

# 2003 NMIT Annual Report





# Contents

<b>General Information</b>	<b>5</b>
Council President's Report	7
About NMIT	8
NMIT's Aims and Objectives	9
NMIT's Services	10
Corporate Governance	11
Senior Management	12
NMIT Campuses and Training Facilities	13
Organisational Structure	14
Workforce Data	15
Merit and Equity	15
Application and Operation of Freedom of Information Act 1982	16
Industrial Relations	17
Year 2003 at a Glance	18
Achievements of the Programs Division	20
Achievements of the Corporate Services Division	32
<b>Financial and Other Information</b>	<b>35</b>
Summary of Financial Results	37
Summary of Significant Changes in Financial Position	37
Operational Objectives and Performance Against Those Objectives	37
Major Changes or Factors Affecting Achievement of Objectives	38
Events Subsequent to Balance Date	38
Consultancies	38
Compliance with Building Act 1993	38
Additional Information	39
Compliance with National Competition Policy	39
Fees and Charges	39
International Operations	39
Occupational Health and Safety	40
Whistleblowers Protection Act 2001	40
Activity Table	41
<b>Financial Statements</b>	<b>43</b>
<b>Compliance Index</b>	<b>70</b>



## General Information





## Council President's Report

I am pleased to report a year of growth and expansion for NMIT locally and internationally. This growth, supported by clear strategic goals enabled NMIT to augment its position as a leading provider of tertiary education and training. In 2003, NMIT continued to provide a diverse and comprehensive profile of programs as well as specialist programs in primary industries.

To grow and expand, NMIT must provide high quality vocational and professional qualifications locally, regionally and internationally. At the same time, NMIT must meet all reporting requirements and produce a balanced budget. NMIT met all requirements detailed in the NMIT Council's Performance Agreement with the Victorian Learning and Employment Skills Commission. Specifically, NMIT exceeded its apprenticeship and traineeship targets and its general profile student contact hour targets. NMIT returned a small budget surplus, marginally less than 1% of total income. This was achieved despite the continuing decline in the state government's recurrent funding for program delivery in Victoria. This is a matter of concern for NMIT.

NMIT's local growth and regional expansion included the refurbishment and development of infrastructure at NMIT campuses and training centres. The Fairfield Campus development was recommenced. The completion of refurbishment by December 2003 has enabled program delivery to commence in 2004. The construction of the Primary Industries Production and Training Centre commenced and will be completed in 2004. The construction of a winery facility commenced at the Aradale campus at Ararat. These infrastructure developments enable NMIT to continue to provide programs in a high quality learning environment. A period of consolidation following completion of these capital works is expected in 2004.

NMIT's international expansion continued in 2003 with partnerships and alliances in China, Malaysia, Bangladesh, United States of America, Singapore, Pakistan, Sri Lanka and New Zealand. In 2003, NMIT had 18 partnership arrangements to deliver a range of vocational programs across China.

A significant agreement with Panzhuhua University in China will result in NMIT delivering all of the training requirements associated with the development and maintenance of vineyards covering approximately 80,000 hectares. This program, planned to commence in 2004, will be the largest offshore viticulture training program to be undertaken by an Australian organisation. In addition, this agreement requires NMIT to deliver education/training at various levels in Viticulture, Winemaking, Hospitality, Information Technology, Management, Tourism, English Language and short customised courses for government representatives/officials. Delivery is planned to commence in 2004.

NMIT's reputation as a leader in viticulture and winemaking was significantly enhanced in 2003

when NMIT was awarded a Gold medal at the prestigious Royal Adelaide Wine Show for its 2002 Shiraz in the open class.

Following the Victorian state government's policy change to allow TAFE institutes to offer degrees, applications for the accreditation and authority to conduct the Bachelor of Applied Aquaculture and Bachelor of Viticulture and Winemaking courses were submitted to the Office of Higher Education. The development of a submission for a Bachelor of Equine Studies and a Bachelor of Music (Contemporary Australian Music) has commenced. It is expected that in 2004, submissions for a number of two-year Associate Degrees in Tourism and Hospitality, Information Technology and Business will also be developed.

NMIT has a commitment to maintaining a strong financial position and developing high quality infrastructure to support teaching and learning. This commitment has enabled NMIT to take advantage of opportunities to develop and maintain new relationships, alliances and partnerships with community groups, industry and education and training institutions at regional, national and international levels.

The growth and expansion of NMIT in 2003 was the result of the work and the high quality of NMIT staff in all areas of NMIT. I thank the staff for their ongoing commitment to NMIT and to vocational education and training. I also thank the NMIT council members for their support during the year.

Looking forward, 2004 is expected to be a year of consolidation for NMIT set in a financially tight operating context.



William Freeman

Council President 2003

## About NMIT

NMIT is a major provider of tertiary education and training programs with its main campus at Preston in the northern region of Melbourne. It is a multi-campus TAFE institute that provides a comprehensive range of accredited programs locally, regionally and internationally.

Following relocation from NMIT's Parkville campus to the new Fairfield campus in 2003, NMIT's campuses in central and northern metropolitan regions of Melbourne are at Preston, Collingwood, Epping, Fairfield, Greensborough and Heidelberg. NMIT's regional campus is Aradale located at Ararat.

Training Centres are located at Yarra Glen, Eden Park/Northern Lodge, Yan Yean, Whittlesea, Strathbogie Ranges and Northern AMEP at Broadmeadows. Internationally, NMIT offers its qualifications in partnership with institutions in China, Malaysia, Bangladesh, United States of America, Singapore, Pakistan, Sri Lanka and New Zealand.

NMIT provides a diverse and comprehensive portfolio of programs across a broad spectrum of disciplines from certificate to undergraduate degree level. The diversity of programs and support services attracts students from Victoria, other states of Australia and overseas to its local and regional campuses and training centres.

NMIT is primarily a teaching institution. However, it is committed to undertaking applied research to support teaching and learning and to assist industry and economic development.

NMIT is recognised as one of Victoria's pre-eminent vocational educational and training organisations. This reputation is due to its ability to develop programs in close relationship with industry and other stakeholder groups, to provide programs that are responsive to the needs of learners and industry and to encourage continuous improvement in the design, development and delivery of programs. NMIT is committed to producing graduates who meet the highest and latest industry standards and are recognised for their responsiveness, adaptability and flexibility. Dedicated teaching staff with industry and business experience maintain course currency in swiftly changing work and training environments through regular consultation with employers and industry in Australia and overseas.

The 2003 Annual Report documents a year in which NMIT continued to meet the needs of its clients through the provision of high-quality vocational education and training. In 2003, more than 25,000 students from metropolitan Melbourne, country Victoria and from 52 other countries were enrolled and NMIT employed more than 1200 teaching and support staff. NMIT's educational programs catered for a range of students with the growing international market and new joint ventures and

arrangements with education providers in a number of countries.

NMIT met all performance targets agreed with the Victorian Learning and Employment Skills Commission including achieving its student contact hour targets. More than 200 vocational education and training courses were delivered at pre-apprenticeship, apprenticeship, certificate, diploma and advanced diploma levels. Programs were offered in arts and social sciences, engineering, building and construction, earth sciences, further education and tourism and hospitality.

Vocational education and training programs were also delivered in secondary schools through the VET in School Programs, Job Pathways Program and Managed Individual Pathways Program. Language and Literacy programs were provided to migrants and work education programs were offered to clients with special learning needs. NMIT delivered online courses via the Internet.

NMIT continued its commitment to service the needs of local industry and the community through the delivery of customised programs and the development of short courses to meet rapidly changing skill requirements.

The 2003 Annual Report complies with the requirements of the Financial Management Act 1994. The report provides an overview of NMIT's performance and achievements for the Minister of Training and Tertiary Education, and for NMIT's partners, clients and staff.



## NMIT's Aims and Objectives

NMIT's charter is to provide vocational education, training and specialist higher education qualifications in accordance with national and state government legislation, priorities, policies and management frameworks.

NMIT is committed to providing a comprehensive range of courses of study as well as courses in niche areas. Such courses are consistent with government priorities, regional needs and NMIT's resources. They are supported by applied research that informs teaching and learning at the institute. NMIT conducts applied research that is linked to industry and economic development.

In this context, NMIT's aim is to be a distinctive provider of high quality vocationally oriented programs from certificate to degree level producing graduates who are ready for work and employable.

### *Specifically, NMIT aims to:*

- Provide a wide range of programs that are applied, vocational and multidisciplinary, that are underpinned by applied research, strong industry support and that are delivered in a high quality learning environment to NMIT's metropolitan and regional communities and to international clients
- Promote growth and participation in tertiary education by offering applied and specialised programs at associate and bachelor degree levels and qualifications at bachelor and masters levels in partnership with the university sector
- Expand and consolidate its metropolitan, regional and international profile as a leading provider of high quality applied, vocational and professional qualifications
- Promote a research culture by conducting applied research that aids economic development and that supports teaching and learning
- Work in partnership with schools, industries, businesses, other educational providers and community agencies in the development of programs that are relevant and accessible to students
- Provide a wide range of services and amenities to ensure that students' learning needs are met and that barriers to educational progress are minimised.

### *NMIT achieves these aims by:*

- Operating a financially sound budget that enables both strategic expansion and consolidation with high quality administration and delivery of its programs
- Providing a comprehensive range of programs from certificate to degree level
- Supporting applied research and development activities that serve government and NMIT educational and economic goals

- Providing programs that are responsive to the needs of learners and industry and with a focus on student centred teaching and learning
- Providing programs that are accessible with provision for articulation and credit transfer
- Developing specialist programs in primary industries that combine theory, on site practice and employability skills
- Expanding NMIT's international program profile by offering programs in high quality articulated courses of study
- Developing programs in close relationship with industry and other stakeholder groups
- Encouraging initiative, innovation, improvement, team work and creativity in the design, development and delivery of programs
- Attracting international students from a wide range of countries thereby contributing to their educational development and employment prospects
- Expanding NMIT's consultancy profile in industry, business and with community organisations.

### *In 2003 NMIT's operational objectives were to:*

- Manage a financially sound organisation with a balanced budget
- Achieve all Performance Agreement targets and advance NMIT's position as a leading provider of vocational education and training
- Expand the regional and international profile of NMIT
- Deliver high quality programs to students and assure the quality and relevance of these programs through the quality management system
- Provide access to high quality equipment and facilities
- Support the professional development of staff through in house and externally funded development programs
- Expand the range of innovative products and services offered by NMIT and undertake applied research.

## NMIT's Services

In 2003, NMIT provided a comprehensive range of educational, vocational, and training programs and services to metropolitan, regional and international clients. Core services included the delivery of recurrently funded programs and the provision of support to students in metropolitan Melbourne.

NMIT offered certificates at four levels, diplomas and advanced diplomas that are nationally recognised qualifications from Training Packages. In addition, NMIT offered a range of pre-apprenticeship and certificate programs, VET in Schools, VCAL (Victorian Certificate in Applied Learning) and a broad range of short courses.

NMIT programs are in the fields of agriculture, animal science, performing arts, visual arts, building, business, engineering, electrical and electronic engineering, health and community services, horticulture, tourism, Koorie services, hospitality and further education (language and literacy).

A range of campus-based student services was offered to support program delivery. Services included course information, financial assistance, Austudy and Youth Allowance information, assistance in finding accommodation, inductions, bookshops, campus orientation activities, library resources, computer facilities, disability support, personal counselling, first aid certification, childcare, vocational counselling and careers advice.

NMIT's Centre of Excellence for Deaf and Hard of Hearing Students provided training programs for its own students, as well as offering support services for students enrolled at other Registered Training Organisations.

NMIT provided services to the community by facilitating local partnerships and network arrangements to encourage the participation of business and industry in training.

Short courses, breakfast seminars, industry evenings, work placements, employment seminars and the NMIT Food and Wine Club contributed to expanding NMIT's profile in metropolitan Melbourne.

Services offered on a commercial basis to individual and industry clients included design and delivery of NMIT accredited programs, delivery of customised training programs, production of training manuals, and the provision of flexibly delivered training, including the development of modules for online delivery.

NMIT delivered training in viticulture and winemaking at the regional Aradale campus and through its training centres at Eden Park, Yarra Glen and Strathbogie Ranges.

NMIT's international profile expanded with the delivery of a range of programs. Courses in English language, racehorse management, locksmithing, business services, hospitality services, and

information technology were provided to government, business, college and university clients in China, Malaysia, Bangladesh, United States of America, Singapore, Pakistan, Nepal, Sri Lanka and New Zealand.

# Corporate Governance

## NMIT Council Members

The Council was the governing body of NMIT in 2003. The members of Council were:

- Mr William Freeman (President)
- Ms Pam McCulloch (Vice President)
- Mr Ron Mackay (Deputy Vice President)
- Mr Brian MacDonald (Chief Executive Officer)
- Mr Lionel Bramich (Staff Representative)
- Mr Jason Klindworth (Student Representative to June 2003)
- Ms Antoinette Braybrook
- Mr Brendan Danaher (to August 2003)
- Ms Michelle Fitzsimon
- Ms Elaine Forde
- Mr Bryant Ham
- Ms Anne Judd (from August 2003)
- Mr Gerry Maynard
- Ms Marianna Pettolino (from August)
- Mr Tony Ray
- Mr Norm Shearer (from August 2003)
- Mr David Wills (to April 2003)

The relevant Minister for the operation of NMIT was The Honourable Lynne Kosky, Minister for Training and Tertiary Education.

## Council Objectives

The objectives of the council, within the context of national and state policies and management frameworks, were to:

- provide quality vocational education and training and adult and community education programs and services
- manage and control the Institute efficiently and effectively and to maximise the use of resources.

## Council Duties

The duties of the Council were to:

- advance the strategic objectives of NMIT
- operate in accord with economic and social objectives and public sector management policies
- provide assistance and information as the Minister, Secretary of the Department of Education and Training and the Director of the Office of Training and Tertiary Education (OTTE) may reasonably require
- ensure safe custody and proper use of the Common Seal of the Council.

## Committees

The Council established the following Committees under Clause 16 of NMIT's Constitution. Each Committee makes recommendations to Council and ensures compliance with appropriate statutory requirements. The responsibilities of each Committee are summarised as follows:

### *Board of Studies*

The Council members of the Board of Studies were Ms Elaine Forde and Mr Brendan Danaher. The responsibilities of the Board of Studies were to provide recommendations to Council on:

- content and standard of programs
- accreditation of programs
- students who satisfied the requirements of awards
- education and training policies.

### *Resources Committee*

The Council members of the Resources Committee were Ms Pam McCulloch, Chairperson, Mr William Freeman, Mr Ronald Mackay and Ms Michelle Fitzsimon. The responsibility of the Resource Committee was to provide advice to Council on finances, facilities, human resources and student services.

### *Audit Committee*

The members of the Audit Committee were Mr William Freeman, Council President and Chairperson, and Ms Pam McCulloch, Council Vice President.

The responsibilities of the Audit Committee, established in compliance with the Financial Management Act 1994, were to:

- report to Council on the accuracy of financial information systems and records
- ensure compliance with statutory responsibilities relating to financial disclosure, the effective operations of the accounting system and related internal controls.

## Senior Management

### Chief Executive Officer

Mr Brian MacDonald

The Chief Executive Officer was responsible for the operational management of NMIT. This responsibility was delegated by Council.

### Director Corporate Services

Mr Peter Christie

The Director Corporate Services was responsible for the provision and maintenance of corporate services through the Buildings and Properties, IT Services, Finance, Corporate Communications, Personnel and Student Services Departments.

### Director Programs

Mr Bruce Filcock

The Director Programs was responsible for the Faculty of Arts and Social Sciences, Building and Construction, Business, Earth Sciences, Engineering, Further Education and Tourism and Hospitality. He was also responsible for the following: International Office, Quality Assurance Unit and Research and Development Department.

