

Southern Cross University

Annual Report 2012



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**Southern Cross**
University



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23 April 2013

The Hon Adrian Piccoli MP
Minister for Education and Training
Parliament House
Sydney NSW 2000

Dear Minister

The Council of Southern Cross University presents the report of proceedings of the University and the audited financial statements for the year ended 31 December 2012.

This report, including the financial statements, has been prepared and approved in accordance with the Annual Reports (Statutory Bodies) Act 1984 and the Public Finance and Audit Act 1983.

Yours sincerely



The Honourable John Dowd AO QC
Chancellor Southern Cross University



Professor Peter Lee FTSE
Vice Chancellor Southern Cross University

Message from the Chancellor & Vice Chancellor

2012 was a year of significant achievement for Southern Cross University. In the 2012 Excellence in Research for Australia national report we received the top rating of 'well above world standard' in the four specific research fields of geochemistry, zoology, crop and pasture production and forestry sciences and in the broader research fields of earth sciences and agriculture and veterinary sciences. Further ratings of 'world standard' and 'above world standard' cemented our position as a research intensive university. These results were testament to the expertise and commitment of our staff, and our continued focus on providing world-class research in key discipline areas.

The University continued to expand its course profile. In early 2012 the University Council approved the Bachelor of Engineering (Honours) in Civil Engineering to be offered from 2013. This is a new discipline for the University, in a field experiencing national skills shortages.

Following our successful bid for \$32 million in Structural Adjustment Funding in late 2011, a number of projects of significance commenced in 2012. Work began on major initiatives to improve student retention and enhance the quality of teaching and learning. The SCU College was established, providing additional pathways into Southern Cross University through Associate Degrees in Arts and Business, with planning under way for additional courses in 2013 and beyond.

Construction of our second building at the new Gold Coast campus continued throughout 2012, to be ready for the first session in 2013. This 10-storey building provides a substantial addition to our facilities at the campus, enabling

the expansion of courses to include the Bachelor of Health Science with majors in podiatry and speech pathology, and the Bachelor of Social Welfare. Construction of new teaching facilities at the Coffs Harbour campus were also completed.

An Institutional Review during 2012 involving the University's senior leadership team identified nine key Vice Chancellor's priorities covering areas including graduate employment, international operations, research and work processes. The outcomes of these priorities, to be in place during 2013, directly support the University's Strategic Plan 2011-2015. The development of a new international strategy saw the streamlining of education collaborations and the exploration of new opportunities.

During 2012, Southern Cross University worked closely with the five other member universities of the Regional Universities Network (RUN), to highlight the key role regional universities play in building stronger regions. RUN made a number of submissions on government policy. A highlight of RUN activity was participation in the ABC Future Forum television program 'The Clever Country – can universities meet the challenges facing regional Australia?'

We marked the achievement of more than 4000 students who graduated from the University in ceremonies held at Coffs Harbour, Sydney, Lismore and for the first time at the Gold Coast and Tweed Heads. Offshore graduation events were held at Singapore, Hong Kong and China. We celebrated the success of our staff and our alumni through the Vice Chancellor's Awards for Excellence and the Alumnus of the Year Awards.



The Hon John Dowd AO QC
Chancellor



Professor Peter Lee FTSE
Vice Chancellor



Strategic Plan

Our Vision

Southern Cross University will be recognised for enriching our communities through the excellence of our scholarship and the achievements of our graduates.

Our Mission

We equip our students to live a life they value and to be effective global citizens. We do this by creating inspirational and engaged learning experiences by staff who actively practise scholarship.

We extend internationally recognised educational opportunities for our diverse student body, including those from rural and regional communities.

We create and apply knowledge in partnership with our communities in fields that are regionally relevant and globally significant.

Our Values

Scholarship

We practise scholarship across our teaching and research activities with intellectual and professional rigour.

Innovation

We draw on the creative talents of our staff, students and stakeholders and their commitment and passion to address the needs of communities.

Social Justice

We advance human rights and are committed to providing opportunities for students and staff in an inclusive, culturally safe environment.

Ethical Behaviour

We act with integrity in an honest, fair, equitable and accountable manner in all our dealings.

Sustainable Practice

We actively pursue practices that develop the social, economic, cultural and environmental sustainability of our communities.

Engagement

We encourage a collaborative, open and transparent culture and engage with our communities through scholarship.

Our Goals

Goal 1: We will provide inspirational learning experiences for our students through high quality teaching engaged with scholarship.

Goal 2: We will generate and disseminate research and undertake research training in key areas that have global and regional impact.

Goal 3: We will develop a high performance culture in an environment which encourages collaboration and the free exchange of ideas.

Goal 4: We will enhance our performance in a sustainable and responsible manner.



At a glance 2012

Southern Cross University has three campuses at Coffs Harbour, Lismore and the Gold Coast. It also operates The Hotel School Sydney, in partnership with Mulpha Australia. The University also has a large cohort of students who study by distance education.

Students	
Total (persons)	14 858
Total equivalent full-time student load (EFTSL)	9 487.2
Persons by location	
Coffs Harbour campus	1 584
Lismore campus	3 935
Tweed Gold Coast campus	2 018
The Hotel School Sydney	348
Distance Education	5 065
Other Australian location	214
Offshore campus	1 694
Internal (EFTSL)	6 117.2
Coffs Harbour Campus	961.1
Lismore Campus	2 309.0
Tweed Gold Coast Campus	1 397.4
Other Locations (onshore)	398.8
Offshore	1 050.9
External (EFTSL)	3 370.0
International Students (persons)	2 668
On-shore	1 071
Off-shore	1 694
Staff	
Total Staff full-time equivalent (FTE)	910.7*
Academic Staff (FTE)	347.5
Professional Staff (FTE)	563.2

*These Total FTE figure does not include Sessional or Casual FTE

Source: SCU Office of Planning, Quality and Review - DEEWR
2012 Data Submissions

Teaching and Learning

Southern Cross University supported close to 15 000 students undertaking preparatory, undergraduate and postgraduate courses at the Lismore, Gold Coast and Tweed Heads and Coffs Harbour campuses, and by distance education during 2012. The University operated The Hotel School Sydney in partnership with Mulpha Australia. Courses were also delivered through educational collaborations.

Major Achievements

2012 was again a period of significant change. Two key units, the Teaching and Learning Centre, and the Academic Skills Development Unit, merged to form the Division of Teaching and Learning to focus support and advocacy for teaching and learning. The new Division mobilised to support major strategic initiatives funded by competitive federal government, Structural Adjustment Funding.

Among the new projects, all teaching staff were involved in the revision of unit documentation ready for online delivery. The Blackboard Upgrade and Educational Technologies projects revitalised the technologies used to support teaching and learning. The Division also investigated current marking practices through an eMarking Project.

The Division supported Academic Board to revise SCU graduate attributes in line with Australian Qualifications Framework and Tertiary Education Quality Agency requirements. Actions followed a university-wide discussion.

Teaching and Curriculum

The Division offered the Introduction to Teaching@SCU in 2012. Some 56 participants attended a one-day event across the three campuses, and completed three online modules. The Graduate Certificate in Academic Practice enrolled its first cohort of 27 students from across SCU and other higher education providers. This new graduate certificate offered new units including research supervision, and research career development, in collaboration with the Division of Research.

Resources for teaching and learning were greatly enhanced during 2012 with further upgrades of online modules on teaching practice and learning technologies. User-friendly 'at-a-glance' documents were expanded, and two new extended resources produced: one on teamwork, the other on marking rubrics. There were 23 021 downloads of resources from the Division's website in 2012.

The Festival of Teaching featured 14 sessions and six back-to-school sessions across campuses during 2012. More than 130 people attended one or more events, with 323

attendances in total. Three visiting scholars contributed to these University-wide discussions.

Academic Skills Development (ASD)

The Division supported all students to develop their academic skills especially academic literacy and integrity, numeracy, self-management and learning skills. Some 3 184 students were directly supported through ASD team consultations, and a further 5 503 through 428 workshops during 2012. Numeracy resources and development strategies were shown to have a significant impact on students' acquisition of numeracy skills within their disciplines. During the year there were almost 160 000 downloads of online resources. The continued offering of Peer Assisted Student Sessions (PASS) by high-achieving senior students to newer students, significantly enhanced academic skills development.

Office of Learning and Teaching Grants

Supervising the DBA thesis: addressing the needs of candidates and supervisors

Project Leaders: Dr Simon Pervan and Associate Professor Michelle Wallace. Partner Institutions: Deakin University, University of Canberra, University of Western Sydney. Grant: \$220 000

Building capacity for sustained university-wide ePortfolio implementation in a regional context

Project Leader: Dr Meg O'Reilly. Grant: \$30 000

SCU Partner Grants

Improving students' writing in psychological science: an interactive digital workbook approach

Project Leader: Associate Professor Frances Martin, University of Newcastle. SCU Project Team Members: Dr Stephen Provost, Dr Jacqui Yoxall. Grant: \$48 000

Working from the centre: supporting unit/course co-ordinators to implement academic integrity policies, resources and scholarship

Project Leader: Dr Fiona Henderson, Victoria University
SCU Project Team Member: Associate Professor Dianne Dredge. Additional Partner Institutions: James Cook University, RMIT University, The University of Queensland, University of Canberra. Grant: \$130 000.

SCU Small Grants (\$5 000 each)

Transforming the Pedagogy of Teacher Education through University-School-Community Partnerships: A Pilot Study

Project Team: Associate Professor Amy Cutter-Mackenzie and Dr Marianne Logan (joint leaders), School of Education

Attuning tools used to assess allied health students on clinical practicum

Project Team: Dr Beverly Joffe (Leader), Professor Susan Nancarrow, Dr Keri Moore, Dr Leah East, Associate Professor Ev Innes, Paul Butterworth, Dr Sandra Grace and Dr Rosanne Coutts, School of Health and Human Sciences.

National Office of Learning and Teaching Citations

Soenke Biermann, School of Arts and Social Sciences: For inspiring and empowering first-year humanities students to think critically, engage more and be successful through a challenging equity-focused teaching practice.

The Equity Team led by Ms Rachel Callahan: For growing an integrated peer mentoring program that helps first year students and mentors thrive as individuals and successful learners. Team members included Ms Julie Porter, Mr Rob Cumings, Ms Jo Mason, Mr Stephen Garvey, Ms Jane Drury, Ms Kim McDonogh, Ms Kate Olivieri and Ms Cathy Burton.

Dr Annie Mitchell, School of Arts and Social Sciences: For leadership in contemporary music pedagogy and curriculum, underpinned by creative practice and research, that educates students for sustainable careers in music.

2012 VC Citations

Dr Marilyn Chaseling, School of Education: For sustained leadership in the development, review and renewal of quality teacher education curricula.

Dr Alexandra Cutcher, School of Education: For teaching that empowers visual arts teachers to address the complexities of their profession, grounded in productive, caring relationships, high expectations and inspirational instruction.

Associate Professor Wendy Gilleard, School of Health and Human Sciences: For championing student learning and curriculum design through leadership and engagement instilled by scholarly practice in health and human sciences.

Occupational Therapy Praxis Team, School of Health and Human Sciences: Team Leader: Ev Innes

Team Members: Michelle Donelly, Yvonne Pennisi, Beth Staunton, Karina Pont, Maggie Scorey, Jacqui Yoxall, Sue

Riordan, Sue Treacy. For developing a community-engaged occupational therapy program based on the World Health Organisation's International Classification of Functioning that produces confident, reflective, professional graduates.

Dr William J Smart, Southern Cross Business School: For sustained provision of teaching practices including innovative and flexible web-based learning resources that inspire and motivate students from diverse backgrounds in introductory web development.

Jeanti St Clair, School of Arts and Social Sciences (Media Program): For developing inspirational curricula and learning resources, reflexive feedback mechanisms and authentic community-engaged learning experiences that transform media students into profession-ready journalists.

Julie Streckfuss, School of Health and Human Sciences: For inspiring and engaging diverse students in a confronting, content-heavy second year anatomy unit.

Vice Chancellor's Awards for Excellence

Within Southern Cross University, the highest recognition of excellence across the University's areas of endeavour are the Vice Chancellor's awards for Excellence. In 2012, the following awards were made:

Excellence in Teaching and Learning: the Work Integrated Learning Team from the School of Tourism and Hospitality Management for pioneering and sustaining student-centred, transformative, work-enriched experiential learning opportunities in tourism and hospitality management. The team comprised Andrea Boyle, Julia Caldicott, Joanne Cooper, Vashti Stival, Maree Walo, Leanne Baker, Sarah Biersteker, Rebecca Brown, Sharen Nisbet and Dr Matthew Lamont.

