

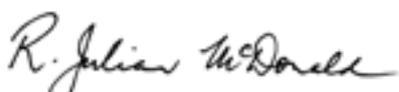
ANNUAL REPORT



2004

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The Senate of Australian Catholic University (ACU National) is pleased to present the *2004 Annual Report* in accordance with statutory disclosure requirements in Victoria. Australian Catholic University was established under the *Australian Catholic University (Victoria) Act 1991*.



Brother Julian McDonald CFC AO
Chancellor



Professor Peter W Sheehan AO
Vice-Chancellor

APRIL 2005



ACU NATIONAL MISSION

Australian Catholic University (ACU National) shares with universities worldwide a commitment to quality in teaching, research and service. It aspires to be a community characterised by free enquiry and academic integrity. The University's inspiration, located within 2,000 years of Catholic intellectual tradition, summons it to attend to all that is of concern to human beings. It brings a distinctive spiritual perspective to the common tasks of higher education. Through fostering and advancing knowledge in education, health, commerce, the humanities, the sciences and technologies, and the creative arts, Australian Catholic University seeks to make a specific contribution to its local, national and international communities. The University explicitly engages the social, ethical and religious dimensions of the questions it faces in teaching, research and service. In its endeavours, it is guided by a fundamental concern for justice and equity, and for the dignity of all human beings. Australian Catholic University has a primary responsibility to provide excellent higher education for its entire diversified and dispersed student body. Its ideal graduates will be highly competent in their chosen fields, ethical in their behaviour, with a developed critical habit of mind, an appreciation of the sacred in life and a commitment to serving the common good.

CONTENTS

01	MISSION
02	CHANCELLOR'S REPORT
04	VICE-CHANCELLOR'S REPORT
06	HISTORY AND OBJECTIVES
07	CAMPUSES AND COURSES
08	ACADEMIC REVIEW
12	RESEARCH AND DEVELOPMENT
15	CAMPUS NEWS
16	COMMUNITY ENGAGEMENT AND COLLABORATIONS
18	STUDENT STATISTICS
20	CEREMONIES, PRIZES AND AWARDS
22	INDIGENOUS EDUCATION
23	STUDENT SERVICES
23	ELITE ATHLETES
24	INTERNATIONAL INITIATIVES AND STRATEGIES
26	MOU AND AGREEMENTS WITH OTHER INSTITUTIONS
27	CULTURAL EVENTS, CONFERENCES, FORUMS AND PUBLIC LECTURES
29	ACU NATIONAL FOUNDATION WITH GRATITUDE
30	PROMOTION, PUBLIC RELATIONS AND MARKETING
31	FINANCIAL HIGHLIGHTS
32	ORGANISATIONAL CHART
34	PRINCIPAL OFFICERS OF THE UNIVERSITY
36	STAFF POLICIES
37	STAFF STATISTICS
37	ADDITIONAL INFORMATION
38	COMPLIANCE INDEX
40	DIRECTORS' REPORT
40	SENATE MEMBERS
46	FIVE-YEAR FINANCIAL SUMMARY
47	FINANCIAL STATEMENTS
81	DIRECTORS' DECLARATION
82	INDEPENDENT AUDITORS' REPORT
83	DISCLAIMER
84	STATEMENT OF FINANCIAL PERFORMANCE



BROTHER JULIAN MCDONALD CFC AO



CHANCELLOR'S REPORT

Community engagement is integral to activities at Australian Catholic University (ACU National) with students, staff and graduates continuing to contribute to a wide range of important community activities, locally, nationally and internationally. It has been most satisfying over the last 12 months to witness the birth of new programs and to see the consolidation of initiatives begun in previous years.

Our commitment to promoting and effecting change for the better in the lives of people disadvantaged, disempowered or disaffected by circumstance or societal forces has been pursued in close collaboration with the people themselves as well as in partnership with other individuals, groups and organisations. It has found expression in many places and in a wide range of activities. Let me mention just a few of them by way of illustration.

ACU National staff and students provided food for mind and heart, as well as body, for some of the homeless of Sydney. A number of our lecturers gave of their time and expertise to offer units of study in contemporary Australian history, ethics, spirituality and art history to itinerants and homeless people in East Sydney. The project has been mounted in collaboration with the St Vincent de Paul Society and with the support of volunteers from the business community. It has attracted no shortage of participants as well as extraordinary community interest. There is every indication that it will continue to grow and expand as it responds to increasing demand.

Some very practical involvements have seen ACU National students volunteering to assist in the provision of meals for people on the streets. Other members of the student body have put their energy into raising money to assist refugees, providing breakfast for school children whose parents leave for work each morning before their children are out of bed, or volunteering for a multiplicity of similar caring activities.

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On an international scale, our nursing students helped immunise children in Vanuatu and continue to raise funds to provide valuable medical equipment for local communities in that small Pacific country. The University took a stand against the international trafficking of women and children for the sex industry, hosting a forum on this exploitative and dehumanising phenomenon. The University has also joined forces with other organisations to continue the fight against this practice in Australia as well as in places beyond our shores.

The plight of asylum seekers refused residency in Australia was researched in partnership with the Edmund Rice Centre for Justice and Community Education, and resulted in the publication of the widely acclaimed report *Deported to Danger?*. In the field of teacher education, programs were tailored to enable the children of Sudanese refugees to be more easily integrated into Australian schools.

When individuals and groups reach out to other communities with imagination and compassion, the benefits often accrue in most unexpected ways. Who would have thought that a broad mathematics education program initiated by ACU National staff at our Ballarat Campus would result in children of East Timor learning to count with the help of playing cards donated by a bridge club in Ballarat city?

ACU National's commitment to communities beyond itself was tangibly demonstrated in bricks and mortar for the Blackfriars Building at the Canberra Campus where refurbishment has been designed to allow space for an Institute of Child Protection, which is jointly funded with the ACT Government.

Looking to the future, and to help meet the needs of Australia's ageing population, ACU National was delighted to sign a Memorandum of Understanding (MOU) with RSL Veterans' Retirement Villages, New South Wales, supporting a strategic commitment to provide leadership in research and innovation in nursing practices for aged care. This MOU provides a unique opportunity for us to foster leading-edge research

in retirement and aged care nursing within the veteran community, and dovetails very effectively with the Edith Morgan Chair in Aged Care, launched in Melbourne earlier in 2004.

In diverse research, course design and delivery, public lectures, workshops, art exhibitions and other activities, students, staff and graduates reflected ACU National's distinctive fundamental concern for justice and equity, and for the dignity of all human beings.

As the University's Chancellor, I thank all those associated with ACU National for their participation in these vital and life-changing activities throughout 2004. In the tradition of Catholic intellectual institutions throughout history, they continue to live and enrich our distinctive Mission.

A handwritten signature in cursive script that reads "R. Julian McDonald".

Brother Julian McDonald CFC AO
Chancellor
April 2005

VICE-CHANCELLOR'S REPORT



I am pleased to report that ACU National continued its solid growth and development during the past year, working proactively to achieve its vision with a strong sense of maturity, guided always by its unique Mission.

As a public Catholic university, ACU National has a valuable opportunity to engage with civic life in Australia in a special way. It has a deep commitment to reaching all members of its community by offering excellent education within the context of its distinctive ethos, and engaging with the community through meaningful relationships.

ACU National values enormously its special association with the Catholic Church and the opportunities for collaboration with other Catholic education providers.

The University's activities during 2004 included negotiations with the Archdiocese of Sydney which will lead to a redefining of the legal terms by which the institution has access to its two Sydney campuses. Arrangements are in hand to formalise an in-principle agreement that will provide the University with perpetual leases on its Sydney campuses in return for a capital payment to the Archdiocese. This is an important issue for ACU National and I am pleased that a resolution acceptable to the Archdiocese and manageable over the long term by ACU National will be reached.

The following provides an overview of some of the significant events and activities for the period under report.

Freeze on HECS Fees

In March 2004, ACU National proudly announced it would not be taking up the option available under the Commonwealth Government's new higher education reform package to increase the level of fees payable by the University's HECS-liable students in 2005. The decision taken for 2005 reflects the University's strong commitment to equity and social justice. The Student Contribution Level to be applied for 2006 and beyond is necessarily a subject for review.

Significant Expansion

2004 saw the University position itself to meet significant expansion in a number of areas. ACU National received 135 new Commonwealth-supported HECS growth places for designated courses in the areas of Education, Social Work, Nursing and Aged Care. In addition, 165 commencing undergraduate Nursing places were transferred to the University's North Sydney Campus from the University of Sydney, with 135 of these places being effective from Semester 1, 2005. The remaining 30 places are expected to be transferred for 2006.

Capital Growth

To accommodate this anticipated growth, a program of capital works was commenced including the refurbishment of the recently purchased Loreto Nursing Home adjacent to the Strathfield Campus, the reconfiguration of the Carroll Building at the North Sydney Campus and the refurbishment of the Blackfriars Building, adjacent to the Canberra Campus.

Staff Leadership

We warmly welcomed Professor Marie Emmitt, our third Dean of Education, who joined the University on 19 January from Deakin University where she was Associate Dean (Teaching and Learning) in the Faculty of Education. Based in Melbourne, Professor Emmitt is responsible for the Faculty's activities on all our campuses.

The planned positioning of ACU National also saw significant growth in staff leadership positions during 2004 with three professorial promotions and recruitment commenced for four new professorial appointments.

Two new positions of Professor of Nursing have been filled with the appointment of Professor Paul Fulbrook (Bournemouth University, UK) and Professor Sandra Middleton (University of Western Sydney). Professor Fulbrook is located at the Brisbane Campus and Professor Middleton at the North Sydney Campus.

Professor Neil Ormerod is the University's new Professor of Theology and Head of the Sub-Faculty of Philosophy and Theology. Professor Ormerod comes to the University from the Catholic Institute of Sydney and is based at the Strathfield Campus.

I wish to acknowledge with gratitude the valuable contribution which Professor Anthony Kelly CSSR has made to the University during the term of his appointment as Professor of Theology and Head of the Sub-Faculty of Philosophy and Theology. At the conclusion of his term in early 2004, Professor Kelly was awarded the title of Professorial Fellow at ACU National, and the recruitment process resulting in the appointment of Professor Ormerod was commenced. During the term of his appointment Professor Kelly guided the Sub-Faculty with much insight and in his new role, he will continue to contribute to the important scholarly work of the University in the area of theology. I wish also to congratulate Professor Kelly on his appointment to the International Theological Commission of the Holy See.

In late 2004, the University was delighted to receive the support of the RSL Veterans' Retirement Villages, New South Wales (RSLRV), for the establishment of a Chair and Professor of Ageing (Veterans and Community). This Professorial position will be located on site at Narrabeen in Sydney's north, and will be involved in research programs relevant to innovative nursing practice in aged care and the community, especially the veteran community. I am particularly grateful to the RSLRV for their generosity in funding this important appointment, which is expected to be filled in the near future.

This latter Chair will complement the University's Edith Morgan Chair in Aged Care based in Melbourne, held by Professor Barbara Bowers, as a joint appointment between ACU National and the University of Wisconsin-Madison USA. The Chair, which was formally launched by the Federal Minister for Ageing, the Honourable Julie Bishop MP, in May 2004, is named after Mrs Edith Morgan in recognition of her long history and active involvement in the area of social justice. It signals a significant partnership between the University and two major providers of aged care services in Australia, St Vincent's Health and Ellis Residential Care, in conducting leading-edge research into aged care.

I am pleased to report that ACU National continued its solid growth and development during the past year, working proactively to achieve its vision with a strong sense of maturity, guided always by its unique Mission.



PROFESSOR PETER W SHEEHAN AO

31 December 2004 saw the retirement of Professor Peter Carpenter after some 26 years of service to Australian Catholic University, including 11 years as Dean of the Faculty of Arts and Sciences. I wish to place on record my deep appreciation to Professor Carpenter for his outstanding contribution to the University. He led the Faculty with commitment, competency and outstanding leadership and was a much valued member of my Executive.

I am grateful to Associate Professor Gail Crossley who has assumed the role of Acting Dean pending the appointment of a new Dean in 2005.

Research Selectivity

An important process was undertaken in 2004 to strengthen the institution's identified research specialisations. Three Flagships titled *Mathematics and Literacy Education Research*, *Quality of Life and Social Justice*, and *Creative and Authentic Leadership* were established. These Flagships, the Senate Centre for Early Christian Studies, the new Graduate School for Research in Philosophy and Theology, and the University's major research centres all reflect the new thrust for research specialisations consistent with the institution's Mission and planned strategic direction. ACU National is deeply committed to maintaining and strengthening its focused research capability which it sees as essential to the very nature of its role as a quality University.

The Institute of Legal Studies

An exciting new development for ACU National in 2004 was the formal establishment of the Institute of Legal Studies. The Institute will offer a program of postgraduate legal studies with a major thrust in the areas of social, philosophical, ethical and religious issues of justice. It will have a national focus with the initial courses planned to commence in the second half of 2005 at the Melbourne Campus. The distinguished Jesuit, Professor Frank Brennan SJ AO, has generously agreed to assist the University with this initiative through his role as a part-time Professor of ACU National.

Evaluative Reviews

A program of evaluative reviews continues to assist the process of refining and strengthening the University's activities to ensure a fit with the institution's Revised Strategic Plan.

A comprehensive report was received on the Review of Library Services at ACU National; and an evaluation of the status of the Sub-Faculty of Business and Informatics was also concluded.

A mechanism for addressing the outcomes of the review of the regional identity of the University's campuses in Ballarat and Canberra, undertaken in 2003, was actively pursued and completed during 2004.

Code of Conduct for All Staff

In September, the Senate of the University formally ratified the Australian Catholic University Code of Conduct for all staff. This is a highly significant statement designed to underpin the ethical practice of all staff. It is intrinsically linked to the Mission of the University and will inform related University policies. Given the significance of this Code for the University, a comprehensive implementation process for the plan will be conducted on all campuses during 2005.

Enterprise Bargaining

The fourth round of enterprise bargaining negotiations commenced at ACU National in late 2004.

A Listening Exercise conducted in March provided staff with an opportunity to comment to me personally on identified points relevant to enterprise bargaining. The outcome of that exercise will contribute to the enterprise bargaining process.

Emeritus Professor Awards

I warmly congratulate two former members of staff, Professor Muredach Dynan and Professor Peter Carpenter, who have been awarded the title of Emeritus Professor by the Senate of ACU National. Both Professor Dynan and Professor Carpenter gave long and distinguished service to the University in senior positions of leadership prior to their retirement. They are distinguished scholars who gave very genuine witness to the Mission and ethos of this University. The title of Emeritus Professor of ACU National is richly deserved.

Sponsorships

In 2004, the University was again the major sponsor of two prestigious annual prizes that reflect and promote the distinctive ethos of ACU National: the *Blake Prize for Religious Art*, and the *ACU National Eureka Prize for Research in Ethics*.

In Appreciation

In closing, I wish to record my deep appreciation to all those who have contributed to the achievements of our University over this past year. A great deal has been achieved and the University goes from strength to strength. I know that this is only possible through the hard work and commitment of very many. ACU National is strongly focused on continuing to make a major contribution as a public Catholic university, through its teaching, research and community engagement, and I am confident that this can be achieved with the ongoing support and commitment of all who are associated with it.

Professor Peter W Sheehan AO
Vice-Chancellor
April 2005

HISTORY AND OBJECTIVES

Establishment

Australian Catholic University was established under the *Australian Catholic University (Victoria) Act 1991* and, in Victoria, is responsible to the Minister for Education and Training.

Objectives, Functions, Powers and Duties

The objectives and powers of the University are provided through the Constitution of Australian Catholic University Limited, which was incorporated as a public company in November 1990.

Objects

The Objects for which the Company is established are:

- a) To establish, operate, maintain and promote, as part of the Mission of the Church, the University in accordance with the beliefs, traditions, practices and canonical legislation of the Church and by doing so, promote culture and the development of the human person.
- b) To foster and promote education, scholarship and research and, through the education programs of the University, provide and promote preparation and continuing development of persons inspired by Christian principles who will be capable of assuming positions of responsibility in the Church and in society and, in particular:
 - > to provide undergraduate and postgraduate teaching programs of university standard;
 - > to create an environment for the achievement of excellence in scholarship and research;
 - > to bring students to a high standard of professional development; and
 - > to foster a Christian environment and form a genuine human community amongst the staff and students of the University.
- c) To act as successor and continue to provide the higher education functions formerly provided by the Predecessor Colleges:
 - > The Catholic College of Education Sydney Limited of 40 Edward Street, North Sydney, NSW;
 - > The Institute of Catholic Education of 383 Albert Street, East Melbourne, Vic;
 - > McAuley College of Queensland, under the auspices of the Corporation of the Roman Catholic Metropolitan and Province of Brisbane of 53 Prospect Road, Mitchelton, Qld; and
 - > Signadou Dominican College of Education Ltd of 223 Antill Street, Watson, Canberra, ACT.
- d) For the purpose of the Objects of the Company, to furnish and allocate, in accordance with the education policies of the University from time to time, sufficient funds and resources to the states and territory where the educational establishments conducted by the Predecessor Colleges were formerly conducted to enable the University:
 - > to continue to provide the functions formerly carried out by the Predecessor Colleges;
 - > so far as is reasonably practicable, to continue to provide the educational facilities in the sciences and disciplines which the Predecessor Colleges have formerly provided;
 - > to discharge the University's local and regional educational responsibilities in the states or territory; and
 - > to enhance the University's relationship with the local community in the states or territory.
- e) To provide physical facilities for education which are of university standard in the states and territory and, subject to the prior approval of the Members in general meeting, elsewhere.
- f) To encourage and provide facilities for study and research generally.
- g) To establish facilities for providing courses of study or instruction at such levels of attainment as the Senate considers proper to meet the needs of the community.
- h) To disseminate knowledge and to promote research and scholarship otherwise than as elsewhere provided in this clause.
 - i) To award and confer degrees, diplomas, certificates and other awards.
 - j) To do all such things as are, in the opinion of the Senate, ancillary or conducive to the attainment of all or any of the Objects of the Company.

Powers

In pursuance of the Objects of the Company, the Company has the rights, powers and privileges of a natural person as set out in Section 124 of the Act.

Company Structure

ACU National is incorporated as Australian Catholic University Limited, a public company limited by guarantee. The Catholic Archbishops of the Archdioceses of Sydney, Melbourne, Brisbane, and Canberra and Goulburn, the Bishops of the Dioceses of Ballarat and Parramatta, congregational leaders of a number of religious institutions and nominees of the Archbishops, and the Bishop of Ballarat are the Company members. The University Senators are the company directors, some of whom are also members of the Company.

Four Chapters, based in Victoria, the Australian Capital Territory, New South Wales and Queensland, provide an interface between the University and the local community. Chapters act as an advisory body to the Senate. The local Archbishop appoints members of each Chapter. While the Chapters have no direct governance role in the University, the Chair of each Chapter advises the Annual General Meeting of the Company on the attainment in its state of the Objects of the Company.

CAMPUSES AND COURSES // A SNAPSHOT

Management Structure

The chief executive officer of the University is the Vice-Chancellor. There are three Pro-Vice-Chancellors (located in Brisbane, Melbourne and Sydney) with delegated responsibility for assigned areas of University policy. There are Rectors at Ballarat and Canberra.

The Vice-Chancellor is also assisted by the Deans of the three Faculties, the Executive Director of University Services, Dean of Students, Director of University Relations, Academic Registrar and five Directors with national portfolios.

Each campus has a Student Association, and there is a national student body, ACUNSA (Australian Catholic University National Student Association), located at a different campus each year.

Mixed Modes of Course Delivery

— Online

Postgraduate programs in Education, Management, Nursing, Religious Education and Theology are available fully online through ACUweb.

An online learning platform, ACU National Online, using WebCT, allows academic staff to supplement their face-to-face teaching by making materials available online for students to access.

— Other

A number of courses are offered through a mixed mode of delivery, either on campus or off campus at locations throughout Australia and overseas. Modes utilised include distance, online, intensive and winter/summer schools.

With six campuses across Australia, ACU National offered a wide range of undergraduate and postgraduate degrees and other courses, to 12,156 students in 2004.

Brisbane Campus offered courses in business, education, information systems, nursing, social science and theology, to 2,714 students.

North Sydney Campus offered courses in arts, business, environmental science exercise science, information systems and nursing, to 2,262 students.

Strathfield Campus, Sydney, offered courses in arts, education, social work, theology and visual arts, to 2,551 students.

Canberra Campus offered courses in education, social work and theology, to 596 students.

Melbourne Campus offered courses in arts, business, education, exercise science, information systems, midwifery, nursing, music, philosophy, psychology, social science, theology and visual arts, to 3,407 students.

Ballarat Campus offered courses in education, nursing and theology, to 626 students.

The Dean of the Faculty of Arts and Sciences is based in Victoria, with Schools of Arts and Sciences at ACU National campuses in NSW, Queensland and Victoria; a School of Psychology encompassing Victoria and Queensland; and a School of Social Work across the Canberra and Strathfield campuses.

The Sub-Faculty of Business and Informatics office is based in NSW, with Schools of Business and Informatics in NSW, Queensland and Victoria.

The Sub-Faculty of Philosophy and Theology office is based in NSW, with a national School of Philosophy in Victoria, and Schools of Theology in the ACT, NSW, Queensland and Victoria.

The Dean of the Faculty of Education is based in Victoria, with Schools of Education in the ACT, NSW, Queensland and Victoria; a national School of Educational Leadership with the Head based in NSW; and a national School of Religious Education with the Head based in Queensland.

The Dean of the Faculty of Health Sciences is based in NSW, with Schools of Exercise Science in NSW and Victoria; and Schools of Nursing in NSW, Queensland and Victoria.

BRISBANE CAMPUS



NORTH SYDNEY CAMPUS



MELBOURNE CAMPUS



BALLARAT CAMPUS



STRATHFIELD CAMPUS



CANBERRA CAMPUS



ACADEMIC REVIEW



Quality Teaching and Learning

ACU National has a strong commitment to high-quality teaching and learning, research and scholarship and community engagement. Its reputation as a higher education institution builds, in significant part, on its ability to excel in teaching and learning and to produce quality graduates.

Academic Board and its Standing Committees

In 2004, the Board approved several new and revised policies, guidelines and procedures including:

- *Admission Policy for Domestic Students Undertaking Coursework Programs*
- *Assessment Policy and Procedures*, including the establishment of an Assessment Review Taskforce of the University's Teaching and Learning Committee
- *Guidelines for Offering Units in Standard and Non-Standard Study Periods*
- *Guidelines for UniLink Programs* and standardisation of special entry schemes across the University
- *Policy for Appeal and Review on Administrative Matters*
- *Policy on Elite Athlete Support*
- *Policy on the Evaluation of Teaching and Learning at ACU National*
- *Principles for Offering UniAccess and Other Non-Award Programs Utilising Units from Award Courses* for incorporation in the University's *Procedures for Approval, Amendment and Review – Non-Award Courses*
- revised *Academic Staff Development Policy*
- revised *Code of Conduct for Research*
- revised *Cultural Diversity Policy*
- revised *Intellectual Property Policy*
- revised *Language and Literacy Policy*
- revised *Policy on Quality Teaching and Learning*
- revised *Procedures for Excellence in Teaching Awards* to include independent nomination and evaluation by students

A revision of the *Procedures for Course Approval, Amendment and Review – Accredited Higher Education Courses* was also commenced.

During 2004, the Board recommended the following new courses to the University's Senate for approval to commence in 2005:

- Bachelor of Visual Arts and Design (Honours)
- fee-paying Bachelor of Social Science (Justice Studies)
- fee-paying Graduate Certificate in Catholic Studies
- Master of Teaching (Secondary)
- non-award Certificate and Diploma in Educational Studies
- non-award Certificate and Diploma in Teaching and Learning for offering in South Africa and East Timor

Following course reviews, the Board approved the following revised programs:

- Bachelor of Nursing (Honours)
- Bachelor of Social Science (Pastoral Counselling) [retitled Bachelor of Social Science (Counselling)]
- Bachelor of Social Science
- Diploma in Arts with specialisations in Aged Care, Disability Care and Residential Care [retitled Associate Degree in Social Science with the aforementioned specialisations]
- Master of Education (Communities and Social Justice) [consequential deletion of Postgraduate Certificates in Indigenous and Cross-Cultural Education, and Mediation and Advocacy]
- Master of Exercise Science
- non-award Certificate in Liberal Studies, with a recommendation being made to Senate that the Certificate be replaced with fee-paying Diplomas in Liberal Studies, Social Science, Visual Arts and Design, and Environmental Science
- Postgraduate Diploma in Psychology



The Board also approved further changes in course titles as follows, to commence in 2005:

- Bachelor of Education (Primary) (Postgraduate) to Bachelor of Education (Primary) Graduate Entry
- Bachelor of Education (Secondary) (Postgraduate) to Bachelor of Education (Secondary) Graduate Entry

The following existing courses were approved for extension to other campuses or offering outside the University from 2005:

- Bachelor of Education (Primary) Graduate Entry at Strathfield Campus
- Bachelor of Nursing/Bachelor of Arts at Ballarat Campus
- Graduate Diploma in Education (Secondary) at Canberra Campus, and off campus in Shepparton
- Master of Business Administration (Accounting) at Melbourne Campus
- Postgraduate Certificate in Career Education in Victoria

ACU National's First Graduate School

In 2004, ACU National established its first Graduate School. Following a review of the Sub-Faculty of Philosophy and Theology, the Academic Board recommended that Senate approve a revised academic structure for Philosophy and Theology. This included the establishment of the Graduate School for Research in Philosophy and Theology from 1 January 2005. The revised structure and new Graduate School were approved by Senate.

Faculty Highlights

A critical institutional priority achieved in 2004 was the embedding of the weighted taught Effective Full Time Student Load (EFTSL) budget model. In the course of the year, the model was also further enhanced by the utilisation of one-year rather than two-year lagged data for the preparation of the 2005 Faculty budgets.

A University-wide Register of Articulation Agreements was compiled for the first time in 2004.

Through their participation in a number of working parties/steering committees during 2004, the Faculties contributed to significant achievements, including the online induction module in teaching and learning at ACU National, comprehensive strategies for the recruitment of postgraduate students, and a wide-ranging revision of assessment policies and procedures.

Faculty representatives and senior University officers participated extensively in Department of Education, Science and Training (DEST) briefings in Brisbane, Canberra, Melbourne and Sydney related to the higher education reforms.