### Managers

#### *Buildings and Properties*

Mr Michael Lee/Mr Graeme Hearn

#### *IT Services*

Ms Mary Waterhouse

#### *Finance*

Ms Frances Ratcliffe

#### *Corporate Communications*

Ms Elizabeth Koehne

#### *Personnel*

Mr Peter Christie

#### *Student Services*

Ms Anne Bambrook

### Associate Directors

#### *Faculty of Arts and Social Sciences*

Mr Peter Goodwin

#### *Faculty of Building and Construction*

Mr Lionel Bramich

#### *Faculty of Business*

Mr Vic Harris

#### *Faculty of Earth Sciences*

Mr David Draper

#### *Faculty of Engineering*

Mr Bruce Burns

#### *Faculty of Further Education*

Ms Frances Coppolillo

#### *Faculty of Tourism and Hospitality*

Mr Greg Purton

### Managers

#### *International Office*

Mr Anthony Leech/Mr Ian Heap

#### *Quality Assurance Unit*

Ms Fay Bellis

#### *Research and Development Department*

Ms Glen Villiers

# NMIT Campuses and Training Facilities

## Campuses

### *Aradale*

Grano Street  
Ararat 3377  
Telephone (03) 5355 3555

### *Collingwood*

20 Otter Street  
Collingwood 3066  
Telephone (03) 9269 1200

### *Epping*

Cnr Cooper Street and Dalton Road  
Epping 3076  
Telephone (03) 9269 1200

### *Fairfield*

Yarra Bend Road  
Fairfield 3078  
Telephone (03) 9269 1200

### *Greensborough*

Civic Drive  
Greensborough 3088  
Telephone (03) 9269 1200

### *Heidelberg*

Cnr Waterdale Road and Bell Street  
Heidelberg 3081  
Telephone (03) 9269 1200

### *Parkville*

99a Oak Street  
Parkville 3052  
Telephone (03) 9269 1200

### *Preston*

77-91 St Georges Road  
Preston 3072  
Telephone (03) 9269 1200

## Training Centres

### *Eden Park/Northern Lodge*

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

### *Northern AMEP*

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

### *St Georges Licensed Restaurant & Bistro*

11-91 St Georges Road  
Preston 3072  
Telephone (03) 9269 1577

### *Strathbogie Ranges*

Lambing Gully Road  
Avenel 3664  
Telephone: (03) 9269 1025

### *Whittlesea*

Braemore Place  
Whittlesea 3757  
Telephone (03) 9715 1130

### *Yan Yean*

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

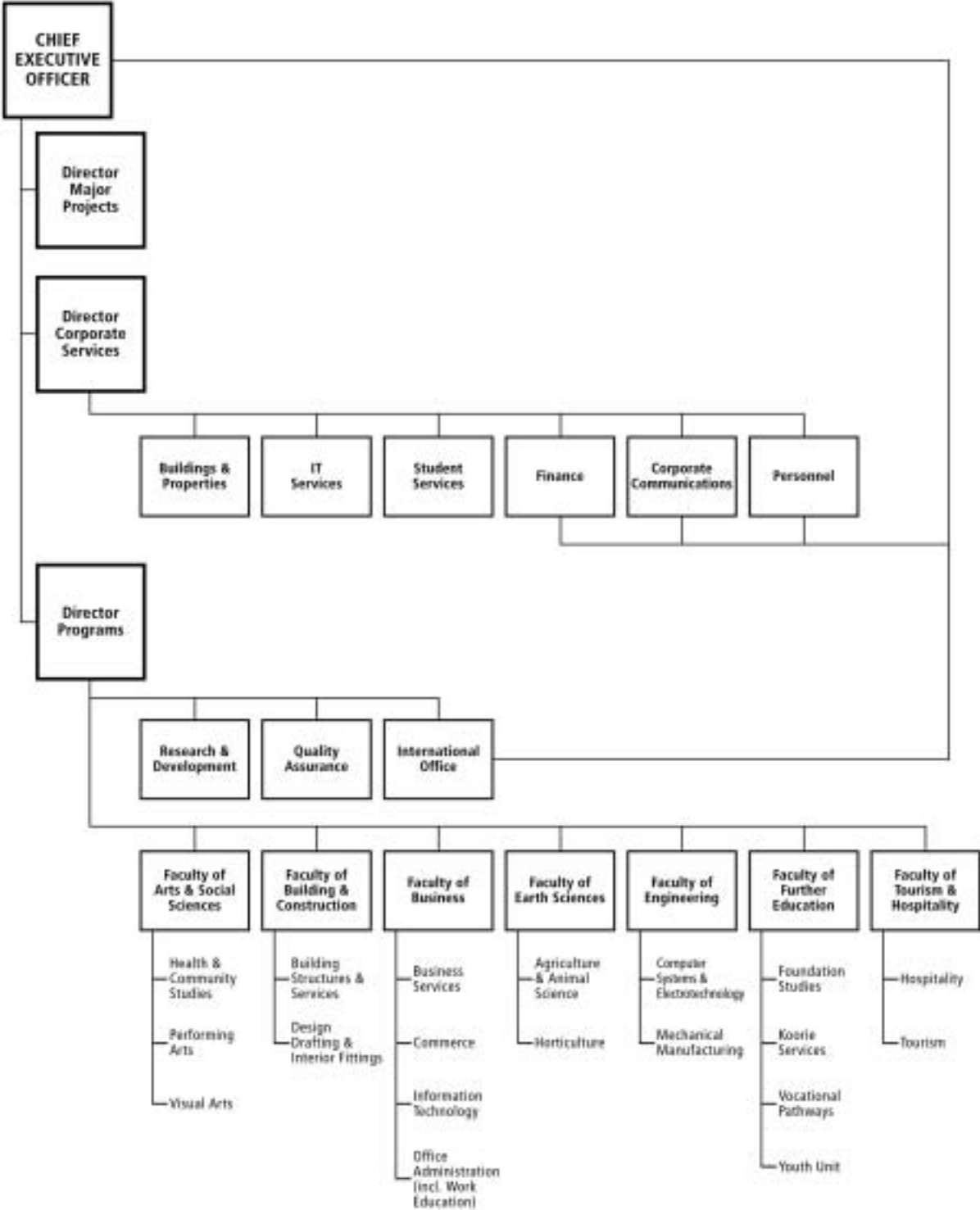
### *Yarra Glen*

Armstrong Grove  
Yarra Glen 3775

### *Website*

[www.nmit.vic.edu.au](http://www.nmit.vic.edu.au)

# Organisational Structure



January 2003

## Workforce Data

The total number of staff employed at NMIT as at 30 June 2003 was 1243 compared with 1196 as at 30 June 2002. The following statistics have been prepared in accordance with the reporting requirements of the Public Sector Management and Employment Act (PSME 1998). The statistics reflect staff numbers and not equivalent full-time positions. In addition, the numbers of males and females employed over the past three years are included.

ASW Category	Male	Female	Total	PWD	NESB	ASTI
Managers	27	16	43	-	5	-
Professionals	454	416	870	15	26	2
Associate Professionals	44	34	78	1	9	-
Tradespersons & Related Workers	19	4	23	-	2	-
Advanced Clerical & Service Workers	1	18	19	1	5	-
Intermediate Clerical, Sales & Service Workers	8	90	98	1	10	-
Intermediate Production & Transport Workers	8	-	8	-	-	-
Elementary Clerical, Sales & Service Workers	60	44	104	-	2	-
<b>TOTAL</b>	<b>621</b>	<b>622</b>	<b>1243</b>	<b>18</b>	<b>59</b>	<b>2</b>

### Definitions:

<b>PWD</b>	People with a disability
<b>NESB</b>	Non English Speaking Background
<b>ASTI</b>	Aboriginal and Torres Strait Islander

## Merit and Equity

Year	Male	Female	Total
2003	621	622	1243
2002	618	578	1196
2001	572	592	1164

NMIT's personnel policies and practices are underpinned by the principles of merit and equity. Selection decisions are based on key selection criteria in position descriptions available to all applicants. NMIT has a range of policies that promote fairness and equity in the workplace and are designed to discourage discrimination and harassment against staff, students and visitors.

These policies are:

- Code of Conduct for Employees
- Anti-Discrimination Policy
- Prevention of Harassment Policy
- Policy and Procedures for Employee Grievances
- Selection Policy

# Application and Operation of Freedom of Information (FOI) Act 1982

## Freedom of Information Part 2: Statements

### Statement 1 - Organisation and Function

For information about the organisation and functions of NMIT see pp 8 to 14 of this Annual Report.

### Consultative Arrangements

Chief Executive Officer's Advisory Committee

The CEO administered NMIT through this committee, comprising the CEO and the two Directors.

#### *Advisory Committees*

The following advisory committees also functioned at NMIT:

- Director (Programs) Advisory Committee
- Director (Corporate Services) Advisory Committee
- Occupational Health and Safety Committee
- Senior Management Committee
- Other committees as required.

The following Faculty Boards and Advisory Committees functioned at NMIT:

- Arts and Social Sciences
- Building and Construction
- Business
- Earth Sciences
- Engineering
- Further Education
- Tourism and Hospitality

### Statement 2 - Categories of Documents

The following categories of documents were maintained.

#### *Subject Files*

A central registry filing system holding inward correspondence for the CEO was maintained. Files were arranged chronologically. A decentralised filing system in the office of each Director, Associate Director and Manager was maintained as well as local filing systems in Departments.

#### *Personal Files – Staff*

A file for each member of staff employed in an ongoing or fixed term contract capacity was held in the Personnel Department documenting NMIT's relationship with the staff member concerned.

These files were arranged alphabetically. Details of casual staff were held by the Departments that engaged them.

#### *Personal Files – Student*

A computer file for each student was held by the Corporate Communications Department documenting NMIT's academic relationship with the student concerned.

#### *Computer Records*

Information was held by the Corporate Communications, Finance and IT Services Departments on data files relating to NMIT's administrative and teaching functions.

### Statement 3 - Published Information on FOI

Copies of the Part II Publication Statements may be inspected, obtained or purchased at 20 cents per page from:

Personnel Department  
NMIT  
77-91 St Georges Road  
Preston 3072

Other materials prepared for public inspection or purchase are listed under Statement 4 of this section.

#### *FOI Access Arrangements*

All formal FOI enquiries were directed in writing to:

Freedom of Information Officer  
Personnel Department  
NMIT  
77-91 St Georges Road  
Preston 3072

Requests for access to records under the FOI Act had to be made in writing and contain sufficient detail concerning the record to enable the FOI Officer to identify the document required. Requests for information had to be accompanied by a \$20 application fee.

#### *Office Hours and Charges*

The hours during which access to inspect, obtain or purchase materials were Monday to Friday from 9.00am to 4.00pm. Charges for access to documents were in accordance with the Freedom of Information (Access Charges) Regulations 1982. Charges were to cover costs incurred for time spent in conducting a routine search for documents, the cost of supervising the inspection of a document and the cost of supplying copies of a document.



### *NMIT Library Network Hours*

Core hours of opening for all NMIT libraries during semesters were:

Monday: 8.30am to 6.00pm

Tuesday to Thursday: 8.30am to 8.00pm

Friday: 8.30am to 5.00pm

Extended hours operated at some campuses when needed.

Borrowing from the Library Network was restricted to registered borrowers.

The Library Catalogue was available on the Internet. Registered borrowers could search the database and access items online.

- Health and Safety Manual
- Emergency Procedures Manual

These documents were available for inspection at NMIT's libraries.

## 2003 Claims Under Freedom of Information

One claim was made under the Freedom of Information Act in 2003.

## Statement 4 - Publicity Services

Materials prepared for inspection, availability or sale included:

- *Annual Report - 2002 - 1990*
- *NMIT Handbook 2004* at a charge of \$10.00 per copy
- *Staff News* published fortnightly
- Course brochures for 2004
- *Course and Career Guide 2004*
- *Student Diary* published annually
- *DiscoverEd* published each term
- *A-Z Course Guide 2004*
- *Vocational Vision - NMIT Prospectus*
- *Partners In Progress - Sponsorship publication*
- *TAFE Triumphs, The NMIT Experience - a book about NMIT's past, present and future*
- Internet Website
- Editorial and publicity copy for media

All documents listed above were available for public viewing either in the Library, Preston campus, or by contacting the Corporate Communications Manager.

Materials are available from:

Manager  
Corporate Communications Department  
NMIT  
77-91 St Georges Road  
Preston 3072

## Industrial Relations

During 2003, there were no days lost due to industrial disputation and excellent relationships were maintained with all unions with coverage at NMIT.

Negotiations were conducted with the Australian Education Union (AEU) during the second half of the year for a Multi-Business Certified Agreement to cover teaching staff in all TAFE institutes. The Director, Corporate Services, was one of the employer representatives on the team negotiating with the AEU.

## Statement 5 - Rules, Policies and Procedures

### *Manuals, Rules of Procedure*

In 2003, the rules, policies and procedures of NMIT were documented in the:

- Constitution, Rules and Committees of Council
- NMIT Quality Manual
- Corporate Services Quality Manual
- Programs Quality Manual



Year 2003 at a glance





International Operations



Regional Operations

## Achievements of the Programs Division

The Programs Division consists of the faculties of:

- Arts and Social Sciences
- Building and Construction
- Business
- Earth Sciences
- Engineering
- Further Education
- Tourism and Hospitality

and the:

- International Office
- Quality Assurance Unit
- Research and Development Department

### Faculty of Arts and Social Sciences

The Faculty of Arts and Social Sciences comprises three departments namely Health and Community Studies, Performing Arts, Visual Arts and the Online Flexible Delivery Team and the Flexible Learning Solutions Team.

#### *Health and Community Studies Department*

In 2003, the Health and Community Studies Department provided training in aged care, child care, disability support services, youth work, alcohol and other drugs, health and community services management and client/patient support services.

Training was developed in aged care, alcohol and other drugs, business management and disability, resulting in a 50% increase in fee-for-service activity. NMIT now provides 80% of training for Yooralla staff in Victoria.

The Department continued to broaden its industry networks and added Ozanam House, Moreland City Council and Hanover Welfare Services to the list of NMIT clients.

Health and Community Studies Department staff gained the following awards for the year: NMIT Teacher of the Year, and the Centenary Medal for services to education in the Community Services sector.

#### *Performing Arts Department*

The Performing Arts Department offered programs in small companies and community theatre, music business management, music performance in jazz and contemporary music, sound production, video production and specialised training for disabled students in the drama area.

Performing Arts students were involved in a range of performance activities in professional venues including big band performances in conjunction with industry networks and over fifty presentations of recital material.

Students performed at a number of festivals including the Melbourne Fringe Festival, Noumea Jazz Festival, Italian Jazz Festival, St Kilda and other local festivals. Drama students continued to feature in the awards at the 2003 Melbourne Fringe Festival with first year students winning an award for their street puppets. Music business management and drama students obtained work placements with leading management and festival organisations leading to offers of work.

Staff activities included direction of the professional Youth Drama Company, performances at Northern European Jazz Festival, participation on VCE re-accreditation committees, representation on industry panels in relation to course development, and performances at the Melbourne Fringe Festival and other festivals.

Staff members also contributed to the development of curriculum for the Bachelor of Music (Contemporary Australian Music) curriculum.

The TV unit produced DVDs for NMIT departments as well as providing a range of services to public clients. The sound production area produced the annual music CD of students' works, a series of CDs produced by Music Business students and CDs for industry clients. New equipment was purchased to meet new technology requirements in Sound and TV enabling these areas to provide training in areas of new digital technology. The Music area also provided support for VCE students through the hire of facilities for VCE exams and the development of workshops for VCE teachers and students.

A Multicultural Day, combining the music and culture of a diverse range of countries, was held at the Greensborough Campus. Local schools, community groups and the general public were well represented at the presentations and workshops.

NMIT's Ignition Theatre provided drama training for disabled students and showcased the talents of these students through well-crafted performances.

#### *Online Flexible Delivery Team*

The Online Flexible Delivery Team managed and facilitated eight Learnscope projects in NMIT during 2003. These projects included the online delivery of units of competence from the Diploma of E-Business using staff from interstate and New Zealand.

The Team provided workshops on flexible delivery for managers. These workshops provided training in flexible learning models, strategic directions/ resourcing and flexible learning environments.

The Team provided services to NMIT clients including enhancing the Youth Pathways CD and providing teaching staff with training to meet the OTTE Information and Communication Technology institute performance requirement. Approximately 50% of staff have now completed the requirements with a target of 80% to be achieved by the end of 2004.

Six innovation grants were managed and facilitated in 2003. These were: Professional Writing; Young Adults in the Fast Food Industry; Graphic Design; Certificate IV in Assessment and Workplace Training; Alcohol and Drug Training; and Business Online that involved the delivery of Diploma of Business (Community Organisations) and Diploma of E-Business.

### *Flexible Learning Solutions*

The Flexible Learning Solutions Team was established in 2002 to implement the Victoria Police project. In 2003, Flexible Learning Solutions offered training to Victoria Police in Information Technology and Human Resources. The retention rates in all courses have been very high. As a result of the training, new work opportunities within Victoria Police are being developed .

Flexible Learning Solutions has over 1,000 trainees in Victoria Police, Barwon Prison and Corrections Victoria training programs. NMIT provides core development and teaching staff for these projects.

New initiatives for the Flexible Learning Solutions team included additional Victoria Police programs in the areas of Induction and Recognition of Current Competence and Human Resource Mentoring. Other projects are being developed for the Office of Justice and AMP. Flexible Learning Solutions was a finalist in the Australian Council for Private Education and Training 2003 Innovative Training Award for the Victoria Police IT project.

### *Visual Arts Department*

In 2003, the Visual Arts Department offered training in the areas of Illustration, Graphic Arts, Applied Design, Product Design, Jewellery, and Painting. These courses were offered across three campuses of NMIT.

Visual Arts students were successful in gaining a number of awards. These included twenty awards won by Applied Photography students in the 2003 Australian Professional Photography Awards (APPA).

Second year Illustration students gained awards at the Illustration Industry Exhibition and first year Visual Arts painting students produced a mural that is installed in the Stuzzi Arcade, High Street, Preston. These students also produced a series of paintings for The Northern Hospital, Epping. This project continued a valuable liaison with the hospital that is now in its fifth year. A 2003 Arts Illustration graduate was short-listed in the 2003 National Children's Book Awards.

Graduation exhibitions in visual arts have been well received in public venues across Melbourne and generated interest in visual arts courses.

The work of staff has been prominent in exhibitions at local and national levels, thereby enhancing the profile of the Department. Staff activities have included representation of TADSC (TAFE Art and

Design State-wide Committee) at a number of forums for state-wide planning in the visual arts area, membership of the national scoping committee for the development of the Visual Arts, Crafts and Design Training Package and NMIT Arts representative in the inaugural cultural exchange led by the Darebin Friendly City business delegation. This cultural exchange program was a major event in Heifei, China where works by Visual Arts staff were presented as part of Works on Paper and accompanied by presentations at local universities.



## Faculty of Building and Construction

The Faculty of Building and Construction comprises the Building Structures and Services Department and the Design Drafting and Interior Fittings Department.