Excellence in Research: Professor Anne Graham in the Centre for Children and Young People in the School of Education.

Excellence in Research for Early and Mid Career Researcher: Dr Isaac Santos in the Centre for Coastal Biogeochemistry Research.

Excellence in Professional Staff Performance: Yolanta Higgins from HR Services.

Excellence in Community Engagement: Dr Kathryn Taffs, in the School of Environment, Science and Engineering, for Community Engaged Learning with a collaborative community partnership providing inspirational student learning experiences that promote successful careers in wetland management.

Research

Significant achievements in 2012 included the classification of Southern Cross University as research intensive, and the outstanding results in the Excellence in Research (ERA) for Australia Report 2012. The ERA 2012 report – run by the Australian Research Council – is a comprehensive review of research across all Australian universities. It evaluates, over time and relative to world standards, the quality and range of research areas in Australia.

Southern Cross University's research in six key areas was given the highest possible classification of 'well above world standard'.

The top rating of five for 'well above world standard' was given in the specific research fields of geochemistry, zoology, crop and pasture production, and forestry sciences. In the broader research fields, the University received the top rating of 'well above world standard' in earth sciences, and agricultural and veterinary sciences. Nursing research was rated as 'above world standard' and tourism research at 'world standard'.

The University also received the rating of 'above world standard' in the broader research field of biological sciences, and 'world standard' in studies in creative arts and writing.

The latest nationally competitive results place SCU among the top two universities in the country for research in crop and pasture production, in the top three for zoology, top four in agriculture and veterinary sciences and forestry sciences, and the top five in the field of geochemistry and earth sciences.

The ERA results were exceptional for a regional university, and for a comparatively young university the size of Southern Cross. The Division of Research is now focused on maintaining the quality of research outputs, such as publications and how research is applied, and expanding other areas of research priority.

Southern Cross University's results in the ERA report reflected the continued efforts made to improve overall performance, especially research income from prestigious Australian Competitive Grants. Both overall external grant income and Australian Competitive Grant income have increased in a very competitive environment.

Total research income for 2012 was \$13.23 million, while income from Australian Competitive Grant funding was \$3.9 million during 2012 (unaudited estimates at time of printing).

Among the successful Australian Competitive Grants received were:

- An Australian Research Council Linkage project for \$320 000 awarded to Southern Cross GeoScience co-director Professor Leigh Sullivan and collaborating investigators Associate Professors Andrew Rose, Ed Burton and Scott Johnston, Professor Richard Bush, Dr Vanessa Wong. Michael Woods from the Richmond Valley County Council is the industry partner. This research will reveal the processes that drive catastrophic deoxygenation of coastal rivers after large flood events, a problem that acutely affects local rivers and other major rivers internationally.
- A \$160 000 ARC Linkage, Infrastructure, Equipment and Facilities (LIEF) project awarded to Southern Cross GeoScience co-directors Professor Richard Bush and Professor Leigh Sullivan as part of a team of scientists lead by collaborators at Curtin University. The project will establish cutting edge gas chromatography facilities with the capacity for three-dimensional analytical methods. These novel methods will enable researchers to identify and quantify important natural organic components in soil and waters.

The Division of Research managed the University's two Special Research Centres – Southern Cross GeoScience and Southern Cross Plant Science, as well as the Environmental Analysis Laboratory, which provides essential infrastructure underpinning research.

Southern Cross GeoScience conducts research that contributes to the understanding and improved management of land and water resources with particular reference to the impact of human activity. During 2012, the Centre was successful in obtaining competitive funding, publishing its research in high-impact journals and in attracting exceptional new staff. The Centre also continued its focus on the education and training of postgraduate students along with a new emphasis on teaching undergraduate students, and building an international portfolio of research projects.

Southern Cross Plant Science (SCPS) consolidated its mission and focus, with a strong emphasis on research underpinning the cultivation and utilisation of plants. The Centre's main themes are understanding how genetic and environmental factors contribute to end-use properties of crops and other added-value natural products. It draws on expertise in genetics, genomics, agronomy, analytical chemistry and bioinformatics.

Southern Cross Plant Science was successful in securing competitive public sector funding, with notable successes from the federal government's Rural Industries Research and Development Corporation, and a large international development project, the Global Rice Science Partnership. This was complemented by increasing interaction and investment from private sector partners.

Five Research Centres were supported by the University and sit within the relevant Academic Schools:

School of Environment, Science and Engineering

- Centre for Coastal Biogeochemistry Research
- Marine Ecology Research Centre

School of Tourism and Hospitality Management

- Research Centre for Tourism, Leisure and Work
- Centre for Gambling Education and Research

School of Education

- Centre for Children and Young People.

Details of these Centres are included on pages 10 to 16.

During 2012, the Division of Research supported research activities for staff and student researchers through several internal research schemes including the collaborative research grants scheme, the international Visiting Research Fellow scheme and other postgraduate student support schemes. The 2012 round of the post-doctoral Fellowship scheme resulted in three early career researchers being awarded three-year fellowships through a highly competitive selection process.

The federal government's Collaborative Research Network (CRN) scheme continued to fund research in partnership with the University of Queensland, the University of NSW and the University of Sydney during 2012, especially in health, social wellbeing and economic sustainability. These networks and projects enabled expertise to be shared, resulting in the acceptance of 18 journal articles, with another 16 under review. There was also an increase in the number of Category 1 grant applications submitted, and the networks provided new opportunities for career development.

Research staff continued to generate and disseminate research and provide training in key areas that have global and regional implications. Central to this was SCU's participation in the CRC program, which continued to enable the building of core capacity. Income from CRCs during 2012 was \$2.43 million (unaudited estimate at time of printing).

During 2012 SCU participated in the following CRCs:

- Rail Innovation
- Integrated Engineering Asset Management
- Wound Management Innovation
- Remote Economic Participation
- Contamination Assessment & Remediation of the Environment
- Forestry.

The Research Training Unit continued to implement supervisory staff professional development policies via workshops. The commitment to improving programs, processes, on-time completion rates and student experience remained high. The administration team continued to work closely with the Higher Degrees Research Committee to monitor and improve processes.

The Division surveyed staff to gain feedback on the services provided. Overall the results were positive and indicated the services offered were delivered in a timely and efficient manner. The results will be used to continue to plan and improve service delivery, research training and communication across the University. The survey will assist with the continued development of training opportunities, and highlighted the need to fund professional development activities for early and mid-career staff.

Workshops were delivered to the SCU research community on topics including: writing ARC grant applications, qualitative research, supervisors' workshops, scientific writing, orientation for postgraduate students and general research support information sessions. The first science writing workshop for early career staff was held in late 2012 and feedback indicated that this greatly assisted those who attended.

School of Arts and Social Sciences

The School of Arts and Social Sciences (SASS) supported 1773 students (1162 EFTSL) in 2012. The School's courses were revitalised, and a series of changes made following wide-ranging review in 2011. Two new courses, the Bachelor of Social Welfare and the Master of Social Work (Professional Qualifying), were developed.

Staff from the Bachelor of Arts participated in the excellence in assessment benchmarking project coordinated by the Teaching and Learning Centre. The model has since been extended to other courses in the School. Teams from the School and the Centre received a \$30 000 grant for a project titled 'Building capacity for sustained university wide ePortfolio initiative'.

Staff in Visual Arts, Media, Music and Creative Writing programs continued to focus on research, contributing to the University's ERA results in the field of 'studies in creative arts and writing'.

SASS collaborated with the Office of Community Engagement to launch a regional food initiative engaging local organisations and food producers in strategic research critical to food security. Associate Professor Rebecca Coyle and Ben Roche, head of Community Engagement, held Creative Industries knowledge bank workshops in Lismore, bringing together key agencies in creative industries to identify potential research projects.

The School conducted a community seminar series at the Gold Coast campus entitled 'Creating space for collaboration in the audit culture'. The series looked at how community organisations could work 'collaboratively and creatively' within a

competitive community services sector.

Former Greens leader Bob Brown met in discussion with ABC presenter Kerry O'Brien at the Byron Bay Writers' Festival. Media students filmed sessions while writing students blogged from across the event. At the Bellingen Readers and Writers' Festival academic staff from the School were involved in writing workshops and panels.

Dr Barry Hill, contemporary music course coordinator, travelled with students to Lightning Ridge for Mobfest, an annual community festival showcasing remote Indigenous music based education. The students assisted with audio production and were involved in audio technology workshops.

An \$8 000 Vice Chancellor's sustainability innovation grant was awarded to the School for the development of a mobile, solar-powered audio-visual production system.

In November, staff and friends gathered to remember and celebrate the life of deputy head of School, Associate Professor Rebecca Coyle. Rebecca achieved much in 10 years with the School and was the driving force behind the new Bachelor of Creative Arts, to be introduced in 2014.

Staff Achievements

Professor Baden Offord was awarded a Prime Minister's education assistance program for Japan education exchange following a successful year as Chair (Visiting Professor) in Australian Studies at the University of Tokyo.

The imagined emotional states of Antarctic explorer, Robert Scott, was the subject of a work entitled 'The Ice Suite' featuring the digital imagery of the Bachelor of Media's Dr Grayson Cooke. Dr Cooke will travel to Japan to receive the 'New Face' award in the art category of the 16th Japan Media Arts Festival for 'Outback and Beyond: A live Australian Western'.

Associate Lecturer Jim Hearn was one of six authors included in the Griffith REVIEW 38 Annual Fiction Edition: The Novella Project. Jim, whose work was selected from more than 200 entries, shared in a \$30 000 prize pool.

Southern Cross Business School

The Southern Cross Business School supported close to 4 000 students (2004 EFTSL) studying across undergraduate and postgraduate programs in business and information technology in 2012 including through domestic and international collaborations.

The new Bachelor of Business degree structure was implemented and the School completed its review of Masters degrees to be implemented in 2014. The new suite of Masters courses emphasises contemporary business education with a Master of Business Administration that offers key specialisations, as well as a specialist Masters in human resources and accounting.

The Business School developed four research nodes identified in 2011: entrepreneurship and enterprise development; information technology and information systems; human resources and workforce; and marketing. These were directly tied to teaching programs within the School.

The School also had significant involvement with the Cooperative Research Centre for Rail Innovation. The relationship covered key mass transport issues such as smart electronic ticketing, urban rail improvement, transport policy, infrastructure investment and human resource issues. Through the federal government's Collaborative Research Network, the School was also in partnership with the University of Queensland. The new ties promoted the development of joint research initiatives, co-supervision of PhD candidates, the appointment and mentoring of postdoctoral research fellows and joint publications.

School staff were also engaged in projects supported by \$400 000 of funding for a range of industry projects and scholarships. The staff also represented the University and supported their community during 2012 through membership of Business Enterprise Centres, Regional Development Authorities and Chambers of Commerce.

The Southern Cross Business School supported a major seminar in November titled 'Regional Development Partnerships: aligning government, industry and academic endeavours'. Representatives from business groups, regional development agencies, Gold Coast City Council and Bocconi University Italy participated.

Staff provided a number of keynotes and presentations to community groups. The School also deepened its profile in the regional community through weekly columns in The Northern Star and Coffs Coast Advocate. Informed commentary was provided on contemporary business issues in a section titled, Business Insights.

Staff Achievements

Associate Professor Michelle Wallace and Dr Simon Pervan secured a \$373 407 grant supported by the federal government's Office for Learning and Teaching for a project titled 'Supervising the DBA Thesis: Addressing the Needs of Candidates and Supervisors'.

Dr Jun We, Xiang Gao and Gollam Solwar secured a \$45 000 Australia-China Science Research Fund grant from the Department of Industry, Innovation, Science Research and Tertiary Education.

School of Education

The School of Education supported 2010 students (1354 EFTSL) in 2012, and delivered teacher education programs in early childhood, primary and secondary education. It delivered Masters degrees in education, youth and childhood studies and vocational education and training. The School's PhD program expanded rapidly, with most new admissions winners of Australian Postgraduate Award scholarships.