Faculty of Arts and Sciences

The following programs were implemented in 2004:

- UniAccess enabling programs were introduced, including Diplomas in Environmental Science in North Sydney; Liberal Studies in Brisbane, North Sydney, Ballarat and Melbourne; Social Science in Brisbane and Melbourne; and Visual Arts and Design in Strathfield and Melbourne. The new non-award Certificate/Diploma in Church Music was offered in Melbourne, and the Master of Arts (Liturgy) commenced in Strathfield.
- Offerings in Business were expanded to include the delivery of the Master of Business Administration and Master of Business Administration (Advanced) in both Brisbane and North Sydney and the Master of Business Administration (Accounting) in North Sydney.
- Bachelor of Social Science (Justice Studies) commenced in Semester 2 at Canberra Campus, funded by the ACT Government, for staff in Youth Services and in Corrective Services.
- The Graduate Certificate in Catholic Studies offered in Melbourne was developed for teachers in conjunction with the Catholic Education Office, Melbourne, while courses offered in partnership with relevant government departments in the ACT included the Bachelor of Social Science (Justice Studies) and the Postgraduate Certificate in Human Services with specialisations in Child Welfare and Leadership.
- The extension of the School of Social Work to Strathfield in 2004 enabled the Bachelor of Social Work program to be offered in Strathfield as well Canberra.
- Students in a new course, the Postgraduate Diploma in Psychology, commenced their studies in both Brisbane and Melbourne.

ACADEMIC REVIEW // CONTINUED

Faculty of Education

- An official launch was held in September 2004 to mark the extension of the Graduate Diploma in Education (Secondary), offered on the Strathfield, Ballarat and Melbourne campuses since 1991, to Canberra in 2005.
- A similar occasion was held in Shepparton, Victoria, together with the University's partners, the Sandhurst Catholic Education Office and Notre Dame Secondary College, marking the introduction of the Graduate Diploma in Education (Secondary) there.
- Reviews were held of the national School of Religious Education and the School of Education (ACT), with reviews of the other four Schools of the Faculty of Education to be held during 2005.

Faculty of Health Sciences

- A University project was commenced to address the expansion of the School of Nursing (NSW) and to prepare for an anticipated increase in enrolment numbers in 2005 at North Sydney Campus.
- Online learning expanded to include further units in the Werna Naloo Bachelor of Midwifery course, offered collaboratively in Victoria by Victoria University, Monash University and ACU National.
- The Schools of Exercise Science (NSW and Victoria) formed the Centre of Physical Activity Across the Lifespan (CoPAAL) to improve excellence in research into the health-related benefits of physical activity, which had seven PhD and six Honours students undertaking related research during 2004.

Appointments and Retirements

- Professor Marie Emmitt joined the University as Dean of Education in January.
- Professor Peter Carpenter, Foundation Dean of Arts and Sciences, retired from the University on 31 December after nearly 12 years in this office.
- Professor Paul Fulbrook was appointed Professor of Nursing at Brisbane to provide leadership and scholarship within the School of Nursing (Queensland) and Faculty of Health Sciences.
- Professor Anthony Kelly CSsR completed his term as second Professor of Theology and was appointed the first Professorial Fellow in the University. He was also appointed by the late Pope John Paul II to the International Theological Commission.
- Professor of Psychology, Professor Barry Fallon, was appointed to the newly formed Australian Psychology Accreditation Committee.
- Professor Barbara Bowers joined ACU National in January as Edith Morgan Chair in Aged Care – a joint initiative of the School of Nursing (Victoria), St Vincent's Health, Melbourne, and Ellis Residential Care.
- Associate Professor Ruth Webber of the School of Arts and Sciences (Victoria) and Edith Morgan Chair in Aged Care, and Faculty of Health Sciences Professor Barbara Bowers were appointed as joint directors of the University Quality of Life and Social Justice Flagship.
- Head of the School of Philosophy, Associate Professor John Ozolins, was appointed Foundation Head of the Graduate School for Research in Philosophy and Theology.
- Professor Neil Ormerod is the University's new Professor of Theology and Head of the Sub-Faculty of Philosophy and Theology.
- Professor Sandra Middleton was appointed Professor of Nursing at North Sydney Campus.

Library

The report of the Review of Library Services was presented to the Vice-Chancellor. The report and its recommendations were considered by the Library Committee and other relevant bodies within the University, as well as being distributed to Library staff for comment and input.

Implementation timelines have been established for each recommendation and the first positive outcomes of the Review were apparent by the middle of the year.

The second Rodski survey of client attitudes was undertaken in May 2004, two years after the initial survey. The results showed a broad improvement in library services in spite of certain reservations in relation to the collections and physical facilities. Library staff were viewed very positively.

While staffing was maintained at the same level, budgets in other areas were improved with acquisitions expenditure given the highest priority. There was a further strong growth in electronic publications with the number of online journals approaching 9,000 titles by the end of the year.

Physical facilities were replanned at a number of sites with renovations carried out at North Sydney, Canberra and Ballarat. These were aimed at improving facilities for students, especially the number of computer workstations, discussion rooms and other areas highlighted in client surveys.

ACU National Online

The past 12 months have seen a significant growth in the ACU National Online platform with applications in over 518 units by the end of July 2004 compared to 304 units for the same period in 2003.

This growth reflects the enthusiasm for this supported online platform. 2004 saw a consolidation of services provided by ACU National Online and ACUweb to support the continued growth in online teaching and learning. From mid-2005, ACU National Online and ACUweb will be amalgamated and this expanded entity will deliver fully online, web-enabled and web-enhanced units and courses.

The online induction module on teaching and learning developed by a cross-Faculty team led by Associate Professor Pam Gibbons was launched in 2004 and from 2005 will become an integral part of the induction program for new academic staff. The module has been designed to showcase existing best practice in teaching and learning at ACU National through a case-based approach using video, audio and hypertext media and is delivered in both online (WebCT) and CD-ROM formats for maximum flexibility of use.

IT Infrastructure

A successful IT leasing program and state-of-the-art networking and video conferencing facilities benefited students, staff and the general public across all six campuses.

During 2004, 450 of the University's 750 public access computers were replaced. Laboratories and shared teaching spaces for all Faculties were provided with machines which feature one gigabyte of RAM, the latest Intel Chipset and 17-inch LCD flat screens. They complemented the existing network infrastructure, with four high-speed links to the Internet via AARNet and an integrated voice, video and data network.

Institute for the Advancement of Teaching and Learning (IATL)

During 2004, the IATL worked towards linking staff development on all campuses to the University's strategic priorities, with emphasis on WebCT training, online pedagogy, student assessment and teaching international students. Workshops and seminars were offered on all campuses.

The IATL worked collaboratively with other units, such as the Faculties, ACU National Online and the Academic Skills Unit. Opportunities for secondment of staff to specific projects and tasks enabled access to specialised expertise and advice, a more efficient use of resources, and promotion of a greater degree of shared ownership of activities and programs.

There was ongoing evaluation of course units. New initiatives included collating unit evaluation data for most Schools and exploration of widening the program to address more explicitly teaching evaluation.

Consultation with the Faculties led to a set of common core questions within the unit evaluation questionnaires. This will generate comparative data and enable evaluation across Schools, campuses, Faculties and the University.

A University-wide end-of-course survey, developed by Drs William Franzsen and Shukri Sanber, was administered to graduating students in all undergraduate courses in the final weeks of Semester 2, 2004.



Research

The research output of Australian Catholic University staff and students provides evidence of our collective understanding of a Catholic university as a place of research where scholars scrutinise reality with the methods proper to each academic discipline and so contribute to the treasure of human knowledge. The impact of research derives not only from its direct application, but also from the contributions made by our graduates whose learning was informed by research, leading to incorporation of research findings into policy and practice in the wider community.

During 2004, the University implemented the recommendations resulting from the Review of Research Services conducted in 2003. This included a number of initiatives aimed at ensuring the quality of the research training experience:

- The Code of Conduct for Research was reviewed and revised by the University Research and Research Training Management Committee.
- The University Research and Research Training Management Committee established two working groups to address issues associated with the provision of research training. The Research Methods Working Group's task was to recommend core units in research methodology for all research higher degrees students. The Successful, Timely Completions Working Group developed a comprehensive program for research students aimed at assisting students' transition to postgraduate studies.
- As an outcome from the Review of Library Services, the University Research and Research Training Management Committee and the Library have been working towards improving the range of resources provided to facilitate research. This has included the provision of Endnote and NVivo software and training, as well as establishing a joint Research Services and Library Sub-Committee to identify additional resources needed to support both staff and postgraduate student researchers.

- A complete audit of all candidature matters, including period of enrolment, fee status, student data base (Banner) and student files, was completed and resulted in the streamlining of a number of administrative processes.
- Associated with this, Research Services conducted a review of processes for monitoring academic progress with Academic Progress Reports now collected twice a year from all research higher degree candidates. A Report on Candidature was presented to the University Research and Research Training Management Committee.
- Research higher degree students were provided with the opportunity to evaluate their program through the annual Postgraduate Research Experience Questionnaire. An exit survey of students withdrawing provided further information, and an analysis of "reasons for withdrawal" was completed for the University Research and Research Training Management Committee.

Research Flagships and Centres

ACU National has priority research areas, defined by its Flagships and major Centres. Following the Review of Research in 2003, the University designated three new Research Flagships and confirmed the achievements and standing of the Senate-endorsed Centre for Early Christian Studies in April 2004.

ACU National continued to apply for, and receive, funding for research from the National Competitive Research Grants Program (NCGP).

Flagships

Creative and Authentic Leadership

During 2004, the Catholic Educational Leadership Flagship was expanded under a new title *Flagship for Creative and Authentic Leadership*. The Flagship is directed by Professor Patrick Duignan at the Strathfield Campus and at present involves 24 staff and all ACU National campuses. The Flagship meets regularly in Sydney and in August 2004 hosted a major international conference on Catholic Educational Leadership with more than 400 participants. The restyled Flagship was formally launched at that meeting, and the Director was presented with the Australian Centre for Educational Leadership (ACEL) Gold Medal for 2004, and was invited to take up the ACEL National Travelling Scholar

for 2004/5. The Centre continues to enjoy support from the Australian Research Council and from a number of organisations and the school, hospital and government sectors.

Mathematics and Literacy Education Research

During 2004, the Mathematics, Teaching and Learning Flagship was expanded, with a new title *Mathematics and Literacy Education Research Flagship*. The Flagship is directed by Professor Doug Clarke at Melbourne Campus and involves 31 staff and all ACU National campuses. Members of the Flagship met in Melbourne in November to share their research with each other and with 130 teachers. A similar two-day program is planned for Canberra Campus in May 2005. Major themes of the research activity of Flagship members include: Linking theory with practice in partnerships with teachers, schools and systems; responding to the needs of disadvantaged groups (second language learners, refugees, and low attaining students in literacy and numeracy); and culturally-relevant approaches to learning and curriculum.

A highlight of the year occurred at the 2004 Business / Higher Education Round Table Awards for Outstanding Achievement in Collaboration in Research and Development and Education and Training, where the Flagship's Early Numeracy Research Project received one of two Honourable Mentions in the category "Best Research and Development Collaboration".

Quality of Life and Social Justice

The *Quality of Life and Social Justice Flagship (QualFlag)* was established in June 2004. It is a collaborative endeavour between the Faculty of Health Sciences and the Faculty of Arts and Sciences, and brings together active funded researchers working with a diversity of groups across the lifespan. Its core business is research and advocacy on issues of quality of life, social justice and social policy. The Directors of the Flagship are Associate Professor Ruth Webber and Professor Barbara Bowers. Researchers joining the *QualFlag* team in 2004 were Dr Wayne Maschette, Ms Barbara McKenzie-Green, Dr Peter Rendell and Dr Carmel Seibold.



In 2004, considerable progress was made and energy directed towards setting up the *QualFlag* infrastructure. An Advisory Committee, convened to guide and resource the policy-relevant and social justice focus of the research, met for the first time in November. A website and corporate identity were created. A number of aged and disability care research projects and partnerships with Catholic Social Services and the Future Generation Network also commenced in 2004. Several ongoing projects continue, funded by the Australian Research Council and other funding sources.

Centres

Centre for Early Christian Studies

In 2004, the Centre for Early Christian Studies, formerly a Flagship, achieved recognition as a Senate Research Centre. Its new designation appropriately reflects its focus, Mission relevance, achievements and international status.

During 2004, the members of the Centre for Early Christian Studies, under the direction of Professor Pauline Allen, published five book chapters, 22 articles, and seven books. In addition they maintained two web-based knowledge bases and were responsible for a quarterly e-mailout for Patristic Studies. Two volumes appeared in the Centre's monograph series, *Early Christian Studies*, bringing the total number of publications in the series to eight (since 2001). The members of the Centre attended numerous national and international conferences and presented invited seminars. Three grants from the Australian Research Council were current in 2004.

The most significant event in the Centre's year was the convening with Japanese scholars of the inaugural meeting of the Western Pacific Rim Patristics Society at the University of the Sacred Heart Tokyo in September 2004. This meeting will become an annual event, and Japanese scholars will come to ACU National in July 2005 for the second meeting. The Western Pacific Rim Patristics Society featured in an article in *Campus Review* (17-23 November 2004) entitled *Putting Early Christian Studies on the Map*.

Emeritus Professor Shinro Kato (Tokyo Metropolitan University and University of the Sacred Heart Tokyo), Professor Rifaat Ebied (the University of Sydney) and Dr Joan Barclay Lloyd (La Trobe University) were appointed Honorary Adjunct Professors of the Centre, and Dr Robert Charles Hill was appointed as an Honorary Fellow, by the Senate of ACU National. Dr Bronwen Neil became the first Burke Lecturer in Ecclesiastical Latin.

Plunkett Centre for Ethics

The Mission of the Centre is to examine the ethical aspects of contemporary practices in health care and biomedical research. It conducts research, engages in teaching, provides an ethics consultancy service for health care practitioners and contributes a Catholic perspective to public discussion of these issues.

2004 saw the successful completion of two research projects which had been the subject of Australian Postgraduate Awards in previous years. Examiners recommended that Helen McCabe be awarded the degree of Doctor of Philosophy for her thesis, *Managed care in Australia: A philosophical inquiry into the ethical issues*. Catholic Health Australia was the Industry Partner. Examiners also recommended that Kristine Morrison be awarded the degree of Master of Philosophy for her thesis, *Professionalism versus caring: Towards a coherent ethic of nursing*. St Vincent's Private Hospital was the Industry Partner in this research project.

In 2004, Oxford University Press published a paperback version of Dr Stephen Buckle's *Hume's Enlightenment Tract* which had been published in hardback in 2001. Dr Buckle, Father Gerald Gleeson and Associated Professor Bernadette Tobin also published a number of articles in the philosophical, theological and medical literature.

The Centre is on the Darlinghurst Campus of St Vincent's and Mater Health, Sydney.

Cardinal Clancy Centre for Research in the Spiritual, Moral, Religious and Pastoral Dimensions of Education

The Centre, the research arm of the School of Religious Education, continued its extensive doctoral research program in religious and moral education with over 40 students. The majority of the research students are enrolled in the Doctor of Education degree. Two PhD students and one EdD student successfully completed their degrees (C Laffan, V Mountain and D White).

The Centre maintained its strong research publishing record by academic staff. This included a book on Jewish Christian relations by Dr Maurice Ryan. It was complemented with books by visiting research professors who worked in the Centre in 2002-2003: Professor Brian Hill, Emeritus Professor of Education, Murdoch University (*Exploring Religion in School: A National Priority*, Open Book, Adelaide); Professor James Conroy, Head of the School of Graduate Studies in Education, the University of Glasgow (*Betwixt and Between: The Liminal Imagination, Education and Democracy*, Peter Lang, New York). Dr Kath Engebretson and Dr Marian de Souza have been contracted by Kluwer Academic publishers to edit volumes of new handbooks on the spiritual, moral and religious dimensions of education.

Spirituality and education has become a very strong focus of research in the Centre, with a number of projects under way.

Centre for Lifelong Learning

The Centre for Lifelong Learning continues to make an important contribution to the achievement of the Mission of ACU National, under the Director, Professor Judith Chapman AM, based at Melbourne Campus, and the Coordinator, Dr Patricia Cartwright, based at Ballarat Campus, particularly in the areas of research and publications, teaching and learning, income generation, and community engagement. The work emanating from the activities of the Centre has received national and international recognition, with academic and professional linkages confirmed and extended.

RESEARCH AND DEVELOPMENT // CONTINUED

In 2004, the focus of Centre activities was placed on the following projects:

- Networks of Learning
- Lifelong Learning and Teacher Education
- Lifelong Professional Learning
- Lifelong Learning, Participation and Equity
- Lifelong Learning Book Series (for Springer/Kluwer)
- Senate Submission on Lifelong Learning
- Strategies and Collaboration for Empowering Learning and Teaching

Centre for Research in Ethical Decision-making in Organisations (CREDO)

CREDO offers services in research, consultancy, education, training and development, and teaching to strengthen organisations in their ethical decision-making. CREDO is directed by Mr John Little. The University's Professor of Accounting, Professor Jack Flanagan, is active in CREDO in areas of governance and accountability.

Golding Centre for Women's History, Theology and Spirituality

The ACU National Project for Research in Women's History, Theology and Spirituality was upgraded to Centre status in July 2003. The Centre is directed by Dr Sophie McGrath rsm, and team members are Dr Rosa MacGinley pbvm, and Dr Kim Power.

The Faculty of Arts and Sciences has two Faculty Research Centres:

- Centre for Environmental Sustainability and Stewardship, directed by Dr Neil Saintilan
- Centre for Religion and the Arts, directed by Associate Professor Margot Hillel OAM

The Faculty of Health Sciences has one Faculty Research Centre:

- Centre of Physical Activity Across the Lifespan (CoPAAL) launched in 2004 and directed by Associate Professor Geraldine Naughton

Institute for the Advancement of Research (IAR)

The IAR promotes pure, applied and strategic research across the University's six campuses. Its members now include staff of the Australian Catholic Bishops Conference Pastoral Projects Office, Encompass Australasia, and the Golding Centre for Women's History, Theology and Spirituality. The Institute also hosts research professors from overseas and other Australian universities.

As a result of the Review of Research Services in 2003, the University increased its 2004 funding to the Institute to support the secondment of academic staff for periods up to six months. This scheme continues to be popular and provides academic staff with release from heavy teaching loads and the time to write up the results of previous research, to prepare grant applications to the Australian Research Council and to corporate organisations, and to establish links with industry bodies in the areas of health, education, environmental sciences and social sciences.

The secondment to the IAR supports and encourages academic staff, especially new researchers, in their research efforts and goals. It helps to attract funded postdoctoral fellows and high-quality higher degree candidates to work with research professors and other senior University staff.

Distinguished Visiting Research Fellowship Scheme

As an extension of the IAR, the University launched a Distinguished Visiting Research Fellowship Scheme. The reasons for establishing the ACU National Distinguished Visiting Research Fellowship Scheme are:

- to encourage ACU National's academic staff to engage with leading scholars who have demonstrated internationally recognised expertise in one or more of the University's designated areas of research strength
- to encourage senior research scholars of established standing and experience to visit the University in order to participate for a short period in the research programs of the various Faculties, Schools, Flagships and Research Centres
- to enhance further the reputation and standing of ACU National and its areas of research strength

The Scheme is intended to attract scholars on leave from other institutions for the purpose of research collaboration and consultation. Successful appointees thus far come from the University of Innsbruck in Austria and the University of Nijmegen in the Netherlands.

Financial and Publications Data

Research Income Sources •	\$
Commonwealth Government	713,091
Other public sector	233,026
Private industry and other	950,342
Total	1,896,459
Research Outputs •	
Books, authored research	8
Book chapters	43
Articles in refereed scholarly journals	122
Refereed conference papers	95
Total	268

• Financial and publication statistics are subject to external audit by DEST

CAMPUS NEWS

Brisbane Campus

The Indigenous Reflection Space, opened in February by Mr Sam Lipski AM, Chief Executive of The Pratt Foundation, has provided a place for all students, staff and the community to reflect, pray and gather for cultural activities on the University's newest campus, opened in 2003.

Strathfield Campus

The former Loreto Nursing Home, in close proximity to the campus in Albert Road, Strathfield, has been refurbished to house Educational Leadership, Exercise Science, Social Work, Technology Education and several administration areas. The Institute of Counselling and the Columban Mission Institute will also be accommodated at the Loreto site.

North Sydney Campus

Consolidation of the North Sydney Campus was initiated during 2004 to concentrate activities within a precinct bounded by Edward, Mount and Berry streets. Significant refurbishment of the Carroll Building was undertaken to enhance Library, Computing and Printery facilities and to provide additional Nursing laboratories and teaching facilities.

Canberra Campus

Following recommendations of the Aitkin Review, Canberra Campus has had a new lease of life. Responsibility for Blackfriars Building as part of the Canberra Campus passed to ACU National. Substantial refurbishment of Blackfriars was undertaken to convert the property to teaching spaces and staff accommodation prior to commencement of Semester 1, 2005. This will enable Canberra to move towards expanded programs over the next decade.

Ballarat Campus

The Callinan Library at Ballarat suffered severe damage from an electrical storm late in 2004. The library has now been completely refurbished, with walls removed for a more open feel, new furniture, and the addition of a new online facility with extra computers.

The ceramics studio was also refurbished, and new landscaping of the gardens commenced, while maintenance was carried out on the residences.

Melbourne Campus

Sections of the campus's historical Central Hall were renovated for its 100th anniversary, with original finishes and colour schemes restored. The foyer was furnished with 1930s décor, prints of the original concept and pictures from other eras in the Hall's history, including its time in the 1970s as a ballroom.

In the main campus building, a new tutorial room was built, along with new staff offices, an expanded Information Technology and Communications Service space and a new Campus Operations open plan area. Major alterations were also made to the ACUcom section. Part of the historic Mon Sejour complex was also refurbished to accommodate computers for increased numbers of students studying music and visual arts within the School of Arts and Sciences.

The new Richard Divall Research Room, within the Raheen Library, was formally opened in August by Lady Potter AC, to house the University's collections of Church Music as well as other valuable historical music collections.

Building Act

All new building works, renovation and maintenance are designed to comply with relevant state government legislation, including the *Building Act 1993* (Vic).

The Environment

- cardboard and paper are recycled
- bins for glass, aluminium and plastic recycling are provided at appropriate locations to an increasing extent
- building materials are reused when appropriate
- recycled rubber tyre flooring has been used at Strathfield Campus in the refurbished Loreto Building
- regular servicing of air-conditioning is undertaken
- most campuses have building management systems, with economy cycles for heating, cooling and lighting
- the use of environmentally-friendly campus vehicles was raised for consideration
- rain water is harvested from the Biomechanics Laboratory roof at Strathfield Campus
- drip irrigation systems have been installed at Strathfield and Canberra campuses
- obsolete computers are recycled when possible
- on-site storm detention minimises sediment pollution of waterways at Strathfield Campus
- grease traps reduce the processing load on sewer treatment works at Strathfield Campus
- recycling bins on the Canberra Campus encourage students to recycle cans, bottles and paper
- light bulbs are being gradually replaced with energy efficient tubes at Canberra Campus

The University Mission states:

Through fostering and advancing knowledge in education, health, commerce, the humanities, the sciences and technologies, and the creative arts, Australian Catholic University seeks to make a specific contribution to its local, national and international communities.

Service to the community is an integral part of the ethos of ACU National and this is manifested in specific contributions of Faculties and other organisational units, and by individual contributions of staff and students. Students are encouraged through community-based programs and voluntary activities to develop understandings and values reflective of the University Mission. The importance of community service is acknowledged in the Community Engagement Award which is awarded on an annual basis to selected staff members.

Engagement with identified communities is a key strategy for ACU National. Engagement with the human community is not just service to the community through imparting knowledge about social issues and problems. Engagement is a reciprocal process whereby communication is backed up, if possible, by interaction in ways that can effectively alter the way the problem is perceived by oneself and others. Genuine engagement moves beyond the level of mere service and allows the opportunity for societal response to help redefine the nature of the problem itself and perhaps forge new solutions. The very character of this process helps to structure the contribution of the University to social change.

Through community engagement, the Faculties, Centres and other organisational areas of the University seek to identify teaching, research and consultative needs and to collaborate with relevant bodies and community groups in the pursuit of the goals derived from the Mission.

Thus, community engagement across ACU National is a focus of the University's core activities. The University collaborates with community agencies, achieving mutual benefits that in turn support research and enhance student learning.

Much of the University's teaching, learning, research and community engagement is based upon a fundamental concern for justice and equity, and for the dignity of all human beings. The following activities represent a number of community–University engagement activities during 2004.

2004 Highlights

- The Faculty of Arts and Sciences, in collaboration with Jesuit Refugee Services, ran a pilot program to offer higher education units in business administration to Karen refugees on the Thai-Burmese border.
- ACU National lecturers from Strathfield Campus, in collaboration with St Vincent de Paul Society and volunteers from the business community gave lectures to people who are homeless. The program was modelled on the Clemente program, initiated in the USA by Earl Shorris, author of *Riches for the Poor*, who visited Australia in 2003.
- ACU National joined forces with *forceten*, the Brigidine Sisters and other organisations to help tackle the complex and hidden problem of the international trafficking of women and children in the sex industry in Australia, hosting a forum on Strathfield Campus, and agreeing to cooperate further.



- Lecturers from the Strathfield and Ballarat campuses taught at the Catholic Teachers' College, East Timor.
- Staff from the Schools of Education, Victoria and NSW, presented two weeks of professional development to more than 400 secondary teachers and principals in Mauritius.
- ACU National, the Sydney and Parramatta Catholic Education Offices provided support to schools for Sudanese refugees in tailoring teaching training to ease the transition to Australia of refugee children from war-torn parts of the Sudan.
- The fate of asylum seekers refused entry to Australia was explored by Dr Tony Morris, ACU National lecturer in the School of Education (NSW) in collaboration with the Edmund Rice Centre for Justice and Community Education (ERC).
- Community engagement and social justice were major focuses of a national gathering of ACU National students, *The Big Event*.
- The ACT Government funded a joint Institute of Child Protection Studies with ACU National's Canberra Campus to commence in January 2005.
- Brisbane Campus forged closer ties with the Country Dioceses, enhancing practicum placements for students, and focusing on Early Years Learning, Languages Other Than English and the new Queensland Mathematics Syllabus.
- A residential leadership program for Catholic school principals was hosted by the Parramatta Catholic Education Office and the University's School of Educational Leadership, with 30 participants from different states.
- An evening for parents was held at Melbourne Campus during National Literacy and Numeracy Week.
- Mathematics in Indigenous Contexts, a project involving the NSW Board of Studies, NSW Department of Education, rural and urban school communities, Aboriginal communities and School of Education (NSW) was nominated by the Board of Studies for the NSW Premier's Public Sector Awards (2004).
- A Students for Awareness group was established at Melbourne Campus to raise student and staff awareness of social justice issues. The group organised a series of forums and associated campaigns during 2004.

