,424	(645)
Cash available		31,184	21,905
Cash surplus / (deficit) from the previous period		(3,287)	(2,872)
Cash available for current period		27,897	19,033
Contributions to specified defined benefit funds		(27,357)	(22,320)
Cash surplus/(deficit) for this period		540	(3,287)

Superannuation Supplementation showed in this note is based on accrual accounting.

(h) Student Services and Amenities Fee

	2015	2014
	\$'000	\$'000
SA-HELP revenue earned	3,635	3,628
Student services fees direct from students	11,521	11,058
Total revenue expendable in period	15,156	14,686
Student services expenses during period	(15,156)	(14,686)
Unspent/(overspent) student services revenue	-	-

INCOME STATEMENT

for the years 2015 to 2011 inclusive

	Consolidated					RMIT				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Incoming from continuing operations										
Australian Government financial assistance										
Australian Government grants	330,467	308,965	295,194	276,248	246,216	330,467	308,965	295,194	276,248	246,216
HELP - Australian Government payments	232,686	221,445	189,657	145,925	126,740	232,686	221,445	189,657	145,925	126,740
State and Local Government financial assistance	32,488	31,686	34,393	56,892	64,728	32,488	31,686	34,393	56,892	64,728
HECS-HELP - Student payments	17,354	22,063	22,241	21,182	16,991	17,354	22,063	22,241	21,182	16,991
Fees and charges	455,620	409,824	386,505	351,009	348,347	369,948	335,064	318,558	293,909	298,583
Other investment income	7,996	7,683	6,735	7,209	7,889	5,469	5,271	4,840	5,101	5,002
Consultancy and contracts	40,115	35,663	33,820	36,670	41,275	36,518	31,873	30,704	32,417	34,980
Other revenue	46,326	40,986	43,882	30,662	30,605	38,967	32,168	29,341	28,988	24,016
Total revenue from continuing operation	1,163,052	1,078,315	1,012,427	925,797	882,791	1,063,897	988,535	924,928	860,662	817,256
Expenses from continuing operations										
Employee related expenses	662,514	607,932	557,254	549,929	515,786	604,318	554,754	511,667	506,925	472,868
Depreciation and amortisation	71,714	64,662	77,682	66,339	62,713	65,507	58,859	70,570	60,060	56,803
Repairs and maintenance	24,036	21,058	15,088	11,713	14,148	23,930	21,051	15,073	11,672	14,074
Borrowing costs	7,354	6,871	6,443	8,227	3,909	7,772	7,336	6,810	8,786	4,731
Impairment of assets	4,056	(4,077)	12,604	3,904	792	3,774	(4,277)	14,628	4,296	1,505
Investment losses	-	-	-	-	1,654	-	-	-	-	-
Other expenses	321,473	304,961	273,849	234,259	229,157	295,427	276,740	254,364	217,648	211,237
Total expenses from continuing operations	1,091,147	1,001,407	942,920	874,371	828,159	1,000,728	914,463	873,112	809,387	761,218
Operating result before income tax	71,905	76,908	69,507	51,426	54,632	63,169	74,072	51,816	51,275	56,038
Income tax expense	(4,342)	(3,833)	(2,450)	(2,192)	(1,270)	(2,690)	(2,873)	(1,744)	(1,670)	(765)
Operating result from continuing operations	67,563	73,075	67,057	49,234	53,362	60,479	71,199	50,072	49,605	55,273
Operating result attributable to minority interest	153	(124)	320	164	(96)	-	-	-	-	-
Operating result attributed to RMIT entity	67,716	72,951	67,377	49,398	53,266	60,479	71,199	50,072	49,605	55,273