The Centre for Children and Young People, part of the School of Education, undertook significant initiatives during 2012. A major ARC Linkage project involved data collection in three states and generated timely policy and practice-relevant knowledge concerning wellbeing in schools. The Centre was also leading an international project on the ethics of research involving children. This project, funded by UNICEF, will culminate in an international ethics charter, ethical guidelines and a website resource for use in a wide range of international contexts.

The Centre's Collaborative Research Network partnership with the Social Policy Research Centre at UNSW resulted in joint funding submissions, co-authored publications, writing fellowships and research seminars, as well as shared PhD supervision and staff mentoring during 2012. The Centre also secured new postdoctoral research Fellow appointments that significantly expanded research in areas such as children and disability. A number of international scholars partnering on research projects and grant applications were hosted.

The School helped directly improve educational quality in Vietnam during 2012. Professor Martin Hayden, the

Head of School, won contracts with the Vietnamese Ministry of Education and Training to deliver training programs on advanced educational research methods to their Master degree graduates. These contracts, valued at almost \$450 000, enabled 56 Vietnamese students to spend a month at the University's campus in Lismore, where the training was delivered. Professor Hayden also welcomed several study groups to the University during the year, including a high-level delegation from the Foreign Trade University in Hanoi, Vietnam.

Associate Professor Karen Martin also had funding success, winning a \$50 000 research grant under the 'More Aboriginal and Torres Strait Islander Teachers in Schools' project, through the University of South Australia for the federal education department. The project will involve Dr Martin in a national survey of staff employed in Indigenous preschools and Indigenous early childhood services. A 'Mentorship Circles' professional development model will be initiated with Indigenous teachers or those employed in teaching roles in Aboriginal children's services in New South Wales, the Australian Capital Territory, Victoria, Tasmania and the Northern Territory.

The School hosted another successful HSC Study Day on June 7. Some 800 HSC students braved the overcast weather conditions to attend the program in Lismore. Now in its 12th year, this initiative is a fixed event in the calendars of nearly all North Coast secondary schools. The program featured a distinguished team of presenters, all of whom were experts in particular HSC subject areas.

Staff Achievements

Professor Martin Hayden was invited by the Asian Development Bank to rapidly assess higher education in Myanmar.

Dr Marilyn Chaseling was invited by the New South Wales Institute of Teachers to be on one of its programs review panels.

Associate Professor Amy Cutter-Mackenzie and Dr Marianne Logan won a \$5 000 Teaching and Learning Small Grant for their pilot project aimed at improving the pedagogy of teacher education through university-school-community partnerships.

Two members of staff, Dr Judith Wilks and Dr Robert Smith were promoted to Senior Lecturer level, and late in 2012 the School appointed a new member of staff, Dr Geoff Woolcott, at Senior Lecturer level.

School of Environment, Science and Engineering

The School of Environment, Science and Engineering supported 764 students (539 EFTSL) in 2012. The School's new four-year Bachelor of Engineering (Honours) in Civil Engineering degree was launched at the Northern Rivers Science and Engineering Challenge held at the Lismore campus. Dr Neal Lake was appointed course-coordinator and Professor Scott Smith the Foundation Professor of Civil Engineering. The new degree, starting in 2013, complements the School's Bachelor degrees in Environmental Science, Forest Science and Management, and Marine Science and Management.

The School is home to the Centre for Coastal Biogeochemistry Research, Marine Ecology Research Centre (MERC) and the National Marine Science Centre (NMSC). A new Forest Research Centre was also established. Researchers in the School continued to attract significant grants from national funding agencies, including the Australian Research Council and the Australian Centre for International Agricultural Research.

Foremost among these grants was a prestigious ARC Future Fellowship awarded to Dr Kai Schulz, a research scientist at the Helmholtz Centre for Ocean Research Kiel in Germany. The \$714,528 grant enables Dr Schulz to work at SCU on a four-year project exploring the impacts of future carbon cycling on the oceans.

Dr Kirsten Benkendorff, from MERC, organised an international workshop on the development of natural medicines from sea-snails. The workshop attracted researchers from across Australia and India, and was supported by the Australian Government under the

Australia-India Strategic Research Fund.

The School hosted a seminar series on coal seam gas attracting more than 100 people. A variety of points of view on coal seam gas drilling were discussed.

The NMSC celebrated its 10th anniversary as a research and teaching centre. The NMSC began operation as a joint facility with University of New England in 2002 before SCU took over full operations in 2010. Researchers at the NMSC have produced 182 referred publications during this 10-year period.

More than 250 people took part in 'Science under the Sea' activities at the NMSC, held as part of the federal government's National Science Week. The highlight was the keynote presentation by the curator of the Lord Howe Museum, Ian Hutton, OAM, who talked on the impacts of marine debris on the birds of Lord Howe Island.

Staff Achievements

Professor Bradley Eyre and Dr Isaac Santos successfully bid to have the Centre for Coastal Biogeochemistry Research join CSIRO's Flagship Marine and Coastal Carbon Biogeochemistry Cluster. The \$3 million cluster enables key coastal carbon scientists in Australia to collaborate on major projects investigating the effects of carbon stored by coastal and ocean ecosystems.

Associate Professor Doland Nichols – and his team from the Forest Research Centre – completed a three-year forest silviculture program in Vanuatu. This program developed new methods and approaches enabling traditional land-holders to supplement their income by growing and harvesting local timber species in an environmentally sustainable manner.

School of Health and Human Sciences

The School of Health and Human Sciences supported 2376 students (1896 EFTSL) during 2012.

Occupational Therapy, Nursing, Osteopathy and Midwifery were granted full accreditation and new allied health courses in Speech Pathology, Podiatry and Pedorthics were designed for introduction in 2013.

The School continued to build its academic portfolio, and hosted events to strategically plan curriculum development in the fields of ageing, disability and Indigenous health and wellbeing. Innovation in practice-based learning occurred across programs.

The School continued to play an active role in the support of the local health providers, especially in professional development and service improvement. The work of establishing an ever closer working relationship between the academy and service continued.

The establishment of formal agreements with the key Mid North Coast and North Coast health networks was testament to this work, as was the establishment of a centre for Collaboration in Practice Development in Nursing with the North Coast Division of Nursing. These two health networks invested \$560 000 in total to support ARC linkage grant applications, and consultancy work, to improve the evidence behind improved patient care.

Links between the SCU Health Clinic and the Lismore GP Superclinic continued to progress. A highlight was the running of the 'fitness and wellbeing' clinic for the Northern United Football Team. This relationship provided opportunities for inter-professional learning and research. New clinic services were being planned for operation in 2013.

Creative development occurred in the School's psychology program, with the inclusion of work-based learning opportunities in the aged care and disability sectors. This work was complemented by the partnership with the Gold Coast Institute of TAFE and North Coast TAFE. The successful introduction of an Associate Degree of Allied Health will be used to expand pathways and opportunity to those seeking a health career.

These developments collectively supported the evolution of the School's curriculum at both undergraduate and postgraduate level. The School aims to produce 'fit for purpose' practitioners for the 21st century. To aid this quest, very significant funding was secured. Health Workforce Australia provided \$3 063 475, while the Higher Education Training Institute provided \$67 000 for various development and educational support activity.

A professional development/short course program was also launched enabling the School to provide education and training to new groups such as practice nurses and various allied health practitioners. This was an exciting innovation, and a much needed one for the region. The introduction of new postgraduate learning opportunities will further support this activity.

The School continued to improve its standing and reputation through research income. The grant success rate stands at 17 per cent, and publication and conference presentations numbers continued to grow. The Australian Health Practitioner Regulation Agency provided \$297 000 to the School to research and revise nurse practitioner standards.

Staff achievements

Professor Garry Egger received the Australia medal on the Queen's birthday honours list for his work in lifestyle medicine.

Professor Iain Graham was appointed to the NSW Council for Nursing and Midwifery for a further three years by the NSW Governor.

School of Law and Justice

The School of Law and Justice supported 1 115 students, (721 EFTSL) in 2012, offering degrees on campus and by distance education in traditional and emerging areas of law.

With funding from the federal government's Higher Education Participation and Partnership program, the School launched two new programs to promote participation and success in all legal degrees by Aboriginal and Torres Strait Islander students, and students from low socio-economic backgrounds.

The first program, the Law Lounge, supports first-year law students to form study groups which can meet online or face-to-face at any place where SCU Law students are found throughout the world. The second program, Promoting Success in Work Placements, provides the necessary support to assist students identify, negotiate and successfully complete work placements as part of their legal degrees.

The School identified three research strengths in ecological jurisprudence; global justice; and cultural transformations. Members of these research networks contributed to academic and community debate in these fields through publications, conference proceedings and hosting two symposia in 2012. 'Animal Rights and the Rights of Nature - Intersections and Tensions', ran at the Gold Coast campus in October, while 'Litigating the Boundaries of Sovereignty' was co-hosted with Wollongong University in May.

The School maintained its strong commitment to community engagement both internationally and nationally. Dean of Law and Head of School, Professor Rocque Reynolds, joined Professor

Kerry Brown on the Myanmar/Australia Sustainable Education Partnership: Intercultural Research and Learning program. Education leaders were brought to Southern Cross University.

Associate Professor Sam Garkawe and Dr Natalia Szablewska visited Cambodia to teach into the Masters of Laws in Human Rights program at Mekong University. The School co-hosted a community forum on cyber-bullying. Aidan Ricketts worked with community groups in Australia and Europe to develop public interest advocacy strategies to address significant community issues.

The School welcomed five new adjunct members in 2012. Adjunct Professor The Hon Greg James AM, QC; Adjunct Associate Professor Stephen Woods, and Adjunct Fellow Lance Jones are currently working on a new project to address issues of mental health, intellectual disability and the law. Adjunct Fellows Ralph James and Anne Schillmoller are contributing to the School's teaching and research program in criminal law, advocacy and animal law.

Law Student Sharyn Simms won the NSW Young Lawyers' Animal Law Committee's animal law essay competition for her paper, 'Contemporary and Religious Slaughter'.

Staff achievements

Andy Griffiths was the inaugural winner of the Dennis Callinan award from the Australian and New Zealand Sports Law Association, which recognises 'members who render commendable community service in the field of sports law'.

Dr Jennifer Nielsen was a member of the Australian Learning and Teaching Council grants team – led by UNE's Dr Amanda Kennedy – for the project: *Rethinking law curriculum: developing strategies to prepare law graduates for practice in rural and regional Australia*.

School of Tourism and Hospitality Management

The School of Tourism and Hospitality Management supported 1 573 students (1169 EFTSL) during 2012. The School welcomed the appointment of Professor Elizabeth Roberts as Head of School, and Mr Tony Patterson as the new general manager of The Hotel School Sydney.

Under the leadership of Professor Nerilee Hing, the Centre for Gambling Education and Research (CGER) continued its role as the leading gambling research centre in Australia. The CGER managed more than \$2 million in external grants, and published more than 40 peer-reviewed outputs in 2012. The CGER received research funding from the Australian Research Council, Gambling Research Australia, New South Wales, Queensland and Victorian governments, and the European Association for the Study of Gambling on gaming-related projects.

The Centre for Tourism, Leisure and Work (CTLW), led by Professor Kerry Brown, continued its large-scale, multi-disciplinary research. CTLW research included projects with the CRC for Infrastructure and Engineering Asset Management (CIEAM); CRC for Remote Economic Participation (CRC REP); the Collaborative Research Network (CRN), Regional Economic Policy and AusAid Burma.

With funding from the Australian Leadership Award Fellowship and the International Centre for Non-Violent Conflict, the CTLW hosted the Dynamics of Civic Engagement Conference; speakers included WikiLeaks founder, Julian Assange's lawyer, Ms Jennifer Robinson.

The world's largest hospitality education institution, Le Cordon Bleu, and SCU, launched the Le Cordon Bleu Master of

Gastronomic Tourism at a special lunch event in Sydney in May. Le Cordon Bleu president, Mr Andre Cointreau, and Pro Vice Chancellor (academic) Professor Andrew McCauley attended. With first enrolments in 2012, this fully online Masters is proving popular with students from around the world. The School again partnered with Le Cordon Bleu in the Australasian Regional Food Cultures and Networks Conference in the Barossa Valley in November.

The School continued to engage closely with the tourism and hospitality sector, exhibiting at trade expos such as the Hospitality and Gaming Australasia Expo, the Australian Gaming Expo and the Professional Conference Organisers Association Conference.