### *Building Structures and Services*

The Building Structures and Services Department had responsibility for the delivery of training programs in carpentry, fibrous plastering, plumbing, bricklaying, painting, wall and floor tiling, roof tiling and slating. Short courses were delivered for a range of clients including a Community Jobs Program delivered at the Fitzroy Public Housing Estate in partnership with Apprenticeships Plus, a National Apprenticeship Centre.

Practical training by NMIT students was undertaken on various, full-sized, simulated skill bays. The training included construction of transportable homes and new NMIT buildings. Pre-apprentices also undertook training on non-profit community based projects in the northern region.

In 2003, teachers participated in staff development activities related to the Australian Quality Training Framework, Training Package implementation and Occupational Health and Safety. Staff attended the National Building and Construction TAFE Teacher Conference organised and run by the Building Structures and Services Department.

A staff member in the Building Structures and Services Department visited Green River Community College in the USA on a study tour as the inaugural NMIT Teacher of the Year award (2002).

An award evening and trade display was held in November to showcase student achievements and the Department's links with industry. The Department continued to liaise with the Housing Industry Association (HIA), the Association of Wall & Ceiling Industries Victoria (AWCIV), Construction Training Australia (CTA) and the Australian National Training Authority (ANTA). In addition, the Department worked with the State Curriculum Maintenance Committee for General Construction, the National TAFE Conference Organising Committee, and the Teacher Learning Initiative Steering Committee and made progress in forming partnerships with the Roof Tile Association and the Swimming Pool & Spa Association of Victoria Ltd.

### *Design Drafting and Interior Fittings Department*

The Design Drafting and Interior Fittings Department provided a broad spectrum of training in both certificate and diploma level courses. Certificate level courses included pre-vocational and apprenticeship training in off-site construction, furniture manufacture, cabinet making, recreational

vehicle manufacture (caravans), joinery, shop fitting and stair building. Diploma level courses included building, civil engineering, building design and technology, interior decoration and design and furniture design (full time and part time).

The Department also offered a variety of short courses and customised programs. In 2003, the Department formed several partnerships for delivery of customised training. This included the delivery of training to architects, building contractors and building designers on energy efficient building design for the Sustainable Energy Authority of Victoria.

Knowledge of current industry practices was maintained through association and consultation with relevant state and national Industry Training Advisory Bodies (ITAB's) and industry associations including the Building Designers Association of Victoria (BDAV), Design Institute of Australia (DIA), Building Control Commission, Australian Shop and Office Fitting Industry Association (ASOFIA), Recreational Vehicle Manufacturers Association of Australia (RVMAA) and the Furnishing Industry Association of Australia (FIAA).

Students competed in a number of competitions and industry exhibitions throughout the year, including the BDAV Student Design Competition, DesignEX 2003, World Skills and Furnitex. First and second year Furniture Design students organised two individual three-day exhibitions to showcase their products. A three-day exhibition and awards evening, titled EXIT, showcased works produced by diploma students. This exhibition attracted substantial interest from industry and the public, and resulted in several attractive employment opportunities for graduates.



## Faculty of Business

The Faculty of Business comprises four departments: Business Services, Commerce, Information Technology and Office Administration. There are also two units within the Faculty: the Work Education Unit, which reports to the Office Administration Department and the Business Enterprise Centre Inc.

### *Business Services Department*

In 2003, NMIT, through the Business Services Department, opened its new training facilities for hairdressing. The two training rooms are state-of-the-art salons where students learn in an environment that replicates the workplace. Plans for 2004 include the commencement of apprentice training and re-skilling programs for adults. In addition, the public will have access to hair styling and treatment by supervised students.

NMIT's corporate clients now include Visy Industries, Campoli Continental Foods and the Department of Justice. Traineeships continued to grow and new traineeships offered in 2003 included Finance, Wholesaling and Business Development. Plans are underway to offer Fitness traineeships in 2004.

Short courses were constantly reviewed and new courses offered each term. New programs for 2003 included Certificate in Sports and Therapeutic Massage, Essentials of Human Resource Management, Certificate in Practice Management and a range of courses designed to upgrade hairdressing skills.

The new three-year NEIS contract, which commenced in June 2003, continues to offer invaluable assistance to those wishing to start a small business.

### *Commerce Department*

The Commerce Department offered a wide range of courses in accounting, banking and finance, fitness, international business, marketing, massage, small business management, sport development and sport and recreation. The Department also delivered courses in China and provided education for over 60 inbound international students.

Qualifications from the Business Services, Fitness, Health and Financial Services Training Packages were offered for the first time. Learning in real life situations was a major focus with many students involved in practical placements and industry projects. Students from the massage courses were able to practise their skills by providing massages for staff and students at the newly established clinic at the Preston campus.

The professional development of teachers was supported with the upgrading of skills in the areas of Information and Communication Technology and Assessment and Workplace Training.

### *Information Technology Department*

A Department review in 2003 provided direction for increased alignment with the needs of the Information Technology industry. New courses have been developed and the following Training Package qualifications will be offered in 2004:

- Diploma of Information Technology (Website Development)
- Diploma of Information Technology (Internetworking)

A strong demand for multimedia courses has continued and in 2004 a modified course will be offered that emphasises design rather than the technical aspects of the industry. This change in emphasis is a result of feedback received from both industry and students.

In 2003, the Department implemented a pilot program enabling Units of Competence from the Information Technology Training Package to be delivered in an online mode and delivery issues to be addressed.

The Department

- delivered JAVA industry certified programs in the software development area
- prepared an implementation strategy that will enable the Department to offer online materials as part of a varied number of learning modes for mainstream students in 2004
- consolidated links established with local schools via the VET in Schools program
- continued a department initiative to assist local industry through the involvement of students in the production and development of web pages
- expanded department programs in China
- continued the professional development by staff in the areas of ICT and Certificate IV in Assessment and Workplace Training
- was involved in a number of 'taster days' for schools in the northern region as well as information days for careers teachers
- developed compliance with AQTF requirements.

### *Office Administration Department*

The Office Administration Department delivered training in eight new qualifications from the Business Services Training Package. Training included certificate and diploma courses in Administration, Human Resources, Management, Retail Operations and Advanced Diploma of Business Legal Practice.

The Department

- delivered office administration and retail courses through VET in Schools programs
- arranged practical placements in industry for more than 350 students leading directly to work outcomes for a significant number

- delivered flexibly units of competency in Management, Human Resources, Legal Practice and Office Administration
- played a leading role in planning and coordinating the State Legal Practice Network along with participation in other teaching networks
- provided professional development for staff in Certificate IV in Assessment and Workplace Training and ICT training.

### *Work Education Unit*

The Work Education Unit delivered training in work education, hospitality, transition education and theatre training to students with special needs.

Students were also accepted on a fee-for-service basis through the Department of Human Services *Futures for Young Adults* Program.

In 2003, the Unit:

- entered into Memoranda of Understanding with six schools to auspice their delivery of Certificate I in Transition Education and Certificate I in Hospitality (Kitchen Operations)
- consolidated delivery of Ignition Theatre Training course in partnership with the Performing Arts Department at the Collingwood Campus. Students performed at the Art of Difference Festival and Mechanics Institute Performing Arts Centre.
- developed partnerships with specialist employment agencies
- consolidated community partnerships with the City of Darebin and Club Wild with a view to implementing and extending opportunities for people with disabilities to participate in leisure and recreation activities
- conducted a range of professional activities within the region and interstate. These included three visits to the Institute of TAFE Tasmania to facilitate a *Reframing the Future* project funded by ANTA to develop an ongoing work-based project for disability staff. Areas covered in these workshops were the development of state-wide AQTF agreed guidelines and procedures, training packages and improvement in teaching and learning.
- enhanced vocational and further education and training outcomes. Students obtained employment in a range of diverse work areas including retail, process work, hospitality and trades supported by specialist employment agencies. Some students obtained apprenticeships.

### *Business Enterprise Centre*

The Business Enterprise Centre Inc (BEC) has continued to diversify with products and services offered to industry in counselling, consultancy, training and support services at community, state, national and international levels.

In 2003, the Centre:

- provided local cities and shires with a range of community-based services. The BEC was successful in obtaining three more Community Jobs Programs in 2003 funded through the Department of Innovation, Industry and Regional Development
- continued the long association with the City of Whittlesea through the provision of induction workshops in quality service for new staff, and with the Shire of Nillumbik through the provision of Information Technology training
- provided the opportunity for NMIT to be a major sponsor for the inaugural City of Whittlesea's 2003 Mayor's Corporate Cup and Presentation Trade Evening. This is to be an annual event that will continue to support a network of small to medium enterprises in the Whittlesea region
- commenced a Commonwealth-funded AusIndustry project in June with the mentoring of 33 small businesses in the north eastern region, in particular the City of Whittlesea and Shire of Nillumbik rural edge
- commenced delivery of the Frontline Management Initiative (FMI) in October for the City of Banyule at AQF diploma level
- delivered a national training program for Retail Franchise Solutions Pty Ltd (Clark/Para Rubber) using the *Better Sales More Profit* program
- responded to increasing demand and provided consultancy and training in flexible delivery modes. The online mode is becoming increasingly popular with enrolments in Certificate IV in Assessment and Workplace Training and Certificate III, Certificate IV and Diploma in Government for School Services Officers.
- conducted an auditor training program for nine groups of auditors from the Department of Human Services who audit cooling tower systems across Victoria
- conducted a major project for the Hire and Rental Association of Australia Inc. A Working Party consisting of industry representatives and chaired by the BEC developed Certificate II and Certificate III in Hire and Rental Operations courses that will be submitted to the Victorian Qualifications Authority for accreditation.





## Faculty of Earth Sciences

The Faculty of Earth Sciences comprises the Agriculture and Animal Science Department and the Horticulture Department.

### *Agriculture and Animal Science Department*

The Agriculture and Animal Science Department offered programs in animal technology, natural resource management, farm management and operations, veterinary nursing, viticulture, aquaculture, equine studies, herb production and processing and organic farming.

During 2003, the Department expanded its Aquaculture Training and Research Centre to include a saltwater recirculating system. Following the successful trialling of the new system, saltwater snapper were introduced and excellent growth rates were achieved. Students received firsthand experience in development, construction, operation and problem solving with the commissioning of the system.

The Department furthered its relationship with the University of Applied Science, Geisenheim, Germany, by hosting a German winemaking student for 18 weeks. The exchange program provided NMIT with opportunities to promote NMIT in Europe and to develop training opportunities for NMIT students in universities, wineries and vineyards in Germany and Italy.

The Department's winemaking staff achieved major success at the Royal Adelaide Wine Show by winning a Gold Medal for 2003 Shiraz in the open class. The 2003 Shiraz competed against over 200 entries from wineries around Australia. The Gold Medal complements NMIT's Silver Medal for its 2001 Cabernet Sauvignon and 24 Bronze Medals for a range of varieties from other leading wine shows around Australia over the past three years.

The Agriculture and Animal Science Department was invited to establish, coordinate and manage the Victorian Agribusiness Pavilion at the 2003 Melbourne Royal Agricultural Show. The theme of the display was agriculture innovations in the areas of viticulture/winemaking, goat meat production, aquaculture, beef production, export markets and hydroponics. Over 200,000 show patrons visited the pavilion.

Despite the drought seriously affecting the Victorian agriculture economy, NMIT's farm at Yan Yean continued to operate efficiently and productively, using sound management practices.

In late 2003, the Department signed a contract with the Shizuan Provincial Government, in association with the Central Chinese Government, to be the provider of all educational programs for the \$AU10 billion South West China Wine City. The Wine City will consist of 80,000 hectares of vineyards, wineries, five star motels and associated industries.

Training programs will cover viticulture/ winemaking, hospitality, information technology and frontline management.

### *Horticulture Department*

The Horticulture Department offered programs in arboriculture, floristry, landscaping, parks and gardens, turf management and pest management.

The Horticulture Department participated in the Melbourne International Flower and Garden Show and their exhibit was awarded a Bronze Medal in the Outdoor Feature Display Section. The exhibit centred on the relationship between plants and people and represented an oasis in the 21st Century.

A Landscaping student won the award for Victorian Regional World Skills in Landscape Construction in 2003. The student also travelled to Switzerland to compete in the International World Skills in Landscape Construction competition.

The Australian Golf Course Superintendents Association selected a Turf Management student as the Best Apprentice - Turf Management, for Australia. This student also achieved the award of Best Third Year Apprentice for NMIT in Turf Management.

Horticulture staff and students relocated from Parkville to the new Fairfield campus which is expected to be the pre-eminent horticulture training facility in Victoria. The campus offers scope for the provision of exceptional training in a range of Horticulture programs, particularly Landscaping, Parks and Gardens and Amenity Horticulture.



## Faculty of Engineering

The Faculty of Engineering comprises the Computer Systems and Electrotechnology Department and the Mechanical Manufacturing Department.

### *Computer Systems and Electrotechnology Department*

The Computer Systems and Electrotechnology Department delivered certificate, diploma and advanced diploma courses in Electrical Engineering, Electronics, Renewable Energy Technology and Computer Systems. Strong growth continued in all programs offered by the Department.

Priorities in 2003 were to consolidate the delivery of Training Packages and to represent NMIT on state and national curriculum panels to ensure that Training Packages address industry training requirements.

The development of new practical training facilities at the Preston campus has enabled the implementation of industry simulation within New Apprenticeship training programs.

The Department continued the implementation and expansion of the Power Industry training program to include training for interstate students. This program has enabled NMIT to enhance its reputation as a national provider for specialist industries.

Short courses in Electrical Testing and Tagging, ACA Cabling, Inspectors and Licensing were offered to cater for industry needs. The Department continued to provide flexible training programs for the Electrical Power Industry, Fitting and Armature Winding apprentices and online modules for participants in the Renewable Energy courses.

The Department's commercial activities continued to expand in 2003 with the delivery of programs in Occupational Health and Safety, Testing and Tagging, CISCO and Computer Hardware. The online examinations offered by the online IT testing centre included Microsoft, CISCO, Computer TIA, and Novell programs.

Staff continued to meet secondary school requests for 'taster programs' in the Electrical and Electronic disciplines. Regular visits were made to secondary schools to promote NMIT training programs and outline future career opportunities.

The Department developed a comprehensive DVD/video for secondary school careers teachers to use as an aid when providing students with vocational information/advice related to the electrical industry and training opportunities offered by the Department. The DVD will also be used for promotional purposes at industry and trade expos.

Student awards/nominations included: NMIT Apprentice of the Year Award, Power Industry Training Award, NMIT Foundation Scholarships and

industry/employer awards recognising outstanding achievements.

### *Mechanical Manufacturing Department*

The Mechanical Manufacturing Department provided programs ranging from New Apprenticeships to diplomas in Basic Engineering, Engineering Production, Engineering, Mechanical Engineering, Electroplating, Fabrication, Jewellery, Locksmithing, Maintenance, Numerical Control, Fluid Power and Tool Making.

The Department used innovative training approaches that included partnerships with industry, industry based projects and on-site assessments.

Faculty staff continued to develop strategies, resources and assessment materials for distribution throughout the state's TAFE sector for the Metal and Engineering Training Package. Workshops for the development of AQF level 6 resources were managed by Mechanical Manufacturing staff to ensure consistency of delivery throughout the state.

The Department delivered the Victorian Certificate of Applied Learning (VCAL) in 2003. The program was customised to meet industry needs and training structured to provide students with fundamental skills to enhance their employment opportunities.

Final year stainless steel sheet-metal students undertook community projects that involved the design, construction and installation of stainless steel equipment. The finished products were presented to Norparrin Centre for Children with Special Needs Inc. and San Carlo Nursing Home.

Short courses were conducted in Jewellery, Welding, Computer Aided Drafting, and Locksmithing.

Locksmithing staff delivered customised training programs for industry groups in Western Australia, Tasmania, South Australia, Queensland, Malaysia and New Zealand.

The Department continued delivery for the Welding Technology Institute of Australia (WTIA). As the sole provider, NMIT has expanded the Inspector's course to provide both certificate and post-trade welding qualifications. Both qualifications are recognised nationally and internationally.

The Department, in conjunction with NMIT audio-visual students, produced a video/DVD showcasing Certificate III Engineering courses on offer. The video/DVD provides an overview of all trade programs offered by the Mechanical Manufacturing Department and will be utilised to showcase training opportunities and facilities at NMIT.

The Department continued to liaise with the Engineering Skills Training Board (Vic), Manufacturing Engineering and Related Services Industry Training Advisory Body, Master Locksmiths Association of Australasia, Gemmological

Association, Jewellery Association of Australia, Northern Stainless Steel Skills Development Group and Australian National Training Authority. In addition, the Department worked with the State Curriculum Maintenance Committee for Engineering, the State and National Conference Group, as well as New Apprentice Centres, relevant advisory committees and other registered training organisations.

Mechanical Manufacturing students won the following awards: Master Locksmiths of Australasia National Apprentice of the Year Award, Lightning Ridge Opal Jewellery Award, National Workskills Olympics, NMIT Foundation Scholarship, Opal Jewellery Design Awards Association Inc, and Stainless Steel Industry Award.



## Faculty of Further Education

The Faculty of Further Education comprises the Foundation Studies Department, the Vocational Pathways Department, the Koorie Services Centre, the Youth Unit, and the Further Education Industry and Initiatives Unit.