BALANCE SHEET

for the years 2015 to 2011 inclusive

	Consolidated					RMIT				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Current assets										
Cash and cash equivalents	98,984	110,720	135,110	109,117	69,262	90,855	83,779	89,413	80,021	41,677
Receivables	55,070	49,534	52,794	50,003	57,029	59,058	53,553	56,958	49,500	59,320
Inventories	2,246	1,775	1,728	586	720	1,782	1,288	1,159	-	-
Other financial assets	43,779	28,132	17,250	8,800	7,200	-	-	-	-	-
Other non-financial assets	11,681	12,410	11,138	12,493	8,774	9,413	10,308	9,280	10,409	7,148
Total current assets	211,760	202,571	218,020	180,999	142,985	161,108	148,928	156,810	139,930	108,145
Non-current assets										
Receivables	309,518	313,274	315,830	443,839	339,833	309,433	313,210	315,894	443,787	339,781
Available for sale financial assets	84,200	54,037	28,001	20,340	17,665	29,276	3,960	-	-	-
Property, plant and equipment	2,262,464	2,092,751	1,832,345	1,802,180	1,699,222	2,209,149	2,041,257	1,780,696	1,757,790	1,657,989
Deferred tax asset	658	1,016	692	749	231	-	-	-	-	-
Intangible assets	25,852	16,883	814	422	648	25,552	16,319	-	-	-
Other financial assets	37	158	2,162	172	2,468	2,411	2,532	2,536	2,536	2,494
Investment property	-	-	-	-	-	-	-	-	-	-
Total non-current assets	2,682,729	2,478,119	2,179,844	2,267,702	2,060,067	2,575,821	2,377,278	2,099,126	2,204,113	2,000,264
Total assets	2,894,489	2,680,690	2,397,864	2,448,701	2,203,052	2,736,929	2,526,206	2,255,936	2,344,043	2,108,409
LIABILITIES										
Current liabilities										
Trade and other payables	132,772	127,095	131,242	93,399	83,841	124,252	83,333	85,287	65,579	59,585
Borrowings	-	-	-	-	-	-	18,137	16,095	10,650	17,289
Provisions	147,019	138,232	118,794	122,797	113,326	134,144	129,237	117,378	121,436	111,874
Current tax liabilities	5,785	4,947	4,439	4,053	4,015	5,785	4,947	4,439	4,053	3,930
Other liabilities	71,806	73,202	76,234	62,769	57,638	61,468	59,991	63,066	50,527	44,178
Total current liabilities	357,382	343,476	330,709	283,018	258,820	325,649	295,645	286,265	252,245	236,856
Non-current liabilities										
Borrowings	231,362	128,868	110,000	155,000	90,000	231,362	128,868	110,000	155,000	90,000
Provisions	340,953	328,440	329,638	456,972	350,611	333,115	328,104	328,928	456,243	349,907
Deferred tax liabilities	3	4	5	12	11	-	-	-	-	-
Other liabilities	117	210	397	490	-	-	-	-	-	-
Total non-current liabilities	572,435	457,522	440,040	612,474	440,622	564,477	456,972	438,928	611,243	439,907
Total liabilities	929,817	800,998	770,749	895,492	699,442	890,126	752,617	725,193	863,488	676,763
Net assets	1,964,672	1,879,692	1,627,115	1,553,209	1,503,610	1,846,803	1,773,589	1,530,743	1,480,555	1,431,646
EQUITY										
RMIT entity interest										
Reserves	832,401	814,984	635,497	628,628	628,246	791,220	778,485	606,838	606,722	607,419
Retained earnings	1,132,146	1,064,430	991,404	924,047	874,666	1,055,583	995,104	923,905	873,833	824,227
Total RMIT entity interest	1,964,547	1,879,414	1,626,901	1,552,675	1,502,912	1,846,803	1,773,589	1,530,743	1,480,555	1,431,646
Outside equity interest in controlled entities	125	278	214	534	698	-	-	-	-	-
Total equity	1,964,672	1,879,692	1,627,115	1,553,209	1,503,610	1,846,803	1,773,589	1,530,743	1,480,555	1,431,646



www.rmit.edu.au