Two visiting scholars were based at the School during 2012: Associate Professor Tazim Jamal from Texas A&M University, and Professor Asghar Zarrabi University of Isfahan, Iran. The School was successful in securing five competitive scholarships for PhD study.

In partnership with the Queensland College of Wine Tourism, the School hosted the WSET Certificate in Wines at the Gold Coast campus. These awards provide an entry-level qualification in wine appreciation. Under the direction of Dr Gui Lohmann, the School launched an innovative new unit called 'The Cruise Ship Business' in October. Students attended a seven-day cruise trip with P&O as part of their assessment.

Staff achievements

Dr Elaine Nuske and Ms Margaret Tiyce, members of the CGER, each led research papers which won them and their respective co-authors 'Best Paper Awards' at the inaugural Asia Pacific Association for Gambling Studies Conference in Macau.

Dr Gui Lohmann and Associate Professor Dianne Dredge published *Tourism in Brazil: Environment, Management and Segments*, Routledge.

Associate Professor Kevin Markwell and Dr Erica Wilson (with Associate Prof Simone Fullagar, Griffith University) published *Slow Tourism: Experiences and Mobilities*, Channel View Press.

Dr Erica Wilson was appointed for a three year period as a member of the Gondwana Rainforests of Australia World Heritage Area Technical and Scientific Advisory Committee.

Dr Nateque Mahmood (CIEAM); Dr Anna Wiewiora (CIEAM), Dr Subas Dhakal (CRN) and Dr Alice Woodhead (CRC REP) joined the School and CTLW as postdoctoral fellows.

Gnibi College of Indigenous Australian Peoples

Gnibi College of Indigenous Australian Peoples provided units of study that aim to increase the knowledge of and understanding about Indigenous peoples, cultures and worldviews. During 2012 Gnibi College of Indigenous Australian Peoples supported 134 students (198 EFTSL).

2012 was an important year of transition for Gnibi. The recently released Review of Higher Education Access and Outcomes for Aboriginal and Torres Strait Islander People Final report recommended a whole of University Approach, and the University has begun to move towards that model.

A curricular review of Gnibi offerings highlighted the central role it played in providing units to courses in other Schools, and the University is developing a strategy to recognise that contribution.

A new centrally funded structure was implemented to encourage Schools to work with Gnibi to ensure students across SCU have access to Aboriginal and Torres Strait Islander knowledge and perspectives and attain the relevant graduate attribute.

In line with management of a whole of University approach, the College was recruiting for a Director of College (replacing the Head of School model) who will take on an administrative and community engagement role (rather than a teaching/research role).

Gnibi also committed to working with the academic schools to share positions and double the number of Indigenous Academic staff attached to Gnibi.

The College was also successful in obtaining a \$99 000 Higher Education Participation and Partnership program grant to digitise Aboriginal Curricula and develop a web presence for work developed with Bundjalung partners.

SCU College

SCU College was established in mid-2012 after the University was successful in its bid for federal government Structural Adjustment Funds (SAF). The College responds to the needs of non-traditional students aspiring to degree completion in northern NSW and the southern Gold Coast.

SCU College has brought together:

- the existing Preparing for Success (PSP) bridging program which operates on all SCU three campuses and by distance education
- the English Language Centres (ELCs) also operating at Tweed Gold Coast, Lismore and Coffs Harbour
- the newly introduced Associate Degrees (ADs) in Arts, Allied Health and Business.

During 2012, new staff were recruited and staff employed in the preparatory and English language courses transferred to the new work unit.

College staff worked closely with relevant schools to develop more generic, but career-oriented pathways and offerings.

The students were enabled to study while receiving additional support, as well as maximum credit towards their Bachelors courses and a solid pathway to degree completion and jobs. A key element of college operations were partnerships with Gold Coast Institute of TAFE (GCIT) and North Coast TAFE (NCT). One partnership enabled GCIT to have TAFE staff involved in teaching within the Associate Degree of Business, and to diversify its offerings to the higher education sector. With TAFE staff teaching at the Gold Coast campus, the College also developed a learning centre on the Southport campus of GCIT.

Structural Adjustment Funding will underpin an SCU/NCT partnership with the University in offering six learning centres in TAFE premises throughout the Mid North and North Coast of NSW. This will enable pastorally-sensitive academic support to students embarking upon their Associate Degrees, in their home locations, before crossing over into an undergraduate award at an SCU campus or by distance education.

International and Enterprise

Mr Chris Patton took up his appointment as Pro Vice Chancellor International and Enterprise in January 2012 and the early part of the year was focused on strategy and operations: articulating SCU's new internationalisation and enterprise strategy, adjusting the division's internal resources to improve productivity, aligning systems and work practice to wider university systems, and increasing quality assurance over the University's 13 educational collaborations.

A Green Paper was developed and circulated within the SCU academic community for consultation and feedback, and a condensed White Paper will be crafted for 2013.

Four more educational collaborations were ceased in line with the strategy of having fewer, larger, more material collaborations aligned to SCU's brand, academic standards and values. Consultants The Parthenon Group was engaged to provide data-driven insights for the best global transnational education opportunities. This will support SCU's return to growth at the right time, and right comprehensive internationalisation strategy.

As required by Tertiary Education Quality and Standards Agency, a scheduled external audit of SCU's compliance with the Education Services for Overseas Student Act occurred in May 2012. The audit assisted SCU to identify compliance with the Act. A further audit in October 2012 provided strong evidence of progress towards good practice across all standards.

Changes to government regulations through the introduction of streamlined visa processing, genuine temporary entrant and the tuition protection scheme were challenges for the university sector and for the government to implement.

The changes flowing from the Knight Review transferred responsibilities to ensure students were genuine, to providers. A major effort to change business processes, especially the requirement for additional 'agreements with business partners', was undertaken to ensure the business of international recruitment continued successfully under this new regime. The International Office began the implementation of online applications in part to respond to this new environment, with staff and collaborators requiring training on and off-shore.

A new director for the International Office, Mr Monty Singh, joined SCU in July 2012. In the latter half of 2012, the office worked on improving workflow, systems, sales, recruitment and marketing.

The international student support team won a competitive grant from the federal education department to enhance the student experience through interactive resources and activities.

These included:

- Developing videos of international students discussing how they dealt with common challenges.
- Case study scenarios that encouraged group discussion and decision making.
- A boarding pass challenge which gave students contact with university support services.
- Online facilities and a board game called 'pathway to success' that reinforced essential information for international students.

SCU sought to expand its collaborations in Asia to help increase research impact and student recruitment, signing MOUs with:

- Institut Pertanian Bogor (Bogor Agricultural University), Indonesia
- Yancheng Normal University, China
- Shandong Institute of Business and Technology, China
- Bandung Institute of Tourism, Indonesia
- State University of Medan, Indonesia
- Australian Institute of Music.

Graduations and Alumni

More than 4 000 students graduated from the University in 2012, with ceremonies at Coffs Harbour, Sydney, Lismore, and for the first time at the Gold Coast Tweed Heads.

Ceremonies were also held offshore at Singapore, Hong Kong and a presentation event at Shanghai. An additional graduation event was added to Lismore in early December to meet the demand of graduands. The Chancellor The Hon John Dowd AO QC conferred the awards. The graduates joined the global alumni community of more than 48 000. The University has 11 123 contactable alumni including some 2 600 alumni who reconnected with the University through two 'lost member' campaigns.

In the premier alumni event of the year, the University recognised and rewarded exceptional alumni at a special awards ceremony in August. Gregory Prior and Matthew O'Hara were named joint winners of the Southern Cross University 2012 Outstanding Alumnus of the Year Award at the annual awards ceremony in Byron Bay. Mr Prior is deputy director-general, schools, for the NSW Department of Education and Communities. Mr O'Hara is the chief executive officer of Oak Flats Bowling and Recreation Club.

The University's 2012 Young Alumnus of the Year Award recipient was Abram le Cerf, who graduated with a Bachelor of Environmental Tourism Management in 2006.

School winners were:

School of Arts and Social Sciences 2012 Alumnus of the Year
– Julie Barratt.

Southern Cross Business School 2012 Alumnus of the Year
– Dr Puvan Selvanathan.

School of Education 2012 Alumnus of the Year
– Gregory Prior.

School of Environment, Science and Engineering 2012
Alumnus of the Year
– Fiona Chandler.

School of Law and Justice 2012 Alumnus of the Year
– Edwina Lloyd.

School of Tourism and Hospitality Management 2012
Alumnus of the Year
– Matthew O'Hara.

International alumni receptions were held in Singapore, Hong Kong and Shanghai. These well attended events attracted outstanding and very influential alumni.

Sustainability, Partnership and Community Engagement

Sustainability, Partnership and Community Engagement (SPaCE) emphasises the critical role that partnerships and community engagement play in the sustainable development of the University, its communities and regions through relevant teaching and research.

Sustainability

Southern Cross University continued to participate in the Sustainability Advantage Program in 2012, in partnership with the NSW Office of Environment and Heritage. Staff took part in informative webinars such as 'Green Events' and 'LED Lighting' and in tertiary and Northern Rivers cluster meetings at which peer organisations shared case studies and strategies for sustainability.

The University Sustainability Policy Advisory Group continued to promote the integration of sustainability principles and practices. In 2012, the SCU Sustainability Fund was expanded into two streams: Sustainability Innovation Fund for competitive grants to staff and student projects; and Sustainability Action Fund for resourcing high priority sustainability projects. Successful grant funded projects included: the development of a restoration plan to enhance the ecological values of remnant vegetation on Lismore Campus; a mobile solar-powered audio/visual production system; the replacement of all external pathway lighting on Lismore Campus with LED lamps; and a power generating bicycle for the SCU Gym. The Sustainability Action Fund commissioned a comprehensive baseline vegetation survey for the Lismore campus and the purchase of Energy and Waste Management modules for the Facilities Management Archibus system.

The University continued in its role as a founding member of Sustain Northern Rivers featuring 26 peak regional organisations that communicate, consult and collaborate for action on climate change. The University also collaborated on regional projects including the scoping of research into future energy skills and bioenergy opportunities, participation in the Tweed Shire Council Renewable Energy Think Tank, the formation of a Regional Food Research Network and facilitation of the development of a Northern Rivers Sustainable Food Roadmap. SCU also provided significant secretariat support and leadership in the network governance for Sustain Northern Rivers.

SCU continued its active involvement in and promotion of the Northern Rivers Carpool program developed in partnership with regional Councils and agencies to staff and students.

The University facilitated the Northern Rivers Group of Environmental Educators throughout 2012. SCU hosted a range of webinar sessions providing professional development and collaborative opportunities for a network of more than 60 environmental education practitioners in the region. The University also contributed to the annual Students Using Sustainable Strategies that attracted students and staff from Northern Rivers high schools.

Waste

Southern Cross University is undertaking a number of initiatives aimed at reducing waste and increasing purchases of recycled content products. This is consistent with the NSW Government's Waste Reduction and Purchasing Policy.

The University has comeingled recycling at all campuses to recover paper, cardboard, plastic containers, aluminium and steel cans, glass bottles and jars. Toner cartridges, fluoro tubes and polystyrene are also recovered by Facilities Management and Services for recycling.

Partnerships

The SCU Partnership Network takes a regional approach to relationship facilitation centred on each campus location. SPaCE continued to be the focal point for key partnership activity with strategic relevance to the University and the sustainable development agenda of each region. These partnerships comprise all local councils, state and commonwealth departments, Regional Development Australia committees, peak community organisations and key regional networks.

A partnership health assessment framework was developed to inform and continually improve SCU's partnership processes and satisfaction, drawing on international best practice. Facilitators from SPaCE actively brokered multiple teaching and research focused collaborations throughout 2012. This included partnership facilitation around community-based learning experiences for students, regional research projects identified by partners and undertaken by academic staff and knowledge exchange activities where expertise and knowledge of SCU employees contributed to key sustainable development priorities across the regions within SCU's footprint.

Community Engagement

In 2012, the Community-based Learning at SCU project was undertaken to build a dialogue across the University around the role of service learning and other forms of community focused experiential education. A result of the project was the development of two capstone undergraduate units that utilised the model for community-based learning identified through the project. 'Community Partnerships for Social Change I and II' will be delivered in partnership between SPaCE, School of Arts and Social Sciences, and community partners as a capstone learning experience for undergraduate students in the Bachelor of Arts and Bachelor of Social Science in 2013.