### *Foundation Studies Department*

In 2003, the Foundation Studies Department established the Adult Migrant English Program (AMEP) at three sites. The AMEP provided up to 510 hours of tuition to newly arrived migrants and refugees from non-English speaking backgrounds. In addition to formal tuition, the program provided settlement support for over 250 students at Preston, Epping and a new site established specifically for the AMEP in Broadmeadows.

The Foundation Studies Department continued to provide programs for Certificates I, II and III in English as a Second Language (ESL) for people from culturally and linguistically diverse communities. These programs provided students with opportunities to develop their English language skills in a diverse range of contexts, as well as orienting themselves to the Australian lifestyle and culture.

The Department also offered Certificates I and II in General Education for Adults to people with incomplete or unsatisfactory schooling. These programs provided students with opportunities to develop their literacy and numeracy skills, as well as developing generic skills for participation in work, further education and daily life.

### *Vocational Pathways Department*

The Vocational Pathways Department provided students with opportunities to build on basic skills and courses by providing pathways to vocationally specific study or employment.

In 2003, the Department delivered a range of vocationally specific English language courses at Certificate IV level in multimedia and employment access for overseas-qualified professionals. The English Language Intensive Course for Overseas Students (ELICOS) program continued to deliver courses and a summer school for many inbound students.

The Certificate IV in Professional Writing and Editing and the Diploma of Arts (Professional Writing and Editing) developed their profiles further through public monthly literary readings and publication of students' work. One of the students won the international short story competition entitled Too Write with her first competition entry. The Certificate IV in Liberal Arts was offered as a fulltime course in 2003 at the Greensborough campus.

The Centre of Excellence for Students who are Deaf and Hard of Hearing continued to develop and deliver programs and services for these students in

TAFE. In conjunction with VSDC - Services for Deaf Children and SensWide Employment Services, the Centre has developed a CD-ROM for deaf and hard of hearing secondary school students preparing to leave school for further study.

### *Further Education Industry and Initiatives Unit*

The Further Education Industry and Initiatives Unit (FEIIU) coordinated the Faculty's business and project activities and provided project management advice and support. In 2003, the Faculty submitted for 25 tenders and proposals and was awarded projects worth more than \$1.5 million.

The Unit coordinated the tender for the Commonwealth Department of Immigration and Multicultural and Indigenous Affairs AMEP (Adult Migrant English Program) provision in the northern Melbourne region and was awarded this, effective from July 1 2003 until 2008. The Unit performs the role of Prime Contractor for the Northern AMEP Consortium which, in addition to NMIT, is comprised of RMIT University, Kangan Batman TAFE and six other adult education organisations.

The Faculty participated in the Innovations Online project by developing an online unit for the Certificate IV in Professional Writing and Editing and trialling the online delivery of part of the Certificate II in Retail Operations course for ESL youth program students.

The FEIIU's work included consultancy, skills assessment and customisation of training programs for a wide range of enterprises with employees who have low levels of literacy, numeracy and English language skills. The Commonwealth WELL (Workplace English Language and Literacy) grants assisted industries in this training and NMIT was awarded nine WELL training contracts this year. Industries included aged care, commercial farming and food processing and fast food. The literacy and English language skills training included themes of cultural diversity, quality assurance, OH&S, customer service, company procedures, supervision and team building and effective communication.

### *Youth Unit*

The Youth Unit delivered the Victorian Certificate of Applied Learning (VCAL) and participated as a trial site for themed Victorian Certificate of Applied Learning courses in the areas of Hospitality, Building and Construction and Engineering. VCAL has been very successful with a high percentage of students securing pathways to further study, work or training in 2004.

Certificates I, II, III and IV in English as a Second Language (ESL) were delivered to young adult migrants. Students in these programs had opportunities to connect with the community while developing their language and learning skills.

Staff members have been involved in the planning and delivery of VCAL Professional Development to

TAFE, Secondary and Adult Community Education sectors across the state. This involvement showcased the excellent work done by staff within the Youth Unit.

The Changing Cultures Project, which established a best practice model of education and training for young migrants and refugees, has concluded. This project resulted in close relationships with a number of community agencies. The implementation of the Good Futures project, building on the Changing Cultures project, highlights the close understanding and partnership of the NMIT Youth Unit and the Inner Northern Local Learning and Employment Network (INLLEN).

Both the Managed Individual Pathways (MIPS) and Jobs Pathway Program (JPP) were recognised for their innovative practice. The Let's Look at Work program was a success with over 400 applications from secondary school students. The On Track and Youth Voice programs have also contributed to wider community connection with the Youth Unit.

### *Koorie Services Centre*

The Koorie Services Centre (KSC) at NMIT delivered accredited training to Indigenous students from around Australia. The Centre continued to improve retention rates and course completion rates by concentrating on culturally appropriate and flexible learning.

In 2003, the Centre delivered: Certificate I in Learning Pathways, Certificate II and III in Business, Certificate III in Art and Design, Certificate IV in Indigenous Welfare Studies and the Diploma of Indigenous Welfare Studies.

Work continued throughout 2003 on the implementation of the Wurreker Strategy via participation at Regional Wurreker meetings and ongoing consultations by the Koorie Managers across the Indigenous communities with input from the Koorie Services Centre Advisory Committee.

The outcome of a partnership with Fraynetworks and Songlines Aboriginal Corporation was a culturally appropriate music tool for Indigenous students. Students and staff were involved in evaluating the finished product.

Achievements throughout 2003 included the promotion of KSC and NMIT courses to the Indigenous community.



## Faculty of Tourism and Hospitality

The Faculty of Tourism and Hospitality comprises the Tourism Department and the Hospitality Department.

### *Tourism Department*

The Tourism Department offered full and part-time courses ranging from certificate to advanced diploma in adventure tourism, event management, international retail travel, meetings and events, tourism operations management, tourism marketing, travel agency management, tourism wholesaling, tour guiding and visitor information services. The Department also offered workplace assessment in a variety of tourism streams.

In 2003, the Department developed training partnerships with local and regional tourism associations. Students studying regional tourism worked with the Whittlesea Council's tourism officer and the tourism development committee to assist with the development and implementation of the region's tourism strategy plan. Second year Diploma of Tourism students worked with the Mildura Jazz, Food and Wine Festival's organising committee to compile the event's economic impact study. Sixty students were commended for their operational work at a major international event, The Australian Tourism Exchange, held in Melbourne. Industry scholarships were awarded to seven tourism students.

Teachers enhanced students' learning through substantial industry interaction throughout Victoria. Student excursions inspected metropolitan and regional tourism attractions and destinations. Teachers co-ordinated a Tourism Employment Seminar to introduce students to key tourism employers.

Teachers attended a variety of tourism industry meetings and participated in professional development activities related to the implementation of Australian Quality Training Framework.

### *Hospitality Department*

The Hospitality Department conducted training in the accommodation, cookery, food and beverage and event management sectors of the hospitality industry. The courses range from pre-vocational to advanced diploma level.

During 2003, students participated in a number of competitions, including Student Waiter of the Year, Victorian TAFE Cookery Challenge, and the Baitz Cocktail Competition.

For the second consecutive year, NMIT won the 2003 Victorian TAFE Cookery Challenge. An NMIT apprentice also won the prestigious Les Toques Blanches Award including a scholarship to travel, work and train overseas.

Staff and students participated in a range of events such as A Taste of Victoria, Thomai Breast Cancer Research Fund - Charity Luncheon, afternoon tea for Olivia Newton-John Cancer Research, Darebin Music Festival, One Day In Preston, Melbourne Cup carnival, and the Macedon Ranges Budburst Festival.

The Department introduced a dual qualification program for the Diploma of Event Management and the Diploma of Hospitality. This new program initiative focused the course content and student projects on music and related types of entertainment within the hospitality and events industries. During the year, students organised a live music event, a movie night, and a DJ Hip Hop night.

The NMIT Food and Wine Club enjoyed another successful year. The 2003 wine dinner series included McGuigan Wines, Casella Wines, Rutherglen wine region, and Knight Granite Hills. The Department also introduced a master chef dinner series that provided apprentice cookery students with an opportunity to work alongside leading Melbourne chefs. A food and wine expo, A Celebration of Flavours, was held at St Georges Restaurant and over twenty wineries and fine food providers showcased their products. The event was an overwhelming success attended by more than four hundred people.

NMIT's St Georges Restaurant won the Northcote-Preston Business Award in the Restaurant category from other commercial restaurants in the local area. This award was a result of nominations received from customers.



## International Office

During 2003, the International Office continued to build on the success of its offshore programs and attracted international students onshore.

Enrolments in offshore programs, particularly in China, increased by 26% over 2002 figures. In 2003, NMIT had approximately 4,000 students in programs at universities and IEN and EI Centres across 11 provinces in China.

IEN (International Education Network Pty Ltd) and EI (English International Pty Ltd) Centres increased from two to five and student enrolments increased by 17%. NMIT is a shareholder in both organisations.

The IEN shareholders are La Trobe University, Deakin University, Flinders University of South Australia, Macquarie University (NSW), University of Tasmania and NMIT. The aim of this company is to provide educational services including offering Australian Bachelor and Diploma programs and the Foundation Year Program in the People's Republic of China and to achieve educational outcomes of international standard.

The shareholders of EI are La Trobe University, China English Education Pty Ltd, ACL Pty Ltd and NMIT. The aim of the company is to establish a network of language centres in the People's Republic of China and to achieve educational outcomes of international standard.

Approximately 80 NMIT teachers covered the teaching requirements in China. Eleven new agreements with Chinese universities have been signed with NMIT to conduct diplomas in 2004.

In 2003, articulated courses with USQ (University of Southern Queensland) have been promoted both offshore and onshore. Offshore partners in China were briefed on the NMIT/USQ diploma to degree pathways including agreement by USQ to offer students coming to NMIT one year's advance standing towards a USQ Degree.

A relationship was established with UUNZ Institute of Business, an Auckland based New Zealand provider, to deliver an NMIT/USQ articulated program in Auckland. Students will have the option of completing the final two years of a USQ degree at NMIT.

NMIT's relationship with the Hong Kong Jockey Club continued and is expected to strengthen in the future.

NMIT also has licensing agreements to conduct diplomas in Sri Lanka, Singapore, Bangladesh, Pakistan, Kathmandu and Malaysia.

In 2004, enrolments of international students into mainstream programs are expected to increase with the introduction of less rigorous visa requirements to study in Australia.

## Quality Assurance

NMIT has been certified to international standard ISO 9001:1994 since 1995. The quality system covers the design, development and provision of training programs and services provided by all teaching and non-teaching departments within NMIT.

In 2003, NMIT's external auditors, SAI-Global Assurance Services, a subsidiary of Standards Australia, conducted quality audits resulting in achievement of certification to the new standard ISO 9001:2000 with nil non-conformances recorded for all campuses and activities, including the Aradale campus.

NMIT's Cattlecare program, undertaken at the Yan Yean training centre, was audited resulting in continued accreditation with nil non-conformances recorded.

The Quality Assurance Unit continued to respond to industry needs by providing services to the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) and the Department of Primary Industries.



## Research and Development Department

The role of the Research and Development Department is to undertake applied research that informs curriculum development and the development of curriculum and teaching, learning and assessment in NMIT, to conduct the Primary Industries Curriculum Maintenance Manager function (that supports teaching, learning and assessment in providers of primary industries programs in Victoria), to provide professional development for staff and to provide audiovisual services to teaching departments and corporate functions. The Department supports the NMIT Performance Agreement reporting obligations to the Office of Training and Tertiary Education, provides a copyright advisory service and supports NMIT through external consultancies.

In 2003, the Department focussed on development in five areas:

- Policy development
  - developed a new NMIT Assessment Policy for vocational education and training assessment.
- Curriculum development
  - developed Accreditation and Authority to Conduct applications to the Office of Higher Education for the Bachelor of Applied Aquaculture and the Bachelor of Viticulture and Winemaking
  - developed curriculum for the Diploma in Coastal Management, Diploma in Farm Improvement, Certificate III in Engineering and courses in sustainable water management and grains/seeds testing
  - developed curriculum for Certificate IV in Deer Farming and short courses in viticulture, goat meat production, sheep meat production and aquaculture through the NMIT Primary Industries Specialist Centre.
- Primary Industries Curriculum Maintenance Manager
  - conducted PICMM functions including the provision of authoritative advice to OTTE and key stakeholders on vocational education and training matters, Training Product implementation and curriculum related professional development to enhance the teaching, learning and assessment processes in VET
  - expanded E-groups to assist in the dissemination of information to teachers
  - managed the Teaching and Learning Initiatives including the development of over 300 assessment plans now available to teachers on the TSN web site
  - developed Purchasing Guides in Racing, Amenity Horticulture, Rural Production

- continued the Training Package Advisory service to providers
- conducted an NMIT funded professional development day to assist in the use of assessment plans developed as part of the Teaching and Learning Initiatives
- conducted the National Horticulture Provider Network meeting in Melbourne as national chair in 2003.
- Professional Development
  - delivered the Certificate IV in Assessment and Workplace Training to 149 NMIT teachers
  - managed Recognition of Current Competencies so that 101 teaching staff received Certificate IV in Assessment and Workplace Training
  - developed and delivered customised programs to teaching and non-teaching staff
  - managed the Australian Quality Training Framework Teaching and Learning Support Strategy
  - conducted two Reframing the Future research and dissemination projects: graded assessment and employability skills.
- Audiovisual services
  - installed and maintained off air recording, editing support for students, support for corporate functions and support for corporate publications
  - provided consultancy services to National Australia Bank, Broadcast Services, Melbourne Fire and Emergency Services Board.



## Achievements of the Corporate Services Division

The Corporate Services Division consists of the following Departments:

- Buildings and Properties
- Corporate Communications
- Finance
- IT Services
- Personnel
- Student Services

### Buildings and Properties

The Buildings and Properties Department provided a range of services to NMIT, including maintenance of buildings and grounds, cleaning, security and capital works.

Services in 2003 included:

- completion of the design for the Primary Industries Production and Training Centre at Epping campus. This formed the client brief for consultants to develop documentation for construction. Planning for furniture and ancillary details required during construction is progressing
- completion of documentation and a building permit obtained for construction of Multifunction Training Centre, building U at Preston campus
- completion of two computer laboratories at Preston, buildings S and W
- installation of automatic entry doors and a ramp at building A, Preston campus, to provide disabled access from the courtyard between buildings A and E
- conversion of a general-purpose classroom into a Beauty Room in building E, Preston campus
- completion of retail sales area for hairdressing in building G at Preston campus
- establishment of training AMEP facility at Broadmeadows for staff and students
- completion of the following at the Fairfield campus
  - completion of architectural documentation for both stages 1 and 2, refurbishment building works for student accommodation in Yarra House
  - completion of a 22-place computer laboratory in room 206 for Horticulture in building D
  - completion of a proposal for the redevelopment of the existing main car park and schemes to improve/add additional parking across the site including disabled access and general considerations
  - design, manufacture and installation of a room identification scheme for all buildings in stages 1 and 2.

### Corporate Communications

The Corporate Communications Department provides a range of services to prospective and current students, staff and the general public. These include reception, course information, enrolments, coordinating and administering the range of student records and academic registry functions, event management, advertising, publications, developing and maintaining NMIT's Internet and Intranet websites, and managing the Industry Foundation and Student Scholarship program.

Academic Registry:

- managed student records and processed enrolments across seven campuses
- provided online access for students to view personal details and academic results
- made major upgrades to the SHAPE student administration system to comply with the Australian Quality Training Framework requirements and the requirements of Training Packages competencies that are delivered across several years
- added magnetic stripe to ID cards for additional security, to enable students to use the library borrowing system and staff to use photocopiers by swiping ID cards
- combined NMIT's two graduation ceremonies into one at the Dallas Brookes Centre
- liaised with the Victorian Tertiary Admissions Centre and coordinated the VTAC process within NMIT
- liaised with Centrelink to produce enrolment extraction data for cross checking with Centrelink systems
- completed the annual statistical collection in accordance with AVETMISS
- produced key statistical reports that enhanced and assisted planning and decision making for NMIT management.

Public Relations:

- undertook a review of all publications ensuring user needs are being met and made recommendations to improve design, content and process efficiencies
- published and launched *TAFE Triumphs - The NMIT Experience*, a book about NMIT's past, present and future
- produced a range of publications including new ones targeted at NMIT's clients and prospective clients
- installed search engine on website to facilitate quick user access
- managed major events including Expo 2003, scholarship presentations, industry golf day, graduation ceremonies, launches and Careers Teachers information day
- managed NMIT's Industry Foundation and attracted new sponsors



- administered the 2003 student scholarship program and secured 67 scholarships for 2004
- published over 210 stories featuring NMIT students, staff, courses and achievements in national, metropolitan and suburban newspapers, magazines, trade publications and radio
- conducted information sessions for students and parents at local secondary schools, and for mature aged students at Employment Agencies and Adult Learning Centres
- conducted campus tours and 'taster days' for prospective students
- participated in Tertiary Information Service days, expos and various schools and careers networks
- co-ordinated NMIT's student ambassador program.