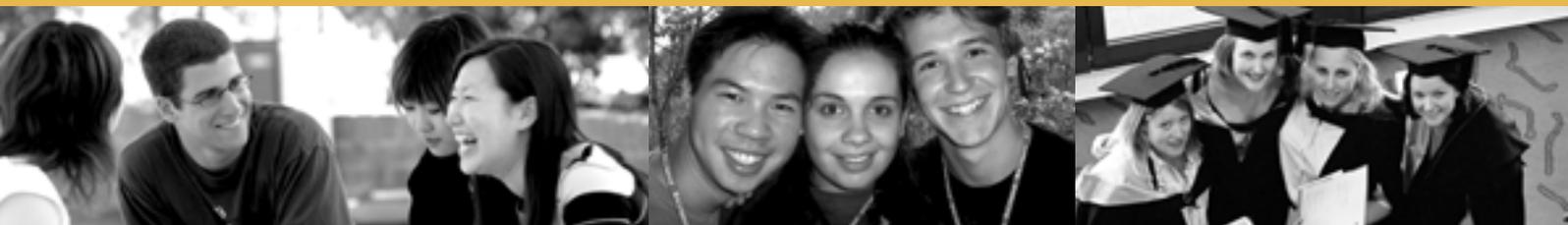
Goals Committee

The Goals Committee, which reports to Senate, fosters the unique Mission of ACU National and its manifestation in teaching and learning, research and research training, community engagement, and intellectual and community life of the University. The Committee also promotes ACU National's Catholic character by internal and external events and other activities related to the Mission.

The Goals Committee, chaired by Pro-Vice-Chancellor (Academic Affairs) Professor Gabrielle McMullen, sponsored a range of successful forums, lectures, conferences and other activities, focusing on the unique Mission of the University. They included:

- the 2004 Lenten Lecture entitled *To Build Peace and Hope* delivered by Father Mark Raper SJ in February in Sydney
- a symposium on *Teaching and Learning: Theological and Philosophical Perspectives* in April in Melbourne, conducted by the Sub-Faculty of Philosophy and Theology
- a forum conducted jointly by the University and the Australian Catholic Movement for Intellectual and Cultural Affairs in June in Sydney, the theme of which was *A Catholic Social Conscience – Can It Be Reclaimed in Our Time?*
- a seminar entitled *Catholic Schools Investing in Community* sponsored jointly by the University and the Catholic Education Commission of Victoria in July in Melbourne

STUDENT STATISTICS



Enrolments by state	ACT	%	NSW	%	QLD	%	VIC	%	Total	%
Research Services	16	4.4	87	23.9	107	29.4	154	42.3	364	2.9
Faculty of Arts and Sciences	169	4.4	1,414	37.2	947	24.9	1,268	33.4	3,798	31.2
Faculty of Education	387	7.8	2,043	41.4	1,054	21.4	1,447	29.3	4,931	40.6
Faculty of Health Sciences			951	40.3	387	16.4	1,023	43.3	2,361	19.4
Combined Schools	24	3.4	318	45.3	219	31.2	141	20.1	702	5.8
Total	596		4,813		2,714		4,033		12,156	

Enrolments by level and state	ACT	%	NSW	%	QLD	%	VIC	%	Total	%
Higher-degree research	16	4.4	87	23.9	107	29.4	154	42.3	364	3.0
Higher-degree coursework	90	6.2	570	40.1	440	30.6	338	23.5	1,438	11.8
Other postgraduate	58	4.8	344	28.2	318	26.1	500	41.0	1,220	10.1
Bachelor	412	4.9	3,395	40.6	1,633	19.6	2,912	34.9	8,352	68.7
Other undergraduate			108	48.2	116	51.8			224	1.8
Non-award	20	3.6	309	55.4	100	17.9	129	23.1	558	4.6
Total	596		4,813		2,714		4,033		12,156	

Enrolments by age group	%	
19 and below	2,977	24.5
20 – 24	4,147	34.1
25 – 29	1,410	11.6
30 – 39	1,640	13.5
40 – 49	1,336	11.0
50 – 59	535	4.4
60 and above	111	0.9
Total	12,156	

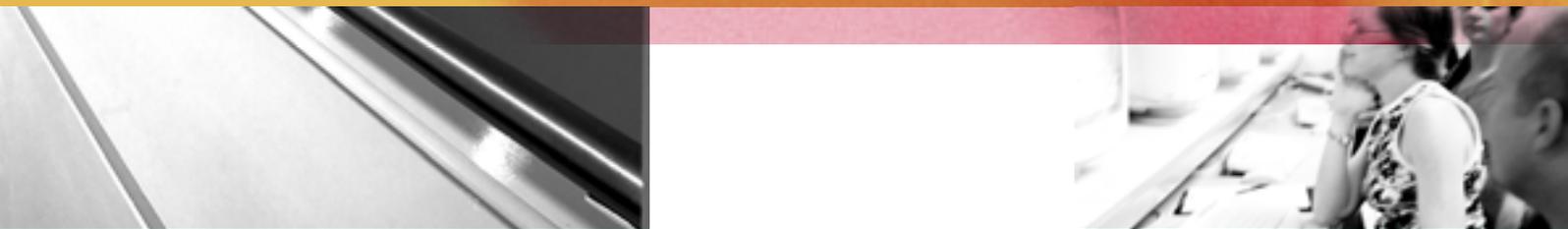


Enrolments by level and gender	Female	%	Male	%
Higher-degree research	196	2.3	168	4.6
Higher-degree coursework	842	9.9	596	16.2
Other postgraduate	895	10.5	325	8.9
Bachelor	5,992	70.6	2,360	64.3
Other undergraduate	183	2.2	41	1.1
Non-award	378	4.5	180	4.9
Total	8,486	69.8	3,670	30.2

	Total	% of total UG/PG
Students enrolled in fee-paying undergraduate courses	384	4.5
Students enrolled in fee-paying postgraduate courses	1,201	39.7
Postgraduate Education Loads Scheme (PELS) students (non-research)	357	11.8

Enrolments by faculty	2000	2001	2002	2003	2004
Arts and Sciences				3,695	3,937
Education				5,079	5,122
Health Sciences				2,202	2,395
Combined Schools				593	702
Total	10,177	10,443	11,604	11,569	12,156

UNIVERSITY CEREMONIES, PRIZES AND AWARDS



Graduations

Some 2,900 students graduated from 10 ceremonies held in Brisbane, Canberra, Sydney, Ballarat, Melbourne and Hong Kong during 2004. At the ceremonies, 10 doctoral awards were conferred – eight Doctor of Philosophy degrees and two Doctor of Education degrees.

Honorary Doctorates

Most Reverend Geoffrey Robinson (Canberra)
Ms Sallyanne Atkinson AO (Brisbane)
Ms Joan Carden AO OBE (Sydney)
Professor Richard Divall OBE (Melbourne)
Fr John O'Reilly (Melbourne)
Mr Allan Myers QC (Ballarat)
Professor Bernard Hickey AM (Spring ceremony, Sydney)

Academic Board Awards for 2004

University Medal

Ms Sarah Wright, Bachelor of Arts (Honours), School of Arts and Sciences (NSW)

Faculty of Arts and Sciences Medal winners

Faculty Medal – Pass Degree

Ms Gina Basile, Bachelor of Social Science (Youth Studies) (Vic)

Faculty Medal – Honours Degree

Ms Sarah Wright, Bachelor of Arts (Honours), School of Arts and Sciences (NSW)

Faculty of Education Medal winner

Faculty Medal – Pass Degree

Ms Michelle Lorenz, Bachelor of Education (Primary) (ACT)

Faculty of Health Sciences Medal winners

Faculty Medal – Pass Degree

Ms Lisa Ann Bown, Bachelor of Nursing (Vic)

Faculty Medal – Honours Degree

Mr Timothy Hartwig, Bachelor of Exercise Science (Honours) (NSW)

Other Awards

Award for Outstanding Community Engagement

Ms Marjorie Campbell, Yalbalinga Support Unit, Strathfield Campus
Associate Professor Denis McLaughlin, School of Educational Leadership, Brisbane Campus

The Margaret Balint Award for Service to the University

Mrs Jennifer Hardy, Senior Lecturer in the School of Nursing (NSW)

Emeritus Professor Awards

Professor Muredach Dynan
Professor Peter Carpenter

Excellence in Teaching Awards

Dr Peta Goldberg rsm, Head of the School of Religious Education, Brisbane Campus
Ms Laurine Hurley, School of Arts and Sciences, Melbourne Campus
Dr Gillian Terrett, School of Psychology, Melbourne Campus

Excellence in Postgraduate Research Supervision Awards

For Individual Supervision

Dr Kathleen Engebretson, School of Religious Education, Melbourne Campus

For Team or Collaborative Supervision

Dr Ken Smith, School of Education, Melbourne Campus
Dr Valda Ward rsm, formerly with the School of Business and Informatics, Melbourne Campus



Faculty: Major Awards and Achievements

Faculty of Arts and Sciences

- Excellence in Teaching Awards were won by Ms Laurine Hurley (School of Arts and Sciences, Melbourne Campus) and Dr Gillian Terrett (School of Psychology, Melbourne Campus).
- Professor Anthony Kelly CSSR was appointed by the late Pope John Paul II to the International Theological Commission.
- Professor Barry Fallon (School of Arts and Sciences, Melbourne Campus) was appointed to the newly formed Australian Psychology Accreditation Committee.
- Associate Professor Shurlee Swain (School of Arts and Sciences, Melbourne Campus) was successful in gaining an ARC Linkage Grant for the project *The Power of Giving: Australian Women Philanthropists, 1880-2000*.
- Associate Professor Ruth Webber, Melbourne Campus, was appointed as joint Director with Professor Barbara Bowers of the University Quality of Life and Social Justice Flagship.
- The Sub-Faculty of Philosophy and Theology conducted a symposium on Teaching and Learning.
- In the Sub-Faculty of Business and Informatics, Ms Marcia O'Neill of Melbourne Campus received a Meritorious Service Award and a President's Award from CPA Australia for service to the accounting profession.

Faculty of Education

- The Early Numeracy Research Project, a collaboration of ACU National, the Victorian Department of Education and Training, the Catholic Education Office (Melbourne), and the Association of Independent Schools Victoria, was one of the winners at the 2004 Business / Higher Education Round Table (B-HERT) Awards for Outstanding Achievement in Collaboration in Research and Development and Education and Training, held at the Shangri-La Hotel in Sydney on 18 November.
- Joseph Zajda was appointed as guest editor of a special double issue of the *International Review of Education (Unesco)*, 52(1-2).
- An outstanding paper award was achieved by Associate Professor Catherine McLoughlin, School of Education (ACT) for a joint paper at the World Conference on Educational Multimedia, Hypermedia & Telecommunications, held in Lugano Switzerland June 2004. Professor McLoughlin's joint paper was titled *Using online forums to support a community of learning*.

Faculty of Health Sciences

- Dr Colleen Rolls and Dr Michelle Campbell from the School of Nursing (Vic) together with Mrs Jacqui Guy from the School of Nursing (NSW) were awarded a Teaching Development Grant for their work with the unit Health and Healing Practices in Indigenous Communities and field experience in Vanuatu.
- Under the leadership of Associate Professor Geraldine Naughton, the Centre of Physical Activity Across the Lifespan (CoPAAL) Research Team won the NSW Sports Safety Silver Medal Award for Outstanding Education and Promotion Project or Program in the Field of Sports Injury Prevention and Reduction.
- Associate Professor Geraldine Naughton attracted \$350,000 of research grants for three projects.
- Mrs Maria Miller, Head, School of Nursing (Vic) accepted an invitation from Mosby publishing company to launch the Australian version of a major nursing text by Smelter and Bare. The launch took place at the Australian Nurse Education Conference in Daylesford, Victoria.
- The School of Nursing (Vic) contributed to the establishment of the University's Quality of Life and Social Justice Flagship, with outstanding support from Professor Barbara Bowers, Ms Barbara McKenzie-Green and Dr Carmel Seibold.
- Professor Barbara Bowers and Ms Barbara McKenzie-Green were awarded a \$25,000 grant from the Judd Foundation, among other achievements.

INDIGENOUS EDUCATION

ACU National collaborates with Indigenous communities and engages elders and other representatives of the communities in a partnership for educational advancement, and has established a strong national reputation in the field of Indigenous education, with increasing Indigenous student enrolments, and strong retention rates.

In addition to a range of education, health sciences, business and informatics, arts and social science programs, the University has also designed and developed courses to specifically meet the educational and career needs of Indigenous students. These include:

- Diploma in Aboriginal and Torres Strait Islander Education
- Diploma in Business Administration (Aboriginal and Torres Strait Islander Studies)
- Bachelor of Education (Primary) (Aboriginal and Torres Strait Islander Studies)
- Bachelor of Nursing / Bachelor of Applied Health Sciences (Indigenous Primary Health Care)

The Weemala Indigenous Support Unit at the Brisbane Campus is staffed by highly qualified, mainly Indigenous staff, and provides a wide range of social, cultural, personal and academic support services for Indigenous students and fosters intercultural understanding in learning areas and other activities of the University.

Weemala is complemented by the Jim-baa-yer Indigenous Support Unit co-located at the Melbourne and Ballarat campuses, and the Yalbalinga Indigenous Support Unit at Strathfield, which serves the needs of Indigenous students enrolled at Strathfield, North Sydney and Canberra campuses.

2004 Highlights

- The Indigenous Reflection Space, funded by The Pratt Foundation, opened in February at the Brisbane Campus.
- The Vice-Chancellor, Professor Peter Sheehan AO, launched *Weemala – The Spirit Within*, a series of personal stories celebrating the achievements of Indigenous students at ACU National's Brisbane Campus over the past 15 years.

- A project to enhance the learning of gifted and talented Aboriginal children in Catholic schools in Armidale was devised by ACU National Master's student, Sharon Cooke, who has been studying at Strathfield and is the Aboriginal Coordinator for the Catholic Schools Office in Armidale.
- A design competition for Indigenous school children for a poster promoting nursing was launched in Victoria in April, as part of the University's support for a nursing recruitment initiative developed by the Indigenous Nursing Education Working Group, established in 2000, within the Office for Aboriginal and Torres Strait Islander Health (OATSIH) Health Workforce Policy and Planning Section. This recruitment initiative is being supported by members of staff in the School of Nursing (Vic) at ACU National.
- A ceremony to honour Indigenous elders and an Indigenous art exhibition opened by Queensland Aboriginal and Torres Strait Islander Policy Minister, the Honourable Liddy Clark MP, were highlights of ACU National Indigenous Week on the Brisbane Campus in August.
- Indigenous health governance was in focus in September in Brisbane when Associate Professor Cindy Shannon and her mother Auntie Joan Hendriks presented the University's 2004 Aquinas Memorial Lecture, *Building Capacity for Aboriginal and Torres Strait Island Community Control in Health: Meeting the Challenge*. Associate Professor Cindy Shannon is Head of the Centre for Indigenous Health at the University of Queensland's School of Population Health and Joan Hendriks is Coordinator of Queensland Churches Together Indigenous Peoples Partnership, Co-Chair of Reconciliation Queensland and lectures part time at ACU National's Brisbane Campus.
- Indigenous students in Catholic schools throughout Geelong, Victoria, met each other and created artworks together for an exhibition, *Jarmbhi Circle of Friends*, held at the Melbourne Campus in December. The project was guided by Catholic Education Office (CEO) Koorie Education Worker for the region Helen Brotherton, with support from Jim-baa-yer's School Transitions Program.

	2002	2003	2004
Total ACU National Indigenous student enrolments	269	251	282
ACU National Indigenous student retention rate	84%	68.7%	79.3 %
National average Indigenous student retention rate		63.6%	N/A*

* Not available at time of publication

STUDENT SERVICES

Vision

As part of ACU National, a community committed to engaging the ethical and spiritual dimensions of university life, Student Services responds to individual needs and enhances the supportive framework of the University. We do this by providing quality support and learning opportunities to enable each student to develop to their full potential and to make an ongoing contribution to the good of society.

Mission

Student Services enhances the ability of ACU National to provide excellent higher education to its diverse and dispersed student body.

In collaboration with other University personnel, we encourage students to develop a critical habit of mind, to take responsibility for their own learning, and to use their knowledge and skills to contribute to the wider community.

Our services, programs and individual support develop the intellectual, personal and spiritual life of students in a community of learning that values equity, social justice and the dignity of all human beings. Our practice is also guided by the principles and values of our respective professions.

Values

The following values inform all our activities:

- Respect for every person
- Equity and fair mindedness in dealing with others
- Respect for and appreciation of diversity
- Adherence to the principles and ethics of our respective professions
- Commitment to responding in a timely and professional manner
- Respect for the confidentiality of our interactions with students
- Respect for the privilege of our positions in interacting with students
- Sensitivity to the vulnerability of students
- Sensitivity to the full circumstances of students, including their lives outside the University
- Appreciation of the importance of lifelong learning skills and personal development for students

In 2004, Student Services provided support for just over 12,000 students:

- > 7,400 full time, 4,700 part time
- > 70 per cent women
- > 59 per cent aged 24 or younger
- > 282 Indigenous students
- > More than 1,100 international students.

2004 Highlights

- *The Big Event*, the first national student event in the University was held at Naamaroo Conference Centre, Sydney, from 27 September to 1 October, with 130 students attending, addressing the theme *Coming Together: Making a Difference*.
- Continuing web enhancement to assist students to gain access to additional resources.
- Adoption of a generic student association constitution by each student association.
- Clarification of the role of ACU National Student Association (ACUNSA) through the common student association constitution.
- Student association donations to charities from monies raised:
 - > Aids Trust of Australia
 - > Cystic Fibrosis Foundation of NSW
 - > East Timor
 - > Royal Children's Hospital
 - > St Vincent de Paul (toy drives, soup kitchen, night patrol)
 - > Red Cross.
- Involvement in Orientation Week and Open Day planning and events.
- ACU National's Men's and Women's AFL teams became national champions at the Australian University Games, with four students winning individual gold medals.
- Awarding of the first Commonwealth Learning and Commonwealth Accommodation Scholarships.

ELITE ATHLETES

ACU National was endorsed as an "Elite Athlete Friendly University" in 2004, within the national Elite Athlete Friendly University (EAFU) initiative.

The University works closely with relevant national, state and local sporting bodies and Athlete Career and Education (ACE) Advisors to provide flexible study options for individuals identified as "elite athletes" by relevant organisations.

ACU National's Elite Athlete Coordinator (EAC), Deputy Dean of Health Sciences, Associate Professor John Saunders, advocates for elite athletes throughout the University, providing them with advice and guidance on course planning and other academic matters.

INTERNATIONAL INITIATIVES AND STRATEGIES

Total International student enrolments	1,273	(1,173 onshore, 100 offshore)	%
International undergraduate	610	(593 onshore, 17 offshore)	47.9
International postgraduate	310	(227 onshore, 83 offshore)	24.4
Non-award and Study Abroad	353	(353 onshore, 0 offshore)	27.7

Main source of overseas students	Main source of overseas students nationally, as defined by the AVCC	Main source of onshore overseas students by region			
China (excludes Hong Kong and Taiwan Province)	223	Singapore	29,878	Asia/Middle East	899
India	137	Hong Kong	29,169	Europe	107
Republic of Korea (South)	124	Malaysia	27,267	Africa	25
Japan	83	China	27,020	Americas	108
Indonesia	79	Indonesia	11,865	Pacific Islands	14
United States of America	58	India	11,133	Other	20
Nepal	46	United States of America	9,418	Total	1,173

ACU National Offshore Teaching

- Bureau of Catholic Education in the Diocese of Mauritius
- Caritas Francis Hsu College, Hong Kong
- Catholic Education Office of the Diocese of Tonga and Niue
- Catholic Institute of Theology, Auckland, New Zealand
- Catholic Teachers' College, Baucau, East Timor
- Notre Dame Institute of Education, Karachi, Pakistan
- Shanghai Second Medical University, China
- Wellington Catholic Education Centre, New Zealand

Quality Assurance and ESOS ACT

Following the University's internal audit of compliance with the *Education Services for Overseas Students Act 2000* in 2002, it has set in place processes and procedures to ensure ongoing compliance with the ESOS Act and the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students.

ACUcom

ACUcom is the commercial and community arm of ACU National. It has two sectors – national and international.

The national sector delivers quality continuing education programs for business organisations and the public sector such as management, communication, and leadership training. It also provides specific programs in Education, such as TESOL and LOTE.

The international sector provides English Language and Pathway Diploma programs for entry into the University.

Centre for Communications Studies (ACUcom) students are able to:

- learn English from specialist staff who combine the latest communicative methods with traditional teaching of English grammar
- study at elementary, intermediate and advanced levels in small classes of 15 students or less
- graduate with a Certificate of Attainment issued by the University
- use the University facilities, such as libraries, computer rooms, gyms and canteens
- mix with Australian students
- gain advice about further study options in Australia

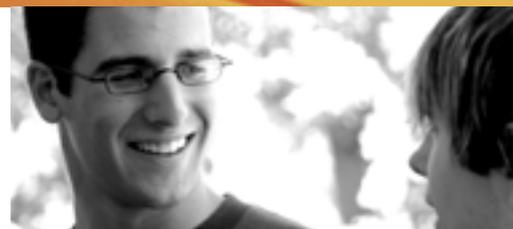
International Events and Highlights

- Significant increase in fee-paying numbers in degree programs across all Faculties.
- ACU National experienced increased diversity of international students. Largest numbers are from India, China, Korea, Indonesia and Japan with numbers from Europe, USA and South America also increasing.
- New exchange agreements with several overseas universities.
- Major review of appointment and contracting of educational agents both onshore and offshore.
- ACU National increased its international profile, attending conferences including the European Association for International Education (EAIE) and NAFSA Association of International Educators in the US.
- Three East Timorese students, Jose da Costa, Nicolau Fraga and Teodizio Batista Ximenes, graduated from ACU National's Ballarat Campus in May after being granted four-year scholarships at ACU National in the School of Arts and Sciences (Vic) and the Trescowthick School of Education (Vic).
- The Faculty of Education and the School of Education (Vic) hosted the 32nd Australian and New Zealand Comparative and International Education Society (ANZCIES 2004) on the theme *Global Pedagogies: Equity, Access and Democracy in Education*, in December, with more than 100 delegates from the USA, Canada, the UK, Hong Kong (SAR China), Taiwan, Fiji, and Papua New Guinea.
- The graduation of the first cohort of 11 students who completed the Master of Educational Leadership in Mauritius was held in August. ACU National's Faculty of Education is involved in a number of international partnerships, delivering programs for disadvantaged communities in East Timor, Mauritius, Pakistan and Tonga.
- Diploma numbers for international students have substantially increased in all states.
- Students from universities in Freiburg, Milan, USA and Japan are enjoying group stays at ACU National in Brisbane, Sydney and Melbourne.
- English Language Intensive Courses for Overseas Students (ELICOS) in Victoria and New South Wales have steady numbers.

International Study Agreements

Institution	Country
Albert-Ludwigs-Universität Freiburg	Germany
Catholic University of Daegu	Republic of Korea
Catholic University of Korea	Republic of Korea
Catholic University of Lyon	France
College of Notre Dame of Maryland	USA
ESPEME School of Business	France
Fachhochschule Darmstadt	Germany
Fachhochschule Frankfurt am Main	Germany
Fachhochschule Fulda	Germany
Fachhochschule Giessen-Friedberg	Germany
Fachhochschule Wiesbaden	Germany
Georgia College and State University	USA
Haagse Hogeschool	The Netherlands
Hijiyama University	Japan
Hochschule für Gestaltung, Offenbach am Main	Germany
Hochschule für Musik und Darstellende Kunst, Frankfurt am Main	Germany
Johann Wolfgang Goethe-Universität Giessen	Germany
Justus Liebig-Universität Giessen	Germany
Kagoshima Immaculate Heart University	Japan
Katholische Universität Eichstätt-Ingolstadt	Denmark
Lund University, Department of Nursing	Sweden
Malmö University	Sweden
Nagoya University of Foreign Studies	Japan
Nazareth College of Rochester	USA
Nipissing University	Canada
Philipps-Universität Marburg	Germany
Regis University	USA
Rovaniemi Polytechnic	Finland
Santa Clara University	USA
Shoaguan University	China
Sophia University	Japan
St John's University	USA
St Martin's College, Lancaster	United Kingdom
St Norbert College	USA
St Thomas University, Fredericton	Canada
State University of NY, Oswego	USA
Technische Universität Darmstadt	Germany
Universidad Iberoamericana Plantel Golfo Centro	Mexico
Universität Kassel	Germany
Universite Catholique De Lille	France
Universität Konstanz	Germany
University of Gävle	Sweden
Universität Heidelberg	Germany
Universität Hohenheim	Germany
Universität Karlsruhe	Germany
Universität Mannheim	Germany
University of North Carolina at Greensborough	USA
University of St Thomas, Texas	USA
Universität Stuttgart	Germany
University of the Sacred Heart	Japan
Universität Tübingen	Germany
Universität Ulm	Germany
West Virginia University	USA

MEMORANDA OF UNDERSTANDING AND AGREEMENTS WITH OTHER INSTITUTIONS



Memoranda of Understanding and Agreements with Other Institutions

The following Memoranda of Understanding and agreements have been established or renewed between ACU National and other institutions.