The emphasis on developing the engagement capacity of SCU staff continued in 2012. The elective 'Community Engagement: Scholarship and Practice' unit was offered as part of the new Graduate Certificate in Academic Practice. A series of workshops was held around specific elements of community engaged research.

In 2012, SCU continued to take a leadership role within the sector in community engagement, through its role of national secretariat to Engagement Australia, the peak association for community engagement in higher education (formerly the Australian Universities Community Engagement Alliance). Ben Roche head of Sustainability, Partnerships and Community Engagement was elected to the Board of Directors of Engagement Australia and also initiated the Regional Universities Network Engagement Group as the inaugural Chair.

Excellence in Community Engagement Awards

The Excellence in Community Engagement Awards profile and promote community engagement as an integral aspect of SCU teaching, research and service. In 2012, recipients of the Awards included:

- **Community Engaged Learning:** Associate Professor Ev Innes, Dr Michelle Donnelly, Ms Beth Staunton, Ms Maggie Scorey, Ms Yvonne Pennisi, Dr Karina Pont; Dr Jacqui Yoxall, Ms Sue Riordan; Ms Sue Treacy School of Health and Human Sciences. For the development and implementation of an innovative, community-engaged occupational therapy course which is valued by students, community partners and the profession.
- **Community Engaged Research:** Associate Professor Stephen Smith, Mr Bob Edgar National Marine Science Centre. For facilitating coastal management in NSW by building the research capacity of underwater citizen scientists.
- **Leadership:** Professor Iain Graham, Professor Andrew Cashin, Dr Greg Fairbrother School of Health and Human Sciences, MS Annette Symes Executive Director of Nursing, Ms Rae Conway Area Director, Workforce CRN. For leading change in health service innovation and development in the North Coast region.
- **Community Impact:** Dr Kaye Walker, Professor Betty Weiler School of Tourism and Hospitality Management. For engagement with our Pacific community to enhance capacity in tourism management and best practice through the co-development of an international standard guide training program.
- **Partnership:** Dr Peter Bowen, Northern Rivers Community Foundation. For the dedication and leadership shown in the establishment and continued advocacy for the Rising Stars Scholarships as Program Chair and as an individual scholarship donor for almost 5 years.

Scholarships and Support

One hundred and twenty Rising Stars scholarships totalling more than \$500 000 were awarded to students at the Gold Coast, Lismore and Coffs Harbour campuses, and by distance education.

In 2012, seven new donors signed scholarship agreements to offer new scholarships in 2013:

- Australian British Chamber of Commerce – the Australian British Chamber of Commerce Tourism Internship Scholarship
- Fuji Xerox Business Centre Northern Rivers – the Fuji Xerox Business Centre Engineering Scholarship
- Gold Coast Holiday Rentals – the Gold Coast Holidays Tourism Internship Scholarship
- John Logan Entertainment – the John Logan Entertainment Tourism Internship Scholarship
- Lord's Taverner's Northern NSW Branch – the Lord's Taverner's Scholarship
- Mr Malcolm Marshall – the Malcolm Marshall Scholarship
- Sawtell Catholic Care for the Ageing – Sawtell Catholic Care Cadetship.

A new arrangement for long-term donors was also put in place in 2012. Lismore City Council, Summerland Credit Union and Thomas, Noble & Russell signed new scholarship agreements committing to the long-term provision of scholarships for SCU students.

2012 Rising Stars Scholarship Donors:

- ANZ Bank
- Australian British Chamber of Commerce
- Australian Rotary Health
- Ballina Shire Council
- Bellingen Chamber of Commerce
- Bellingen Community Arts Council
- Bellingen Global Carnival
- Bellingen Shire Council
- Byron at Byron Resort and Spa
- Camp Creative
- Coffs Harbour City Council
- Coffs Harbour Racing Club
- Combined Rotary Clubs of Lismore
- Dorriggo Arts Council
- East Coast Conferences
- Environmental Analysis Laboratory
- Far North Coast Law Society
- Friends of the Northern Rivers Community Gallery
- George Lewin Foundation
- Lismore City Council
- Mary Elizabeth Hamilton
- Mayne Investments
- Mr John Bailey and members of the steel industry
- Mr Malcolm Marshall
- Mr Rex McDermott
- National Australia Bank
- NJ Innis Foundation
- Our Kids
- Pisan Saran Charity Fund
- Dr Peter and Julianne Bowen
- Prof Peter and Mrs Janet Lee
- Richmond Valley Council
- Sawtell Catholic Care of the Aged
- SCU Alumni
- Somerset College
- Summerland Credit Union
- The New Camera House Lismore
- Telstra Country Wide
- Mr Terry Wilson
- The Lord's Taverners Australia Northern NSW Branch
- The New Camera House
- The Soukup Family
- Thomas, Noble and Russell Chartered Accountants
- Tweed Heads Bowls Club
- Tweed Shire Council
- Twin Towns Services Club
- Twin Towns Services Community Foundation
- UnitingCare Ageing
- The Fuji Xerox Business Centre Northern Rivers
- Zonta Club of Coffs Harbour.

Outreach

The SCU Head-Start program was offered for the first time in 2012, providing an opportunity for high-achieving high school students to undertake a unit of university study during Year 11 or 12. This new program, funded through the Higher Education Participation and Partnership Program, attracted strong interest from students in Coffs Harbour, Lismore and the Gold Coast regions. The students were supported by a dedicated SCU Head-Start co-ordinator, who is an experienced secondary school teacher. On successful completion of the program the students gain direct entry and advanced standing into a variety of courses offered at Southern Cross University.

Other outreach activities during 2012 included a vibrant program of engagement with secondary schools from the Coffs Harbour region to the Gold Coast. University staff visited secondary schools and students attended each of the campuses for tours, HSC Study Day and Senior Schools Day. A series of briefings was also provided to school stakeholders including principals, career advisors and guidance officers.

A key event during the year was the Northern Rivers Science and Engineering Challenge, which coincided with the launch of the new engineering degree. Held at the campus since 2007, the 2012 event attracted around 450 students from 16 high schools. The aim of the event is to increase students' interest in science, technology and engineering through a series of fun activities. The special guest at the launch was Greg Mashiah, who is both Chairman of the Engineers Australia (EA) National 'Regional Special Interest Group' and Chairman of EA Northern Rivers Regional Group.

The University continued to support the Reduce Risk Increase Student Knowledge (RRISK) program run by North Coast Area Health in partnership with NSW Health and local councils. The RRISK program, aimed at raising awareness of risk-taking behaviour, was held in November at the Lismore and Coffs Harbour campuses, and at Tweed Heads and Port Macquarie. More than 90 per cent of all high schools from Tweed Heads to Port Macquarie participated in the program.

Information days were held at the Lismore, Coffs Harbour and Gold Coast campuses in December to assist prospective students in their decision making about study at SCU. More than 800 people attended or participated in virtual information sessions. Personalised campus tours, hosted by Student Ambassadors, continued to be offered throughout the year.

During 2012, the University participated in a number of community events. It continued to support the Southern Cross University 10km Run, part of the Gold Coast Airport Marathon, held in July at Southport. It was also again the education partner for the Kokoda Challenge Youth Program. The University also provided support for the Byron Bay Writers' Festival, with academic staff from the School of Arts and Social Sciences participating in panel discussions and media students blogging on-site.

Our Students

Student Services was the major SCU stakeholder responsible for setting up the inaugural Student Representation Committee to comply with federal government's new National Student Representation Protocols. The new Student Services and Amenities Fee (SSAF) was charged for the first time and was accompanied by a survey of students which identified their spending priorities. New programs were rolled out to enhance the provision of services to support and enhance student life.

Student Management

The Student Management portfolio continued to capitalise on the synergies created by the merging of the admission and enrolment functions of the University. The online application system (eApplications) was rolled out to the majority of remaining student cohorts. A significant number of upgrades to the student record management system occurred to aid the charging of SSAF for the first time. The computing lab facilities and tutorial and meeting rooms of Indigenous students and staff were upgraded to state-of-the art to provide a culturally safe and friendly environment.

Student Health Services

Demand for student health services increased by 44 per cent in medical and disability appointments, and 12 per cent in counselling consultations during 2012.

Under SCU's Disability Action Plan, ongoing Disability Awareness training was delivered to all staff culminating in the inaugural 'Come as U are' event at the Lismore campus. The event enabled staff and students to network with other organisations in the community providing disability services. Programs on all campuses continued to focus on proactively managing student health issues, including:

- *The development of a 'resilience' curriculum for first year students at the Coffs Harbour campus.

- *University-wide initiatives, including Skype counselling.

- *An out-of-hours crisis line, mental health disability caseworkers and tip sheets for students to help them adjust into university and better manage stress.

A participation agreement was signed with Mental Health WA to partner in their Act-Belong-Commit (ABC) program, an intervention bringing together community resources and individuals with low-level mental health problems. Since its successful development, ABC has been rolled out in several settings throughout Australia and several other countries. SCU is the first University to trial and evaluate the program in a primary care setting.

UniLife

Under the banner of Live, Work, Play, UniLife offered professional services and new programs to enrich the student experience in 2012.

Live: The accommodation service was re-vitalised with

the launch of UniStays, an online service providing comprehensive information on accommodation options, tenancy information (NSW and QLD) and transport. The Annual UniLife Awards were held in October recognising the cultural, sporting and leadership achievements of SCU students.

Work: Careers and Employment expanded their services to include on campus and online employability skills workshops within curriculum. The team launched the online career development program and facilitated events within the 'UniBound' equity outreach program. The service continued to provide in person, phone and email career counselling and increased its presence at the Gold Coast and Coffs Harbour campuses.

Play: SCU hosted the Australian University Twenty20 Cricket Championships and the Northern University Games where SCU finished 11th out of the 42 in the overall tally, winning gold medals in surfing, water polo, golf, baseball and lawn bowls. A record 137 participants ran in the SCU sponsored Gold Coast Marathon with Team SCU taking out the 'Best Team Spirit Award'. SCU students participated in the final of the National Campus Band Competition in Adelaide and the state final of the National Campus DJ Comp in Sydney. Students and staff also contributed to the success of SCU Race Day, Lismore Lantern Parade and Relay for Life.

Planning and Operations

Under this portfolio, SCU administered more than 36 000 student examinations at 129 examination centres throughout Australia and abroad. The team processed over 70 000 final unit grades and introduced a shared online management console between academic units and Student Services to streamline the completion and conferral of about 4 000 awards. To reduce the University's carbon footprint, the commercially produced student handbook was replaced with a downloadable PDF document. In line with student feedback, the hard copy student diary was replaced with a single page wall planner. Our client services portfolio provided dedicated support to the new SCU College in the form of a service delivery model.

Client Services

Answering over 50 000 calls per year, the Client Services Team again outperformed the sector in external customer service benchmarking activities. Client services introduced outbound calling into its everyday operations to continue its focus on proactive student assistance.

The Gold Coast Shared Services Hub built on its one-stop, service-shop promise for staff and students by expanding their operations to include administrative support for the Southern Cross Business School postgraduate students. The team also introduced a student transition and communication plan to consolidate service delivery from the Gold Coast campus.

Our People

The University employed a total of 910 full-time equivalent staff, not including sessional or casual full-time equivalent in 2012. Of these, 347 were academic and 563 were professional staff. A breakdown of staff employment is included at Appendix A.

Three key projects were undertaken by HR Services in 2012 including:

- Leading the first working group to be established following the review of administrative services by Alison Crook.
- Coordination of two working groups established under the SCU Enterprise Agreement – University Workloads Working Group and the Casual Academic Employment Working Group.
- Participation in two of the Vice Chancellor's Priorities working parties: Priority 7 - simplify and standardise our processes to reduce workload and indirect costs, redirecting funds to support teaching and research and improving the student experience; and Priority 9 - evaluate the quality of the PMDR process and experience for individuals and work units.

A total of 148 positions were advertised, including 47 academic and 101 professional staff positions. Senior positions advertised and filled included Executive Director, Financial and Human Resources, Director, International Office, Foundation Professor of Civil Engineering and head of School, Tourism and Hospitality Management.

Workplace Health and Safety

The Work Health and Safety Act 2011 (NSW) commenced on 1 January 2012. Information sessions were held across all campuses to brief staff on changes to the legislation, individual responsibilities, and the University's health and safety resources and systems. University policies were also updated to reflect the new requirements.