## Finance

The Finance Department is responsible for the effective and efficient management of NMIT's financial functions. In 2003, the Department:

- prepared the 2003 annual finance reports for audit by the continuous auditors and the Auditor General's representative
- prepared the 2003 whole of government reporting for submission to the Office of Training and Tertiary Education
- prepared the 2003 fee-for-service activities financial reports for submission to the Office of Training and Tertiary Education
- prepared annual financial reports for trading activities, child care centre and specific Commonwealth grants
- updated the financial reporting framework to include changes to accounting standards
- Finance Manager was involved in the review of the Financial Management Package comprised of Financial Management Act, Financial Management Regulations, Financial Reporting Directions and Audit Act
- prepared annual budgets for 2004
- provided printing services to all faculties and external clients
- increased the volume of EFT payments and implemented e-mailing of remittance advice of accounts payable
- implemented reporting for accumulated superannuation funds to comply with changes in the superannuation guarantee legislation
- developed automated recurrent and fee-for-service budget forms
- developed automatic monthly management report.

## IT Services

IT Services is responsible for the planning, acquisition and support of all information and communication technology used by NMIT.

In 2003, the following activities were undertaken:

- an upgrade of 12 PC and Mac laboratories with new hardware and software
- the establishment of the voice, data and PC laboratory infrastructure at the Northern AMEP Centre
- the completion of voice and data network for Stage 1 Fairfield campus and subsequent move and setting up of phones, departmental PC's and PC laboratory at Fairfield
- the management of Stage 2 implementation at Fairfield of the voice and data network
- an upgrade of the microwave network to 100 megabits/second for all campuses except Epping
- the installation of new file server hardware at all campuses
- an upgrade to Edirectory of the Novell Operating System
- the deployment of the new portal 'surf.nmit.vic.edu.au' giving secure access to NMIT web services
- the enhancement of the online student results system to provide enhanced security
- the rationalisation of data storage systems and customised training for departments resulting in increased departmental and individual storage allocations
- the transfer to Norton AntiVirus software and automatic deployment of updates to NMIT machines
- the rapid response to problems relating to Microsoft security problems and development of strategies to better manage these threats
- the preparation of submissions for funding to OTTE for new PABX (\$1.6m) and upgraded PC and Mac laboratories
- the upgrades to all major software systems (Finance1, CHRISHR, Spydus, Autocad, etc)
- the approval to upgrade printroom hardware.

## Personnel

The role of the Personnel Department is to provide personnel services to all staff and to develop, implement and review policies in the areas of industrial and employment law, anti-discrimination law and occupational health and safety. The Department is also responsible for Freedom of Information (FOI), Information Privacy and the Whistleblowers Protection legislation.

Achievements of the Department during 2003 included:

- participation in an Office of Public Employment

(OPE) study Identifying Better Practice(s) in the HR Function in Medium to Large Victorian Public Sector Organisations. The study was carried out by PricewaterhouseCoopers and found that NMIT results, when compared with the Victorian Public Sector, were:

- . Staff turnover 2.6 times better
- . Absenteeism 2.4 times better
- . No. of employees 1.6 times better per HR staff
- . HR budget per employee 5.2 times better
- OPE People Matter Survey results indicating that on each of 18 factors NMIT had better results than the TAFE/University sub-sector and the total Victorian Public Sector
- preparation of human resource manuals on a fee-for-service basis for:
  - . Njernda Aboriginal Corporation
  - . Elizabeth Hoffman House
  - . Ngwala Willumbong Co-operative Ltd
  - . Family Violence Prevention and Legal Services (Vic)
  - . Greensborough Campus Childcare Centre
- rewriting of all Department internal procedures so that they provide easy-to-follow work instructions for both new and established workers.

seminar program for all on-going and contract staff at NMIT

- commenced the development of library collections in the fields of Applied Aquaculture and Viticulture and Winemaking to support the introduction of these degree programs at NMIT.



## Student Services

The Student Services Department offered a wide range of services to assist students to achieve their educational goals and to gain maximum benefit from their time at a tertiary institution.

These services included personal and career counselling, on campus childcare, sporting and recreational activities, housing assistance and a full range of library services.

In 2003, the Department:

- undertook a major upgrade of the NMIT computerised library system, enabling borrowers to renew and reserve on line and providing enhanced searching facilities at NMIT and other academic collections
- re-located the Parkville library collection and, in conjunction with the Corporate Communications Department, established an integrated library, information and student services and activities centre at the Fairfield campus
- introduced to teaching departments an ordering and purchasing history enabling departments to examine their student resource requirements and selections each semester
- undertook a major review of the provision of the student activities program at NMIT and established an enhanced recreation program based at the Preston campus
- developed and delivered an Anti-Discrimination



## Financial and Other Information





## Summary of Financial Results

NMIT's 2003 Financial Statements were prepared in accord with applicable Australian Accounting Standards and other mandatory professional reporting requirements and complies with the Financial Management Act 1994.

Year	Operating Surplus (Deficit) \$000's	Accumulated Surplus (Deficit) \$000's
2003	15,395	19,105
2002	3,716	3,716
2001	9,026	37,230
2000	434	27,839
1999	2,788	27,706

## Summary of Significant Changes in Financial Position

The change in operating surplus from \$3.716m in 2002 to \$15.395m in 2003 is influenced by the following factors:

- Increase in capital grants from \$9.12m in 2002 to \$21.8m in 2003
- A write down of buildings against the operating result of \$.957m.

## Operational Objectives and Performance Against Objectives

In 2003, NMIT achieved the objectives documented in the Performance Agreement negotiated with the Victorian Learning and Employment Skills Commission. The following is a summary of the objectives and performance against those objectives.

### *Manage a financially sound organisation with a balanced budget*

NMIT produced a budget with a small operational surplus as documented in the Financial Statements of this report.

### *Achieve all Performance Agreement targets and advance NMIT's position as a leading provider of vocational education and training*

NMIT maintained its position as a leading provider of vocational education and training in Victoria. The Performance Agreement requirements were met by:

- delivering all agreed program profile student contact hours
- complying with all audit requirements
- maintaining quality assurance processes
- being below the threshold invalid module enrolment requirement
- delivering training to all New Apprentices seeking enrolment
- providing a mailing list for the National Centre for Vocational Education and Research student outcomes survey
- providing statistical reports on enrolments by industry, sector, and qualification level, student contact hours and monthly staffing
- reporting on total student hours of training undertaken in the workplace as part of practical placement
- reporting on usage of Victorian Crown Copyright curriculum, interstate or overseas where it was used as the basis of commercial delivery
- providing financial statements and reports on capital works
- reporting on indigenous programs
- reporting on regulated training apprenticeship training agreements
- meeting obligations in relation to tagged items.

### *Expand the regional and international profile*

Regionally, NMIT's program profile expanded with the delivery of high quality viticulture training at its Aradale campus and Eden Park, Yarra Glen and Strathbogie Ranges Training Centres.

Internationally, program delivery expanded in China with the NMIT China Diploma program conducted at 18 Chinese universities, as well as business and information technology programs delivered at three IEN Centres in China. NMIT also has licensing agreements to conduct diploma programs in Sri Lanka, Singapore, Bangladesh, Pakistan, Kathmandu and Malaysia. A student exchange program has been designed to provide opportunities for NMIT students in Europe and promotional opportunities for NMIT. A staff member in the Building Structures and Services Department visited Green River Community College in the USA on a study tour as 2002 inaugural NMIT Teacher of the Year.

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

NMIT delivered a broad range of high quality programs to students using a range of delivery methods. These programs met the Australian Quality Training Framework Standards and were quality assured through the NMIT Quality Management System. NMIT's quality system covers

the design, development and provision of training programs and services provided by all teaching and non-teaching departments within NMIT. In 2003, quality audits resulted in achievement of certification to the new standard ISO 9001:2000 with nil non-conformances recorded.

#### *Provide access to high quality equipment and facilities*

NMIT continued its program of equipment purchase, refurbishment of campuses and capital works that included construction of Stage 3 of the Epping Campus and development of the Fairfield Campus and the Aradale Campus.

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

NMIT was funded by the Office of Training and Tertiary Education and the Australian National Training Authority to deliver a range of staff development programs.

Externally funded programs included:

- two Reframing the Future research and dissemination projects
- Learnscope
- OTTE Professional Development Grant.

NMIT funded programs included:

- delivery of the Certificate IV in Assessment and Workplace Training to NMIT teaching staff
- administration and management of Recognition of Current Competence for Certificate IV in Assessment and Workplace Training for NMIT teaching staff
- development and delivery of customised programs to teaching and non-teaching staff including anti discrimination workshops for all staff
- delivery of leadership and management workshops for Heads of Departments and Program Coordinators
- delivery of faculty seminars and workshops on teaching and learning
- development of teaching and learning projects.

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

NMIT expanded its range of specialist programs and diversified the products and services offered. For example, through the OTTE funded Primary Industries Specialist Centre NMIT designed new programs in specialist areas. As lead agent in the Northern AMEP Consortium, NMIT is expecting to deliver programs to approximately 10,000 clients. The NMIT Online Team managed and facilitated six Innovation projects. A new facility for hairdressing was opened and eleven new agreements were signed for the delivery of NMIT diploma programs in China. NMIT developed accreditation

applications to the Office of Higher Education for the Bachelor of Applied Aquaculture and Bachelor of Viticulture and Winemaking.

Details of the innovative products and services offered by NMIT are included in the Achievements section of this report.

## Major Changes or Factors Affecting Achievement of Objectives

There were no major changes or factors affecting the achievement of NMIT objectives.

## Events Subsequent to Balance Date

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

## Consultancies

### Consultancies Over \$100,000

<b>in site 3</b>	
Fairfield campus development	\$478,691
Epping Stage 3	\$101,312
<b>C S &amp; T Pty Ltd</b>	
Epping Stage 3	\$113,083

### Consultancies Under \$100,000

NMIT engaged 19 consultants at a total cost of \$261,412 during 2003.

## Compliance with Building Act 1993

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

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

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

During 2003, the following works and maintenance were undertaken to ensure conformity with the relevant standards:

<b>Building works</b>	<b>Number</b>
Work is constructed and the subject of mandatory inspections	11
Occupancy Permits issued	11
<b>Building Maintenance Works</b>	<b>Number</b>
Notices issued for rectification of substandard building requiring urgent attention	0
Involving major expenditure and requiring urgent attention	0
<b>Conformity</b>	<b>Number</b>
Number of buildings conforming with standards	89
Brought into conformity this year	11

## Additional Information

Consistent with the requirements of the Financial Management Act 1994, NMIT has prepared material on the following items, details of which are available on request:

- statement regarding declarations of pecuniary interest
- shares held beneficially by senior officers as nominees of statutory authority or subsidiary publications
- major external reviews
- major research and development activities
- overseas visits undertaken
- details of major promotional, public relations and marketing activities
- Occupational Health and Safety assessments and measures
- Industrial relations issues
- major committees sponsored by NMIT.

Enquiries regarding details of the above should be addressed to:

Mr Brian MacDonald  
 Chief Executive Officer  
 NMIT  
 77-91 St Georges Road  
 Preston 3072  
 Phone: (03) 9269 1200

## Compliance with National Competition Policy

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

## Fees and Charges

In 2003 NMIT applied the Ministerial Direction on Fees and Charges. Tuition fees were calculated on the basis of \$1 for each enrolled subject hour of the course in which the student was enrolled.

A minimum tuition fee of \$40 applied. Students with fewer than 40 student contact hours were required to pay this minimum fee. The maximum tuition fee to be paid by any student per calendar year was \$500.

The maximum tuition fee to be paid by apprentices and trainees per calendar year was \$290.

### *Student Services and Amenities Fees*

All students were also required to pay a compulsory student services and amenities fee. In 2003 the Institute Council set these fees:

For minimum fee paying students	\$30
For part-time students	\$40
For full-time students	
(enrolment for 540 contact hours or more)	\$80

Austudy concession (50%) applied as for the Tuition Fee

### *Minimum Fee*

In 2003, Aboriginal and Torres Strait Islander students and students who received one of the following benefits, pensions or allowances (or were the dependent spouses or children of persons receiving the benefits, pensions or allowances) were entitled to pay the minimum fee:

- Age Pension
- Carer Allowance
- Disability Support Pension
- Family Tax Benefit (maximum rate)
- Newstart Allowance
- Parenting Payment Single
- Partner Allowance
- Sickness Allowance
- Special Benefit
- Veterans' Affairs Service Pension (Age/Invalid)
- Veterans' Children Education Scheme
- Widow Pension
- Wife Pension
- Youth Allowance (unemployment)

No fee was payable by prisoners enrolled in TAFE courses.

## International Operations

Significant initiatives taken and strategies developed for NMIT's international operations are described in the Annual Report in the following areas.

- Introduction
- Council President's Report
- Programs Division – International Office

## Occupational Health and Safety

During 2003 NMIT was selected for a random audit of the Occupational Health and Safety Improvement Plan submitted to the Office of Training and Tertiary Education in 2003. The audit was conducted by the Victorian WorkCover Authority at the Greensborough, Heidelberg and Preston campuses. Staff and students in Performing Arts, Visual Arts, Horticulture, Hospitality and Mechanical and Manufacturing Engineering Departments were questioned on general awareness of NMIT's OH&S policies and, in particular, issue resolution, incident reporting and consultative arrangements. The Workcover Authority Inspector reported an excellent outcome from the audit with all persons interviewed able to identify the appropriate OH&S processes.

An evaluation of Department and Faculty OH&S continuous improvement action plans was carried out by the NMIT Occupational Health and Safety Committee. The achievements made in 2002/2003 were significant and plans for 2003/2004 also impressed the Committee.

An examination of electrical hazards was carried out by NMIT Departments under the auspices of the OH&S Committee and a procedure was developed for Departments to continually monitor electrical items.

The WorkCover premium increased for 2003/2004. Two claims over which NMIT had no control contributed significantly to this increase. It is hoped that action under Section 138 of the Accident Compensation Act 1985 will recoup some of the costs.

Statistics for accidents/incidents reported by employees and students were:

<b>Employees</b>	
- total number employed 31/12/02	<b>1,018</b>
Number of incidents reported	56
Number of compensable claims	15
Time lost (hours)	5,712.60
<b>Students - total number enrolled</b>	<b>28,778</b>
Number of incidents reported	84

## Whistleblowers Protection Act 2001

No disclosures were made to NMIT during 2003 and no disclosures were referred to NMIT by the Ombudsman. There were no requests made to the Ombudsman to investigate any matters. The Ombudsman did not make any recommendations relating to NMIT.



## Activity Table

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

### NOTE A1 - STATEMENT OF FINANCIAL PERFORMANCE

#### Total Operating Expenses

	Note	2003 \$000	2002 \$000
Delivery provision and support activity	A2	55,423	52,228
Admin. and general services activity	A3	13,538	13,372
Property plant and equip. services activity	A4	8,106	8,000
Student and other services activity	A5	5,641	4,545
<b>Total Operating Expenses</b>		<b>82,708</b>	<b>78,145</b>

### NOTE A2 - STATEMENT OF FINANCIAL PERFORMANCE

#### Delivery Provision and Support Activity

	2003 \$000	2002 \$000
Salaries, wages, overtime & allowances	38,205	36,371
Superannuation	3,356	3,085
Payroll tax	2,104	1,946
Other salary related costs	825	821
Consumables	3,371	3,203
Travel and motor vehicle expenses	347	372
Depreciation	4,316	4,050
Other direct delivery expenses	2,899	2,380
	<b>55,423</b>	<b>52,228</b>

### NOTE A3 - STATEMENT OF FINANCIAL PERFORMANCE

#### Administration and General Services Activity

	2003 \$000	2002 \$000
Salaries, wages, overtime & allowances	6,193	6,408
Superannuation	544	544
Payroll tax	341	343
Other salary related costs	133	149
Consumables	214	256
Communication expenses	1,258	1,109
Fees	808	875
Travel and motor vehicle expenses	1,149	1,218
Depreciation	700	714
Other expenses	2,198	1,756
	<b>13,538</b>	<b>13,372</b>

## ACTIVITY TABLE (cont.)

### NOTE A4 - STATEMENT OF FINANCIAL PERFORMANCE

#### Property, Plant and Equipment Services Activity

	2003	2002
	\$000	\$000
Salaries, wages, overtime & allowances	1,580	1,589
Superannuation	139	135
Payroll tax	87	85
Other salary related costs	34	38
Consumables	23	23
Depreciation	179	177
Equipment	866	746
Energy costs	1,246	1,174
Contract services	2,143	2,102
Rent/leasing charges	565	637
Repairs and maintenance	1,124	1,190
Other expenses	120	104
	<b>8,106</b>	<b>8,000</b>

### NOTE A5 - STATEMENT OF FINANCIAL PERFORMANCE

#### Student and Other Services Activity

	2003	2002
	\$000	\$000
Salaries, wages, overtime & allowances	2,640	1,857
Superannuation	232	158
Payroll tax	145	99
Other salary related costs	58	43
Consumables	166	83
Depreciation	298	207
Other expenses	2,102	2,098
	<b>5,641</b>	<b>4,545</b>

# Financial Statements





# Financial Statements Index

Auditor General's Report.....	46
Declaration by President of Council, Chief Executive Officer and Chief Finance and Accounting Officer .....	47
Statement of Financial Performance.....	48
Statement of Financial Position.....	49
Statement of Cash Flows.....	50
Notes to and forming part of the Financial Statements for the year ended 31 December 2003 .....	51
Note 1    Statement of Significant Accounting Policies .....	51
Note 2    Revenue from Ordinary Activities.....	54
Note 2.1    Government Contributions - Operating .....	55
Note 2.2    Government Contributions - Capital .....	55
Note 3    Expenses From Ordinary Activities .....	55
Note 4    Cash Assets .....	56
Note 5    Receivables.....	56
Note 6    Inventories.....	56
Note 7    Other Financial Assets .....	56
Note 8    Other Assets.....	57
Note 9    Intangible Assets.....	57
Note 10   Non-Current Assets: Property, Plant and Equipment.....	57
Note 11   Payables .....	58
Note 12   Interest Bearing Liabilities.....	59
Note 13   Provisions .....	59
Note 14   Equity and Movements in Equity.....	59
Note 15   Cash Flows .....	60
Note 16   Extraordinary items .....	60
Note 17   Leases .....	60
Note 18   Commitments for Expenditure .....	61
Note 19   Contingent Liabilities and Assets.....	62
Note 20   Superannuation.....	62
Note 21   Auditors' Remuneration .....	62
Note 22   Responsible Persons Related Disclosures.....	62
Note 23   Segment Accounting.....	64
Note 24   Financial Instruments .....	65
Note 25   Non-cash Financing and Investing Activities.....	68
Note 26   Events Occurring After Reporting Date .....	68



AUDITOR GENERAL  
VICTORIA

AUDITOR-GENERAL'S REPORT

To the Members of the Parliament of Victoria, the responsible Ministers and the Council Members of Northern Melbourne Institute of Technical and Further Education

**Audit Scope**

The accompanying financial report of Northern Melbourne Institute of Technical and Further Education for the financial year ended 31 December 2003, comprising a statement of financial performance, a statement of financial position, a statement of cash flows and notes to the financial statements, has been audited. The Council Members are responsible for the preparation and presentation of the financial report and the information it contains. An independent audit of the financial report has been carried out in order to express an opinion on it to the Members of the Parliament of Victoria, responsible Ministers and Council Members as required by the *Audit Act 1994*.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act 1994*, so as to present a view which is consistent with my understanding of the Institute's financial position, and its financial performance and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

**Audit Opinion**

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act 1994*, the financial position of Northern Melbourne Institute of Technical and Further Education as at 31 December 2003 and its financial performance and cash flows for the year then ended.