- Australian Lutheran College
- Australian Sports Commission, ACT Academic of Sport, NSW Institute of Sport, Queensland Academic of Sport and Victorian Institute of Sport (Elite Athlete Friendly University Agreement)
- Catholic Education Office, Archdiocese of Hobart, provides for offering the Graduate Certificate in Religious Education
- Catholic Education Office, Diocese of Parramatta, provides for offering the Master of Religious Education
- Catholic Institute of Sydney
- Catholic Theological College, Melbourne
- Lutheran Church, provides for the cooperative preparation of teachers for Lutheran schools
- Notre Dame College (Shepparton) and the Catholic Education Office (Sandhurst) to provide the Graduate Diploma in Education (Secondary)
- RSL Veterans' Retirement Villages, New South Wales (RSLVRV) provides for the establishment of a Chair and Professor of Ageing (Veterans and Community)
- St Paul's Theological College, Brisbane
- St Vincent's and Mater Health, Sydney, reaffirms the establishment of the Plunkett Centre for Ethics in Health Care
- St Vincent de Paul Society, Broken Bay Diocese, provides annual Indigenous scholarships for students studying at the University's Sydney campuses
- TAFE NSW
- The University of Melbourne, provides for cooperative delivery of the Graduate Diploma in Education (Secondary) in Shepparton

International

- Bureau of Catholic Education in the Diocese of Mauritius, provides for offering the Master of Educational Leadership in Mauritius
- Catholic Teachers' College, Baucau, formalises the relationship between ACU National and Catholic Teachers' College, Baucau, to support the educational reconstruction of East Timor
- Caritas Francis Hsu College, provides for offering the Bachelor of Business (Accounting){Degree Conversion Program} in Hong Kong
- Catholic Institute of Theology Te Putahi Matauranga Whatapono Katorika, provides for offering the Master of Educational Leadership in Auckland, New Zealand
- Faculty of Education, Assumption University, Bangkok, Thailand
- Institute of Education, University of London, UK, provides for cooperation through staff visits and joint activities, with a special focus on scholarly interactions between the Centre for Research and Development in Catholic Education (Institute of Education) and the Faculty of Education (ACU National)
- Notre Dame Institute of Education, Pakistan, provides for offering the International Graduate Certificate in Education and the Master of Education in Karachi, Pakistan
- The Catholic Education Office of the Diocese of Tonga and Niue (CDT), provides for offering the Graduate Certificate in Religious Education in Tonga
- Wellington Catholic Education Centre, provides for offering the Master of Educational Leadership in Wellington, New Zealand
- Wenzhou Ursuline College of Languages, provides for educational and cultural exchange
- Yanjing Overseas Chinese University / International Business School, promotes cultural and educational exchange between Australia and China and establishes articulated Bachelor's degree programs in Business and Information Systems

CULTURAL EVENTS, CONFERENCES, FORUMS AND PUBLIC LECTURES



Conferences and Forums Hosted by ACU National

- A conference for 110 teachers was held at Brisbane Campus led by ACU National Mathematics Education Staff in collaboration with Brisbane Catholic Education and the Association of Independent Schools Queensland.
- A forum for principals, parish priests and 200 teacher education students, *Meet the Employer*, was held on Melbourne Campus during Catholic Education Week in March. This forum promoted dialogue between prospective graduates of teacher education programs, principals of Catholic schools and parish priests on the attributes of a Catholic school teacher.
- Strathfield Campus, Sydney, hosted *Exploring the Treasures of Gregorian Chant for Today's Worship*, a national conference.
- A public forum on *The Trafficking of Women and Girls into Australia* was held at Strathfield Campus, organised by Dr Maree Marsh.
- Melbourne Campus hosted the third international Inter-Religion Abraham Conference, 22-23 May, with inter-faith dialogue between Jews, Muslims and Christians. Further discourse was provided through the Iftar meal on 10 November, which brought together Christian and Islamic groups in joint celebration.
- A public forum in April at the Melbourne Campus, chaired by the Vice-Chancellor, addressed the redemptive aspects of the passion against the background of Mel Gibson's film, *The Passion of the Christ*.
- Reverend Barbara Rudolph, General Secretary to the Council of Christian Churches in Germany, participated in a forum with local respondents on the *World Council of Churches in a Global and Ecumenical Age* in Melbourne in May.
- Melbourne Campus hosted the ninth International Symposium of Mosaic, officially opened on 27 October jointly by Sir James Gobbo AC and Professor Gabrielle McMullen, Pro-Vice-Chancellor (Academic Affairs).

Public Lectures Held at ACU National Campuses

Brisbane

- Rhylla Webb in her Fabiola Oration described the experience of working with and learning from the Indigenous community in Woorabinda, Central Queensland.
- Dr Timothy Radcliffe OP in a lecture jointly sponsored by ACU National and the Australian Theological Union spoke on honesty in public life.
- His Excellency Dr Declan Kelly, Ambassador of Ireland visited in March with Mr Tom Kitt TD, Minister for Overseas Development and Human Rights in the Dáil, who spoke on Ireland's work in international aid.
- The University Foundation and the legal firm Blake, Dawson and Waldron presented a lecture in May by Mr John Ralph, Chairman of the Board of Telstra.
- The Aquinas Memorial Lecture was jointly presented by Auntie Joan Hendricks and her daughter Associate Professor Cindy Shannon from the Department of Public Health at the University of Queensland on the topic of *Building Capacity for Aboriginal and Torres Strait Islander Community Control in Health*.
- The University Foundation hosted Professor Philip Eliasoph, Professor of Art History at Fairfield University, Connecticut, USA, who presented a lecture titled *Popes, Princes, and Painters: The Role of Patronage in the Italian Renaissance* at the Queensland Art Gallery in August.
- Professor Louis Dupre, Emeritus Professor in Religious Studies at Yale University, visited in September as part of a tour organised by St Paul's Theological College. He presented a paper titled *Apologia for the Enlightenment*.

Strathfield

- *How Can We Go on Hoping?*, was a public lecture delivered by Dr Timothy Radcliffe OP, former Master of the Order of Preachers (Dominicans)

North Sydney

- The Lenten Lecture, *To Build Peace and Bring Hope*, was given by Father Mark Raper SJ, Provincial of the Jesuits in Australia.
- The Victor J Couch Lecture *Emotional Health of Childbearing Women: Do We Take It for Granted?* was given by Professor Barbara Hayes, Professor of Nursing, James Cook University.

Melbourne

- Dr Sophie McGrath spoke on *Women and the 1904 Australasian Catholic Congress* in May.
- Professor Graeme Davison, Dr Val Noone and Mr Thomas Hazell AO spoke on the history of Central Hall and its place in Melbourne in August.

Ballarat

- 150-year celebrations of the Eureka Stockade included a public lecture by Adjunct Professor John Moloney.
- The Annual Aquinas Lecture was held in September, with Mr Julian Burnside QC speaking on *Boats and Votes*.

CULTURAL EVENTS, CONFERENCES, FORUMS AND PUBLIC LECTURES // CONTINUED

Concerts and Art Exhibitions held at ACU National Campuses

Brisbane

- *Visions – Lent, Passion and Easter*, an exhibition of nine of Queensland's renowned contemporary artists was held from late March until mid May.
- Brisbane Campus hosted a retrospective exhibition of religious works by Indian artist, Frank Wesley in August.

Strathfield

- Strathfield Campus hosted the *Clancy Prize for Religious Art* exhibition in March.
- The *Touring Blake Prize* was exhibited in May.
- Strathfield Campus hosted the international *Bible Miniature Art Exhibition* in association with the Embassy of Israel, Canberra, in late October and early November.
- *Volume One*, an exhibition of video presentations, sculpture, installations, painting, printmaking and graphic design by the first NSW students to graduate with a Bachelor of Visual Arts and Design from ACU National was held in November.

Canberra

- The 2004 ARTS Factory exhibition presented the artworks of Janet Twigg-Patterson, on *Visual Diversity*, in September, opened by Gowrie Waterhouse, Acting Manager, Art Services, Department of Parliamentary Services.

Melbourne

- The long list of exhibitions held at ACU National's Melbourne Campus in 2004 reflects the vibrancy of its gallery, located on the fringe of Melbourne's CBD.
- Melbourne Campus celebrated the centenary of the opening of Central Hall with a number of cultural events, including the *Twilight Concert* in March, a series of lunchtime concerts, the Gloria Concert featuring the Campus Choir in May, an old-fashioned movie night in June, Glenn Elston's adaptation of Shakespeare's *A Midsummer Night's Dream* in August, and a performance by the Campus Choir of *Baroque d'Italia Choral Work*, directed by Andrew Wailes in October.
 - The Friends of the Melbourne Campus Gallery, established in 2003, were given a presentation prior to the official opening of the *Global Mural Project* exhibition. They were also given guided tours of the Caravaggio and Impressionists exhibitions at the National Gallery of Victoria led by Mrs Margaret O'Bryan OAM, and a talk by Mr Phil Cooper, lecturer at Melbourne Campus, about his artwork for the new Parramatta Cathedral.
 - The *Peace Works Art Exhibition* showcasing women artists and spirituality was held in conjunction with the Association of Women Scholars of Religion and Theology *Peace Works* conference, which was also hosted by the University (mid January).
 - The *Global Mural Project* exhibition (late January) celebrated the voices of children from around the world through a series of artworks using different media, prepared by communities of children from countries as culturally diverse as Iraq, Sri Lanka, the Philippines and Australia.
 - A series of photos entitled *Jesus of Ipswich* was displayed in the campus foyer early in the year and received much interest.
 - An exhibition entitled *Connections* by local artist Wendy Bargo was hosted as part of Reconciliation Week and was officially opened on National Sorry Day (27 May).

— The *Touring Blake Exhibition* was opened at Melbourne Campus by Dr Gerard Vaughan, Director of the National Gallery of Victoria on 28 June.

— An art exhibition associated with *Carnivale Christi* and featuring the work of artist Charles Billich was held from 22 September to 3 October.

— Successful student exhibitions were held at both Victorian campuses in November, including an exhibition of artwork by the first Victorian graduating students from the Bachelor of Visual Arts and Design.

Ballarat

- Canberra-based artist Marji Hill donated a series of paintings depicting the Eureka Stockade to the University. These were unveiled at Ballarat Campus on 15 November, marking the 150th anniversary of the rebellion.
- Works by Senior Lecturer in the School of Arts and Sciences (Vic) Stephen Davidson were exhibited at the Ballarat Fine Art Gallery in October.
- The campus hosted the Central Highlands Historical Society annual exhibition in October.

ACU NATIONAL FOUNDATION WITH GRATITUDE

The Australian Catholic University Foundation was established in 1993 to nurture the University's diverse areas of interest by providing a focus for individual, corporate and community energy and funds.

The Foundation raises funds to support the University's strategic academic initiatives, teaching and research projects, national and international community and outreach projects, and scholarships and bursaries for its students. The Foundation also raises funds to support the University's capital development program and facilities.

Since its establishment, the Foundation has raised over \$8 million.

The Australian Catholic University Foundation creates an environment where people and organisations invest their time and money in the advancement of the University. The University is extremely grateful to its donors and publicly recognises them.

For further information visit www.acu.edu.au/foundation, or email foundation@acu.edu.au.

2004 Highlights

- The Edith Morgan Chair in Aged Care, jointly funded by St Vincent's Health and Ellis Residential Care, was launched in May at the Melbourne Campus.
- The Bob and Margaret Frater Postgraduate Scholarship provides an overseas experience for a Catholic primary school teacher. Catherine McGuire was the inaugural recipient and travelled to Cape Town, South Africa, in September to attend the 29th International Board on Books for Young People (IBBY) Congress.
- Dr Michael Dunkin generously provided \$25,000 towards establishing a scholarship fund for students in East Timor. These scholarships will enable students to attend the Catholic Teachers' College in Baucau.
- The NSW Prizes and Awards Ceremony took place on the Strathfield Campus on 17 May. This annual ceremony honours both the University's many generous donors, as well as award recipients.
- The Archdiocese of Melbourne is now sole sponsor of ACU National's Chair in Philosophy based at the Melbourne Campus.

ACU National Foundation Supporters

ACU National is deeply grateful for the generous support of the trusts, institutions and individuals listed below, contributing to the Foundation in 2004.

There are also a number of private donors who do not wish to be acknowledged. The University is equally grateful for their support.

Queensland

Brisbane Campus

- Albrecht Foundation Trust
- Archdiocese of Brisbane
- Australian Catholic Historical Society
- Australian Psychological Society Ltd
- The Estate of Fred and Violet Borchardt
- Brigidine College
- Christian Brothers
- De La Salle Brothers
- Alan Druery
- Holy Spirit Sisters
- Johnson & Johnson
- Lutheran Education Australia
- Queensland Catholic Education Commission
- Queensland Orthopaedic Nurses Association
- Royal College of Nursing, Australia
- Dr John Sullivan
- The Centaur Memorial Fund for Nurses
- The Knights of Malta
- The Pratt Foundation
- The Seymour Group

Australian Capital Territory

Canberra Campus

- Archdiocesan Council of St Vincent de Paul Society, Canberra and Goulburn
- Australian Catholic Historical Society
- Australian Psychological Society Ltd
- Canberra Southern Cross Club
- Dr Robert Frater AO and Mrs Margaret Frater DSG

Victoria

Melbourne Campus

Ballarat Campus

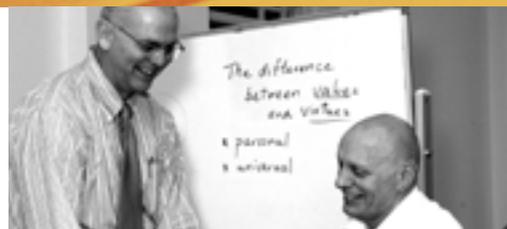
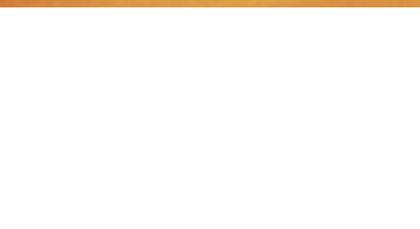
- Archdiocese of Melbourne
- Australian Catholic Historical Society
- Australian Psychological Society Ltd
- Diocese of Ballarat
- Diocese of Sandhurst (Bendigo)
- Ellis Residential Care
- Maria Myers
- Michael Myers
- National Institute of Youth Performing Arts Australia Pty Ltd
- Notre Dame College, Shepparton
- Roman Catholic Trusts' Corporation for the Diocese of Melbourne
- Royal College of Nursing, Australia
- Saint Francis Xavier Cabrini Hospital
- St John of God Health Care, Ballarat
- St Vincent's Health
- The Pratt Foundation
- The Sarah Frawley Memorial Trust

New South Wales

Strathfield Campus

North Sydney Campus

- Association of Catholic School Principals Inc
- Australian Catholic Historical Society
- Australian College of Educators (Parramatta/Hills Regional Group)
- Australian Computer Society Inc (NSW Branch)
- Australian Council for Educational Leaders Inc
- Australian Council of Health, Physical Education and Recreation, NSW
- Australian Human Resources Institute
- Australian Psychological Society Ltd
- Carroll & O'Dea, Solicitors
- Catholic Education Office, Sydney
- Catholic Education Office, Parramatta Diocese
- Catholic Schools Office, Broken Bay Diocese
- Centacare
- Council of Catholic School Parents (NSW)
- CPA Australia
- Dooleys Lidcombe Catholic Club
- Dr Michael Dunkin
- Elsevier Australia
- Mr Jeff Egan of Flagship Communications
- Dr Robert Frater AO and Mrs Margaret Frater DSG
- Institute of Industrial Arts and Technology Education (IIATE)
- Marist Brothers
- Mathematical Association of New South Wales Inc (MANSW)
- Bill Ritchie Family Trust
- Royal College of Nursing, Australia
- Royal Life Saving Society Australia (NSW)
- Siloam Korean Presbyterian Church, Strathfield
- Society of St Vincent de Paul (Broken Bay)
- St Vincent's Hospital
- Sisters of the Good Samaritan, Glebe
- Sothertons, Sydney
- The family of Nicol Alexander
- The family of Lesley Anne Gleeson
- The family of Br Marcellin Flynn
- The family of Michael Pickering
- Zonta Club of Sydney North



University Relations, formerly the Marketing Directorate, supports the Mission of ACU National through a wide range of marketing, communication and fundraising activities (see ACU National Foundation for fundraising details).

In 2004, there was wide consultation with staff, students, careers advisers and prospective students on creatively communicating the notion of a public Catholic university within national and international settings. ACU National branding was incorporated in a new suite of print and web-based international campaigns such as "Why choose ACU National?" and "Qualify for Life". The branding also centred around a campaign involving ethical dilemmas.

Key Initiatives in 2004

- Student and staff focus groups on all six campuses contributed to the national identity and communication strategy.
- An extension of the student ambassador program was implemented across all six campuses. The ambassadors actively assisted in the recruitment of students and in the work of University Relations.
- University Relations staff worked internally with students, Campus Student Services, Student Associations and the University's national student body, ACUNSA, as follows:
 - > The planning and implementation of an inaugural national meeting of students from all campuses, *The Big Event*
 - > The development and distribution of ACU National merchandise
 - > International and domestic students were given internships at various campuses, working on national projects such as Open Days, Orientation, media campaigns and public lectures.
- University Relations formed a closer liaison with schools and careers advisers, setting up a specific website at www.acu.edu.au/careersadvisers.

- Student recruitment staff were transferred from Student Administration to University Relations. This enhanced the use of qualitative and quantitative data to plan and review effective strategies in undergraduate and postgraduate student recruitment.
- A communications strategy was developed and implemented for Nursing at North Sydney, in response to the transfer of 165 commencing undergraduate Nursing places from the University of Sydney.

Media Interest

ACU National was reported in national media outlets, including national, metropolitan, regional and suburban papers, specialist media and trade publications.

Significant media interest was shown:

- Nationally, a "Freeze on Fees" campaign received considerable media coverage, in print and on the web
- Social justice issues received wide coverage. These included:
 - > Support for education in East Timor
 - > Collaborative efforts to fight the trafficking of women and children
 - > The offering of University courses to people who are homeless, in partnership with St Vincent de Paul Society
 - > Tailored teaching courses for Sudanese refugees
- Chair appointments:
 - > The Edith Morgan Chair in Aged Care
 - > Chair and Professor of Ageing (Veterans and Community), supported by the RSL Veterans' Retirement Villages, New South Wales (RSLVRV)
- A rise in Theology enrolments
- Student achievements and activities, including student Therese Rodway representing the Australian Catholic Bishops' Conference at the International Youth Forum in Rome
- Events, exhibitions and lectures including the *Global Mural Project: the Voices of the Children*, and the *Touring Blake Exhibition*, and Father Mark Raper SJ, head of the Jesuits, who presented the 2004 Lenten Lecture at the North Sydney Campus

Media releases may be viewed at www.acu.edu.au/ACU_National/News_Events_Calendar/index.cfm, while media coverage of ACU National events appears at www.acu.edu.au/ACU_National/News_Events_Calendar/In_the_News/index.cfm.

Website Initiatives

The ACU National website at www.acu.edu.au provides information about the University and its governance, history, partnerships, academic programs, campuses, services and policies. Annual Reports and other University publications are available at www.acu.edu.au/ACU_National/News_Events_Calendar/Online_Publications.cfm.

University Relations worked closely with staff and stakeholders to integrate print and online initiatives, including the fortnightly ACU National Update, an electronic internal communication tool for staff; electronic distribution of media summaries and clippings; and an online events calendar.

In 2004, the University website, www.acu.edu.au, was enhanced to support marketing and communications strategies by:

- Developing specific campaign sites for Orientation, Open Days, "Qualify for Life", careers advisers, and "Considering Nursing?"
 - Developing specific URLs – Foundation, International, Merchandise and Careers Advisers
 - Developing an online merchandise facility
- 2004 Publications (some available online) and Marketing Collateral**
- *2003 Annual Report*
 - Campus Guides for all six ACU National campuses
 - *The Chronicle*, September 2004
 - Course Guides: Why choose ACU National?; Undergraduate Courses Guide; Postgraduate Courses Guide; ACUweb Online Postgraduate Courses
 - International Student Guide
 - CD-ROM, card and posters for international students
 - ACU National Banners for student recruitment and the University Foundation

FINANCIAL HIGHLIGHTS



The result from operating activities showed some improvement in 2004 due in part to a strategically sound approach to the allocation of revenue to management centres. This provided funds at year end to assist with significant cost pressures expected to face the institution in 2005.

Executive Summary

Revenue

Commonwealth Government operating grants increased by \$1.67m (2.10%) over 2003. They included Capital Development Pool funds of \$1.89m to assist with funding Brisbane and Sydney campus developments. They also included the Commonwealth Government contribution of \$1.00m (\$0.73m in 2003) in relation to the Postgraduate Loans Scheme (PELS).

Other operating revenue, excluding Deferred Superannuation Contribution by government, increased by \$6.18m (23.23%). This included an increase in fees and charges of \$4.47m and an increase in Other Revenue of \$1.71m. Total revenue increased by \$6.85m (6.36%).

Expenditure

Salary expenditure, excluding transfer to provisions, increased by \$4.58m (6.69%). The increase primarily reflected salary increases awarded to staff in July 2004 in advance of implementation of a new enterprise agreement.

Significantly, non-salary cash expenses reported a decrease of \$0.69m (2.45%).

Total expenditure, including non-cash transactions for depreciation, amortisation and transfers to leave provisions increased by \$2.84m (2.79%).

Operating Result

There was a positive result for the year ended 31 December 2004. One factor that improved the result in 2004 (\$9.868m compared with \$5.863m in 2003) was a reduction of \$1.1m in the expense, Depreciation and Amortisation, from \$3.99m in 2003 to \$2.89m in 2004. The reduction in expense is due to an extension to the period of depreciation write down in relation to the Ballarat Campus property.

Working Capital

There was a decline in the Working Capital position from a deficit of \$0.35m in 2003 to a deficit of \$2.1m in 2004. The Statement of Financial Position reflects a decrease in cash and investments. A change to the payment arrangements for the government grant, in which the first payment for the grant year is no longer received in advance, resulted in a reduction of approximately \$6.32m in cash and investments, with a corresponding reduction in revenue in advance under current liabilities. The change has no impact on the University's operating result or Working Capital position.

Borrowings

Loan repayments created a reduction in total borrowings, to \$7.95m in 2004, from \$9.25m in 2003.

Net Assets and Reserves

Net Assets and Reserves increased by \$2.58m. This comprised an increase of \$9.87m from Net Operating Profit and a decrease of \$7.29m, as a result of an adjustment to the valuation of North Sydney Campus and Strathfield Campus, classified under Land and Buildings – Future Benefits of Properties Held in Trust. It was noted in the 2003 Financial Statements that the two properties were formally subject to a review of the management fee payable for the use of the properties, which could require an adjustment to the valuation of these assets. Agreement in principle with the owners of the properties, the Trustees

of the Roman Catholic Church for the Archdiocese of Sydney was signed on 24 December 2004 requiring the University to pay \$5.00m in 2005 and \$3.00m in 2010 to the Sydney Archdiocese to occupy the properties in perpetuity. This has resulted in a reduction to the University's Land and Buildings – Future Benefits of Properties Held in Trust asset of \$7.29m, representing the discounted value at 31 December 2004 of the two payments.

Infrastructure Developments

Refurbishment of the Loreto Nursing Home property at 167 Albert Road, Strathfield, part of the Strathfield Campus, commenced during the second half of 2004 and is expected to be completed mid 2005. The development will provide additional teaching and office space to assist with accommodating growth in student numbers. The total projected cost of the project is \$9.63m.

Refurbishment of the Carroll Building on the North Sydney Campus also commenced late in 2004 and was completed prior to the commencement of classes in February 2005. The development provides additional Nursing laboratory and teaching space and a refurbished library with additional facilities. The total cost of the works is expected to be \$2.3m.

Conclusion

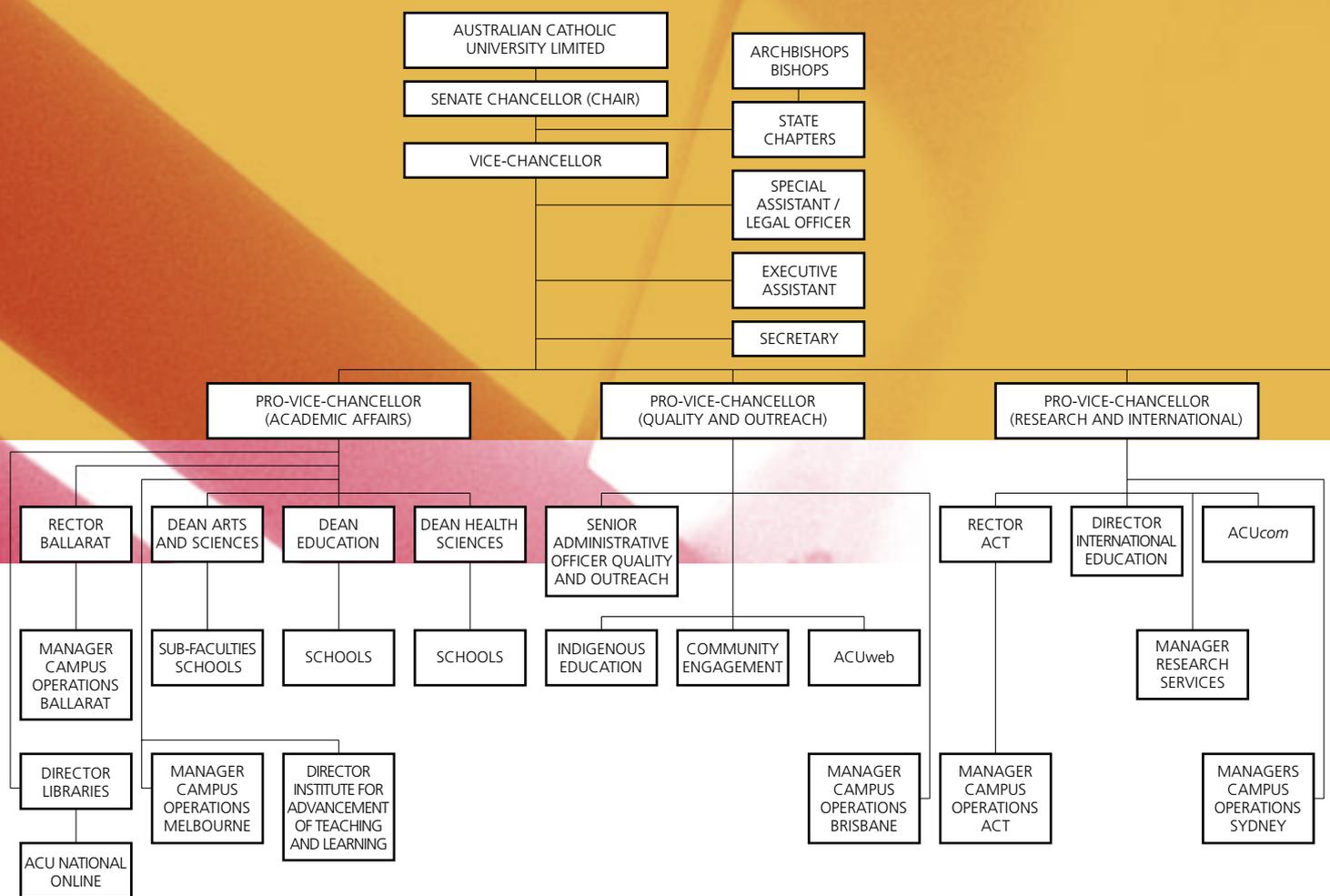
The University is in a sound financial position and expects to continue to meet its obligations as they fall due.