In accordance with the new Act, Health and Safety Representatives (HSRs) were appointed. HSRs are the primary mode by which employees are heard on health and safety matters, and are elected by the employees they represent for three years.

Essential health and safety training initiatives were undertaken, including transport of hazardous substances by air, senior first aid, emergency warden, ergonomics and manual handling, and mental health first aid.

There were 19 workers compensation claims, excluding 'journey' and 'recess' claims. The proactive approach to the rehabilitation of injured employees resulted in a 33 per cent decrease in the actual cost of claims compared with 2011.

Professional Learning

Professional learning programs were diverse during 2012, with an emphasis on improved leadership and management capability. This resulted in the introduction of such programs

as managing remotely, and skills for managing difficult discussions.

In building SCU's connections with its community, Lismore City Council participated in a number of programs. Their involvement will be expanded in 2013.

Blended e-learning was used to deliver programs in two parts. The first was as an online component delivered through Blackboard, SCU's learning management system, followed closely by a face-to-face half-day session.

A trial cultural competency program was successfully conducted, and included two online components:

- Indigenous cultural competency; and
- cultural diversity and inclusive toolkit.

The program was complemented by assessments and a face to face session, 'Courageous Conversations About Race'.

In addition to the professional learning calendar, SCU continued to promote professional learning through the study assistance policy and special studies leave program. In 2012, 12 academic employees were granted special studies leave and 31 professional employees were granted study assistance.

Equity and Diversity

During 2012, the University continued to implement key strategies from its Equity and Diversity Plan, 2011-2015. The plan played a significant role in leading the University's agenda in addressing issues of equal opportunity and diversity.

Key Achievements in 2012 included:

- Development and implementation of SCU's Indigenous employment strategy, 2012-2015.
- Improvement of processes for capturing and reporting equal opportunity employment data through the University's human resource information system.
- Initial development and implementation of a "Courageous Conversations about Race" 'community of practice' framework, and supporting materials for diversity conversations and workshops.
- Celebrations, workshops and events were held that promoted and affirmed diversity across the University.
- Expansion and enhancement the University's development program for women with events across the year on all campuses including: promotion workshop; research workshop; mentoring program; and lunchtime networking forums.

See Appendix B for trends in the representation of equal employment opportunity target groups.

Multicultural Policies and Services Program Report – 2012

The University is committed to fostering equity for all its staff and student community and to reflecting the multicultural diversity of Australia.

1. PLANNING AND EVALUATION

Outcome 1: Planning

Multicultural policy goals are integrated into the overall corporate and business planning.

The University's Strategic Plan 2011-2015 reflects the University's commitment to equity and diversity within its mission, values, goals and strategies. The University values scholarship, innovation, social justice, ethical behaviour, sustainable practice and engagement. Its graduate attributes include intellectual vigour, creativity, ethical practice, knowledge of a discipline, lifelong learning, communication and social skills and cultural competence, or an ability to engage with diverse cultural and Indigenous perspectives in global and local settings.

In alignment with the Strategic Plan, the Equity & Diversity Plan 2011- 2015 includes goals and objectives specifically targeted at providing an environment for staff and students that embraces and supports knowledge of, and respect for, equity and cultural diversity. Strategies within the plan include the promotion and affirmation of diversity through

celebrations, workshops, promotional materials and events. Globally relevant and inclusive teaching plans that value diverse ways of knowing and learning were also implemented.

The staffing profile of people from culturally diverse backgrounds was analysed and is reported in the University's annual report (see Appendix B).

Outcome 2: Consultation and Feedback

Policy development and service delivery is informed by expertise and client feedback.

The Equity and Diversity Committee is responsible for ensuring comprehensive integration of diversity and equity matters across the University. The committee is chaired by the Pro Vice Chancellor (Academic) and membership includes the head of College of Indigenous Australian Peoples, the head of the Gold Coast and Coffs Harbour campuses, the directors of the International Office, Human Resources and Student Services, senior manager Student Health Services and the head of the Equity and Diversity Office. The committee convenes four times each year and provides a consultative mechanism for the University community regarding equity and diversity matters. At the request of the committee, University staff with specific expertise in equity and diversity matters may attend in an advisory capacity, to provide information and/or assistance. The Committee also has the authority to appoint specialist working parties for consultation in relation to equity and diversity issues.

2. CAPACITY BUILDING AND RESOURCING:

Outcome 3: Leadership

The implementation of the principles of multiculturalism is actively promoted and accountable.

- The University provides intranet based anti-discrimination training modules for all staff, plus an additional module for supervisors and managers.
- The University celebrates and recognises cultural diversity and harmony by holding cultural celebrations and cultural events during the year with staff, students and the community.
- The University's equity and diversity website contains a cultural diversity annual calendar with links to local, national and international cultural activities.
- The University's HR Services conducts "No Bullying at SCU" workshops for staff.

Outcome 4: Human Resources

Capacity is enhanced by the employment and training of people with linguistic and cultural expertise.

- The University continues to ensure employment related policies and practices promote and support work and life balance, equal employment opportunity and cultural diversity, safety and security principles.

- The recruitment and appointment policy requires that all staff participating on staff selection panels must have completed training in staff selection and interviewing. This training includes anti-discrimination and cultural diversity segments, with an emphasis on the principles of merit selection and highlighting the value of a culturally diverse workplace.
- Position descriptions for staff include the selection criteria: 'A demonstrated commitment to cultural diversity and equity within the workplace' (non-supervisory levels) and; 'A demonstrated commitment to cultural diversity and a working knowledge of equity and OH&S principles in the workplace' (supervisory or senior levels).
- Induction materials contain comprehensive staff equity information including equal employment opportunity, non-discriminatory language guidelines, and staff responsibilities for international students.
- Staff selection panels may include a representative from human resources, or equity and diversity, a resource that provides additional support to ensure that staff selection is merit-based.
- All advertised vacancies express the University's commitment to equal opportunity, occupational health and safety and cultural diversity.
- The University has staff and student equity, and diversity contacts to assist with these matters.
- The University provides intranet-based anti-discrimination training modules for all staff, plus an additional module for managers. Equal opportunity online anti-discrimination training modules are provided under staff selection and interview training, and as a pre-requisite for the role of equity and diversity contact. Completion of EO Online is a compulsory part of the induction program for all new staff.

3. PROGRAMS AND SERVICES DELIVERY

Outcome 5: Access and Equity

Programs and services are developed to address barriers to accessibility for people from culturally, linguistically and religiously diverse backgrounds.

The University has a strategic commitment which is reflected in its graduate attribute, to provide courses that equip students with an ability to engage with diverse cultural and Indigenous perspectives in both global and local settings.

- Under the University's learning, teaching and curriculum policy, all courses are designed to meet the learning needs of a diverse student body, including international students, mature age students, school-leavers and a wide variety of ethnic, regional and remote students. Consideration is also given to the diverse range of backgrounds and learning needs of students in the delivery of courses.
- All the University's course reviews are required to indicate

how cultural diversity is recognised and addressed within the course and units. Especially how the course exposes students to different cultural perspectives, and how cultural diversity is assessed and worked into graduate attributes.

- Students in the School of Education participate in the 'Beyond the Line' program. Students are immersed in regional and rural contexts that include a diverse cultural population of students. The school routinely address multicultural policies and services as an important component of all courses. Students are taught the meaning of national multiculturalism policy, and its implications for their teaching practice and careers.
- The Business School continues to offer a foundation unit in its courses to assist students from non-English Speaking backgrounds transition to the business and language skills associated with its programs.
- The School of Environment, Science and Engineering has a unit of study designed to help work in multicultural Australia. The school includes as a graduate attribute: 'Cultural awareness – an awareness and respect for cultural diversity and relationship between people and their environment, both regionally and globally'. The attribute is assessed throughout the degree.
- The School of Law and Justice integrates Indigenous and multicultural content in all courses in line with the University's 'cultural awareness' graduate attribute.
- Teaching and Learning produces resources to support the University's professional learning framework for teaching and learning. A key feature is web-based resources on key teaching and learning topics such as inclusive curriculum.
- SCU College is exploring promoting its programs to recently arrived refugees and newly settled migrants.
- A student peer mentor program is available to students in all on-campus and distance education courses across the University. Non-English speaking background students are specifically targeted.
- Students are given the opportunity to study elective units overseas which provide experience living and studying in culturally diverse countries.
- A wide range of welfare-related support services are available for students including counselling, medical, childcare, chaplaincy, disability services, students loans and careers advice.
- The Equity and Diversity Office holds cultural diversity events such as Harmony Day, and the Fusion Festival, and its committee actively seeks input and involvement from staff and students from culturally diverse backgrounds.
- The UniLife Office helps students to become fully engaged with university life by organising cultural events, social sports and clubs and societies.

- A list of languages spoken by staff is maintained, updated annually, and is accessible to all staff via the University intranet. The resource supports students through the Student Support Centre and Schools.
- The International Office offers language courses to staff.
- The English Language Centre runs cross-cultural integration sessions throughout the year with the University community. Student volunteers and students from non-English speaking backgrounds are included.
- The Chaplaincy is ecumenical and multi-faith in nature and maintains strong links with the major denominational churches and other major faiths in the area. The membership comprises local clergy and non-clergy persons from the region's major churches, religious and spiritual organisations as well as members of the University community. The Chaplaincy is overseen by a multi-faith advisory committee. The pastoral care co-ordinator's role is to develop and aid campus-wide initiatives in a multicultural and multi-religious environment that fosters tolerance and respect for individual differences. Muslim prayer rooms are located at the Lismore, Tweed and Gold Coast campuses. The Coffs Harbour campus has the Sacred Garden, which is an outdoor sacred space designed as a place for dialogue, reflection and remembrance, as well as a Reflection Room available for prayer.
- The Library holds a number of exhibitions open to students, staff and the community celebrating the University's multicultural community. It has also has a designated staff member responsible for monitoring English as a Second Language (ESL) resources and has a web-based guide to its resources and services with embedded translation links. In 2012, the Library acquired resources for its collections to support ESL students, especially multi-language disciplinary dictionaries and encyclopaedias. The policy is for e-books to contain embedded translation links and dictionary tools. A Chinese language guide to library services and resources is available, and a Chinese-speaking liaison librarian is available for assistance.

Outcome 6: Communication

A range of communication strategies are used to inform people from culturally, linguistically and religiously diverse backgrounds about programs, services and activities.

- The University displays posters for international, national and local multicultural events and promotes events that support intercultural understanding. Relevant culturally diverse event information is also placed on the University website.
- The University promotes staff and student awareness of equal opportunity and cultural diversity through cultural celebrations, workshops, promotional materials and events.

- The University has in place volunteer equity and diversity contacts across the three campuses. They have a genuine commitment to the principles of equity and social justice. Their role is in an advisory capacity assisting in clarification of the situation, identifying the nature of the enquiry and providing information on the scope of the University policies/procedures and possible options for resolution.
- Media coverage and University publications reflect and celebrate cultural diversity and inclusion at the University.
- Cultural diversity resources and electronic links are available via the equity and diversity website.
- All externally advertised staff vacancies express the University's commitment to equity and cultural diversity. Position descriptions in the Office of Community Engagement are being revised to include working with diverse communities.

Outcome 7: Social and Economic Development

Programs and activities are in place to develop and use the skills of a culturally diverse population for the social and economic benefit of the State.

- The University promotes staff and student awareness of equal opportunity and cultural diversity through cultural celebrations, workshops, promotional materials and events.
- The University's Centre for Peace and Social Justice (CPSJ) is an interdisciplinary community of scholars, focusing on difference. Researchers in the Centre are committed to strengthening core values of diversity including tolerance, mutual respect and mutual recognition. The Centre publishes a newsletter and presents research seminars which are publicised and available to staff, students and the community. Throughout the year the CPSJ holds regular lunchtime seminars open to staff, students and the public. These seminars focus on social justice and harmony, including issues and ideas that spring from the multicultural Australian and SCU context. In 2012, the Centre presented a "Peace Forum: Building Bridges for Peace" with speaker Mr Alex Wang Guo yu. The forum was aimed at building bridges across our multicultural communities, promoting inter-cultural understanding, enhancing inter-communal relation and advancing peace and harmony.
- The University's equity and diversity website contains a cultural diversity calendar with links to local, national and international cultural activities.