MELBOURNE  
24 March 2004



J.W. CAMERON  
Auditor-General

Victorian Auditor-General's Office Level 34, 140 William Street, Melbourne Victoria 3000  
Telephone (03) 8601 7000 Facsimile (03) 8601 7010 Email [comments@audit.vic.gov.au](mailto:comments@audit.vic.gov.au) Website [www.audit.vic.gov.au](http://www.audit.vic.gov.au)

Auditing in the Public Interest

# Northern Melbourne Institute of Technical and Further Education Financial Report for Year Ended 31 December, 2003

## Declaration By President of Council, Chief Executive Officer and Chief Finance and Accounting Officer

In our opinion the Financial Report of the Northern Melbourne Institute of TAFE consisting of a Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and the accompanying notes thereto, presents fairly the result of operations and cash flows of the Institute for the year ended 31 December, 2003, and the financial position of the Institute at that date, in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements and complies with the Financial Management Act 1994.

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



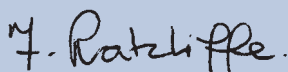
**President of Council**

**DATE:** 23/03/04



**Chief Executive Officer**

**DATE:** 23/03/04



**Chief Finance & Accounting Officer**

**DATE:** 23/03/04

## Statement of Financial Performance for the year ended 31 December, 2003

	Note	2003 \$000	2002 \$000
Revenues from ordinary activities	2	99,060	81,861
Expenses from ordinary activities, excluding borrowing costs	3	82,708	78,145
Earnings before write down of buildings		16,352	3,716
Write down on buildings	3	(957)	0
<b>Result for the Year</b>		<b>15,395</b>	<b>3,716</b>
Increase (decrease) on adoption of Accounting Standard	14	(6)	0
Net increase (decrease) in asset revaluation reserve	14	48,861	0
<b>Total revenues, expenses and valuation adjustments recognised directly in equity</b>		<b>64,250</b>	<b>3,716</b>
<b>Total Changes in Equity other than those resulting from changes in contributed capital</b>	<b>14</b>	<b>64,250</b>	<b>3,716</b>

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



## Statement of Financial Position as at 31 December, 2003

	Note	2003 \$000	2002 \$000
<b>Current Assets</b>			
Cash assets	4, 24	10,572	10,584
Receivables	5, 24	4,184	1,998
Inventories	6	435	434
Other financial assets	7, 24	112	175
Other assets	8	763	632
<b>Total Current Assets</b>		<b>16,066</b>	<b>13,823</b>
<b>Non-Current Assets</b>			
Other financial assets	7, 24	340	340
Property, plant and equipment	10	184,160	120,237
<b>Total Non-Current Assets</b>		<b>184,500</b>	<b>120,577</b>
<b>TOTAL ASSETS</b>		<b>200,566</b>	<b>134,400</b>
<b>Current Liabilities</b>			
Payables	11, 24	5,600	3,808
Provisions	13	3,268	3,013
<b>Total Current Liabilities</b>		<b>8,868</b>	<b>6,821</b>
<b>Non-Current Liabilities</b>			
Provisions	13	7,847	7,978
<b>Total Non-Current Liabilities</b>		<b>7,847</b>	<b>7,978</b>
<b>TOTAL LIABILITIES</b>		<b>16,715</b>	<b>14,799</b>
<b>NET ASSETS</b>		<b>183,851</b>	<b>119,601</b>
<b>EQUITY</b>			
Reserves	14	122,908	74,047
Contributed capital	14, 1.1, 1.16	41,838	41,838
Accumulated surplus	14	19,105	3,716
<b>TOTAL EQUITY</b>		<b>183,851</b>	<b>119,601</b>

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

## Statement of Cash Flows for the year ended 31 December, 2003

	Note	2003 \$000	2002 \$000
<b>Cash Flows from Operating Activities</b>			
<b>Payments</b>			
Wages and Salaries		(55,831)	(52,929)
Suppliers (inclusive of GST)		(20,722)	(21,481)
Other payments		(608)	(301)
<b>Receipts</b>			
User fees and charges (inclusive of GST)		17,946	18,379
Interest received		563	611
Dividends received		0	4
GST recovered from ATO		643	282
Other receipts		47	115
<b>Cash flows from government</b>			
Receipts from appropriations/grants		58,194	54,687
Government contributions - capital	2.2	21,803	9,126
<b>Net cash provided by operating activities</b>	15	<b>22,035</b>	<b>8,493</b>
<b>Cash Flows from Investing Activities</b>			
Payments for property, plant and equipment		(22,358)	(9,965)
Proceeds from sale of property, plant and equipment	10	311	236
<b>Net Cash (used in) Investing Activities</b>		<b>(22,047)</b>	<b>(9,729)</b>
<b>Cash Flows from Financing Activities</b>			
<b>Net Cash provided by Financing Activities</b>		<b>0</b>	<b>0</b>
<b>Net increase (decrease) in cash held</b>		<b>(12)</b>	<b>(1,236)</b>
Cash at the beginning of the financial year		10,584	11,820
<b>Cash at the end of the financial year</b>	4	<b>10,572</b>	<b>10,584</b>

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

# Notes to and Forming Part of the Financial Statements for the year ended 31 December, 2003

## Note 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Report is a general purpose Financial Report prepared in accordance with Australian Accounting Standards, Relevant Urgent Issue Group Consensus Views, other authoritative pronouncements of the PSASB/AASB, the requirements of the Financial Management Act 1994 and applicable Directions issued thereunder. The Financial Report consists of the Financial Statements of the Northern Melbourne Institute of TAFE (NMIT). The accounting policies adopted in preparing the Financial Report are consistent with those of the previous years, except where otherwise stated.

### 1.1 CONTRIBUTED CAPITAL - OPENING BALANCE DISCLOSURE:

For the reporting period ending 31 December 2002, the entity has deemed all its accumulated surplus of \$37.2 million as the opening balance for contributed capital. This accounting treatment is to comply with Urgent Issues Group Abstract 38 (*Contributions by Owners Made to Wholly-Owned Public Sector Entities*) and Accounting and Financial Reporting Bulletin No. 39 (*Accounting for Contributed Capital and No. 40 Establishment of Opening Balances and Formal Designation for Contributed Capital*). The change in accounting policy has resulted in the recognition, in the statement of financial position, as at 1 January 2002 of an opening balance of \$37.2 million as contributed capital (1 January 2001 – \$0) and \$0 amount for the accumulated surplus (1 January 2001 – \$27.8 million).

### 1.2 HISTORICAL COST:

The Financial Report has been prepared on an historical cost basis whereby assets are recorded at cost and do not take into account changing money values nor the current cost of non-current assets, except for certain assets which are at valuation.

### 1.3 ROUNDING OFF:

All amounts shown in the Financial Report are expressed to the nearest thousand dollars.

### 1.4 INVESTMENTS:

Investments are reported at cost and are classified between current and non-current assets based on NMIT's intention at reporting date with respect to the timing of disposal.

Investments include shares in: (refer note 7)

• International Training Authority (ITA)	\$40,000
• English International Pty Ltd (EI)	\$200,000
• International Education Network Pty Ltd (IEN)	\$100,000

### 1.5 DEPRECIATION AND AMORTISATION:

#### 1.5.1 Depreciation

Non-current assets (with the exception of land) with a cost in excess of \$1,000 are capitalised and depreciated to write off the cost or revalued amount of each item of Property, Plant and Equipment, over its expected useful life to NMIT.

Library acquisitions are capitalised and depreciated over a five year period.

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

	Method	Rate/Rates
Buildings	Straight Line	2%
Plant & equipment	"	6.67% to 50%
Motor vehicles	"	10% to 20%
Library collections	"	20%

Depreciation methods and rates of all non-current assets are reviewed on an annual basis and are consistent with previous years.

#### 1.5.2 Amortisation

Additions to leasehold buildings are amortised over the term of the lease (20 years).

### 1.6 INVENTORIES:

Inventories are stated in the Statement of Financial Position at the lower of cost and net realisable value. Cost is determined principally by the first-in, first-out method.

Livestock includes farm animals and fish.

## NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

### 1.7 EMPLOYEE BENEFITS:

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

#### 1.7.1 Wages and Salaries, Annual Leave and Sick Leave:

Liabilities for wages and salaries and annual leave are recognised, and are measured as the amount unpaid at current pay rates in respect of employees' services up to that date. Sick leave is non-vesting and a liability is recognised only when the amount of sick leave expected to be taken in future periods exceeds the benefit expected to accrue in those periods. Due to the nature of staffing requirements for child care centres, sick leave has been provided for and included in provisions as a current liability. Salary sacrifice amounts made to superannuation funds are included as salaries in Note 3.

#### 1.7.2 Long Service Leave:

A liability for long service leave is recognised and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on Federal Government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash flows. The nominal amount of long service leave expected to be paid in the next financial year is included as a current liability.

#### 1.7.3 Performance Payments:

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

#### 1.7.4 Superannuation:

A liability is not recognised in respect of any unfunded liabilities arising from State Superannuation Schemes to which NMIT contributes. Unfunded liabilities are defined as the difference between the present value of employees' accrued benefits at the reporting date and the net market value of the superannuation schemes' assets at that date, as reported by the schemes actuaries.

Any unfunded liability in respect of the NMIT's TAFE employees who are members of the State Superannuation Schemes controlled by the Government Superannuation Office will be recognised by the State Government in its financial statements. NMIT's contributions to the State Superannuation Schemes and any other superannuation schemes are detailed in notes 3 and 20.

### 1.8 DOUBTFUL DEBTS:

A provision is made for any doubtful debts based on a review of all outstanding amounts at reporting date. Bad debts are written off in the period in which they are identified.

### 1.9 LEASES:

Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly are charged against revenue in the periods in which they are incurred.

NMIT has no Finance leases as at 31 December 2003. (refer note 17 Leases)

### 1.10 NON-CURRENT ASSETS:

Plant and Equipment includes computer equipment, office furniture and equipment. The gross proceeds from the sale of non-current assets are included as operating revenue while the written down value of the assets sold are shown as an operating expense.

### 1.11 VALUATION OF NON-CURRENT ASSETS:

Non-current Assets are valued as follows:

#### Plant and Equipment

Plant and equipment valued at cost.

#### Land and Buildings

All Land and Buildings are restated to valuations determined by Charter Keck Cramer acting on behalf of the Valuer General. The Parkville Campus has been reclaimed by the Victorian Government for the 2006 Commonwealth Games athletes village. NMIT had an interest recorded in its books for the buildings only at this site. All valuations are estimates of the amounts for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arms length transaction at valuation date. The carrying amounts of all non-current assets are reviewed at least annually to determine whether they are in excess of their recoverable amount. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower value. In assessing recoverable amounts the relevant cash flows have not been discounted to their present value.

## NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

### 1.11 VALUATION OF NON-CURRENT ASSETS: (cont.)

#### Land and Buildings (cont.)

The Victorian Government Policy Revaluation of Non-Current Assets requires that Land and Buildings are classified as two separate classes.

#### Work In Progress

Work in progress is brought to account and valued at cost.

#### Motor Vehicles

Motor vehicles valued at cost.

#### Bloodstock

All Bloodstock is restated to valuations determined by Mr R Higgins MBE of R H Consultancies Pty Ltd as at 31 December 2000. Subsequent purchases are recorded at cost.

#### Library Collection

Library collections valued at cost.

#### Vineyards

Vineyards are restated to valuations determined by Charter Keck Cramer acting on behalf of the Valuer General.

#### Accounting for revaluation increments and decrements

For accounting purposes, the net revaluation increment is credited directly to an asset revaluation reserve, except where the net increment reverses a net revaluation decrement previously recognised as an expense in net profit or loss/result in that same class of assets. Where the exception applies, the revaluation increment is recognised immediately as revenue in net profit or loss/result.

The net revaluation decrement is recognised immediately as an expense in net profit or loss/result, except where a credit balance exists in the asset revaluation reserve in that same class of assets. Where the exception applies, the net revaluation decrement is debited directly to the asset revaluation reserve.

Revaluation increments and revaluation decrements are only offset against one another within the same class of non-current physical assets, and are not offset in respect of different classes of non-current physical assets.

### 1.12 CASH:

For the purpose of the Statement of Cash Flows, cash includes cash on hand and cash equivalents ie. highly liquid investments with short periods to maturity which are readily convertible to cash on hand at NMIT's option. Cash 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.

### 1.13 CHANGES IN ACCOUNTING POLICY:

#### Employee Benefits

In the reporting periods prior to 31 December 2003 provisions for employee benefits (annual leave) that were required to be measured at their nominal amounts were measured using remuneration rates current at the reporting date. For the period ending on 31 December 2003, NMIT and its Controlled Entities is required by AASB 1018 "Employee Benefits" to measure provisions for employee benefits at remuneration rates expected to apply when the obligation is settled, including the expected future increase in remuneration rates.

The transitional arrangements of AASB 1028 on adoption at 1 January 2003 give rise to an adjustment to opening annual leave liabilities and a corresponding change to accumulated surplus/(deficit).

The impact of this change is:

		<i>\$000's</i>
Decrease	Accumulated Surplus	6
Increase	Annual leave provision	12

#### Contingent Asset and Contingent Liability

From the annual reporting periods beginning on or after 1 January 2003, NMIT has elected to disclose both contingent assets and contingent liabilities. All contingencies will be discounted to their present value using the pre-tax rate that reflects current market assessments of the time value of money and risks specific to the contingencies.

The recognition of contingent assets is to comply with the accounting requirements of the new AASB 1044 Provisions, Contingent Liabilities and Contingent Assets.

## NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

### 1.14 PRINCIPLES OF CONSOLIDATION:

The consolidated Financial Statements incorporate the assets and liabilities of all entities controlled by NMIT as at the reporting date and the results of all controlled entities for the reporting period.

NMIT and its controlled entities together are referred to in this report as the economic entity. The controlled entity did not trade during the reporting period and the operations were not material.

The name of the controlled entity is NMIT International Limited.

### 1.15 GOODS AND SERVICES TAX:

Revenues, expenses and assets are recognised net of GST except where the amount of GST incurred is not recoverable, in which case it is recognised as part of the cost of acquisition of an asset or part of an item of expense. The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) is included as part of receivables or payables in the statement of financial position. The GST component of a receipt or payment is recognised on a gross basis in the statement of cash flows in accordance with Accounting Standard AAS 28 *Statement of Cash Flows*.

### 1.16 REVENUE RECOGNITION:

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

Contributed Capital - State Capital funds are output funding and treated as income.

Commonwealth Capital funds are not affected and are treated as income.

Funds generated by NMIT for capital purposes are not "Contributions by the Owner" and are treated as income. Where special funding is made available for capital purposes, OTTE notifies the institute that such funding is a "Contribution by the Owner" and should be treated as Contributed Capital.

Fee for service revenue is recognised by reference to the percentage completion of each contract, ie. in the reporting period in which the services are rendered. Where fee for service revenue of a reciprocal nature has been clearly received in respect of programs or services to be delivered in the following year, revenue is treated as revenue in advance, the non refundable portion is not material.

Ancillary trading revenue is recognised as revenue on receipt or delivery.

Student fees and charges revenue is recognised by reference to the percentage of services provided. Where student fees and charges revenue has been clearly received in respect of courses or programs to be delivered in the following year, such amounts are disclosed as revenue in advance.

Investment income from cash, short-term deposits and investments is brought to account on a time proportionate basis.

Assets received free of charge are recognised as revenue when NMIT gains control of them. The benefits derived from these assets are recorded at their fair value in the financial statements.