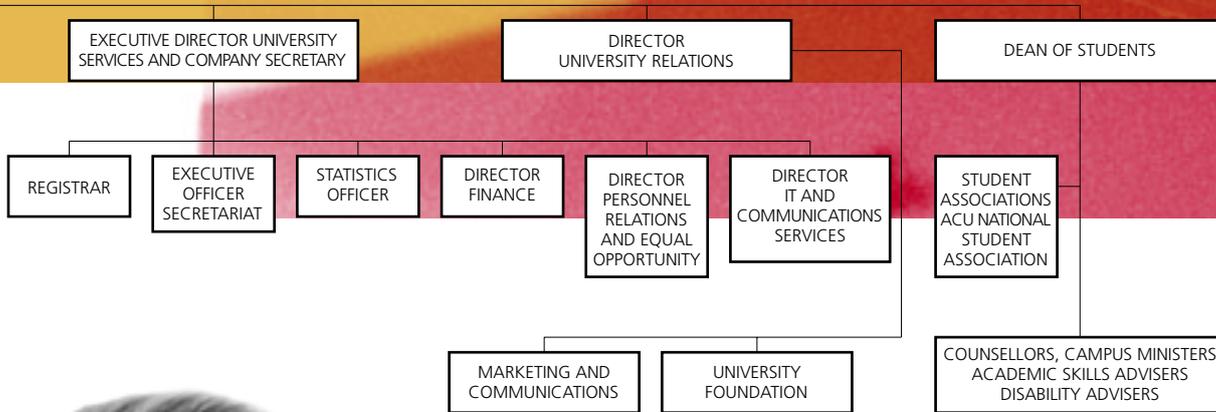
Summary •	2004	2003
	\$'000	\$'000
Federal Government Operating Grants	81,026	79,356
Other Operating Revenue	32,774	26,595
Gross Proceeds from Sale of Non-Current Assets	501	1,607
Salary (excluding transfer to Provisions)	(73,010)	(68,432)
Non-Salary Cash Expenses	(27,577)	(28,269)
Non-Cash Expenses (Depreciation, Amortisation and Provisions)	(4,066)	(5,108)
Deferred Superannuation Contribution	220	114
Net Operating Profit	9,868	5,863
Interest Bearing Liabilities	7,950	9,250
Working Capital Surplus/(Deficit)	(2,098)	(347)

- Annual Financial Statements are reviewed by ACU National's Audit Committee and Standing and Finance Committee before being approved by Senate for presentation to the Australian Securities and Investments Commission (ASIC).



ORGANISATIONAL CHART







BROTHER JULIAN MCDONALD CFC AO



MR EDWARD EXELL AM



PROFESSOR PETER SHEEHAN AO

Chancellor

Brother Julian McDonald CFC AO
BA DipEd (Syd), CertRelFormation
(St Louis), GradDipLanInEd (CSU)

Brother Julian was appointed Chancellor of ACU National in November 2000. He has been a member of the University Senate since 1992, and was previously Pro-Chancellor from 1995-2000. In October 2002, Brother Julian concluded a 12-year term as Province Leader of the Christian Brothers in New South Wales, Australian Capital Territory and Papua New Guinea. He is currently Executive Officer, National Committee for Professional Standards – a committee of the Australian Catholic Bishops Conference and the Australian Leaders of Religious Institutes.

He joined the Christian Brothers in 1960 and went on to gain a Bachelor of Arts and Diploma of Education at the University of Sydney. He received a Certificate of Religious Formation from St Louis University and a Graduate Diploma in Language in Education from Charles Sturt University. In 1973 he became Director of Christian Brothers Formation at Strathfield, NSW, and held this position until 1981. Brother Julian spent two years (1988-1990) in Rome as Director of Christian Brothers' International Renewal Programme.

He is completing an MA Hons in the field of children's literature at Charles Sturt University.

Pro-Chancellor

Edward Exell AM
BA (Hons) (Melb), BEc (ANU)

Mr Exell has been Pro-Chancellor of the University since November 2000. He is Business Manager of the Catholic Archdiocese of Melbourne. He is Chair of the Standing and Finance Committee of the University and also chairs its Audit Committee. Mr Exell was born in Melbourne and educated at Xavier College, Melbourne, Loyola College, Watsonia, as a Jesuit scholastic, and the Australian National University. Before joining the Catholic Archdiocese he was Deputy Managing Director of the Australian Trade Commission.

Mr Exell has served on the National Board of Employment Education and Training, the Mercy Health and Aged Board and is a member of the School Council of Xavier College.

Vice-Chancellor

Professor Peter Sheehan AO
BA (Hons), PhD (Syd), FAPS,
FAPSA, FASSA

Professor Sheehan was appointed Vice-Chancellor of ACU National in February 1998. He obtained a Bachelor of Arts with Honours from the University of Sydney in 1961 and was awarded a Doctor of Philosophy in Psychology in 1965. After completing a postdoctoral fellowship at the University of Pennsylvania Hospital (1965-1967), he was Assistant Professor of Psychology at the City College of the City University of New York (1967-1968), lecturer/senior lecturer at the University of New England, Armidale (1968-1972) and Professor of Psychology at the University of Queensland from 1973-1997.

He was Chair of the Queen Elizabeth II Fellowships and Australian Research Grants Committee from 1983 to 1985 and Chair (for 1992-1993) of the Australian Research Council's Research Grants Committee, and is past Chair of the Council's Social Sciences and Humanities Panel. He is also Past President of the Australian Psychological Society and was President of the International Congress of Psychology in 1988. From 1991-1993 he held office as President of the Academy of the Social Sciences in Australia (ASSA), and was made Honorary Fellow of the Academy in 1996.

Pro-Vice-Chancellors

**Research and International
Professor John Coll**
PhD, DSc (Syd), FRACI

Professor Coll joined ACU National in 1996 as Pro-Vice-Chancellor (Academic Affairs) and has held his current role of Pro-Vice-Chancellor (Research and International) since 2000. He is Professor in Chemistry at the University. Professor Coll commenced his academic career at James Cook University in Queensland as a lecturer in 1972. Before joining ACU National he was Pro-Vice-Chancellor (Research) at Central Queensland University.

Professor Coll has produced more than 150 refereed research papers, individually and as co-author with his students and research colleagues. His research in the areas of natural products chemistry and marine chemical ecology led to a Doctor of Science with his alma mater, the University of Sydney. He is a Fellow of the Royal Australian Chemical Institute.

Professor Coll has researched extensively overseas, in the USA, London and Paris, and has collaborated with a number of pharmaceutical companies and cancer research institutes in the quest for drugs from the sea.

Academic Affairs

Professor Gabrielle McMullen
BSc (Hons), PhD (Monash), FRACI

Professor McMullen has held her current appointment as Pro-Vice-Chancellor (Academic Affairs) since 2000. She is responsible for the ACU National Faculties, library and academic staff development as well as the Victorian operations of the University. She was previously Rector of the Ballarat Campus for five years.



PROFESSOR JOHN COLL



PROFESSOR GABRIELLE MCMULLEN



PROFESSOR JOHN O'GORMAN

Prior to joining ACU National Professor McMullen worked at the Chemical Institute of the University of Freiburg, Germany as a postdoctoral fellow and then in the Department of Biochemistry and Molecular Biology at Monash University. She was also Dean of Mannix College at Monash University. She has held fellowships from the Alexander von Humboldt-Stiftung and the Deutsche Forschungsgemeinschaft, and is a Fellow of the Royal Australian Chemical Institute.

Professor McMullen's current research interests include Catholic higher education and the history of science.

Quality and Outreach

Professor John O'Gorman
BA (Hons), PhD (Qld), FAPS

Professor O'Gorman commenced as ACU National's Pro-Vice-Chancellor (Quality and Outreach) in 2003 and is based on the Brisbane Campus.

Before joining ACU National, Professor O'Gorman was Foundation Professor of Psychology and Head of the School of Applied Psychology in the Faculty of Health Sciences at Griffith University.

Professor O'Gorman was Head of the Department of Psychology and Dean of the Faculty of Arts at the University of New England, Armidale from 1979 to 1989. Between 1970 and 1973, he held the role of Psychologist and Senior Psychologist in the Psychology Research Unit at the Australian Military Forces in Melbourne.

Professor O'Gorman is a Fellow of the Australian Psychological Society. He chaired the Conference Organising Committee for the Australian Psychological Society National Conference in 2001–2002 and 1993–1994 and was Chair of the Psychologists Board of Queensland from 1992 to 1998. He was Associate Editor at *Biological Psychology* (1984–1991) and Editor at *Australian Journal of Psychology* (1991–1994).

Professor O'Gorman has a proven record of internationally recognised scholarly achievement and a wealth of experience in university research and teaching. He is highly regarded in the education sector.

Rectors

Associate Professor Peter Camilleri
BSocStud (Syd), MSc (Surrey), PhD (Flin) – Canberra

Dr Anne Jean Hunt
BSc (Melb), DipEd (Melbourne College of Education), BEd (Monash), BTheol (YTU of MCD), MSc (Ed) (Fordham), MA (Theol) (Catholic Theological Union, Chicago), DTheol (MCD) – Ballarat

Deans

Dean, Faculty of Arts and Sciences

Professor Peter Carpenter
TC, BEd, MA, PhD (Qld) – Melbourne.
Professor Carpenter retired in late 2004 and **Associate Professor Gail Crossley**, BSc, PhD (Melb), DipEd (SydCAE) was appointed Acting Dean

Dean, Faculty of Education

Professor Marie Emmitt
TITC (Toorak), BA, BEd, MEd (Monash), MACE – Melbourne

Dean, Faculty of Health Sciences

Professor Elizabeth Cameron-Traub
RN ICC Cert, BA (Hons), PhD (Flin), GradDipNS (Ed) (Armidale CAE), MAPS, FCN, FRCNA – North Sydney

Dean of Students and Director of Ministry

Professor Tim O'Hearn,
BA (Monash), BEd (Melb), MA (Macq), MA (Syd), PhD (Macq) – North Sydney

Directors

Executive Director of University Services

John Cameron
MCom (UNSW), CPA – North Sydney

Director Finance

John Ryan
BBus (UTS), CPA – North Sydney

Director of Information and Communication Services

Barbara Olde
GradDipSc, InfoSys (CSU) – North Sydney

Director of International Education

Valerie Hoogstad
BA (Syd), MA (Macq) – North Sydney

Director of Libraries

Christopher Sheargold
BA (Syd), AALIA – Melbourne

Director of Personnel Relations and Equal Opportunity

Dr John Barclay
BA, DipEd, DipLib (UNSW), MEd (Syd), PhD (Lough), GradDipEmpRels (UTS) – North Sydney

Academic Registrar

Gabrielle Westmore
BA (Qld) – Brisbane

Director of University Relations

Patricia Ruzzene
BA (UNSW), Grad Cert TCHG (UTS), MACommMgt (UTS) – North Sydney

STAFF POLICIES

Employee Relations in 2004

Negotiations commenced in November for a new enterprise agreement to cover academic and general staff. The University has proposed a single agreement as part of this process to replace the academic staff agreement and the general staff agreement that presently apply.

During 2004, a number of important staffing policies were finalised and formally adopted by the University. Of these, the General Staff Position Classification Policy and the Grievance Management Policy, involved wide-ranging consultation with staff and other key stakeholders within the University community. In conjunction with the implementation of these policies, developmental programs and information sessions for staff were held on each campus for managers and staff. The University Senate endorsed a Code of Conduct for all staff in late 2004 which sets standards for ethical practice in relation to all areas of employment and provides a framework for the realisation of the University Mission in the workplace. Planning has begun on communication sessions for all staff to take place during 2005.

Also during 2004, as a major developmental initiative for general staff, the Vice-Chancellor's Development Awards for General Staff were implemented. The first recipients of these Awards were announced in August 2004.

In the context of an ongoing University commitment to improvement and the development of effective change processes, organisational restructuring processes were developed and implemented in a number of organisational units across the University, including University Relations, Personnel Relations and Equal Opportunity, Student Services, Research Services, and across the three Faculties.

Equity and Equal Opportunity

ACU National's Mission Statement sets out the institution's fundamental concern for justice and equity. ACU National staff are bound by the University's Staff Code of Conduct and various other policies that are intended to ensure that during the course of their employment they act with integrity.

The University submits an annual report to the Equal Opportunity for Women in the Workplace Agency, to monitor the University's progress in its implementation of equal employment initiatives. The Agency has acknowledged ACU National's achievements in the areas of general staff career planning, academic promotion workshops and the University's work on sex-based harassment. ACU National conducts a detailed annual analysis of its workforce data by gender, to track progress and trends and maintains a commendable level of achievement in this regard.

ACU National is progressively implementing equity strategies as set out in its Enterprise Agreement and Strategic Plan. For example, the University has flexible leave arrangements designed to enhance work and family balance, including award-winning benchmark maternity and parental leave provisions.

Online training on sexual harassment and workplace discrimination has been implemented across the University and the completion rate is high and increasing. The University also conducts briefings and training sessions for staff across the institution with particular emphasis on management responsibilities, compliance with equal opportunity-related legislation and best practice.

Occupational Health and Safety

During 2004, a significant number of improvements have been made to the University's Health and Safety Management Systems, with a number of important policies being approved and implemented. These policies are available on the University website and include:

- Critical Incident Management Policy
- First Aid Policy and Procedures (including updated Accident/Incident Reporting Form)
- Smoking on Campus Policy
- Fieldwork Safety Policy

In addition to these, the Local OH&S Committee Handbook has also been approved. It provides local OH&S committees with information on OH&S practice and on the relationship between the local committee and the University OH&S Strategic Management Committee. The Handbook also provides useful information on conducting efficient meetings and the processes involved in identifying and reporting hazards.

Progress on the Occupational Health and Safety Management Plan, established in 2000, has been significant, with 90 per cent of the recommendations made in the Plan being completed, while the remainder require ongoing monitoring and review of processes and systems.

While the total number of workers compensation claims in the year 2004 increased by 24 per cent over the previous year, the total cost of these claims decreased by 68 per cent. Sprains of joints and muscles accounted for 54 per cent of claims made in 2004.

The University has recently approved the policy on Employee Assistance Programs, which will be implemented early in 2005. In addition, an assessment is being made of the University's Human Resource Information System to explore ways in which it might include recording and reporting on Occupational Health and Safety information. This will facilitate more efficient management of accidents/incidents, improved risk management as well as providing significant improvement in workers compensation claims management.

STAFF STATISTICS

Whistleblowers Protection Act 2001 (Vic)

ACU National has developed policies and procedures for reporting disclosures under the *Whistleblowers Protection Act 2001* (Vic).

- No disclosures were made to the University during 2004.
- No disclosures were referred during 2004 by the University to the Ombudsman for determination as to whether they are public interest disclosures.
- No disclosed matters were referred to the University in 2004 by the Ombudsman.
- No disclosed matters were referred during 2004 by the University to the Ombudsman to investigate.
- No investigations of disclosed matters were taken over by the Ombudsman from the University during 2004.
- No requests were made under section 74 during 2004 to the Ombudsman to investigate the disclosed matters.
- There were no disclosed matters that the University declined to investigate during 2004.
- There were no disclosed matters that were substantiated on investigation.
- No recommendations of the Ombudsman were made under the Act that related to the University.

Risk Management

In 2004, the University Core Planning Group (CPG) adopted a "Risk Management Framework" to identify and prioritise key risks that may prevent the University from realising its strategic goals. The document is designed to provide a template to ensure key risk exposures are being considered and reviewed on a regular basis. It draws upon a business risk review undertaken in 2000; environmental changes since that report, including government policy, legislation and further development of the University's Strategic Plan; comments by state Auditors General in relation to risk in the sector; and a review of current best practice.

The Framework identifies risk type as internal (those that can be controlled by the University) or external (inherent to the business environment in which the University operates). The University has direct control over Strategy and Policy, Core Business Processes and Resource Management Processes. Risks outside the control of the University are also identified, analysed and monitored, to ensure that exposure is consistent with a clearly articulated risk threshold.

	2003	2004
Total number of staff		
General	439.7	446.7
Academic	387.0	376.3
Total number of full-time equivalent casual staff		
General	19.3	23.0
Academic	171.1	156.5
Total staff including casual staff		
General	459.0	469.7
Academic	558.1	532.8
Total	1,017.1	1,002.5
Quality of staff		
Percentage of ACU National academic staff with higher degree awards ¹	88.9	90.5
National average percentage of academic staff with higher degree awards ¹	74.0	78.5
ACU National student to teacher ratio ²	18.9:1	18.0:1
Australian average, all universities ²	20.4:1	19.7:1

¹ Source: DEST

² Source: AVCC

Fundamental to the process is that risk management strategies should be designed to ensure that the benefit of managing the risk is greater than the cost of implementing the mitigating controls.

The CPG has overall responsibility for risk management, while noting that this requires an ongoing commitment by managers to assess risk. Each manager is required to complete an annual risk management questionnaire. The Strategic Review Committee oversees the process of incorporating continuous risk assessment in strategic planning. The Audit Committee of Senate reviews risk management practices under its terms of reference.

Public Funds

Public funds allocated to the University have been allocated for the purposes specified by the Government or other public funding body.

Trade Practices Act

ACU National acknowledges its obligations under the *Commonwealth Trade Practices Act 1974* (the Act) and National Competition Code. All staff have been made aware of the University's obligations and their personal obligations under the Act. The University has committed to establish a staff program to facilitate compliance with the Act.

Additional Information Available on Request

As required under the *Financial Management Act 1994* (Vic), details on the following items are available on request from Mr John Cameron, Executive Director of University Services, ACU National North Sydney Campus, PO Box 968 North Sydney NSW 2059:

- Consultancies
- Declarations of pecuniary interests
- Grievance management
- Shares held by senior officers
- Changes in prices, fees, charges, rates and levies
- Overseas visits
- Major committees sponsored by the University
- Executive officers' remuneration
- Other relevant information

COMPLIANCE INDEX

This annual report of the Australian Catholic University (ACU National) is prepared in accordance with relevant state and federal legislation, including:

FMA	<i>Financial Management Act 1994 (Vic)</i>
FRD	Financial Reporting Directions (Vic)
SD	Standing Directors of the Minister for Finance issued under the <i>Financial Management Act 1994 (Vic)</i>
TEA 1993	<i>Tertiary Education Act 1993 (Vic)</i>
PAEC	Decision of Public Accounts and Estimates Committee of Parliament (Vic)
RUG	Victorian Government response to the Review of University Governance
ESOS	<i>Education Services for Overseas Students Act 2000</i>
DEST	Department of Education, Science and Training

This index was prepared to facilitate identification of compliance with statutory disclosure requirements in Victoria.

Clause	Disclosure	Page(s)
Report of Operations		
FRD 10	Compliance index	38, 39
FRD 11	Disclosure of ex-gratia payments	N/A
FRD 21(1) (a), (b), (c), (d)	Disclosure of responsible persons (and executive officers' remuneration)	40, (37)
FRD 21 (2)(a), (b), (c)	Disclosure of remuneration of executive officers	37
FRD 22 SD 4.2(g),(h)	General and financial information	01 – 88
SD 4.2 (j)	Signature of Chancellor or nominee	03
	Date of meeting at which Senate approved annual report, or date of delegated approval	81
General Information		
FRD 22	Manner in which the University was established	06
FRD 22	Relevant Minister	37
FRD 22	Objectives, functions, powers and duties	06, 43
FRD 22	Nature and range of services, people and communities served	01 – 43
FRD 22	Administrative structure	06, 07
FRD 22	Members of the Senate	40
FRD 22	Occupants of senior offices and areas of responsibility	34, 35, 40, 41
FRD 22	Organisational chart	32, 33
FRD 22	Workforce data for current and previous year; statement on application of merit and equity principles	36, 37
FRD 22	Statement on Occupational Health and Safety matters	36
Financial Year Information		
FRD 22	Summary of the financial results with comparative results for the preceding four years	46
FRD 22	Summary of significant changes in financial position	43 – 45
FRD 22	Operational objectives and performance including significant activities and achievements	43 – 45
FRD 22	Major changes or factors affecting the achievement of operational objectives	43 – 45
FRD 22	Events subsequent to balance date which may have a significant effect on operations in subsequent years	44
FRD 22	Consultancies in excess of \$100,000	37
FRD 22	Consultancies less than \$100,000	37

Clause	Disclosure	Page(s)
Other Relevant Information		
FRD 22	Application and operation of the <i>Freedom of Information Act 1982</i>	37
FRD 22	Compliance with the <i>Building Act 1993</i>	15
FRD 22	Compliance with the <i>Whistleblowers Protection Act 2001</i> (section 104)	37
FRD 22	Statement that information listed in Appendix 1 is available on request to the relevant Minister	37
FRD 22	Implementation and compliance with National Competition Policy	12
FRD 22	Summary of environmental performance	15, 44
Additional Information on Request Subject to the Provision of the FOI Act		
FRD 22	Declarations of pecuniary interests	37
FRD 22	Shares held by senior officers	37
FRD 22	Publications (University Relations)	30
FRD 22	Changes in prices, fees, charges, rates and levies	37
FRD 22	Major external reviews	37
FRD 22	Major research and development activities	12 – 14
FRD 22	Overseas visits	37
FRD 22	Promotional, public relations and marketing activities	30
FRD 22	Occupational Health and Safety matters	36
FRD 22	Industrial relations, accidents and disputes	36, 37
FRD 22	List of major committees sponsored by the University	37
Superannuation Liabilities and Disclosure		
FRD 23	Name and type of scheme	66, 67
FRD 23	Basis for calculating superannuation contributions	66, 67
FRD 23	Cost to the University for the scheme during the year	66, 67
FRD 23	Amount of contributions to defined contribution schemes outstanding at balance date	66, 67
FRD 23	Details of any loan to the University from the scheme	66, 67
FRD 23	If superannuation liabilities are recognised, details for each plan, accrued benefits, market value, etc.	66, 67
Additional Information		
s. 12I TEA 1993	Compulsory non-academic fees, subscriptions and charges	55
PAEC (Dec 1997)	International initiatives and strategies	24, 25
Code of Conduct	Employment processes and principles of conduct for employees	36, 37
RUG	Statement that public funds allocated to the purposes specified by the Government or other public funding body	37
RUG	Council's risk management strategy	37
RUG	Summary table of financial performance of the University's associates and commercial ventures	N/A
ESOS	Compliance with the <i>ESOS Act 2000</i>	24
DEST	Internal grievance and complaint procedures and complaints made to and investigated by the Ombudsman	36, 37
DEST	Website address for the current and previous Annual Reports	83
FMA 49(a), (b), (c), (d), (e)	Financial Statements	47 – 84
SD 4.2 (a)	Prepared in accordance with Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements (including Urgent Issues Group, Consensus Views and Statements of Accounting Concepts), Financial Reporting Directions and Business Rules	50, 82
SD 4.2 (b)	Comprised Statement of Financial Performance and Financial Position, Statement of Cash Flows and Notes to the financial statements	47 – 49
SD 4.2(c)	Signed and dated by the Accountable Officer, CFAO and a member of the Responsible Body	81
SD 4.2 (d)	Expressed in the nearest dollar	45
SD 4.2 (e)	Reviewed and recommended by the Audit Committee or Responsible Body prior to finalisation and submission	31

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2004



SENATE MEMBERS

Name	Occupation
Dr Nasir Butrous	University Lecturer
Associate Professor Philip Clarkson	University Lecturer
Ms Anne Margaret Cummins	Educational Consultant
Ms Geraldine Doherty	Educational Administrator
Mr Alan Edgar Druery OAM	Educational Administrator
Mr Edward William Exell AM	Professional Administrator
Most Reverend Bishop James Foley	Catholic Bishop
Associate Professor Pamela Ellen Gibbons	University Lecturer
Mr Gerald Gleeson AC KCSG	Company Director
Mr Paul Francis Gross	Consultant
Mr Paul Cuthbert Hoy	Solicitor
Ms Simone Maciel	
Br Robert Julian McDonald CFC AO	Religious Brother
Mr David Brian O'Connor AM	Public Servant
Dr Janis (John) Ozolins	University Lecturer
Ms Susan Mary Pascoe	Educational Administrator
Professor Peter Winston Sheehan AO	Vice-Chancellor
Ms Carolyn Maria Toonen	Counsellor
Mr Francis Wei-min Voon	
Associate Professor Ruth Priscilla Webber	University Lecturer

The directors present their report together with the financial report of Australian Catholic University Limited for the year ended 31 December 2004 and the auditors' report thereon.