Highlights in 2012

The University's annual Fusion Festival celebrated the diverse and multicultural community, and was held over three days on the Lismore, Coffs Harbour and Gold Coast and Tweed Heads campuses in August 2012.

The theme of the festival was 'UNiTy in diVERSITY : the coming together of cultures and communities'. The festival was aimed at promoting intercultural understanding and communal harmony through various cultural, educational, social and sporting events. A highlight of events at all three campuses was a photographic competition open to all staff and students with the theme 'Smile'.

Harmony Day was celebrated across the three campuses under the theme, 'Everyone Belongs: Play, Engage, Inspire'. The campuses came alive with sporting activities and games with staff, students and members of the community being treated to a range of multicultural food. Highlights included a staff versus student soccer match at the Lismore campus, a colourful bocci game at the Gold Coast Tweed Heads campus and artistic face-painting by a multi-award winning face and body artist at the Coffs Harbour campus.

Plan for 2013

- Continue to implement the University's Equity and Diversity Plan 2011-2015, which features objectives and strategies focused on strongly supporting and promoting an inclusive culture for staff and students that embraces and supports a knowledge of, and respect for, equity and cultural diversity.
- Implement workshops and activities under the 'Courageous Conversations about Race' (CCAR) program, which addresses a model of cultural competence training for Australian higher education. SCU is part of a consortium of universities, led by the University of Western Australia, participating in CCAR within a 'community of practice' framework. The program will be implemented during 2013.
- Present a Diversity Lecture in 2013 open to staff, students and the community.
- Host further forums during the year that promote and affirm diversity and community harmony.
- Develop a Chinese language referencing guide to complement the existing language guide to library services and resources and Chinese-speaking liaison librarian. The language guide will also be embedded in appropriate units of study to provide translation and other assistance to 'English as a second language' learners. Librarians will also be available to provide face-to-face tutorials in information literacy skills.
- Continue to offer curricula which is inclusive and considerate of cultural diversity.
- Continue student peer mentoring to support students in the transition to university life across all of the University's academic schools.
- Continue with celebrations and recognition of cultural diversity by holding cultural celebrations during the year with staff, students and the community.
- Continue to provide events on the Lismore, Coffs Harbour, Gold Coast and Tweed Heads campuses bringing together students, staff and community members to affirm diversity and celebrate communal harmony.
- Continue to improve the University's Indigenous and equity profiles.
- Continue to promote a positive culture that is free from discrimination and harassment and recognises and values cultural diversity.
- Continue to offer equal opportunity online training all to staff across the University, and as a compulsory component of induction for new staff.
- Continue to promote a University culture that is supportive of diversity in order to attract and retain staff from culturally and linguistically diverse backgrounds.
- Continue to analyse and report on the staffing profile of people from culturally diverse backgrounds.
- Continue to build on successes in diversity initiatives and achievements and promote these within the University and in the local community.
- Continue to monitor and review all University plans and policies to identify opportunities to embed relevant cultural diversity strategies and targets to progress the University's commitment in these values. Evaluate progress made towards creating an environment that supports diversity.
- Continue with proposed Chaplaincy initiatives in 2013 to increase the support and dialogue of people with religiously diverse backgrounds.

Management Activities

The University continued a number of major projects in 2012, in particular the completion of the second building at the Gold Coast campus and technology projects supporting student learning.

Delays due to weather pushed the expected completion date for this building from November 2012 to March 2013, with occupancy in time for the start of session in February 2013.

The \$50 million 10-storey building at the Gold Coast campus features clinical laboratories for nursing and midwifery, laboratories for occupational therapy students and physiology, anatomy and biomechanics laboratories for podorthotics, podiatry and speech pathology. With a gross floor area of 15,417m² the building also houses teaching and learning spaces and offices for tourism, business and education, as well as computer rooms, meeting rooms and a student lounge.

Due to the extended and complex approvals process for construction on airport land, it is anticipated construction of the next stage, Buildings C and D, will be completed in 2015.

Significant building and refurbishment works (\$7 million) were completed at the Coffs Harbour campus during 2012, including extensions to the National Marine Science Centre, Block M and the refurbishment of Blocks A and H. This work enhanced the teaching and research facilities at these locations.

A number of projects began during 2012 following the University's successful bid for \$32 million through the federal government's Structural Adjustment Fund (SAF), announced in December 2011.

These funds will be used to:

- Improve student retention and the quality of teaching and learning.
- Provide responsive integrated student support systems through a personal learning environment.
- Enhance SCU's footprint and provide the Northern Rivers Region with innovative higher education via the establishment of a new campus on the Gold Coast, and articulation pathways into University degree programs via the SCU College.

Significant work on an integrated unit and course management system was undertaken. This new system, with a 'go live' date of November 2013, is designed to provide a single source of course and unit information, and improve the preparation of course and unit approval documentation. There were no significant changes in cost or estimated timelines for this project during 2012.

Implementation of the integrated learning management system continued with the roll-out of the system's new template for the business and law schools for session 3, 2012. Two new Blackboard modules, content management,

and community engagement, were also implemented. This project is due for completion in December 2013.

SAF funding was also provided for a project to upgrade learning spaces, including audiovisual and video conferencing. Since the original submission was made, SCU, like many universities, observed rapid change in the delivery and consumption of teaching and learning. The use of technology to stream lectures and/or record for later playback is now proving extremely popular with students, as are technologies that support on-line collaborative activities such as those used in web-based tutorials.

To ensure this project delivers learning and teaching spaces that better fit the emerging needs and use of staff and students, stakeholder and expert workshops were being planned for 2013.

These workshops will inform, but are also expected to help revise the number, design, furniture and level of technology fit-out in SCU's teaching spaces.

Details of project costs are included at Appendix C.

Financial and Resource Management

Southern Cross University and its controlled entities (the economic entity) is comprised of the following:

- Southern Cross University
- Norsearch Limited
- SCU College Pty Ltd
- Asia Pacific Football Institute Operations Pty Ltd.

Norsearch Limited's objective was to provide assistance and amenities to students and staff of the University. Its principal activities included a licenced bar and catering service; gymnasium and pool; on-campus catering service; conferencing and consultancy.

SCU College Pty Ltd's principal activity was to facilitate higher education opportunities to people from all backgrounds.

Asia Pacific Football Institute Operations Pty Ltd's principal activities were to provide training and development facilities to enhance skills and provide educational pathways and develop opportunities in Australian youth football.

The Financial Statements include the audited financial statements for the economic entity.

Review of Operations

Southern Cross University and its controlled entities reported a consolidated net operating profit of \$3.461 million for the year ending 31 December 2012 (2011 \$7.567million profit), the University reported a net operating surplus of \$4.026 million (2011 \$9.64 million).

The 2012 financial performance included \$11.793m (2011 \$12.827m) in non-recurrent grants. The adjusted consolidated result is a loss of \$7.767m (2011 adjusted consolidated result loss \$5.26m) which reflects expenses on prior year grant revenue, and increases in salaries and non-salary expenses due to the strategic expansion of the Gold Coast campus. (Graph 2)

Total consolidated revenue from continuing operations was \$194.9m reflecting an increase of 5.3 per cent on 2011. The majority of the increase in revenue and flow-on to operating surplus arose from Commonwealth Grants. Commonwealth Grants included the Diversity and Structural Adjustment Fund, Education Investment Fund and the Commonwealth Grant scheme. (Graph 1)

Investment Performance

The University's investment funds of \$9.5m as at 31 December 2012 were made up of cash investments (maturing less than three months).

The average rate of return is shown below in comparison to the TCorp Cash Hourglass Facility.

Cash Investments	5.73%
TCorp Hourglass Facility – Cash	2.02%

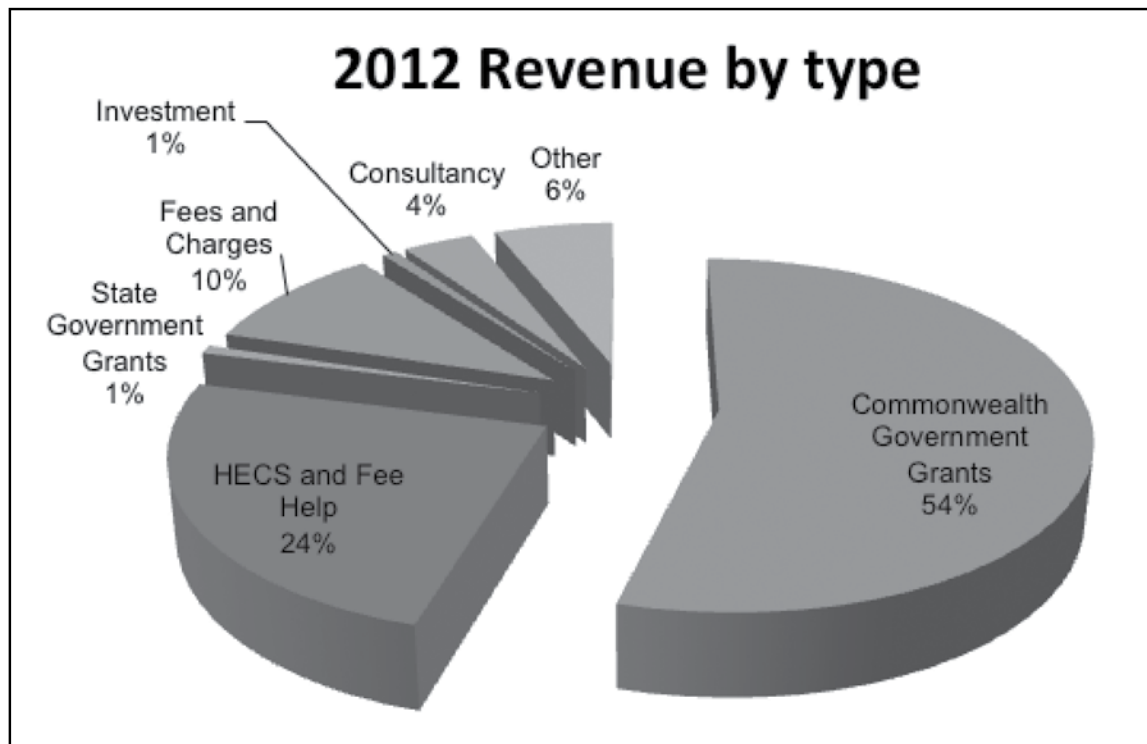
As investments are held as interest bearing deposits and on-call bank deposits the only impact of economic events has been on the future earning potential due to lower interest rates, with no impact on the invested values.

Credit card certification

During the 2012 financial year, credit card use was in accordance with both the University's Corporate Credit Card policy and Purchasing policy. These policies are themselves based on the requirements of the New South Wales Treasury.

Credit Card use within the University is largely limited to claimable work related travel expenses and accommodation (excluding airfares), and for minor consumable expenses where the use of credit cards is a more efficient process.

Card holders are required to sign a declaration that their obligations and duties in relation to the use of credit cards have been explained to them before a credit card is issued. Those issued with a credit card can review their expenses on a daily basis via the University's expense management system. On a monthly basis, card holders are required to verify and certify that expenses were for official University business. At this time original tax invoices must be attached to the acquittal document and forwarded to University administration, where they are matched with the online acquittals which have been examined and authorised by delegated senior officers. The University follows a strict process of reporting of credit cards where they are used outside of policy or not acquitted in a timely manner.