### 1.17 ECONOMIC DEPENDENCY:

- The name of the entity on which there is an economic dependency
- The nature of that economic dependency

NMIT is dependent on the State Government, through Office of Training and Tertiary Education for a significant volume of its operating revenue as disclosed in note 2.1.

NMIT International Ltd is a wholly owned company of Northern Melbourne Institute of TAFE. NMIT International Ltd has never traded and as such does not warrant consolidation in the Financial Statements of Northern Melbourne Institute of TAFE.

## NOTE 2 - REVENUE FROM ORDINARY ACTIVITIES

	Note	2003 \$000	2002 \$000
<b>Revenue from operating activities</b>			
Government contributions-operating	1.16, 2.1	53,338	51,841
Government contributions-capital	2.2	21,803	9,126
Fee for service - Government		4,856	2,847
Fee for service - other		5,977	4,642
Fee for service - international operations		5,016	4,863
Student fees and charges		3,703	3,550
Sale of goods		2,218	2,427
		<b>96,911</b>	<b>79,296</b>

## NOTE 2 - REVENUE FROM ORDINARY ACTIVITIES (cont.)

	Note	2003 \$000	2002 \$000
<b>Revenue from non operating activities</b>			
Donations & contributions		47	114
Investment income		576	616
Dividends		0	4
Gross proceeds from sale of non-current assets	10	311	236
Rent		114	69
Other Revenue		1,101	1,526
		<b>2,149</b>	<b>2,565</b>
<b>Total revenue from ordinary activities</b>		<b>99,060</b>	<b>81,861</b>

## NOTE 2.1 - GOVERNMENT CONTRIBUTIONS - OPERATING

	Note	2003 \$000	2002 \$000
ANTA*/State current C'wealth/ANTA* specific funded programs		52,994	51,008
Other contributions		344	833
<b>Government Contributions - Operating</b>		<b>53,338</b>	<b>51,841</b>

## NOTE 2.2 - GOVERNMENT CONTRIBUTIONS - CAPITAL

	Note	2003 \$000	2002 \$000
ANTA* capital		17,135	4,665
State capital	1.16	4,668	4,461
<b>Government contributions - capital</b>		<b>21,803</b>	<b>9,126</b>

## NOTE 3 - EXPENSES FROM ORDINARY ACTIVITIES

	Note	2003 \$000	2002 \$000
Salaries, wages, overtime and allowances		48,487	45,496
Superannuation		4,271	3,922
Payroll tax		2,677	2,473
Movement in provision for long service leave		12	744
Movement in provision for annual leave		119	(15)
Other salary related costs		1,050	1,051
<b>Total employee benefits</b>		<b>56,616</b>	<b>53,671</b>
Bad and doubtful debts		22	19
Communication expenses		1,258	1,109
Consumables		3,774	3,565
Contract and other services		2,143	2,102
Cost of sale of goods including ancillary trading		1,861	1,948
Depreciation & amortisation	10	5,493	5,148
Equipment		866	746
Fees & charges		808	875
Grants & subsidies		41	37
Promotional expenses		967	853
Rent/leasing charges		565	637
Building repairs and maintenance		1,124	1,190
Staff development		194	210
Travel and motor vehicle expenses		1,496	1,590
Utilities		1,246	1,174
Written down value on disposal of non-current assets	10	545	245
Other expenses		3,689	3,026
<b>Total expenses from ordinary activities</b>		<b>82,708</b>	<b>78,145</b>
Write down on buildings		957	0
		<b>83,665</b>	<b>78,145</b>

\*ANTA - Australian National Training Authority

#### NOTE 4 - CASH ASSETS

	Note	2003 \$000	2002 \$000
Cash at bank and on hand	1.12, 24	820	351
Deposits at call	24	9,752	10,233
		<b>10,572</b>	<b>10,584</b>
The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:			
Balances as above		10,572	10,584
		<b>10,572</b>	<b>10,584</b>

#### NOTE 5 - RECEIVABLES

	Note	2003 \$000	2002 \$000
<b>Current</b>	24		
Debtors		2,879	1,616
Provision for doubtful debts		(42)	(41)
Revenue receivable		983	179
GST receivable		364	244
		<b>4,184</b>	<b>1,998</b>
<b>Non-current</b>	24	<b>Nil</b>	<b>Nil</b>

#### NOTE 6 - INVENTORIES

	Note	2003 \$000	2002 \$000
<b>Current</b>			
Livestock		83	103
Stationery		12	13
Hospitality stock items		28	27
Wine stock		180	119
Bookshop stock		132	172
		<b>435</b>	<b>434</b>

#### NOTE 7 - OTHER FINANCIAL ASSETS

	Note	2003 \$000	2002 \$000
<b>Current</b>	24		
Loans to other parties: English International Pty Ltd		112	175
		<b>112</b>	<b>175</b>
<b>Non-current</b>	24		
Shares: International Training Australia Pty Ltd (ITA)		40	40
English International Pty Ltd (EI)		200	200
International Education Network Pty Ltd (IEN)		100	100
		<b>340</b>	<b>340</b>



## NOTE 8 - OTHER ASSETS

	Note	2003 \$000	2002 \$000
<b>Current</b>			
Prepayments		763	632
		<b>763</b>	<b>632</b>
<b>Non-current</b>		<b>Nil</b>	<b>Nil</b>

## NOTE 9 - INTANGIBLE ASSETS

There are no intangibles.

## NOTE 10 - NON-CURRENT ASSETS: PROPERTY, PLANT AND EQUIPMENT

	Note	2003 \$000	2002 \$000
<b>Land</b>			
At Cost		0	405
At Valuation 31 December 1998		0	11,940
At Valuation 2 July 1999		0	3,000
At Valuation 31 December 2003		55,058	0
		<b>55,058</b>	<b>15,345</b>
<b>Buildings</b>			
At Cost		0	4,066
Accumulated Depreciation		0	(88)
At Valuation 31 December 1998		0	89,919
Accumulated Depreciation		0	(7,192)
At Valuation 31 July 1999		0	1,000
Accumulated Depreciation		0	(60)
At Valuation 31 December 2003		114,772	0
<b>Net Buildings</b>		<b>114,772</b>	<b>87,645</b>
<b>Work in Progress</b>			
At Cost		<b>3,387</b>	<b>5,095</b>
<b>Plant &amp; Equipment</b>			
At Cost		15,462	14,606
Accumulated Depreciation		(8,253)	(6,006)
<b>Net Plant &amp; Equipment</b>		<b>7,209</b>	<b>8,600</b>
<b>Motor Vehicle</b>			
At Cost		1,874	1,750
Accumulated Depreciation		(798)	(623)
<b>Net Motor Vehicles</b>		<b>1,076</b>	<b>1,127</b>
<b>Library Collections</b>			
At Cost		3,108	2,944
Accumulated Depreciation		(2,722)	(2,574)
<b>Net Library Collections</b>		<b>386</b>	<b>370</b>
<b>Vineyard</b>			
At Valuation 31 December 2003		<b>1,020</b>	<b>818</b>
<b>Bloodstock</b>			
At Cost		778	729
At Valuation 31 December 2000		474	508
<b>Net Bloodstock</b>		<b>1,252</b>	<b>1,237</b>
<b>Total Property, Plant and Equipment</b>		<b>184,160</b>	<b>120,237</b>

## NOTE 10 - NON-CURRENT ASSETS: PROPERTY, PLANT AND EQUIPMENT (cont.)

### Reconciliations

Reconciliations of the carrying amounts of each class of land, buildings, plant and equipment, motor vehicles and other classes of assets at the beginning and end of the current year are set out below.

	Land	Buildings	WIP	Plant & Equipment	Motor Vehicle	Other	Total 2003	Total 2002
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>2003</b>								
Carrying amount at start of year	15,345	87,645	5,095	8,600	1,127	2,425	120,237	115,663
Additions	39,713	22,552	5,744	1,951	578	460	70,998	9,981
Disposals	-	(957)	-	(209)	(337)	(79)	(1,582)	(259)
Transfers	-	7,452	(7,452)	-	-	-	-	-
Depreciation/ amortisation expense	-	(1,920)	-	(3,133)	(292)	(148)	(5,493)	(5,148)
<b>Carrying amount at end of year</b>	<b>55,058</b>	<b>114,772</b>	<b>3,387</b>	<b>7,209</b>	<b>1,076</b>	<b>2,658</b>	<b>184,160</b>	<b>120,237</b>

The building write off relates to the book value of buildings at the Parkville Campus (refer note 1.11)

Department of Infrastructure - Major Projects Victoria conducted a site valuation in 2003, however NMIT has been unable to obtain a definitive 'fair value' for the buildings through the site valuation process. The site has since been cleared rendering a 'fair value' for the buildings impossible to obtain resulting in a write off against profits rather than a reduction in contributed capital.

	Note	2003 \$000	2002 \$000
<b>Depreciation and amortisation expense for the year</b>	3		
<b>Depreciation</b>			
Buildings		1,895	1,860
Plant & equipment		3,133	2,831
Motor Vehicles		292	300
Library collections		148	151
		<b>5,468</b>	<b>5,142</b>
<b>Amortisation</b>			
Leasehold improvements		25	6
		<b>25</b>	<b>6</b>
<b>Total Depreciation and Amortisation</b>		<b>5,493</b>	<b>5,148</b>
<b>Profit and/or Loss on Sale of Non Current Assets</b>			
Proceeds on sale of property, plant & equipment	2	311	236
Less written down value	3	545	245
<b>Net profit/(loss) on disposal</b>		<b>(234)</b>	<b>(9)</b>

## NOTE 11 - PAYABLES

	Note	2003 \$000	2002 \$000
<b>Current</b>	24		
Creditors and accruals		4,107	2,393
Revenue in advance		1,493	1,415
		<b>5,600</b>	<b>3,808</b>
<b>Non-current</b>	24		
Non-interest bearing liabilities		Nil	Nil
		<b>Nil</b>	<b>Nil</b>

## NOTE 12 - INTEREST BEARING LIABILITIES

There are no borrowings.

## NOTE 13 - PROVISIONS

	Note	2003 \$000	2002 \$000
<b>Current</b>			
Employee benefits:			
• Long service leave		475	332
• Annual leave		2,310	2,204
• Sick leave		41	51
• Performance payments		442	426
		<b>3,268</b>	<b>3,013</b>
<b>Non-current</b>			
Employee benefits:			
• Long service leave		7,847	7,978
		<b>7,847</b>	<b>7,978</b>

## NOTE 14 - EQUITY AND MOVEMENTS IN EQUITY

	Note	2003 \$000	2002 \$000
<b>Composition of Reserves</b>			
Asset revaluation reserve		122,908	74,047
		<b>122,908</b>	<b>74,047</b>
<b>Asset Revaluation Reserve - Land</b>			
Balance 1 January, 2003		10,420	10,420
Revaluation increment		39,881	0
<b>Balance 31 December, 2003</b>		<b>50,301</b>	<b>10,420</b>
<b>Asset Revaluation Reserve - Buildings</b>			
Balance 1 January, 2003		63,627	63,627
Revaluation increment		8,980	0
<b>Balance 31 December, 2003</b>		<b>72,607</b>	<b>63,627</b>
<b>Asset Revaluation Reserve - Plant, Equipment &amp; Motor Vehicles</b>			
Balance 1 January, 2003		0	4,608
Transferred to Accumulated Surplus		0	(4,608)
<b>Balance 31 December, 2003</b>		<b>0</b>	<b>0</b>
<b>Contributed Capital</b>			
Balance 1 January, 2003		41,838	0
Transfer from accumulated surplus		0	41,838
<b>Balance 31 December 2003</b>		<b>41,838</b>	<b>41,838</b>
<b>Movement in accumulated surplus/(deficit)</b>			
Balance 1 January, 2003		3,716	37,230
Transfer from Asset Revaluation Reserve 1 January, 2003		0	4,608
Recognition as contributed capital at 1 January, 2003		0	(41,838)
Net surplus/(deficit) for the reporting period		16,352	3,716
Write down on buildings		(957)	0
Increase/(decrease) on adoption of accounting standard		(6)	0
<b>Balance 31 December, 2003</b>		<b>19,105</b>	<b>3,716</b>

## NOTE 15 - CASH FLOWS

Reconciliation of operating result before Extraordinary items to net cash provided by operating activities

	Note	2003 \$000	2002 \$000
<b>Operating result</b>		16,352	3,716
Depreciation & amortisation		5,493	5,148
Provision for doubtful debts		1	7
Increase (decrease) in wages and salaries payable		667	(34)
Net profit on sale of non-current assets		234	9
Change in operating assets and liabilities			
Decrease (increase) in receivables		(2,187)	(93)
Decrease (increase) in inventories		0	(82)
Decrease (increase) in other operating assets		225	(14)
Increase (decrease) in creditors		1,126	(894)
Increase (decrease) in other provisions		124	730
<b>Net cash provided by operating activities</b>		<b>22,035</b>	<b>8,493</b>

## NOTE 16 - EXTRAORDINARY ITEMS

There are no extraordinary items.

## NOTE 17 - LEASES

	Note	2003 \$000	2002 \$000
<b>LEASE COMMITMENTS</b>			
<b>Finance lease liability</b>	12, 24		
Finance lease commitments are payable as follows:			
Payments due - one year or less		405	0
one to five years		1,287	0
Minimum lease payment		1,692	0
Less: Future interest charge provided for in the accounts		207	0
		<b>1,485</b>	<b>0</b>
Represented by:			
Current liability		323	0
Non current liability		1,162	0
		<b>1,485</b>	<b>0</b>
A change in leasing arrangements for printroom equipment will be effective from January 2004 and is reflected in note 17 - leases, operating lease commitments payments due which have been disclosed as finance lease commitments due.			
<b>Operating lease commitment</b>			
Payments due - one year or less		262	527
one to five years		938	863
over five years		36	66
		<b>1,236</b>	<b>1,456</b>

## NOTE 17 - LEASES (cont.)

	Note	2003 \$000	2002 \$000
<b>LEASED ASSETS</b>			
As at the reporting date NMIT leased out the following assets:			
Collingwood - roof space		153	26
Epping - roof space		1,187	1,232
Greensborough - roof space		1,205	1,249
Preston - roof space		1,187	1,231
Childcare centre - Epping		67	95
Residence - Fairfield		11	26
Canteen - Preston		100	200
<b>Gross amount of leased assets</b>		<b>3,910</b>	<b>4,059</b>
<b>Operating Lease Receivables</b>			
Payments due - one year or less		308	302
one to five years		794	779
over five years		2,808	2,978
		<b>3,910</b>	<b>4,059</b>

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

## NOTE 18 - COMMITMENTS FOR EXPENDITURE

	Note	2003 \$000	2002 \$000
<b>Capital Commitments</b>			
As at the reporting date NMIT had the following outstanding Capital Commitments:			
Fairfield refurbishment		94	7,276
Australian College of Wine - Yarra Glen		0	17
Australian College of Wine - Aradale		391	277
Preston refurbishment		3	31
Epping primary industry centre		173	0
		<b>661</b>	<b>7,601</b>
Outstanding Capital Commitments are payable as follows:			
Payments due - one year or less		661	3,325
one to five years		0	4,276
		<b>661</b>	<b>7,601</b>
<b>Other Significant Operating Commitments</b>			
As at the reporting date NMIT had the following outstanding Significant Operating Commitments:			
Contract cleaning		593	762
Plunketts Winery/NMIT Joint Venture		1,876	2,251
		<b>2,469</b>	<b>3,013</b>
Outstanding Significant Operating Commitments are payable as follows:			
Payments due - one year or less		968	1,512
one to five years		1,501	1,501
		<b>2,469</b>	<b>3,013</b>

## NOTE 19 - CONTINGENT LIABILITIES AND ASSETS

Details and estimates of maximum amounts of contingent liabilities, classified in accordance with the party from whom the liability could arise and for which no provisions are included in the accounts, are as follows:

Note	2003 \$000	2002 \$000
In respect of Other Persons/organisations	95	150
<b>Total Estimated Contingent Liabilities</b>	<b>95</b>	<b>150</b>

There were no Contingent Assets.

## NOTE 20 - SUPERANNUATION (refer 1.7)

NMIT made contributions for employees who contribute to the funds, as follows:

Note	2003 \$000	2002 \$000
<b>State Superannuation Fund of Victoria</b>		
• SERB Scheme 12.5%	23	22
• Revised Scheme 15.5%	815	863
• New Scheme 9% - 10%	1,095	1,080
<b>Victorian Superannuation Fund</b>		
• Vic Super Scheme 9%	2,268	1,910
<b>Other Superannuation Schemes</b>		
• National Mutual 9%	26	23
• Hesta 9%	54	47
• Other Funds 9%	14	10
<b>Total Contributions to all Funds</b>	<b>4,295</b>	<b>3,955</b>

As at the reporting date there were no outstanding contributions payable to the above funds.

As at the reporting date there were no loans to NMIT from any fund.

## NOTE 21 - AUDITORS' REMUNERATION

Note	2003 \$000	2002 \$000
Auditor General	23	23

## NOTE 22 - RESPONSIBLE PERSONS RELATED DISCLOSURES

The names of persons who were Responsible Persons at anytime during the financial year, were:

The Hon. Lynne Kosky MP	B. Danaher
W. Freeman <i>(President)</i>	A. Braybrook
P. McCulloch <i>(Vice President)</i>	B. Ham
R. Mackay <i>(Deputy Vice President)</i>	G. Maynard
D. Wills, AM	M. Fitzsimon
B. MacDonald <i>(NMIT Chief Executive Officer)</i>	M. Pettolino
L. Bramich <i>(staff representative)</i>	N. Shearer
J. Klindworth <i>(student representative)</i>	A. Ray
E. Forde	A. Judd

## NOTE 22 - RESPONSIBLE PERSONS RELATED DISCLOSURES (Cont.)

### Remuneration of Responsible Persons

Remuneration paid to Ministers is reported in the Annual Report of the Department of Premier and Cabinet.