Directors

The directors of the Company in office at any time during or since the end of the financial year are:

SENIOR EXECUTIVE

Position	Name
Vice-Chancellor	Professor P W Sheehan AO
Pro-Vice-Chancellor (Research and International)	Professor J C Coll
Pro-Vice-Chancellor (Quality and Outreach)	Professor J G O'Gorman
Pro-Vice-Chancellor (Academic Affairs)	Professor G L McMullen
Executive Director, University Services	Mr J M Cameron
Dean, Faculty of Arts and Sciences	Professor P Carpenter
Acting Dean, Faculty of Arts and Sciences	Associate Professor G Crossley
Dean, Faculty of Education	Professor M Emmitt
Dean, Faculty of Health Sciences	Professor E Cameron-Traub

The senior executive of Australian Catholic University Limited during 2004 and at the date of this report are:



Qualifications	Date of Appointment (Resignation)
BSc, MBA (Baghdad), PhD (Brad)	28 May 2004
BSc, DipEd (Monash), BEd (LaT), MEd (Melb), PhD (Qld)	14 April 2000 (28 May 2004)
BA (Canberra CAE), MA (Macq), GradDipRelStud (ACU)	30 September 1994
BA (Swin), GradDipBusAdmin (RMIT)	28 May 2004
BA, BEdSt, MEd (Admin) (Qld), FQIEA, FACE, FACEA, DUniv (QUT)	1 January 1991
BA (Hons) (Melb), BEc (ANU)	30 September 1996
DD, DPh (Leuven)	30 September 1994
TC, BA DipEd, MEd, PhD (Syd), FACS	22 May 2002
BSc, MEd (Syd), BEd (Melb), Hon Litt (CSU)	5 November 1990
BE (Syd), MEngSc (NSW), MPA (Princeton)	1 October 1998 (18 November 2004)
LLB (Melb)	1 January 1991
Student	1 January 2005
BA, DipEd (Syd), CertRelFormation (St Louis), GradDipLangInEd (CSU)	30 September 1992
BA (UNE), PACert (Syd Tech Coll)	14 April 2000
BS DipEd, MSc, PhD (Melb), (Deakin) GDipEdAdmin	28 May 2004
BA, DipEd, GradDipSpecialEd, MEd (Hons) (Melb), FACE, FACEA	20 September 2001
BA (Hons), PhD (Syd), FAPS (Hon), FASSA (Hon), FAPA, FACE	1 February 1998
BSocW, MSocW (Qld)	1 October 1998 (28 May 2004)
Student	1 January 2004 (31 December 2004)
TPTC, BA, MEdSt (Monash), BEd (LaT), PhD (Melb)	14 April 2000 (28 May 2004)

Qualifications	Date of Appointment (Resignation)
BA (Hons), PhD (Syd), FAPS, FAPSA, FASSA	1 February 1998
PhD, DSc (Syd), FRACI	1 April 1996
BA (Hons), PhD (Qld), FAPS	2 February 2004
BSc (Hons), PhD (Monash), FRACI	26 April 1995
MCom (Hons) (UNSW), CPA	3 August 1998
TC, BEd, MA, PhD (Qld)	5 April 1993 (31 December 2004)
BSc, PhD (Melb), DipEd (Syd CAE)	1 January 2005
TITC (Toorak), BA, BEd, MEd (Monash), MACE	19 January 2004
RN ICC Cert, BA (Hons), PhD (Flin), GradDipNS(Ed) (Armidale CAE), MAPS, FCN, FRNCA	1 December 1996

DIRECTORS' REPORT // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

Directors' Meetings

The number of directors' meetings (including meetings of committees of directors) and the number of meetings attended by each of the directors of the Company during the financial year are:

	Senate Meetings		Standing & Finance Committee Meetings		Honorary Awards Committee Meetings		Audit Committee	
	A	B	A	B	A	B	A	B
Dr N Butrous	3	4	—	—	—	—	—	—
Associate Professor P Clarkson	1	1	3	3	—	—	—	—
Ms A M Cummins	4	5	5	6	—	1	—	—
Ms G Doherty	4	4	—	—	—	—	—	—
Mr A E Druery OAM	5	5	6	6	—	—	—	—
Mr E W Exell AM	5	5	6	6	—	—	—	—
Most Reverend Bishop J Foley	4	5	—	—	—	—	—	—
Associate Professor P E Gibbons	5	5	3	3	—	—	—	—
Mr G Gleeson AC KCSG	5	5	5	6	—	—	2	2
Mr P F Gross	4	5	—	—	—	—	—	—
Mr P C Hoy	4	5	6	6	1	1	2	2
Br R J McDonald CFC AO	4	5	2	—	1	1	—	—
Mr D B O'Connor AM	4	5	—	—	—	—	2	2
Dr J Ozolins	4	4	—	—	1	1	—	—
Ms S M Pascoe	4	5	5	6	—	—	—	—
Professor P W Sheehan AO	5	5	6	6	1	1	—	—
Ms C M Toonen	1	1	—	—	—	—	—	—
Mr F W Voon	4	5	—	—	—	—	—	—
Associate Professor R P Webber	1	1	—	—	—	—	—	—

A Number of meetings attended

B Reflects the number of meetings held during the time the director held office throughout the year

Principal Activities

The principal activities of Australian Catholic University during the course of the financial year were those of a university operating at both an undergraduate and postgraduate level on six campuses across the states of Queensland, New South Wales and Victoria, and the Australian Capital Territory. The University also undertook formal entrepreneurial activities through the conduct of special non-award and fee-paying courses including offshore programs. The University has links in a number of other countries including the United States, Indonesia, Pakistan and East Timor. In the opinion of the directors there were no significant changes in the state of the affairs of the Company that occurred during the financial year under review.

Review and Result of Operations

There was a positive result for the year ended 31 December 2004. One factor that improved the result in 2004 (\$9.868m compared with 2003, \$5.863m) was a reduction of \$1.10m in the expense, Depreciation and Amortisation from \$3.99m in 2003 to \$2.89m in 2004. The reduction in expense is due to an extension to the period of depreciation write down in relation to the Ballarat Campus property.

It will be noted from the Supplementary Statement of Financial Performance provided on page 84 which separately identifies revenue and expenditure in relation to both operating activities and capital activities that there was a positive result for the year in relation to Operating Activities of \$4.07m and Capital Activities of \$5.80m. However, there was a reduction in cash flows as cash reserves were required for building refurbishment (refer below). This expenditure is not reported against revenue but is reflected in the Statement of Financial Position.

State of Affairs

It was noted in the 2003 Financial Statements that two properties, North Sydney Campus and Strathfield Campus, classified under Land and Buildings – Future Benefits of Properties Held in Trust were formally subject to a review of the management fee payable for the use of the properties which would require an adjustment to the valuation of these assets. Agreement in principle with the owners of the properties, the Trustees of the Roman Catholic Church for the Archdiocese of Sydney was signed on 24 December 2004 requiring the University to pay \$5.00m in 2005 and \$3.00m in 2010 to the Sydney Archdiocese to occupy the properties in perpetuity. This has resulted in a reduction to the University's Land and Buildings – Future Benefits of Properties Held in Trust asset of \$7.29m, representing the discounted value at 31 December 2004 of the two payments (\$8.00m), with a corresponding reduction to the Asset Revaluation Reserve. The University's Tenancy Rights asset has been increased by \$7.29m with a corresponding creation of a liability, Management Fee Payable.

It has only been possible to set aside a contribution of \$0.75m from 2004 funds to meet the management fee request. A review of projected cash flow requirements is in place to determine whether the institution needs to reverse its current strategy of reducing external debt exposure and take on additional external borrowings. The management fee has serious ongoing budget implications. Strategies for dealing with the funding of this cost impost are being considered; this also includes a review of how the University will ensure there is no reduction in the quality of its operations.

Although, as noted in the Review of Operations above, the University had a positive operating result, its cash flows for the year were negative by \$0.7m (2003: \$0.6m negative). Each year the University invests significant sums in capital works programs to maintain and improve facilities for students and staff. In 2004 the cash outlay on capital projects and assets was \$8.1m (2003: \$6.1m). As noted above the management fee payable on Sydney properties will be a significant impost in 2005 and 2010. The paragraph below discusses further capital expenditure expected in 2005 that will stretch the University's cash reserves.

Refurbishment of the Loreto Nursing Home property at 167 Albert Road, Strathfield commenced during the second half of 2004 and is expected to be completed mid 2005. Part of the building was completely refurbished in advance of first semester classes to enable the School of Exercise Science to relocate from the Carroll Building on the North Sydney Campus to the refurbished building. The development will provide additional teaching and office space to assist with accommodating growth in student numbers. The total projected cost of the project is \$9.63m and is being funded from cash reserves.

Refurbishment of the Carroll Building on the North Sydney Campus also commenced late in 2004 and was completed prior to the commencement of classes in February 2005. The development provides additional Nursing laboratory and teaching space and a refurbished library with additional facilities. The total cost of the works to the Carroll Building is being finalised but is expected to be approximately \$2.32m. The cost is also being funded from cash reserves.

The Company receives fortnightly instalments of grant income from the Commonwealth Government to fund its core operating activities. Operating grant revenue is recognised on an accrual basis whereby it is credited to the University's Statement of Financial Performance in the financial year in which the goods and services are provided in exchange for the grant received. Where operating grant instalments have been received in advance of the goods and services to be provided in a subsequent financial year, the revenue has been treated as grants in advance and shown as a liability in the Statement of Financial Position at the end of the financial year. A change to the payment arrangements was introduced in 2004 where the first payment for the grant year is no longer received in advance in December but made in January of the grant year. The impact on the 2004 Financial Statements is a reduction of approximately \$6.32m in cash and investments and a corresponding reduction in revenue in advance under current liabilities. The change has no impact on the University's operating result or Working Capital position.

	2004 \$'000	2003 \$'000
Financial Highlights		
Commonwealth Government Operating Grants	81,026	79,356
Deferred Superannuation Contribution	220	114
Other Operating Revenue	32,774	26,595
Gross Proceeds from Sale of Non-Current Assets	501	1,607
Salary (excluding transfer to Provisions)	(73,010)	(68,432)
Non-Salary Cash Expenses	(27,577)	(28,269)
Non-Cash Expenses (Depreciation, Amortisation and Provisions)	(4,066)	(5,108)
Net Operating Profit	9,868	5,863
Interest Bearing Liabilities	7,950	9,250
Working Capital Surplus/(Deficit)	(2,098)	(347)

Environmental Regulation

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or state legislation. However, the directors believe that the Company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of these environmental requirements.

Events Subsequent to Balance Date

There are no items, transactions or events of a material or unusual nature that have arisen in the interval between the end of the financial year and the date of this report which are likely, in the opinion of directors, to affect significantly the operations of the Company, the results of these operations or the state of the Company in subsequent financial years.

Likely Developments

As noted above in State of Affairs, refurbishment of the Loreto Nursing Home property at 167 Albert Road, Strathfield is expected to be completed mid 2005. The total projected cost of the refurbishment is \$9.63m.

In late 2004 the Commonwealth Government advised on progress of a review of Commonwealth-state administrative arrangements relating to superannuation payments in respect of current and past members of unfunded (or partly funded) state superannuation schemes. Although formal agreement has not yet been reached, in-principle support has been reached for a new model. Under the new model, the Commonwealth and state government shares of the unfunded superannuation liability arising from past service will be calculated at the agreed assessment date of 30 June 2004. If agreement is reached, the relevant state will assume responsibility for managing the superannuation payments and the supplementation payments to universities will cease. In effect, universities will no longer be billed by the state superannuation schemes for costs in respect of former

employees and would only be required to make contributions in respect of current employees of up to 17% of salary, similar to those payments made for staff who are members of UniSuper. Current arrangements will continue until agreements are reached between the Commonwealth and the states and ratified by the respective governments. The principal superannuation scheme of the University affected by the proposed changed arrangements is the Victorian State Superannuation Scheme (Refer Note 14) and the impact of the proposed arrangements on the Company's financial statements will be reviewed during 2005.

Directors' Interests and Benefits

Directors' interests and benefits are set out in Notes 19 and 20.

Indemnification of Directors and Officers

During the year the Company renewed an agreement with their insurers to provide indemnification for all the directors and officers of the Company (as listed in this report), against all liabilities to another person (other than the Company) that may arise from their position as directors and officers.

Directors and Officers Liability Cover

During the year, the Company paid insurance premiums of \$37,060 (2003: \$29,028) in respect of directors and officers liability insurance contracts for directors and officers of the Company. The insurance provides cover against claims made by reason of any wrongful act committed or alleged to have been committed by a director or officer of the Company during the year. The Company has not entered into an agreement indemnifying the current auditors, KPMG, against any claims by third parties.

Rounding Off

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors.



Professor P W Sheehan AO
Director

30 March 2005
Sydney

FIVE-YEAR FINANCIAL SUMMARY

	2004 \$'000	2003 \$'000	2002 \$'000	2001 \$'000	2000 \$'000
Statement of Financial Performance Information					
Revenue from Ordinary Activities					
Commonwealth Government Grants	51,660	48,655	50,239	43,729	40,872
Higher Education Contribution Scheme	28,368	29,958	26,162	27,064	27,645
Fees and Charges	18,776	14,309	12,451	9,589	9,069
Other	15,717	14,750	15,596	14,899	21,881
Total Revenue from Ordinary Activities	114,521	107,672	104,448	95,281	99,467
Expenses from Ordinary Activities					
Employee Benefits	74,183	69,551	64,248	60,901	52,952
Other	30,470	32,258	32,833	33,362	38,778
Total Expenses from Ordinary Activities	104,653	101,809	97,081	94,263	91,730
Net Operating Profit/(Loss)	9,868	5,863	7,367	1,018	7,737
Statement of Financial Position Information					
Current Assets					
Cash	1,613	2,301	2,903	2,625	1,344
Receivables	1,050	1,104	4,932	2,076	1,493
Other Financial Assets	15,735	16,828	8,178	18,669	14,023
Other	2,256	1,387	1,763	1,399	975
	20,654	21,620	17,776	24,769	17,835
Non-Current Assets					
Other Financial Assets	267	182	182	182	182
Property, Plant and Equipment	200,738	202,380	162,166	142,892	149,568
Other	21,779	14,368	14,419	14,481	13,897
	222,784	216,930	176,767	157,555	163,647
Total Assets	243,438	238,550	194,543	182,324	181,482
Current Liabilities					
Payables	2,942	2,225	5,397	6,768	3,402
Interest Bearing Liabilities	1,300	1,300	1,412	41	38
Employee Entitlements	5,928	5,375	4,877	4,606	4,001
Other	12,582	13,067	12,436	11,739	10,058
	22,752	21,967	24,122	23,154	17,499
Non-Current Liabilities					
Interest Bearing Liabilities	6,650	7,950	9,255	5,916	5,958
Employee Entitlements	21,239	20,619	19,998	19,453	18,166
Other	2,929	723	—	—	—
	30,818	29,292	29,253	25,369	24,124
Total Liabilities	53,570	51,259	53,375	48,523	41,623
Net Assets	189,868	187,291	141,168	133,801	139,859
Total Equity	189,868	187,291	141,168	133,801	139,859

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 DECEMBER 2004

	Note	2004 \$'000	2003 \$'000
Revenue from Ordinary Activities			
Commonwealth Government Financial Assistance	2.1	51,660	48,655
State Government Financial Assistance	2.2	—	21
Higher Education Contribution Scheme (HECS)			
— Student Contributions	26.1	4,934	4,567
— Commonwealth Payments	2.1	23,434	25,391
Postgraduate Education Loans Schemes (PELS)	2.1	998	743
Fees and Charges	2.3	18,776	14,309
Superannuation – Deferred Government Contributions		220	114
Investment Income	2.4	1,310	769
Consultancy and Contract Research	2.5	1,489	1,658
Other Revenue	2.6	11,199	9,838
		114,020	106,065
Revenue from Outside Ordinary Activities			
Other Revenue	2.6	501	1,607
Total Revenue from Activities		114,521	107,672
Expenses from Ordinary Activities			
Employee Benefits	3.1	74,183	69,551
Depreciation and Amortisation	3.2	2,893	3,989
Buildings and Grounds	3.3	2,360	1,627
Bad and Doubtful Debts	3.4	3	3
Borrowing Costs	4	627	756
Other	3.5	24,587	25,883
Total Expenses from Ordinary Activities		104,653	101,809
Profit/(Loss) from Ordinary Activities Before Related Income Tax Expense		9,868	5,863
Income Tax Expense Relating to Ordinary Activities	1.3		
Net Operating Profit/(Loss)		9,868	5,863
Non-Owner Transaction Changes in Equity			
Increase/(Decrease) in Asset Revaluation Reserve	16	(7,291)	40,260
Total Revenue, Expense and Valuation Adjustments Recognised Directly in Equity		(7,291)	40,260
Total Changes in Equity from Non-Owner Related Transactions	16,17	2,577	46,123

The Statement of Financial Performance is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 50 to 80.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2004

	Note	2004 \$'000	2003 \$'000
Current Assets			
Cash	7	1,613	2,301
Receivables	8	1,050	1,104
Other Financial Assets	9	15,735	16,828
Other	10	2,256	1,387
Total Current Assets		20,654	21,620
Non-Current Assets			
Other Financial Assets	9	267	182
Property, Plant and Equipment	11	200,738	202,380
Other	10	21,779	14,368
Total Non-Current Assets		222,784	216,930
Total Assets		243,438	238,550
Current Liabilities			
Payables	12	2,942	2,225
Interest Bearing Liabilities	13	1,300	1,300
Employee Entitlements	14	5,928	5,375
Other	15	12,582	13,067
Total Current Liabilities		22,752	21,967
Non-Current Liabilities			
Interest Bearing Liabilities	13	6,650	7,950
Employee Entitlements	14	21,239	20,619
Other	15	2,929	723
Total Non-Current Liabilities		30,818	29,292
Total Liabilities		53,570	51,259
Net Assets		189,868	187,291
Equity			
Reserves	16	189,868	187,291
Retained Earnings	17	—	—
Total Equity		189,868	187,291

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 50 to 80.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2004

	Note	2004 \$'000	2003 \$'000
Cash Flows from Operating Activities			
Grant Revenue			
— Commonwealth Government		49,621	49,762
— State Government		—	21
Higher Education Contribution Scheme			
— Student Payments		4,934	4,567
— Commonwealth Payments		21,832	25,035
Other Inflows		31,331	29,600
Cash Receipts in the Course of Operations		107,718	108,985
Cash Payments in the Course of Operations		(100,480)	(95,855)
Interest Received		1,310	769
Borrowing Costs Paid		(627)	(756)
Net Cash Provided by Operating Activities	25.2	7,921	13,143
Cash Flows from Investing Activities			
Payments for Property, Plant and Equipment		(8,717)	(6,108)
Proceeds from Sale of Non-Current Assets		501	1,607
Payments for Investments		—	(8,650)
Proceeds from Investments		1,007	—
Net Cash Used in Investing Activities		(7,209)	(13,151)
Cash Flows from Financing Activities			
Proceeds from Borrowings and Other Loans		—	823
Repayment of Borrowings and Other Loans		(1,400)	(1,406)
Lease Payments		—	(11)
Net Cash (Used in)/Provided by Financing Activities		(1,400)	(594)
Net (Decrease)/Increase in Cash Held		(688)	(602)
Cash at Beginning of Financial Year		2,301	2,903
Cash at End of Financial Year	25.1	1,613	2,301

The Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 50 to 80.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2004

// NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The directors of the Company comprise the Senate of the University and the terms Senator and director are interchangeable.

The significant policies which have been adopted in the preparation of this financial report are:

1.1 Basis of Preparation

The financial report of the Company is a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board, the *Corporations Act 2001*, and the disclosure requirements within the Guidelines for the Preparation of Annual Financial Statements for the 2004 Reporting Period by Australian Higher Education Institutions issued pursuant to the *Higher Education Funding Act 1988*.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or current valuations of non-current assets.

These accounting policies have been consistently applied and, except where there is a change in accounting policy, are consistent with those of the previous year.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

1.2 Revenue Recognition

Commonwealth Government Financial Assistance

The Company receives fortnightly instalments of grant income from the Commonwealth Government to fund its core operating activities. Operating grant revenue is recognised on an accrual basis whereby it is credited to the University's Statement of Financial Performance in the financial year in which the goods and services are provided in exchange for the grant received.

Where government allows a carryover of unexpended funds (for example, special research assistance grants) any balance not expended by the financial year end is carried forward and treated as revenue in the following financial year.

Capital Grant Income

The Company receives assistance from the Commonwealth Government for construction of facilities ("capital grants") as part of its operating grant instalments. Capital grant revenue is also recognised on an accrual basis. Expenditure on funded capital projects is capitalised as incurred.

Higher Education Contribution Scheme (HECS) Collections

Up-front payments of HECS by students are recognised as revenue when received.

Postgraduate Education Loans Scheme (PELS)

In 2002 the Commonwealth Government introduced the Postgraduate Education Loans Scheme. The scheme is similar to HECS in that it provides postgraduate students with a loan facility for the payment of postgraduate course fees.

Other Tuition Fee Income

Other tuition fee income is generated from fee-paying courses for local and overseas students. Generally revenue is recognised when funds are received; however any pre-payments for courses being held in the next teaching year are carried forward and treated as revenue in the following financial year.

Donations and Bequests

Donations and bequests received, which are not subject to conditions under a specific trust deed, are recognised as revenue when they are received.

Interest Income

Interest income is recognised as it accrues.

Asset Sales

The gross proceeds of asset sales are included as revenue and the profit or loss on disposal of assets is brought to account at the date the unconditional contract is signed.

1.3 Taxation

The Company's principal activity is to conduct a university and the Commissioner of Taxation has granted it an exemption under Section 50-5 of the *Income Tax Assessment Act 1997*.

The Company is not subject to income tax or capital gains tax but is liable for other taxes in accordance with federal and state legislation.

1.4 Cash

Cash at bank is carried at face value of the amounts deposited or drawn. The carrying amount of cash at bank approximates net fair value. Interest revenue is accrued at the market or contracted rates.

1.5 Receivables

Student Assistance Program

Student loans are generally settled within a 12-month period and are carried at amounts due. The collectability of debts is assessed at balance date and bad debts are written off directly to the Statement of Financial Performance. Specific provision is made for any doubtful accounts. The carrying amount of student loans approximates net fair value.

Sundry Debtors

Sundry debtors are recognised when expenditure is incurred by the Company and requires reimbursement by a third party. The carrying amount of sundry debtors approximates net fair value.

1.6 Investments

Interest Bearing Deposits, Debentures and Bank Bonds

Interest bearing deposits, debentures and bank bonds are carried at face value of the amounts deposited. The carrying amounts approximate their net fair value. Interest revenue is accrued at the market or contracted rates.

Bank Bills

Bank bills are carried on the balance sheet at their principal amount. The carrying amount of bank bills approximates their net fair value. Unearned interest is initially recognised as a liability and then amortised to the Statement of Financial Performance at the contracted rate. Unearned interest is classified as "Other Income In Advance".

Other Companies

Investments in shares are carried at the lower of cost and recoverable amount. Recoverable amount for listed companies is based on quoted market prices at the reporting date and approximates net fair value.

1.7 Property, Plant and Equipment

Property, plant and equipment, including land, buildings, leasehold properties and rights of occupancy, are carried at their fair value.

Items of property, plant and equipment, including buildings and leasehold properties and rights of occupancy but excluding freehold land, are depreciated or amortised on a straight line basis from the date of acquisition or, in respect of revalued assets from the time of the revaluation, over the remaining useful lives.

Amortisation of improvements to leasehold and licensed properties is carried out on a straight line basis over the shorter of the term of the lease, licence or the expected life of the improvement.

The gain or loss on disposal of any revalued property is calculated as the difference between the carrying amount of the asset at the time of disposal and the proceeds on disposal and is included in the result in the year of disposal.

Depreciation

The depreciation rates used for each class of asset are as follows:

Freehold Buildings	3%
Furniture and Fittings	20%
Computer Equipment	33%
Plant and Equipment	20%
Motor Vehicles	10%
Leased Equipment	20%

Library Books

Acquisitions during the year have been expensed to the Statement of Financial Performance. No depreciation is charged in respect of these assets.

Works of Art

Acquisitions are carried at cost and no depreciation is charged in respect of these assets.

Leased Plant and Equipment

Leases of plant and equipment under which the Company assumes substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases.

Finance leases are capitalised. A lease asset and a liability equal to the present value of the minimum lease payments are recorded at the inception of the lease. Contingent rentals are written off as an expense in the accounting period in which they are incurred. Capitalised lease assets are amortised on a straight line basis over the term of the relevant lease, or where it is likely the Company will obtain ownership of the asset, the life of the asset. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are charged to the Statement of Financial Performance.

Payments made under operating leases are charged against profits in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

1.8 Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30 days. The carrying amount of accounts payable approximates net fair value.

1.9 Borrowings

Bank Bills

Bank bills are carried on the balance sheet at their principal amount. The carrying amounts of bills approximate their net fair value. Prepaid interest is initially recognised as an asset and amortised to the Statement of Financial Performance at the contracted rate. Prepaid interest is classified as "Prepayments".

Other Loans

Other loans are carried on the balance sheet at their principal amount. The carrying amounts of loans approximate their net fair value. Interest incurred at the contracted rate for the current financial year is fully expensed in the Statement of Financial Performance.

1.10 Employee Entitlements

Wages, Salaries, Annual Leave and Sick Leave

The provisions for employee entitlements to wages, salaries, annual leave and sick leave represent the amount which the Company has a present obligation to pay resulting from employees' services provided up to the balance date. The provision has been calculated based on wage and salary rates at which they are expected to be paid and includes related on-costs. The carrying amount of the provisions approximates net fair value.

Long Service Leave

The liability for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the balance date.

Liabilities for employee entitlements which are not expected to be settled within 12 months are discounted using the rates attaching to national government securities at balance date, which most closely match the terms of maturity of the related liabilities. The carrying amount of the provision approximates net fair value.

In determining the liability for employee entitlements, consideration has been given to the Company's experience with staff departures. Related on-costs have also been included in the liability.

Superannuation Funds

The Company contributes to a range of employee superannuation funds. Company contributions are charged against income. Refer also Note 14.

1.11 Funds Held in Trust

Donations and bequests received which are subject to conditions under a specific trust deed, are held in trust on behalf of that specific donor and are not recognised as revenue by the Company. Unless specified in the trust deed, any net earnings on these funds are recognised as revenue by the Company.

1.12 Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

1.13 Goods and Services Tax

Revenues and expenses are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of the acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of the GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

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 ATO are classified as operating cash flows.

1.14 International Financial Reporting Standards (IFRS)

The Australian Accounting Standards Board (AASB) is adopting IFRS for application to reporting periods beginning on or after 1 January 2005. The AASB has issued Australian equivalents to IFRS, and the Urgent Issues Group has issued interpretations corresponding to IASB interpretations originated by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee. The adoption of Australian equivalents to IFRS will be first reflected in the University's financial statements for the year ending 31 December 2005.

Entities complying with Australian equivalents to IFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of IFRS to that comparative period. Most adjustments required on transition to IFRS will be made, retrospectively, against opening retained surplus as at 1 January 2004.

An analysis of most of the Australian equivalents to IFRS has been made and identification of a number of accounting policy changes that will be required. In some cases choices of accounting policies are available, including elective exemptions under Accounting Standard AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards. Some of these choices are still being analysed to determine the most appropriate accounting policy for the University.

Changes identified to date that will be required to the entity's existing accounting policies include the following (references to new AASB standards below are to the Australian equivalents to IFRS issued in July 2004):

Financial Instruments

Under the new AASB 132 Financial Instruments: Disclosure and Presentation the current classification of financial instruments issued by entities in the entity will not change.

Under the new AASB 139 Financial Instruments: Recognition and Measurement there may be changes as a result of financial assets held by the entity being subject to classification as either held for trading, held-to-maturity, available for sale or loans and receivables and, depending upon classification, measured at fair value or amortised cost. The most likely accounting change is that investments in equity and debt securities will be classified as available for sale and measured at fair value, with changes in fair value recognised directly in equity until the underlying asset is derecognised.

Post-Employment Benefits

Under the new AASB 119 Employee Benefits the net position of each defined benefit superannuation scheme must be recognised as an asset or liability, as applicable. Movements in the carrying amount of this liability or asset may be recognised as a revenue or expense or adjusted through retained earnings and may result in increased earnings volatility.

The University contributes to the UniSuper defined benefit superannuation plan. UniSuper Management Pty Ltd has elected to apply the “multi-employer provisions” on the grounds that there is no reliable basis for allocating plan benefit liabilities, assets and costs between employers. This will result in the University accounting for this defined benefit plan as if it were a defined contribution plan in accordance with AASB 119.

Impairment of Assets

Under the new AASB 136 Impairment of Assets non-current assets will be subject to assessment for impairment. Impairment must be measured for non-current assets with indications of impairment and for intangible assets not yet available for use. Impairment is measured by comparing the asset's fair value less costs to sell and its value in use. The greater of these two measurements must not exceed the asset's carrying value. “Value in use” is determined as either:

- a) net present value of net cash inflows (for-profit assets); or
- b) depreciated replacement cost (all other assets).

Impairment of assets will be determined on a discounted basis, with strict tests for determining whether cash generating operations have been impaired. The impact of a more rigorous impairment test may result in additional write downs either on transition or ongoing. Any write downs will also impact the ongoing depreciation charge, where applicable.

Intangible Assets

Under the new AASB 138 Intangible Assets, Land and Buildings – Future Benefits of Properties Held in Trust currently reported under Property, Plant and Equipment will be shown under a new heading Intangible Assets. The valuation of these assets reflect the future economic benefits for the below market value paid for the use of these properties in perpetuity. The new standard requires these intangible assets to be measured at Fair Value at the time of acquisition. However, no subsequent revaluations of the assets are allowed. This will require a write back of revaluation increments/decrements recorded against these assets against the Asset Revaluation Reserve. This is expected to result in a decrease in value of the intangible asset and an associated decrease in the Asset Revaluation Reserve.

Leases

The University currently holds information technology assets under lease agreements which are classified as operating leases under AASB 1008. AASB 117 Leases does not include quantitative guidelines on determining lease classification. Under IFRS, some information technology leases currently classified as operating leases may require reclassification as finance leases. Reclassification, if required, would lead to leased assets and lease liabilities being brought onto the Statement of Financial Position. The financial effect of the change has not been quantified. It is however not expected to have a significant impact on the Statement of Financial Performance in future years.

NOTES TO THE FINANCIAL STATEMENTS // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

	Note	2004 \$'000	2003 \$'000
// NOTE 2 REVENUE FROM ORDINARY ACTIVITIES			
2.1 Commonwealth Government Financial Assistance			
DEST – Teaching and Learning			
Operating Purposes (excluding HECS and PELS)	26.1	46,798	43,073
Capital Development Pool	26.1	1,888	3,136
Total DEST – Teaching and Learning		48,686	46,209
DEST – Scholarships			
Australian Postgraduate Awards Pre 2002	26.2	18	47
Australian Postgraduate Awards 2002 Onwards	26.2	197	156
International Postgraduate Research Scholarships	26.2	41	38
Commonwealth Education Costs Scholarships	26.2	98	—
Commonwealth Accommodation Scholarships	26.2	172	—
Total DEST – Scholarships		526	241
DEST – Research			
Institutional Grants Scheme	26.3	515	479
Research Training Scheme	26.3	1,047	998
Small Research	26.3	—	7
Infrastructure	26.3	186	176
Total DEST – Research		1,748	1,660
Total DEST Excluding HECS and PELS		50,960	48,110
Australian Research Council			
Discovery – Projects (Large Grants)	26.4	139	122
Discovery – Fellowships	26.4	233	139
Linkage – Special Research Initiatives	26.4	10	—
Linkage – Projects	26.4	318	284
Total Australian Research Council		700	545
Total Commonwealth Government Financial Assistance Excluding HECS and PELS		51,660	48,655
HECS and Other Commonwealth Loan Programs			
HECS – Commonwealth Payments	26.1	23,434	25,391
PELS	26.1	998	743
Total HECS and Other Commonwealth Loan Programs		24,432	26,134
Total DEST Including HECS and PELS		75,392	74,244
Total Commonwealth Government Financial Assistance Including HECS and PELS		76,092	74,789

	2004 \$'000	2003 \$'000
// NOTE 2 REVENUE FROM ORDINARY ACTIVITIES // CONTINUED		
2.2 State Government Financial Assistance		
NSW Government – NSW Department of Health	—	21
	—	21
2.3 Fees and Charges		
Fee-Paying Overseas Students	8,739	5,976
Fee-Paying Non-Overseas Postgraduate Students	2,598	2,268
Fee-Paying Non-Overseas Undergraduate Students	2,964	1,951
Other		
— Non-Overseas Students Undertaking Non-Award Courses	468	432
— Rental Charges	533	621
— Charges for Student Accommodation	349	246
— Registration Fees	2,882	2,647
— Library Fees	98	81
— Late Fees	145	87
	18,776	14,309
2.4 Investment Income		
Interest	1,310	769
2.5 Consultancy and Contract Research		
Consultancy Fees	211	208
Industry Research Grants	1,278	1,450
	1,489	1,658
2.6 Other Revenue		
From Ordinary Activities		
Offshore Programs	227	200
Other Program Income	6,721	5,492
Other Grants	1,255	1,162
Bookshop and Publication Sales	199	162
Donations and Bequests	677	791
Other Income	2,120	2,031
	11,199	9,838
From Outside Ordinary Activities		
Gross Proceeds from Sale of Non-Current Assets	501	1,607
	11,700	11,445

NOTES TO THE FINANCIAL STATEMENTS // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

	2004 \$'000	2003 \$'000
// NOTE 3 EXPENSES FROM ORDINARY ACTIVITIES		
3.1 Employee Benefits		
Academic		
Salaries		
— Academic	35,135	32,675
Contributions to Superannuation and Pension Schemes		
— Deferred Employee Benefits for Superannuation	131	67
— Emerging Cost	632	536
— Funded	4,438	4,549
Payroll Tax	2,140	1,897
Workers Compensation	501	373
Long Service Leave Expense	142	386
Annual Leave	246	321
Other	436	215
	43,801	41,019
Non-Academic		
Salaries		
— Non-Academic	24,044	22,695
Contributions to Superannuation and Pension Schemes		
— Deferred Employee Benefits for Superannuation	89	47
— Emerging Cost	357	227
— Funded	3,265	3,372
Payroll Tax	1,574	1,407
Workers Compensation	369	276
Long Service Leave Expense	336	291
Annual Leave	230	7
Other	118	210
	30,382	28,532
Total Academic and Non-Academic		
Salaries		
— Academic	35,135	32,675
— Non-Academic	24,044	22,695
Contributions to Superannuation and Pension Schemes		
— Deferred Employee Benefits for Superannuation	220	114
— Emerging Cost	989	763
— Funded	7,703	7,921
Payroll Tax	3,715	3,304
Workers Compensation	870	649
Long Service Leave Expense	477	677
Annual Leave	476	328
Other	554	425
	74,183	69,551

2004 2003
\$'000 \$'000

// **NOTE 3 EXPENSES FROM ORDINARY ACTIVITIES // CONTINUED**

3.2 Depreciation and Amortisation

Depreciation of Land and Buildings – Freehold	54	60
Amortisation of Leasehold Property and Rights of Occupancy	774	1,544
Depreciation of Furniture and Fittings	124	148
Depreciation of Plant and Equipment	1,731	2,023
Depreciation of Motor Vehicles	110	114
Amortisation of Occupancy Rights	100	100
	2,893	3,989

3.3 Buildings and Grounds

2,360 1,627

3.4 Bad and Doubtful Debts

3 3

3.5 Other Expenses

Cleaning and Waste Collection	1,272	1,103
Computer Software and Services	826	1,136
Consultancy Fees	876	1,371
Excursion Expenses	454	639
Hire of Equipment and Facilities	329	457
Insurance	840	748
Library Acquisitions	1,469	1,518
Non-Capitalised Equipment	593	773
Offshore Administration	1,225	864
Operating Lease Rental Expenses	1,217	1,120
Printing – Outside Printers	619	684
Publications, Subscriptions and Memberships	506	496
Rent	643	492
Scholarships and Prizes	1,051	869
Security Services	538	672
Stationery	424	469
Telecommunications	1,028	909
Travel, Staff Development and Entertainment	4,100	3,672
Utilities	1,197	1,062
Written-Down Value of Disposed Non-Current Assets	276	2,266
Other Expenses	5,104	4,563
	24,587	25,883

NOTES TO THE FINANCIAL STATEMENTS // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

	2004 \$'000	2003 \$'000
// NOTE 4 BORROWING COSTS		
Interest on Loans and Interest Rate Swap Costs	627	756
	627	756
// NOTE 5 SALES OF NON-CURRENT ASSETS		
Profit on Sale of Property, Plant and Equipment	281	7
Loss on Sale of Property, Plant and Equipment	(57)	(666)
	2004 \$	2003 \$
// NOTE 6 AUDITORS' REMUNERATION		
Audit Services		
Auditors of the Company	75,000	65,000
Other Services		
Auditors of the Company	17,588	32,309
	2004 \$'000	2003 \$'000
// NOTE 7 CASH		
Cash on Hand	18	17
Cash at Bank	1,595	2,284
	1,613	2,301
// NOTE 8 RECEIVABLES		
Current		
Sundry Debtors	804	712
Accrued Income	244	388
Students Assistance Program	2	4
	1,050	1,104

2004	2003
\$'000	\$'000

// NOTE 9 OTHER FINANCIAL ASSETS

Current

Bank Bills	6,053	8,620
Interest Bearing Deposits	9,682	8,208
	15,735	16,828

Non-Current

Investments in Other Entities

Shares in Listed Companies – at cost	171	171
Shares in Other Companies – at cost	96	11
	267	182

Quoted market value of shares in listed companies: \$472,227 (2003: \$404,549).

The directors believe the carrying amount of the investment in unlisted shares is appropriate as it is intended to retain these assets long term and no permanent diminution is considered to have occurred.

// NOTE 10 OTHER ASSETS

Current

Prepayments	2,256	1,387
	2,256	1,387

Non-Current

Trust Contribution – Occupancy Rights	2,500	2,500
Accumulated Amortisation	(500)	(400)
	2,000	2,100
Occupancy Rights – Sydney Campuses	7,291	—
Right to Reimbursement from Commonwealth Government for Unfunded Superannuation Liability	12,488	12,268
	21,779	14,368

The amount of \$2,500,000 represents payment to the Bishops of Queensland for Occupancy Rights to access the Banyo Seminary site as required under the terms of the Relationship Deed. In accordance with the Deed, the calculation of \$2,500,000 is based upon a \$100,000 p.a. fee in perpetuity discounted back to a lump sum present value amount. Accordingly, the Occupancy Rights are amortised at a rate of \$100,000 p.a.

The amount of \$7.29m represents the discounted value of amounts payable of \$5.00m in 2005 and \$3.00m in 2010 to the Trustees of the Roman Catholic Church for the Archdiocese of Sydney for Occupancy Rights to access the North Sydney and Strathfield properties.

Refer to Note 14 for an explanation of the right to reimbursement from the Commonwealth Government for the unfunded superannuation liability.

NOTES TO THE FINANCIAL STATEMENTS // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

	Note	2004 \$'000	2003 \$'000
// NOTE 11 PROPERTY, PLANT & EQUIPMENT			
Land and Buildings – Freehold			
	11.1		
At Directors' Valuation		21,025	—
At Independent Valuation 2003		—	20,855
Accumulated Depreciation		(54)	—
		20,971	20,855
Land and Buildings – Future Benefits of Properties Held in Trust			
	11.2		
At Directors' Valuation		157,426	—
At Independent Valuation 2003		—	163,565
		157,426	163,565
Leasehold Property and Rights of Occupancy			
	11.3		
At Directors' Valuation		12,498	—
At Independent Valuation 2003		—	12,498
Accumulated Amortisation		(774)	—
		11,724	12,498
Furniture and Fittings			
At Cost		1,042	1,675
Accumulated Depreciation		(817)	(1,375)
		225	300
Plant and Equipment			
At Cost		14,396	17,035
Accumulated Depreciation		(10,768)	(13,421)
		3,628	3,614
Motor Vehicles			
At Cost		1,058	1,124
Accumulated Depreciation		(248)	(241)
		810	883
Works of Art			
At Cost		328	323
		328	323
Capital WIP			
At Cost		5,626	342
		5,626	342
Total Property, Plant and Equipment		200,738	202,380

// NOTE 11 PROPERTY, PLANT & EQUIPMENT // CONTINUED

Basis of Valuation – 31 December 2004

An independent valuation of freehold land and buildings, land and buildings – future benefits of properties held in trust and leasehold property and rights of occupancy was carried out as at 31 December 2003 by Edward Rushton Australia Pty Ltd, using different valuers in each state. The directors have considered the fair value of the properties in the light of that valuation, any changes in use of the Company's properties and any acquisitions made during the year. Any subsequent additions and alterations have been included at cost.

Redevelopment costs of the Loreto project are included in Capital Works in Progress. The project is to be completed in mid 2005.

Basis of Valuation – 31 December 2003

An independent valuation of freehold land and buildings, land and buildings – future benefits of properties held in trust and leasehold property and rights of occupancy was carried out as at 31 December 2003 by Edward Rushton Australia Pty Ltd, using different valuers in each state. This valuation is in accordance with the University's policy of obtaining an independent valuation of land and buildings every three years.

The valuation is also in accordance with accounting standard AASB 1041 Revaluation of Non-Current Assets on the Basis of Fair Value. Fair value is measured having regard to the highest and best use of the asset that market participants would be prepared to pay on the basis that its use is limited to "educational purposes". Key assumptions in arriving at the valuation include the Company's interest in the land and buildings, significant improvements to the land and buildings, council zoning, existing use and the terms and conditions contained under existing leaseholds and trust deeds. The fair value basis of valuation requires regular reviews of the assumptions underlying the valuations to ensure that the carrying amount of each asset class does not differ materially from its fair value at the reporting date.

The net surplus on revaluation of the University's freehold land and buildings, land and buildings – future benefits of properties held in trust and leasehold property and rights of occupancy at 31 December 2003 of \$40.260m was transferred to the Asset Revaluation Reserve (Refer Note 16).

NOTES TO THE FINANCIAL STATEMENTS // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

	2004 \$'000	2003 \$'000
// NOTE 11 PROPERTY, PLANT & EQUIPMENT // CONTINUED		
11.1 Land and Buildings – Freehold		
At Directors' Valuation 31 December 2004 and Independent Valuation 31 December 2003		
Property in Ballarat	2,125	2,125
Property in Melbourne	5,190	5,190
Property in Sydney	13,710	13,540
	21,025	20,855
11.2 Land and Buildings – Future Benefits of Properties Held in Trust		
At Directors' Valuation 31 December 2004 and Independent Valuation 31 December 2003		
North Sydney Campus	25,738	29,000
Brisbane Campus	36,246	36,005
Strathfield Campus	38,832	42,470
Melbourne Campus	52,040	52,040
Canberra Campus	4,570	4,050
	157,426	163,565

Under the terms of the trust deeds between the Company and the owners of the properties held in trust, the Trustees of the Roman Catholic Church for the Archdioceses of Brisbane, Canberra and Goulburn, Melbourne and Sydney, the Company has a right to occupy the properties in perpetuity. As the Company has this right to occupy these properties in perpetuity, no amortisation is provided in respect of these assets.

By agreement dated 24 December 2004, the University agreed in principle with the Archdiocese of Sydney to pay \$5.00m in 2005 and \$3.00m in 2010 for continued occupancy in perpetuity of the two properties, North Sydney Campus (\$4.00m) and Strathfield Campus (\$4.00m). This has resulted in a reduction to the asset of \$7.29m, representing the discounted value at 31 December 2004 of the two payments, with a corresponding reduction to the Asset Revaluation Reserve.

2004 2003
\$'000 \$'000

// **NOTE 11** PROPERTY, PLANT & EQUIPMENT // CONTINUED

11.3 Leasehold Property and Rights of Occupancy

At Directors' Valuation 31 December 2004 and Independent Valuation 31 December 2003

Campus	Location	Owner	Tenure Arrangements		
Ballarat	Gillies Street, Ballarat, Victoria	Ministry of Education Victoria	The Company occupies the property rent free under an exclusive permissive occupancy arrangement.	1,900	1,900
Ballarat	1200 Mair Street, Ballarat, Victoria	Roman Catholic Trust Corporation, Diocese of Ballarat	20-year lease commencing July 1985 with a 10-year option. Rent free.	6,340	6,340
Canberra	Antill St, Watson, ACT	ACT Government	Sub-lease from Signadou Dominican College of Education expires 31 December 2040. Rent free.	4,200	4,200
North Sydney	7 Mount Street, North Sydney, NSW	Trustees of the Sisters of St Joseph	Licence agreement expired 1 July 2004. Rent free.	—	58
				12,440	12,498

Under an exclusive permissive occupancy arrangement the predecessor Institute of Catholic Education (Victoria) erected student residences on a 0.89-hectare site in Gillies Street, Ballarat. It is not the practice of the Ministry of Education to provide formal rights of tenure. These properties have been brought to account assuming a 50-year right of occupation from 1 January 1991. The properties are rent free and the Company meets all outgoings and maintains the buildings.

11.4 Reconciliations

Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below.

Land and Buildings – Freehold

Carrying Amount at Year Beginning	20,855	17,689
Additions	170	—
Depreciation	(54)	(60)
Disposal	—	(1,400)
Revaluation Increment	—	4,626
Carrying Amount at Year End	20,971	20,855

Land and Buildings – Future Benefits of Properties Held in Trust

Carrying Amount at Year Beginning	163,565	123,945
Additions	1,152	8,554
Revaluation Increment/(Decrement)	(7,291)	31,066
Carrying Amount at Year End	157,426	163,565

NOTES TO THE FINANCIAL STATEMENTS // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

	2004 \$'000	2003 \$'000
// NOTE 11 PROPERTY, PLANT & EQUIPMENT // CONTINUED		
11.4 Reconciliations // Continued		
Leasehold Property and Rights of Occupancy		
Carrying Amount at Year Beginning	12,498	9,474
Amortisation	(774)	(1,544)
Revaluation Increment	—	4,568
Carrying Amount at Year End	11,724	12,498
Furniture and Fittings		
Carrying Amount at Year Beginning	300	308
Additions	49	140
Depreciation	(124)	(148)
Carrying Amount at Year End	225	300
Plant and Equipment		
Carrying Amount at Year Beginning	3,614	4,387
Additions	1,745	1,282
Disposals	—	(32)
Depreciation	(1,731)	(2,023)
Carrying Amount at Year End	3,628	3,614
Motor Vehicles		
Carrying Amount at Year Beginning	883	955
Additions	310	277
Disposals	(273)	(235)
Depreciation	(110)	(114)
Carrying Amount at Year End	810	883
Leased Equipment		
Carrying Amount at Year Beginning	—	10
Amortisation	—	(10)
Carrying Amount at Year End	—	—
Works of Art		
Carrying Amount at Year Beginning	323	304
Additions	5	19
Carrying Amount at Year End	328	323
Capital WIP		
Carrying Amount at Year Beginning	342	4,500
Transfer to Land & Buildings – Future Benefits of Properties Held in Trust	—	(4,500)
Additions	5,284	342
Carrying Amount at Year End	5,626	342

	2004	2003
	\$'000	\$'000
// NOTE 12 PAYABLES		
Accrued Expenses	2,941	2,174
Sundry Creditors	1	51
	2,942	2,225
// NOTE 13 INTEREST BEARING LIABILITIES		
Current		
Bills Payable	1,300	1,300
	1,300	1,300
Non-Current		
Bills Payable	5,850	7,150
Loan from the Trustees of the Roman Catholic Church for the Archdiocese of Sydney	800	800
	6,650	7,950
// NOTE 14 EMPLOYEE ENTITLEMENTS		
Current		
Provision for Annual Leave	4,278	3,802
Provision for Long Service Leave	1,650	1,573
	5,928	5,375
Non-Current		
Provision for Long Service Leave	8,751	8,351
Provision for Superannuation	12,488	12,268
	21,239	20,619
Number of Employees		
Number of Employees at Year End	823	826

// NOTE 14 EMPLOYEE ENTITLEMENTS // CONTINUED

Superannuation

The Company contributes to the following employee superannuation funds:

Fully Funded Schemes

UniSuper
Tertiary Education Superannuation Scheme
Clergy Remuneration & Retirement Fund
National Catholic Superannuation Fund
Catholic Superannuation & Retirement Fund (Qld)
Queensland Roman Catholic Retirement Plan

Partly Funded or Emerging Cost Schemes

State Authorities Superannuation Scheme (Part 2) (NSW)
State Superannuation Fund of Victoria
Catholic Superannuation Fund (Vic)

With the exception of the Tertiary Education Superannuation Scheme managed by UniSuper, where only the Company contributes, the employee contributions are based on various percentages of their gross salaries. The Company contributions are similarly based on gross salaries for fully funded schemes and on an emerging cost basis for emerging cost schemes. After a qualifying period all member employees are entitled to benefits on resignation, retirement, death or disability.

Superannuation Scheme for Australian Universities (SSAU)

On 31 July 2003 a Funding and Solvency Certificate for SSAU was issued by G Harslett, FIAA. The actuary certified that the fund was solvent as at 31 December 2002 and he expected that the fund would be solvent on 31 December 2007, the expiry date of the certificate, if current required contributions by institutions and members are maintained. The issuance of a new Funding and Solvency Certificate was required as a result of the Vested Benefit Index (VBI) falling below 95%, the set percentage trigger whereby the previous certificate ceased to have effect.

By letter dated 31 August 2004, UniSuper Management Pty Ltd provided audited figures for the SSAU Defined Benefit Scheme Plan as at 30 June 2004. The amount of vested benefits applicable to the Company at 30 June 2004 was \$54,053,603 (\$50,182,983 as at 30 June 2003) and accrued benefits applicable to the Company at 30 June 2004 was \$46,498,023 (\$41,931,851 as at 30 June 2003). The estimated net market value of SSAU assets and accrued benefits for current members at 30 June 2004 available to pay the SSAU superannuation liabilities of the Company was \$52,335,210 (\$44,220,127 as at 30 June 2003). The difference between the estimated net market value of SSAU assets and accrued benefits apportioned to the current members was a surplus of \$5,837,187 (2003: \$2,288,276 surplus). As foreshadowed by the Actuary and Trustee of the fund in 2002, the fund has returned to a satisfactory level and within the time frame allowed in the Trust Deed. The shortfall in 2002 was largely the result of a decline in the net market value of assets attributable to volatility of investment markets.

State Superannuation Fund of Victoria

The latest actuarial investigation of the State Superannuation Fund of Victoria was conducted at 30 June 2003 by C Stevenson (Mercer), FIAA. As at that date the scheme carried total liabilities, including liabilities for members' benefits in excess of the value of the scheme's assets. Hence, unfunded superannuation liabilities exist which are recognised in the financial statements of the scheme.

The notional share of the scheme's unfunded liabilities attributed to the Company is assessed by the Government Superannuation Office to be \$12,488,000 at 30 June 2004 (\$12,268,000 as at 30 June 2003).

Section 20 of the Higher Education Funding Act provides that the Minister for Education, Science and Training may agree to provide funding to meet certain superannuation liabilities of Australian universities as they fall due. The June 2004 financial statements for the Minister's Department of Education, Science and Training (DEST) include reference to the Unfunded Superannuation Commitment for Australian Universities. DEST provides annual supplementation (2004: \$678,000, 2003: \$842,000) to the Base Operating Grant to cover emerging costs of the State Superannuation Fund of Victoria. The Company's view is that these arrangements will continue and therefore a non-current receivable equal to the scheme's unfunded liabilities attributed to the Company has been recognised.

	2004	2003
	\$'000	\$'000

// **NOTE 14** EMPLOYEE ENTITLEMENTS // CONTINUED

The relevant accounting transactions are detailed below.

Revenue

Deferred Income from Commonwealth Government for Superannuation	(220)	(114)
---	-------	-------

Expense

Deferred Employee Benefits for Superannuation	220	114
---	-----	-----

Non-Current Asset

Right to Reimbursement from Commonwealth Government for Superannuation	12,488	12,268
--	--------	--------

Non-Current Liability

Provision for Superannuation	(12,488)	(12,268)
------------------------------	----------	----------

// **NOTE 15** OTHER LIABILITIES

Current

Grants in Advance	2,407	7,839
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Fees in Advance	2,966	2,079
-----------------	-------	-------

Bonds – University Residences	16	8
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Funds Held in Trust	1,732	1,833
---------------------	-------	-------

Net GST Payable to ATO	134	975
------------------------	-----	-----

Other Income in Advance	227	233
-------------------------	-----	-----

Loan – Purchase Blackfriars Site Canberra	100	100
---	-----	-----

Management Fee Sydney Campuses Payable	5,000	—
--	-------	---

	12,582	13,067
--	---------------	---------------

Non-Current

Loan – Purchase Blackfriars Site Canberra	638	723
---	-----	-----

Management Fee Sydney Campuses Payable	2,291	—
--	-------	---

	2,929	723
--	--------------	------------

NOTES TO THE FINANCIAL STATEMENTS // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

	Note	2004 \$'000	2003 \$'000
// NOTE 16 RESERVES			
General Reserve			
Balance at Beginning of Financial Year		112,584	106,721
Add: Transfers from Retained Earnings	17	9,868	5,863
Balance at End of Financial Year		122,452	112,584
Asset Revaluation Reserve			
Balance at Beginning of Financial Year		74,707	34,447
Add: Revaluation Increment/(Decrement)			
— Land & Buildings – Freehold	11.4	—	4,626
— Land & Buildings – Future Benefits of Properties Held in Trust	11.4	(7,291)	31,066
— Leasehold Property and Rights of Occupancy	11.4	—	4,568
Balance at End of Financial Year		67,416	74,707
Total Reserves		189,868	187,291

Nature and Purpose of Reserves

General

The amount standing to the credit of the general reserve includes the accumulation of prior period and current year profits for non-specific purposes and revenue for Capital Grants even though assets acquired may not be fully written down.

Asset Revaluation

The asset revaluation reserve includes the net revaluation increments and decrements arising from the revaluation of non-current assets in accordance with AASB 1041 Revaluation of Non-Current Assets.