Other relevant interests are declared in the Register of Members' Interests which each member of the Parliament completes.

Remuneration received, or due and receivable from NMIT in connection with the management of NMIT. Remuneration includes Long Service Leave, bonus and termination payments made during the year.

2003	2002
\$000	\$000
<u>302</u>	<u>298</u>

Remuneration received, or due and receivable from NMIT in connection with the management of any related party entity.

2003	2002
\$000	\$000
<u>0</u>	<u>0</u>

The number of Responsible Persons whose remuneration from NMIT was within the specified bands are as follows:

Income Range	2003	2002
\$            \$	No.	No.
110,001 - 120,000	1	1
190,001 - 200,000	0	1
200,001 - 210,000	1	0
	<u>2</u>	<u>2</u>

### Retirement Benefits of Responsible Persons

The retirement benefits paid by the Institute in connection with the retirement of Responsible Persons of the Institute amounted to:

2003	2002
\$000	\$000
<u>0</u>	<u>0</u>

### Executive Officers' Remuneration

The number of executive officers, other than Responsible Persons, included under "Remuneration of Responsible Persons" above whose total remuneration exceeded \$100,000 during the financial year are shown in their relevant income bands. Remuneration includes Long Service Leave, bonus and termination payments made during the year.

Income Range	2003	2002
\$            \$	No.	No.
100,001 - 110,000	2	5
110,001 - 120,000	2	1
120,001 - 130,000	1	2
130,001 - 140,000	7	6
140,001 - 150,000	3	2
160,001 - 170,000	0	1
170,001 - 180,000	1	0
	<u>16</u>	<u>17</u>

Total remuneration for the reporting period of executive officers included above amounted to:

2003	2002
\$000	\$000
<u>2,118</u>	<u>2,142</u>

---

## **NOTE 22 - RESPONSIBLE PERSONS RELATED DISCLOSURES (Cont.)**

### **Superannuation**

There were no amounts paid by NMIT in connection with the retirement of responsible persons during the financial year.

### **Loans**

There were no loans in existence by NMIT to responsible persons at the date of this report.

### **Shares**

There were no shares or share options held by responsible persons in related entities.

### **Other Transactions**

There were no other material transactions with responsible persons related entities.

## **NOTE 23 - SEGMENT ACCOUNTING**

NMIT operates predominantly in the Vocational Education and Training Industry.



## NOTE 24 - FINANCIAL INSTRUMENTS

### 24.1 TERMS, CONDITIONS AND ACCOUNTING POLICIES

NMIT's accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at reporting date, are as follows:

Recognised Financial Instruments	Notes	Accounting Policies	Terms and Conditions
<b>FINANCIAL ASSETS</b>			
• Cash assets Cash at bank	4	Cash at Bank is carried at the principal amount.	Cash is invested as funds permit at varying interest rates between 2.5% to 3.5% (2002 - 2% and 3.5%).
• Cash assets Deposits at call	4	Deposits at call are carried at their principal amounts. Interest revenue is recognised in the statement of financial performance when it is earned.	Deposits at call have an average maturity of 30 days and effective interest rates of 4% to 5% (2002 - 4% - 5.18%).
• Receivables Debtors	5	Trade receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is maintained to recognise that collection of the full nominal amount is no longer probable.	Credit sales are on 30 day terms.
• Receivables Other debtors	5	Other debtors are carried at the nominal amounts.	
• Other Financial Assets: Short Term Loan	7	Short term loan to English International Pty Ltd is carried at its principal amount of \$112,183 and represents operational and implementation expenses paid by NMIT. Interest revenue is recognised in the statement of financial performance when it is received.	Short term loan to English International Pty Ltd is receivable within one year at an interest rate of 8%.
• Other Financial Assets: Unlisted Shares	7	Unlisted shares are carried at cost. Dividends, when declared by the investee, will be recognised in the statement of financial performance.	
<b>FINANCIAL LIABILITIES</b>			
• Payables Creditors and Accruals	11	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not invoiced to NMIT.	Trade liabilities are settled on 30 day terms.
• Payables Revenue in advance	11	Liabilities are recognised for amounts paid in advance for future services to be delivered.	Individual student fees and charges are to be paid prior to commencement of program delivery.

## 24.2 INTEREST RATE RISK

NMIT's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at balance date are as follows:

FINANCIAL INSTRUMENTS	FLOATING INTEREST RATE		FIXED INTEREST RATE MATURED IN:						Non Interest Bearing		Total Carrying Amount per Statement of Financial Position	
	2003 \$000	2002 \$000	One year or less		One to five years		Over 5 years		2003 \$000	2002 \$000	2003 \$000	2002 \$000
			2003 \$000	2002 \$000	2003 \$000	2002 \$000	2003 \$000	2002 \$000				
<b>FINANCIAL ASSETS</b>												
• Cash assets-Cash at Bank	820	351	-	-	-	-	-	-	-	820	-	351
• Cash assets-Deposits at Call	9,752	10,233	-	-	-	-	-	-	-	9,752	-	10,233
• Receivables-Debtors	-	-	-	-	-	-	-	-	2,837	1,575	-	1,575
• Receivables-Other Debtors	-	-	-	-	-	-	-	-	1,347	423	-	423
• Other Financial Assets: Short Term Loan	-	-	112	175	-	-	-	-	-	-	112	175
• Other Financial Assets: Long Term Loan	-	-	-	-	-	-	-	-	-	-	-	-
• Other Financial Assets: Unlisted Shares	-	-	-	-	-	-	-	-	340	340	-	340
<b>Total Financial Assets</b>	<b>10,572</b>	<b>10,584</b>	<b>112</b>	<b>175</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,524</b>	<b>2,338</b>	<b>15,208</b>	<b>13,097</b>
<b>FINANCIAL LIABILITIES</b>												
• Payables: Creditors & Accruals	-	-	-	-	-	-	-	-	4,107	2,393	4,107	2,393
• Payables: Revenue in Advance	-	-	-	-	-	-	-	-	1,493	1,415	1,493	1,415
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,600</b>	<b>3,808</b>	<b>5,600</b>	<b>3,808</b>

### 24.3 NET FAIR VALUES

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date, are as follows:

	Total carrying amount as per the Statement of Financial Position		Aggregate net fair value	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000
<b>FINANCIAL ASSETS</b>				
• Cash assets - Cash at Bank	820	351	820	351
• Cash assets - Deposits at Call	9,752	10,233	9,752	10,233
• Receivables - Debtors	2,837	1,575	2,837	1,575
• Receivables - Other Debtors	1,347	423	1,347	423
• Other Financial Assets: Short Term Loan	112	175	112	175
• Other Financial Assets: Long Term Loan	-	-	-	-
• Other Financial Assets: Unlisted Shares	340	340	340	340
<b>Total Financial Assets</b>	<b>15,208</b>	<b>13,097</b>	<b>15,208</b>	<b>13,097</b>
<b>FINANCIAL LIABILITIES</b>				
• Payables: Creditors & Accruals	4,107	2,393	4,107	2,393
• Payables: Revenue in Advance	1,493	1,415	1,493	1,415
<b>Total Financial Liabilities</b>	<b>5,600</b>	<b>3,808</b>	<b>5,600</b>	<b>3,808</b>

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

<b>Recognised Financial Instruments</b> Cash at Bank, Deposits at call, Receivables, Creditors & Accruals.	These financial instruments have a short term to maturity. Accordingly, it is considered that their carrying amounts reflect fair values.
<b>Unlisted Shares</b>	Since there is no market for these shares, they are carried at nominal cost.
<b>Loans</b> Long term and short term loans	As loans were made during the current reporting period their carrying amounts reflect fair values.
<b>Unrecognised Financial Instruments</b>	N/A

#### 24.4 CREDIT RISK EXPOSURES

NMIT's maximum exposures to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the Statement of Financial Position.

##### Concentrations of credit risk

NMIT minimises concentrations of credit risk in relation to trade accounts receivable by undertaking transactions with a large number of customers. The majority of customers are concentrated in Australia. The major customers relate to the provision of Vocational Education and Training services to industry and the community. NMIT continues to provide ongoing training, consultancy and other services for these customers who adhere to industry trade terms.

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

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

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

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

- specific loan conditions have been established which are applicable to all loans
- the maximum loan available is \$250.
- all loan monies are related to the cost of student fees only.
- a schedule of repayment is agreed with the student at the time of making application.
- if a student falls behind in repayments, a process is implemented which includes reminder letters, individual interview, repayment rescheduling and if necessary contacting guarantors.

#### NOTE 25 - NON-CASH FINANCING AND INVESTING ACTIVITIES

There are no non-cash financing and investing activities.

#### NOTE 26 - EVENTS OCCURRING AFTER REPORTING DATE

There are no material events occurring after reporting date.

## Compulsory Non-Academic Fees and Charges Statement as at 31 December, 2003.

	Note	2003 \$	2002 \$
<b>Income</b>			
Compulsory Non-Academic Fees		572,076	507,147
<b>Total Income</b>		<b>572,076</b>	<b>507,147</b>
<b>Expenditure</b>			
<b>Expenditure - Salary</b>			
Salaries		347,682	328,227
Salary Oncosts		69,309	64,047
<b>Total Salary Expenditure</b>		<b>416,991</b>	<b>392,274</b>
<b>Expenditure - Non Salary</b>			
Audit Fees		1,000	1,000
Travel		2,662	1,672
Consumables		8,626	10,155
Subscriptions		456	0
Diaries/Advertising		36,494	38,896
Staff Development		1,536	0
Equipment Purchase		3,252	8,429
Equipment Repairs		0	429
Building Repairs		2,498	1,808
Orientation/Recreational Activities		36,209	36,240
Clubs/Societies		2,911	5,615
Furniture and Fittings		2,240	6,056
Student Excursions		205	90
Bad Debt Expense		246	0
<b>Total Non Salary Expenditure</b>		<b>98,335</b>	<b>110,390</b>
<b>Total Expenditure</b>		<b>515,326</b>	<b>502,664</b>
<b>Operating Result for the Year</b>		<b>56,750</b>	<b>4,483</b>
Accumulated Surplus/(Deficit)			
Brought forward 1 January		14,592	10,109
<b>Accumulated Surplus/(Deficit) 31 December</b>	<b>1</b>	<b>71,342</b>	<b>14,592</b>

**Note 1:** The accumulated surplus will be used to refurbish the Preston Campus recreational centre in 2004

*F. Ratcliffe*

Frances Ratcliffe  
Chief Finance and Accounting Officer  
17/02/04

# Compliance Index

NMIT's Annual Report was prepared in accordance with the Financial Management Act 1994 and the Directions of the Minister for Finance. This Index has been prepared to facilitate identification of compliance with statutory requirements.

Clause	Disclosure	Page
<b>General Information</b>		
9.1.2 (ii)	President of Institute Council signature	7
9.1.3 (i) (a)	Manner of establishment and relevant Minister	8
9.1.3 (i) (b)	Objectives, functions, powers and duties	9, 11
9.1.3 (i) (c)	Services provided and persons or sections of community served	10
9.1.3 (i) (d) (i)	Names of the members of Council and Chief Executive	11
9.1.3 (i) (d) (ii)	Names of senior office holders and brief description of each office	12
9.1.3 (i) (d) (iii)	Chart setting out organisational structure	14
9.1.3 (i) (e)	Workforce data and application of merit and equity principles	15
9.1.3 (i) (f)	Application and operation of FOI Act 1982	16
<b>Financial and Other Information</b>		
9.1.3 (ii) (a)	Summary of financial results with previous four-year comparatives	37
9.1.3 (ii) (b)	Summary of significant changes in financial position	37
9.1.3 (ii) (c)	Operational objectives for the year and performance against those objectives	37
9.1.3 (ii) (d)	Major changes or factors affecting achievement or objectives	38
9.1.3 (ii) (e)	Events subsequent to balance date	38
9.1.3 (ii) (f)	Consultancies more than \$100,000	38
9.1.3 (ii) (g)	Consultancies less than \$100,000	38
9.1.3 (ii) (h)	Compliance with Building Act 1993	38, 39
9.1.3 (ii) (i)	Additional information	39
9.1.3 (ii) (j)	Compliance index	70
9.1.3 (ii) (k)	Compliance with National Competition Policy	39
9.1.3 (iv) (a)	Statement of pecuniary interest	39
9.1.3 (iv) (b)	Details of shares held by senior officers	39
9.1.3 (iv) (c)	Publications produced and where available	17
9.1.3 (iv) (d)	Fees and Charges	39
9.1.3 (iv) (f)	Major research and development activities	31, 39
9.1.3 (iv) (h)	Major promotional, public relations and marketing activities	32
9.1.3 (iv) (i)	Improvements to OH&S of employees	40
9.1.3 (iv) (j)	Industrial relations and time lost through accidents and disputes	17, 40
9.1.3 (iv) (k)	Institute committees	11
9.8	Occupational Health and Safety	40
9.9	Whistleblowers Act	40
<b>Financial Statements</b>		
9.2.2 (i) (a)	Statement of financial performance	48
9.2.2 (i) (b)	Statement of financial position	49
9.2.2 (i) (c)	Statement of cash flows	50
9.2.2 (i) (d)	Notes to financial statements	51
9.2.2 (i) (e)	Consolidated financial statements of subsidiaries	54
9.2.2 (ii) (a)	Preparation on an accrual basis	51
9.2.2 (ii) (b)	Compliance with Australian Accounting Standards	47, 51
9.2.2 (ii) (c)	Compliance with Accounting and Financial Reporting Bulletins	51
9.2.2 (ii) (d)	Preparation in accordance with historical cost convention	51
9.2.2 (iv) (a)	Opinion of fair representation	46
9.2.2 (iv) (b)	Opinion of accordance with Directions of the Minister for Finance	46
9.2.2 (iv) (c)	Awareness of circumstances that could result in misleading or inaccurate information	47
9.2.3 (ii) (a)	Operating revenue by class	54, 55
9.2.3 (ii) (b)	Investment income by class	55
9.2.3 (ii) (c)	Other material revenue by class	55
9.2.3 (ii) (d)	Material revenues arising from exchanges of goods or services	N/A
9.2.3 (ii) (e)	Depreciation	55, 58
9.2.3 (ii) (f)	Bad and doubtful debts	55
9.2.3 (ii) (g)	Financing costs	N/A
9.2.3 (ii) (h)	Increments/decrements on revaluation of non-current assets	53
9.2.3 (ii) (i)	Auditor General's remuneration	62
9.2.3 (ii) (j)	Emoluments of governing board	63

# Compliance Index

Clause	Disclosure.....	Page
<b>Financial Statements (cont.)</b>		
9.2.3 (iii) (a) (i)	Cash at bank and in hand .....	56
9.2.3 (iii) (a) (ii)	Inventories by class .....	56
9.2.3 (iii) (a) (iii)	Receivables, including trade debtors, loans and other debtors .....	56
9.2.3 (ii) (a) (iv)	Other assets, including prepayments .....	57
9.2.3 (iii) (a) (v)	Investments by class.....	56
9.2.3 (iii) (a) (vi)	Property, plant and equipment .....	57, 58
9.2.3 (iii) (a) (vii)	Intangible assets .....	57
9.2.3 (iii) (b) (i)	Overdrafts.....	N/A
9.2.3 (iii) (b) (ii)	Other borrowings .....	N/A
9.2.3 (iii) (b) (iii)	Trade and other creditors.....	58
9.2.3 (iii) (b) (iv)	Finance lease liabilities.....	60
9.2.3 (iii) (b) (v)	Provisions, including employee entitlements.....	59
9.2.3 (iii) (c)	Details of capital .....	59
9.2.3 (iii) (d)	Reserves, and transfers to and from reserves, shown separately.....	59
9.2.3 (iv) (a)	Secured liabilities .....	N/A
9.2.3 (iv) (b)	Contingent liabilities .....	62
9.2.3 (iv) (c)	Commitments for expenditure.....	61
9.2.3 (iv) (d)	Government grants received or receivable.....	54, 55
9.2.3 (iv) (e)	Employee superannuation funds.....	62
9.2.3 (iv) (f)	Equipment/other donations.....	55
9.4.2 (i)	Names of Councillors.....	62
9.4.2 (ii)	Remuneration total of Councillors .....	63
9.4.2 (iii)	Councillors remuneration by band .....	63
9.4.2 (iv)	Executive Officers remuneration >\$100,000 by band.....	63
9.4.2 (v)	Related party superannuation .....	64
9.4.2 (vi) (a)	Loans to responsible persons .....	64
9.4.2 (vi) (b)	Repayments of loans by responsible persons.....	N/A
9.4.2 (vii) (a)	Share/share options - responsible persons .....	64
9.4.2 (vii) (a) (i)	Shares acquired.....	N/A
9.4.2 (vii) (a) (ii)	Shares disposed .....	N/A
9.4.2 (vii) (a) (iii)	Shares held .....	56
9.4.2 (vii) (b)	Terms and conditions of transactions .....	65
9.4.2 (ix)	Other transactions - responsible persons .....	64

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