// NOTE 17 RETAINED EARNINGS

Retained Earnings at Year Beginning		—	—
Net Profit		9,868	5,863
Transfer to General Reserve	16	(9,868)	(5,863)
Retained Earnings at Year End		—	—

// NOTE 18 COMMITMENTS

18.1 Capital Expenditure Commitments

Contracted But Not Provided For in the Financial Statements and Payable:

Not later than one year		4,528	—
		4,528	—

18.2 Non-Cancellable Operating Lease Expense Commitments

Future Operating Lease Commitments of Plant and Equipment, Not Provided For in the Financial Statements and Payable:

Within one year		853	883
One year or later and no later than five years		899	472
		1,752	1,355

The Company leased equipment and machinery under operating leases expiring in a range from one to five years.

// NOTE 19 DIRECTORS' REMUNERATION

No directors' fees are payable.

The number of directors of the Company whose income from the Company or any related party falls within the following bands:

	2004 Number	2003 Number
Nil	11	10
\$1 – \$9,999	—	1
\$50,000 – \$59,999	1	—
\$60,000 – \$69,999	2	—
\$70,000 – \$79,999	—	1
\$100,000 – \$109,999	—	2
\$130,000 – \$139,999	—	1
\$140,000 – \$149,999	1	—
\$350,000 – \$359,999	—	1
\$410,000 – \$419,999	1	—
	2004	2003
	\$	\$
Total income paid, or payable or otherwise made available to all directors of the Company from the Company or any related party.	859,534	774,697

// NOTE 20 RELATED PARTIES

Directors

The names of each person holding the position of Director of the Australian Catholic University Limited during the financial year are:

Dr N Butrous, Associate Professor P Clarkson, Ms A M Cummins, Ms G Doherty, Mr A E Druery OAM, Mr E W Exell AM, Most Reverend Bishop J Foley, Associate Professor P E Gibbons, Mr G Gleeson AC KCSG, Mr P F Gross, Mr P C Hoy, Br R J McDonald, Mr D B O'Connor AM, Mr J Ozolins, Ms S M Pascoe, Professor P W Sheehan AO, Ms C M Toonen, Mr F W Voon and Associate Professor R P Webber.

Details of directors' remuneration are set out in Note 19.

Other Transactions with the Company

Mr P C Hoy, a director of the Company, has an interest as a partner in the firm Gadens Lawyers. This firm renders legal advice to the Company. All dealings with the firm are in the ordinary course of business and on normal commercial terms and conditions. Fees paid to Gadens during the year were \$48,711 (2003: \$97,418), out of total company payments for legal services of \$127,205 (2003: \$159,430).

The Trustees of the Roman Catholic Church for the Archdiocese of Sydney have advanced the Company \$800,000 repayable on 12 May 2007. Interest is payable monthly at 7.0% per annum. Interest paid to the Archdiocese during the year was \$56,000 (2003: \$56,000). As at 31 December 2004 no amount remained outstanding for interest accrued (2003: \$0).

NOTES TO THE FINANCIAL STATEMENTS // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

// NOTE 21 FINANCIAL INSTRUMENTS DISCLOSURE

Interest Rate Risk

On 1 March 2000, the University entered into an interest rate swap to hedge the University's expected borrowings in relation to capital projects. Under the terms of the swap arrangement the opening principal outstanding of \$13,000,000 is reduced by \$650,000 every six months, to coincide with the borrowings anticipated under the bank bill facility (Refer Note 24). The swap contract involves a half yearly payment or receipt of the net amount of interest. The facility was drawn in full in November 2002. The fixed interest rate is 7.45%.

Interest Rate Risk Exposures

The Company's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below.

	Floating interest rate	Fixed interest maturing in 1 year or less	1 to 5 years	More than 5 years	Non- interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2004						
Financial Assets						
Cash	1,595	—	—	—	18	1,613
Receivables	—	96	—	—	954	1,050
Investments	—	15,735	—	—	267	16,002
	1,595	15,831	—	—	1,239	18,665
Weighted Average Interest Rate	4.75%	5.64%	—	—	—	
Financial Liabilities						
Accounts Payable	—	—	—	—	2,942	2,942
Loans	—	—	800	—	738	1,538
Management Fee Payable	—	—	—	—	7,291	7,291
Grants In Advance	—	—	—	—	2,407	2,407
Fees In Advance	—	—	—	—	2,966	2,966
Bills Payable	—	1,300	5,200	650	—	7,150
		1,300	6,000	650	16,344	24,294
Interest Rate Swap (notional principal)	(7,150)	1,300	5,200	650	—	
Weighted Average Interest Rate	—	7.45%	7.39%	7.45%	—	
2003						
Financial Assets						
Cash	2,284	—	—	—	17	2,301
Receivables	—	63	—	—	1,041	1,104
Investments	—	16,828	—	—	182	17,010
	2,284	16,891	—	—	1,240	20,415
Weighted Average Interest Rate	4.62%	5.30%	—	—	—	
Financial Liabilities						
Accounts Payable	—	—	—	—	2,225	2,225
Loans	—	—	800	—	823	1,623
Grants In Advance	—	—	—	—	7,839	7,839
Fees In Advance	—	—	—	—	2,079	2,079
Bills Payable	—	1,300	5,200	1,950	—	8,450
		1,300	6,000	1,950	12,966	22,216
Interest Rate Swap (notional principal)	(8,450)	1,300	5,200	1,950	—	
Weighted Average Interest Rate	—	7.45%	7.39%	7.45%	—	

// NOTE 21 FINANCIAL INSTRUMENTS DISCLOSURE // CONTINUED

Foreign Exchange Risk

Given the minimal exposure to foreign currencies, it is the current policy of the Senate not to hedge foreign exchange risk.

Credit Risk Exposure

Credit risk on financial assets is minimised by dealing with recognised financial institutions and multinational companies with acceptable credit ratings.

Net Fair Values of Financial Assets and Liabilities

The carrying amounts of on-statement financial assets and liabilities approximates fair value.

The net fair value of financial instruments held as at the reporting date, not included in the Statement of Financial Position, are:

	2004	2003
	\$'000	\$'000
Interest rate swaps	275	308

// NOTE 22 EQUITY

No share capital has been issued by the Company as it is a company limited by guarantee. The number of members of the Company as at 31 December 2004 was 23 (2003: 23). The liability of each member is limited to \$50.

// NOTE 23 SEGMENT INFORMATION

The University is a member of the Unified National System of Higher Education established by the Commonwealth Government of Australia. As an education provider it operates on six campuses across three eastern mainland states and the Australian Capital Territory. The University also conducts courses in Hong Kong, Mauritius, New Zealand, South Africa and Tonga.

// NOTE 24 FINANCING ARRANGEMENTS

Bank Bill Facility

The Company has a Bank Bill Acceptance/Discount Facility of \$7,150,000 (2003: \$8,450,000) with National Australia Bank Ltd, which was fully drawn as at 31 December 2004. The cost of the facility is 7.45%; in addition there is a bill activation fee of 0.35%. A facility fee of 0.30% p.a. is also incurred on a half-yearly cycle on the facility balance, irrespective of the amount that has been drawn down. The facility limit is reduced by \$650,000 every six months to coincide with the principal outstanding under the swap facility. The availability period for the facility expires on 31 December 2012.

NOTES TO THE FINANCIAL STATEMENTS // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

2004
\$'000

2003
\$'000

// NOTE 25 NOTES TO THE STATEMENT OF CASH FLOWS

25.1 Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank. Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash on Hand	18	17
Cash at Bank	1,595	2,284
	1,613	2,301

25.2 Reconciliation of Operating Profit/(Loss) after Income Tax to Net Cash Provided by Operating Activities

Operating Profit/(Loss) after Income Tax	9,868	5,863
Add/(Less) Items Classified as Investing/Financing Activities:		
(Profit) on Sale of Non-Current Assets	(281)	(7)
Loss on Sale of Non-Current Assets	57	666
Add/(Less) Non-Cash Items:		
Depreciation of Plant and Equipment	1,965	2,284
Depreciation of Property	54	60
Amortisation of Property	774	1,545
Amortisation of Occupancy Rights	100	100
Discount on Blackfriars Loan	15	—
Amounts Set Aside to (Utilised from) Provisions:		
Employee Entitlements	953	1,005
Net Cash Provided by Operating Activities before Change in Assets and Liabilities	13,505	11,516
Change in Assets and Liabilities:		
(Increase)/Decrease in Accrued Income	144	590
(Increase)/Decrease in Sundry Debtors	(92)	3,136
(Increase)/Decrease in Prepayments	(870)	338
(Increase)/Decrease in Students Assistance Program	1	(1)
(Increase)/Decrease in Other Assets	(7,291)	102
Increase/(Decrease) in Grants in Advance	(5,432)	(20)
Increase/(Decrease) in Fees in Advance	887	728
Increase/(Decrease) in Management Fee Payable for Sydney Campuses	7,291	—
Increase/(Decrease) in Deposit Received on Sale of 22 Merley Rd Strathfield	—	(801)
Increase/(Decrease) in Accrued Expenses	767	(3,207)
Increase/(Decrease) in Sundry Creditors	(50)	37
Increase/(Decrease) in Funds in Held in Trust	(101)	(507)
Increase/(Decrease) in Bonds — University Residences	8	1
Increase/(Decrease) in Other Income in Advance	(6)	154
Increase/(Decrease) in Net GST	(840)	1,077
Net Cash Provided by Operating Activities	7,921	13,143

2004 2003
\$'000 \$'000

// **NOTE 26 ACQUITTAL OF COMMONWEALTH GOVERNMENT FINANCIAL ASSISTANCE**

26.1 DEST – Teaching and Learning

Operating Purposes (excluding HECS & PELS)

Financial Assistance in Advance (paid in previous reporting period for current reporting period)	3,514	3,358
Plus Financial Assistance Received during Reporting Period	43,580	43,547
Less Financial Assistance in Advance (received in reporting period for next reporting period)	—	(3,514)
Total From DEST	47,094	43,391

Accrual Adjustments

Current Year Grants Carried Forward	(11)	(57)
Prior Year Grants Brought Forward	57	111
2002 Over Enrolment Adjustment Receivable	—	(542)
2003 Over Enrolment Adjustment Receivable	(170)	170
2004 Over Enrolment Adjustment Payable	(172)	—

Revenue Attributed to Reporting Period	46,798	43,073
Plus Surplus/(Deficit) Prior Year	—	—
Funds Available for Reporting Period	46,798	43,073
Less Expenses for Current Period	(46,798)	(43,073)
Surplus/(Deficit) for Reporting Period	—	—

HECS

Financial Assistance in Advance (paid in previous reporting period for current reporting period)	1,939	1,911
Plus Financial Assistance Received during Reporting Period	21,832	25,272
Plus Contributions Actually Received from Students	4,934	4,567
Less Financial Assistance in Advance (received in reporting period for next reporting period)	—	(1,939)
Total From DEST	28,705	29,811

Accrual Adjustments

2002 Upfront HECS Payable	—	424
2003 Upfront HECS Payable	277	(277)
2004 Upfront HECS Payable	(614)	—

Revenue Attributed to Reporting Period	28,368	29,958
Plus Surplus/(Deficit) Prior Year	—	—
Funds Available for Reporting Period	28,368	29,958
Less Expenses for Current Period	(28,368)	(29,958)
Surplus/(Deficit) for Reporting Period	—	—

NOTES TO THE FINANCIAL STATEMENTS // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

	2004 \$'000	2003 \$'000
// NOTE 26 ACQUITTAL OF COMMONWEALTH GOVERNMENT FINANCIAL ASSISTANCE // CONTINUED		
26.1 DEST – Teaching and Learning // Continued		
PELS		
Financial Assistance Received during Reporting Period	1,070	727
Total From DEST	1,070	727
<i>Accrual Adjustment</i>		
2002 PELS Receivable	—	(17)
2003 PELS Receivable	(33)	33
2004 PELS Payable	(39)	—
Revenue Attributed to Reporting Period	998	743
<i>Plus Surplus/(Deficit) Prior Year</i>	—	—
Funds Available for Reporting Period	998	743
<i>Less Expenses for Current Period</i>	(998)	(743)
Surplus/(Deficit) for Reporting Period	—	—
Capital Development Pool		
Financial Assistance Received during Reporting Period	1,888	3,136
Total From DEST	1,888	3,136
Revenue Attributed to Reporting Period	1,888	3,136
<i>Plus Surplus/(Deficit) Prior Year</i>	—	—
Funds Available for Reporting Period	1,888	3,136
<i>Less Expenses for Current Period</i>	(1,888)	(3,136)
Surplus/(Deficit) for Reporting Period	—	—
26.2 DEST – Scholarships		
Australian Postgraduate Awards Pre 2002		
Financial Assistance Received during Reporting Period	41	72
Total From DEST	41	72
<i>Accrual Adjustments</i>		
Current Year Grants Carried Forward	(19)	(41)
Prior Year Grants Brought Forward	41	35
Transfer Prior Year Grants Brought Forward from Pre 2002 to 2002 Onwards	—	(3)
Adjusted Prior Year Grants Brought Forward (APA to SPIRT)	—	(16)
Prepaid Grant Income Recovered in First Pay of 2005	(45)	—
Revenue Attributed to Reporting Period	18	47
<i>Plus Surplus/(Deficit) Prior Year</i>	—	—
Funds Available for Reporting Period	18	47
<i>Less Expenses for Current Period</i>	(18)	(47)
Surplus/(Deficit) for Reporting Period	—	—

2004 2003
\$'000 \$'000

// **NOTE 26** ACQUITTAL OF COMMONWEALTH GOVERNMENT FINANCIAL ASSISTANCE // CONTINUED

26.2 DEST – Scholarships // Continued

Australian Postgraduate Awards 2002 Onwards

Financial Assistance Received during Reporting Period	198	138
Total From DEST	198	138

Accrual Adjustments

Accrued Income 2003	(15)	15
Transfer Prior Year Grants Brought Forward from Pre 2002 to 2002 Onwards	—	3
Accrued Income 2004 received in First Pay 2005	14	—

Revenue Attributed to Reporting Period	197	156
---	------------	------------

Plus Surplus/(Deficit) Prior Year	—	—
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Funds Available for Reporting Period	197	156
---	------------	------------

Less Expenses for Current Period	(197)	(156)
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Surplus/(Deficit) for Reporting Period	—	—
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International Postgraduate Research Scholarships

Financial Assistance Received during Reporting Period	55	42
Total From DEST	55	42

Accrual Adjustments

Current Year Grants Carried Forward	(1)	(4)
Prior Year Grants Brought Forward	4	—
Prepaid Grant Income Recovered in First Pay of 2005	(17)	—

Revenue Attributed to Reporting Period	41	38
---	-----------	-----------

Plus Surplus/(Deficit) Prior Year	—	—
-----------------------------------	---	---

Funds Available for Reporting Period	41	38
---	-----------	-----------

Less Expenses for Current Period	(41)	(38)
----------------------------------	------	------

Surplus/(Deficit) for Reporting Period	—	—
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NOTES TO THE FINANCIAL STATEMENTS // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

	2004 \$'000	2003 \$'000
// NOTE 26 ACQUITTAL OF COMMONWEALTH GOVERNMENT FINANCIAL ASSISTANCE // CONTINUED		
26.2 DEST – Scholarships // Continued		
Commonwealth Education Costs Scholarships		
Financial Assistance Received during Reporting Period	98	—
Total From DEST	98	—
Revenue Attributed to Reporting Period	98	—
<i>Plus Surplus/(Deficit) Prior Year</i>	—	—
Funds Available for Reporting Period	98	—
<i>Less Expenses for Current Period</i>	(98)	—
Surplus/(Deficit) for Reporting Period	—	—
Commonwealth Accommodation Scholarships		
Financial Assistance Received during Reporting Period	172	—
Total From DEST	172	—
Revenue Attributed to Reporting Period	172	—
<i>Plus Surplus/(Deficit) Prior Year</i>	—	—
Funds Available for Reporting Period	172	—
<i>Less Expenses for Current Period</i>	(172)	—
Surplus/(Deficit) for Reporting Period	—	—
26.3 DEST – Research Financial Assistance		
Institutional Grants Scheme		
Financial Assistance in Advance (paid in previous reporting period for current reporting period)	41	38
<i>Plus Financial Assistance Received during Reporting Period</i>	474	482
<i>Less Financial Assistance in Advance (received in reporting period for next reporting period)</i>	—	(41)
Total From DEST	515	479
Revenue Attributed to Reporting Period	515	479
<i>Plus Surplus/(Deficit) Prior Year</i>	—	—
Funds Available for Reporting Period	515	479
<i>Less Expenses for Current Period</i>	(515)	(479)
Surplus/(Deficit) for Reporting Period	—	—

	2004	2003
	\$'000	\$'000

// **NOTE 26 ACQUITTAL OF COMMONWEALTH GOVERNMENT FINANCIAL ASSISTANCE // CONTINUED**

26.3 DEST – Research Financial Assistance // Continued

Research Training Scheme

Financial Assistance in Advance (paid in previous reporting period for current reporting period)	85	80
Plus Financial Assistance Received during Reporting Period	962	1,003
Less Financial Assistance in Advance (received in reporting period for next reporting period)	—	(85)
Total From DEST	1,047	998

Revenue Attributed to Reporting Period	1,047	998
Plus Surplus/(Deficit) Prior Year	—	—
Funds Available for Reporting Period	1,047	998
Less Expenses for Current Period	(1,047)	(998)
Surplus/(Deficit) for Reporting Period	—	—

Small Research

Financial Assistance Received during Reporting Period	—	—
Total From DEST	—	—

Accrual Adjustments

Current Year Grants Carried Forward	—	—
Prior Year Grants Brought Forward	—	7
Revenue Attributed to Reporting Period	—	7
Plus Surplus/(Deficit) Prior Year	—	—
Funds Available for Reporting Period	—	7
Less Expenses for Current Period	—	(7)
Surplus/(Deficit) for Reporting Period	—	—

NOTES TO THE FINANCIAL STATEMENTS // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

	2004 \$'000	2003 \$'000
// NOTE 26 ACQUITTAL OF COMMONWEALTH GOVERNMENT FINANCIAL ASSISTANCE // CONTINUED		
26.3 DEST – Research Financial Assistance // Continued		
Infrastructure		
Financial Assistance in Advance (paid in previous reporting period for current reporting period)	15	10
Plus Financial Assistance Received during Reporting Period	172	125
Less Financial Assistance in Advance (received in reporting period for next reporting period)	—	(15)
Total From DEST	187	120
<i>Accrual Adjustments</i>		
Current Year Grants Carried Forward	(6)	(5)
Prior Year Grants Brought Forward	5	61
Revenue Attributed to Reporting Period	186	176
Plus Surplus/(Deficit) Prior Year	—	—
Funds Available for Reporting Period	186	176
Less Expenses for Current Period	(186)	(176)
Surplus/(Deficit) for Reporting Period	—	—
26.4 Australian Research Council		
Discovery – Projects (Large Grants)		
Financial Assistance in Advance (paid in previous reporting period for current reporting period)	—	10
Plus Financial Assistance Received during Reporting Period	99	68
Total From ARC	99	78
<i>Accrual Adjustments</i>		
Current Year Grants Carried Forward	(4)	(44)
Prior Year Grants Brought Forward	44	88
Revenue Attributed to Reporting Period	139	122
Plus Surplus/(Deficit) Prior Year	—	—
Funds Available for Reporting Period	139	122
Less Expenses for Current Period	(139)	(122)
Surplus/(Deficit) for Reporting Period	—	—

2004 2003
\$'000 \$'000

// **NOTE 26** ACQUITTAL OF COMMONWEALTH GOVERNMENT FINANCIAL ASSISTANCE // CONTINUED

26.4 Australian Research Council // Continued

Discovery – Fellowships

Financial Assistance in Advance (paid in previous reporting period for current reporting period)	—	13
<i>Plus</i> Financial Assistance Received during Reporting Period	106	172
Total From ARC	106	185

Accrual Adjustments

Current Year Grants Carried Forward	(12)	(139)
Prior Year Grants Brought Forward	139	93

Revenue Attributed to Reporting Period	233	139
<i>Plus</i> Surplus/(Deficit) Prior Year	—	—

Funds Available for Reporting Period	233	139
<i>Less</i> Expenses for Current Period	(233)	(139)

Surplus/(Deficit) for Reporting Period	—	—
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Linkage – Special Research Initiatives

Financial Assistance Received during Reporting Period	—	10
Total From ARC	—	10

Accrual Adjustments

Current Year Grants Carried Forward	—	(10)
Prior Year Grants Carried Forward	10	—

Revenue Attributed to Reporting Period	10	—
<i>Plus</i> Surplus/(Deficit) Prior Year	—	—

Funds Available for Reporting Period	10	—
<i>Less</i> Expenses for Current Period	(10)	—

Surplus/(Deficit) for Reporting Period	—	—
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NOTES TO THE FINANCIAL STATEMENTS // CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2004

	2004 \$'000	2003 \$'000
// NOTE 26 ACQUITTAL OF COMMONWEALTH GOVERNMENT FINANCIAL ASSISTANCE // CONTINUED		
26.4 Australian Research Council // Continued		
Linkage – Projects (Including Strategic Partnerships with Industry and APAI)		
Financial Assistance in Advance (paid in previous reporting period for current reporting period)	—	20
Plus Financial Assistance Received during Reporting Period	328	238
Total From ARC	328	258
<i>Accrual Adjustments</i>		
Current Year Grants Carried Forward	(142)	(121)
Prior Year Grants Brought Forward	121	147
Adjusted Prior Year Grants Brought Forward (APA to SPIRT)	—	16
Adjusted Prior Year Grants Brought Forward (SPIRT to Other Research Grants)	—	(16)
Adjusted Prior Year Grants Brought Forward (Other Research Grants to SPIRT)	11	—
Revenue Attributed to Reporting Period	318	284
Plus Surplus/(Deficit) Prior Year	—	—
Funds Available for Reporting Period	318	284
Less Expenses for Current Period	(318)	(284)
Surplus/(Deficit) for Reporting Period	—	—

26.5 Summary of Unspent Financial Assistance

Category of Financial Assistance	Amount of Unspent Financial Assistance as at 31 December 2004	Amount of Unspent Financial Assistance that it is more likely will be approved by the Commonwealth for carry forward	Amount of Unspent Financial Assistance that it is more likely will be recovered by the Commonwealth
	2004 \$'000	2004 \$'000	2004 \$'000
DEST – Teaching and Learning			
Operating Excluding HECS & PELS	11	11	—
DEST – Scholarships			
Australian Postgraduate Awards Pre 2002	64	19	45
International Postgraduate Scholarships	1	1	—
DEST – Research			
Infrastructure	6	6	—
Australian Research Council			
Discovery – Projects Large	4	4	—
Research Fellowships	12	12	—
Linkage – Projects (including Strategic Partnerships with Industry and APAI)	142	142	—
	240	195	45

DIRECTORS' DECLARATION

In the opinion of the directors of Australian Catholic University Limited:

- a) the financial statements and notes, as set out on pages 50 to 80, are in accordance with the *Corporations Act 2001*, including:
 - i) giving a true and fair view of the financial position of the company as at 31 December 2004 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date; and
 - ii) complying with Accounting Standards and the Corporation Regulations 2001; and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- c) the amount of Commonwealth grants expended during the reporting period was for the purposes for which it was granted.

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

Dated at Sydney this 30th day of March 2005.

Signed in accordance with a resolution of the directors.



Professor Peter Sheehan AO
Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AUSTRALIAN CATHOLIC UNIVERSITY LIMITED

Scope

The Financial Report and Directors' Responsibility

The financial report comprises the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows, accompanying notes to the financial statements, and the directors' declaration for Australian Catholic University Limited (the "Company"), for the year ended 31 December 2004.

The directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the Company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, Australian Accounting Standards, the mandatory disclosure requirements of the Guidelines for the Preparation of Annual Financial Statements for the 2004 Reporting Period by Australian Higher Education Institutions issued pursuant to the *Higher Education Funding Act 1988* (the "Guidelines"), and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Company's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

Audit Opinion

In our opinion, the financial report of Australian Catholic University Limited is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 31 December 2004 and of its performance for the financial year ended on that date; and
- complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- the mandatory disclosure requirements of the Guidelines and other mandatory professional reporting requirements in Australia.

KPMG

Duncan McLennan

Partner

Sydney

30 March 2005

DISCLAIMER

AUSTRALIAN CATHOLIC UNIVERSITY LIMITED

The additional financial information on page 84 is in accordance with the books and records of Australian Catholic University Limited which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 31 December 2004. It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our Firm policy, we advise that neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to any person (other than the Company) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.

The logo for KPMG, consisting of the letters 'KPMG' in a stylized, handwritten font.

KPMG

Chartered Accountants

Sydney

30 March 2005

This and previous ACU National Annual Reports may be viewed at www.acu.edu.au

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 DECEMBER 2004

	Note	Operating \$'000	Capital \$'000	Total \$'000
Revenue from Ordinary Activities				
Commonwealth Government Financial Assistance	2.1	45,874	5,786	51,660
State Government Financial Assistance	2.2	—	—	—
Higher Education Contribution Scheme (HECS)				
— Student Contributions	26.1	4,934	—	4,934
— Commonwealth Payments	2.1	23,434	—	23,434
Postgraduate Education Loans Schemes (PELS)	2.1	998	—	998
Fees and Charges	2.3	17,570	1,206	18,776
Superannuation – Deferred Government Contributions		220	—	220
Investment Income	2.4	1,310	—	1,310
Consultancy and Contract Research	2.5	1,489	—	1,489
Other Revenue	2.6	11,199	—	11,199
		107,028	6,992	114,020
Revenue from Outside Ordinary Activities				
Other Revenue	2.6	238	263	501
Total Revenue from Activities		107,266	7,255	114,521
Expenses from Ordinary Activities				
Employee Benefits	3.1	74,183	—	74,183
Depreciation and Amortisation	3.2	2,065	828	2,893
Buildings and Grounds	3.3	2,360	—	2,360
Bad and Doubtful Debts	3.4	3	—	3
Borrowing Costs	4	—	627	627
Other	3.5	24,587	—	24,587
Total Expenses from Ordinary Activities		103,198	1,455	104,653
Profit/(Loss) from Ordinary Activities Before Related Income Tax Expense		4,068	5,800	9,868
Income Tax Expense Relating to Ordinary Activities	1.3	—	—	—
Net Operating Profit/(Loss)		4,068	5,800	9,868
Non-owner Transaction Changes in Equity				
Increase/(Decrease) in Asset Revaluation Reserve	16	—	(7,291)	(7,291)
Total Revenue, Expense and Valuation Adjustments Recognised Directly in Equity		—	(7,291)	(7,291)
Total Changes in Equity from Non-Owner Related Transactions	16,17	4,068	(1,491)	2,577

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