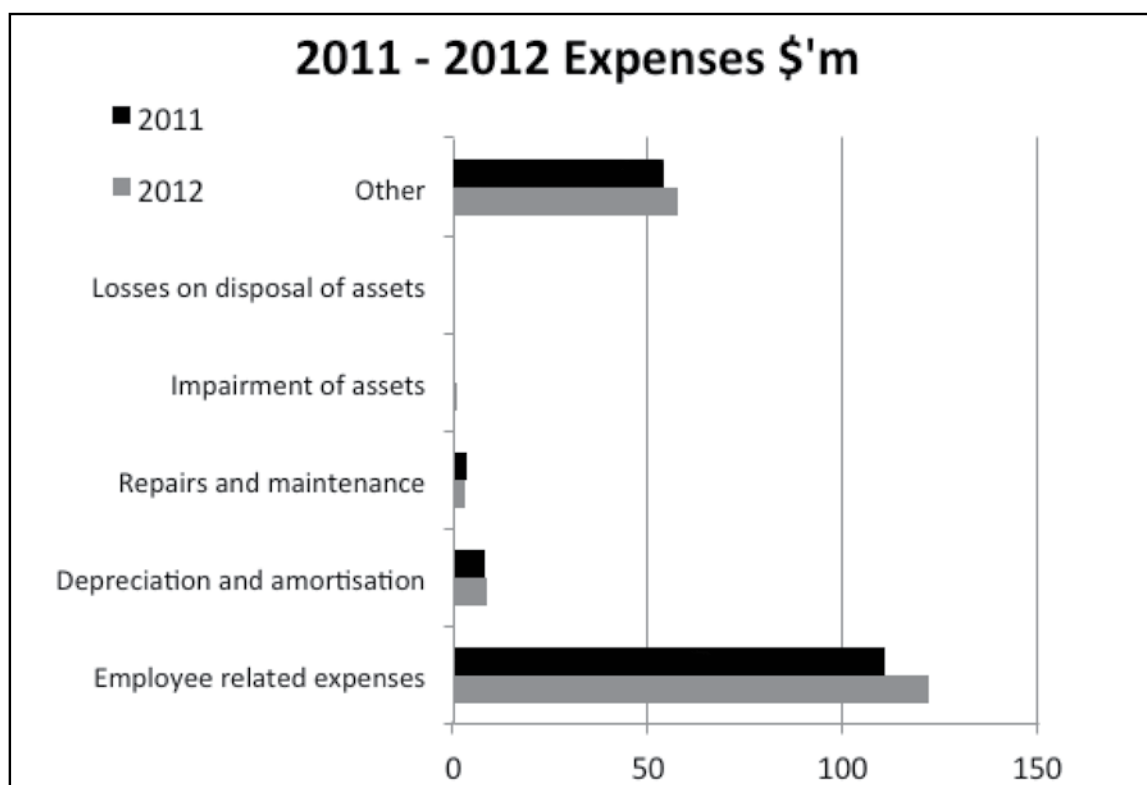


Graph 1: 2012 Revenue by Type

Consolidated expenses from continuing operations increased by 8.67 per cent on 2011.

Graph 2 provides an analysis of expenditure by type. Salary costs increased by 10 per cent due to higher staffing numbers, increments and increases in enterprise bargaining.

Other expenses increased by 6.6 per cent. These include the increase in new non-capitalised equipment of \$0.655m for the Gold Coast campus and an increase in depreciation of \$1.08m. Significant decreases were made in printing and staff related expenses.



Graph 2: 2011-2012 Expenses

Payment of Accounts

The University's payment terms in respect of its creditors are 30 days. In 2012, 74 per cent of invoices were paid in accordance with these terms. No interest was incurred during 2012.

Land Disposal

The University disposed of its land holdings at Port Macquarie during 2012.

Travel

Southern Cross University spent \$5.47 m on travel and related staff development and training in 2012. The travel was for a wide range of purposes including the promotion and marketing of the University and specific programs, visits to overseas collaborators and the development of new partner relationships, the attendance and presentation of research papers at international and domestic conferences, and research and teaching at affiliated universities.

Consultants

The University engaged a range of consultants to provide recommendations or high level specialist or professional advice to assist in decision making by management. Table 1 lists the consultants used by the University and the fees paid for their services during the year ended 31 December 2012. Table 2 lists those consultancies costing greater than \$50 000.

Consultant	No	\$'s
MANAGEMENT SERVICES	6	171 453
PLANNING & ENVIRONMENTAL	1	13 500
Total consultancies costing less than \$50 000		184 953

Table 1: Consultancies costing less than \$50 000

Name	Title	\$'s
KPMG	REVIEW OF ADMINISTRATIVE SERVICES	157 125
PORTLAND GROUP	REVIEW OF PROCUREMENT PROCESSES	64 499
ARTHUR SCHRIEBERG	CONSULTANT ACTIVITIES FOR SOUTHERN CROSS BUSINESS SCHOOL	70 000
THE PARTHENON GROUP	INTERNATIONAL PARTNERSHIPS	180 000
Total consultancies costing more than \$50 000		471 624

Table 2: Consultancies costing more than \$50 000

Southern Cross University
Statement of Comprehensive Income

	Actual 2012 \$'000	Budget 2012 \$'000	Budget 2013 \$'000
Income from continuing operations			
Australian Government financial assistance			
Australian Government grants	106 594	86 097	86 572
HELP - Australian Government payment	44 962	45 200	44 163
State and local Government financial assistance	1 554	-	-
HECS-HELP - Student payment	3 077	3 586	4 790
Fees and charges	19 174	22 803	27 985
Investment revenue	1 439	2 000	477
Royalties, trademarks and licences	14	-	-
Consultancy and contracts	7 158	5 072	3 272
Other revenue	10 935	8 428	15 804
Total revenue from continuing operations	194 907	173 187	183 062
Gain on disposal of assets	623	-	-
Share of profit on investments accounted for using the equity method	382	-	-
Total revenue and income from continuing operations	195 912	173 187	183 062
Expenses from continuing operations			
Employee related expenses	122 101	116 805	127 065
Depreciation and amortisation	8 674	6 205	6 310
Repairs and maintenance	2 961	8 388	3 272
Impairment of assets	1 105	-	-
Deferred Super expense	14	-	-
Other expenses	57 596	41 789	46 552
Total expenses from continuing operations	192 451	173 187	183 199
Operating result from continuing operations	3 461	-	(138)
Total comprehensive income attributable to members of Southern Cross University	3 461	-	(138)

Southern Cross University
Statement of Comprehensive Income

Assets

Current assets

	Actual 2012 \$'000	Budget 2012 \$'000	Budget 2013 \$'000
Cash and cash equivalents	12 176	30 846	19 250
Trade and other receivables	7 788	7 830	6,042
Inventories	35	8	8
Other assets	3 238	2 591	2 720
Total current assets	23 237	41 275	28 020

Non-current assets

Trade and other receivables	66 388	56 827	56 827
Investments accounted for using the equity method	-1 237	275	275
Property, plant and equipment	226 490	242 714	259 700
Investment property	1 000	1 210	1 210
Intangible assets	1 539	353	1 916
Total non-current assets	294 180	301 378	319 928
Total assets	317 417	342 653	347 948

Liabilities

Current liabilities

Trade and other payables	11 795	9 760	9 591
Provisions	22 328	19 900	20 660
Other liabilities	5 912	27 311	7 731
Total current liabilities	40 035	56 971	37 982

Non-current liabilities

Trade and other payables	0	59 402	42 560
Provisions	69 391		59 552
Total non-current liabilities	69 391	59 402	102 112
Total liabilities	109 426	116 373	140 094
Net assets	207 991	226 280	207 854
Equity	207 991	226 280	207 854
Total equity	207 991	226 280	207 854

Privacy Management Plan

Section 10(3) of the Annual Reports (Statutory Bodies) Regulation 2010 (NSW) requires the University to report on the actions it has taken to comply with the Privacy and Personal Information Protection Act 1998 (NSW) (PPIP Act) and to provide statistical details of any review conducted by or on its behalf.

SCU commissioned a review of its Privacy Management Plan in June 2010. This identified a number of areas of potential further improvement in terms of ensuring compliance with the privacy principles.

Following recommendations arising from that review process, SCU implemented a new Privacy Management Plan dated 29 June 2010. Its purpose is to show to members of the public how SCU upholds and respects the privacy of its students, staff and others for whom personal information is held. The Privacy Management Plan also acts as a reference tool for SCU staff, to explain how SCU may best meet its privacy obligations under the PPIP Act and the Health Records and Information Privacy Act 2002 (NSW).

The Privacy Management Plan is available online at scu.edu.au/privacy.

Reviews Conducted Under Part 5 of the PPIP Act.

In 2012 the University conducted two internal reviews under Part 5 of the PPIP Act. Statistical information relating to those internal reviews is provided at Appendix D.

Right to Information

Under the Government Information (Public Access) Act 2009 (NSW) (GIPA Act), the University is required to include in its annual report information on the processing of access applications received by the University pursuant to the GIPA Act.

In 2012 the University received five access applications for information under the GIPA Act. Two applications were refused in part because the applications were for disclosure of information for which there was a conclusive presumption of overriding public interest against disclosure.

In 2012 the University conducted an annual review of its program for the release of government information under section 7(3) of the GIPA Act. No further information was made publicly available as a result of this review.

Procedures are in place to enable anyone wishing to obtain information to do so and the emphasis is on the facilitation of access to documentation wherever possible. As much information as possible regarding the University's affairs is publicly available or accessible through administrative mechanisms.

Statistical information about access applications is available at Appendix E.

Public Interest Disclosures

As a statutory body in New South Wales, Southern Cross University is subject to the provisions of the Public Interest Disclosures Act 1994 (NSW) (PID Act). The PID Act operates to ensure that public officials (such as staff and officers of the University) are able to make disclosures about corrupt conduct, maladministration, serious and substantial waste of public money or government contravention by other public officials free from fear of retribution and with an expectation that such disclosures will be properly investigated.

In the past year the number of public officials who made a public interest disclosure (PID) to Southern Cross University was zero (0). There were no PIDs received by Southern Cross University in any of the following categories (i) corrupt conduct; (ii) maladministration; (iii) serious and substantial waste of public money; and (iv) government information contraventions.

There were no existing PIDs finalised during the year.

Southern Cross University has in place a Public Interest Disclosures Policy (PID Policy) governing an internal system for the making of disclosures about corrupt conduct, maladministration, serious and substantial waste of public information contravention by staff members.

Staff have been advised of the operation of the PID Policy. Information and training sessions are to be held in respect of the contents of the PID Policy, and the protections under the PID Act for a person who makes a public interest disclosure.

Risk Management

Oversight of the University's risk management policy and procedures is provided by the University Council's Audit and Risk Management Committee, ensuring the effective governance of risk management.

The University's aim is to have in place a strategy, structure and process to effectively identify and manage, in a timely fashion and at an appropriate level, its exposure to risk.

To achieve this, the key strategic risks faced by the University have been identified and analysed. Action plans for the mitigation of unacceptably high risks have been developed.

A review of the University's strategic risk register - to better align the risk register with the University's Strategic Plan - is ongoing.

A Risk Management Report is provided to the University Council for each of its meetings. This report includes a summary of highly rated strategic risks of the University and their current rating.

Insurance

The University effected the following forms of insurance cover in 2012:

- Industrial Special Risk (Property)
- General & Products Liability (including Casual Hirers Liability)
- Professional Indemnity
- Management Liability
- Medical Malpractice
- Clinical Trials
- Motor Vehicle
- Corporate Travel
- Marine Hull
- Group Personal Injury
- Workers' Compensation.

Premiums for most of the University's core insurance protections and ancillary classes again remained relatively stable for the 2012/13 protection period.

The property premium increased slightly as a result of an increase in the declared property values and the inclusion of the new Building B at Beachside under the University's protections.

The motor vehicle insurance premium has fallen again for the upcoming year, based on claims history, and the cost of corporate travel insurance has remained unaltered from the previous year. The premium for marine hull cover increased marginally based on increased fleet value.

Overall the University's claims record remains very good but risk management issues and the structure of the insurance portfolio continue to be priority areas for consideration into the future. New and emerging risks and the degree to which the University is exposed to such risks have been taken into account when determining the limits of insurance, policy deductibles and classes of cover during the annual renewal process.

Internal Audits

The internal audit services provided to the University are independent and are conducted on an enterprise-wide basis. Annual and strategic internal audit plans cover a three-year period and are developed on a risk basis using the University's risk management systems and liaison with University personnel. The University's Audit and Risk Management Committee reviews the annual and strategic internal audit plans before referring them to the University Council for approval.

The internal audit services to the University are conducted in accordance with the International Standards for the Professional Practice of Internal Auditing as issued by the Institute of Internal Auditors. The NSW Audit Office place reliance on the work of the Internal Audit function wherever possible.

Audits are conducted by Thomas Noble & Russell Chartered Accountants.

Item No	Internal Audit Review
1	Academic integrity systems and controls
2	Research supervision systems
3	Integrity of reporting against the Strategic Plan
4	Review of clinical services
5	Payroll and human resources functions
6	Purchasing and expenditure functions
7	Student application assessment processes
8	Follow up reviews
	Maintenance of Information Outside University Information Systems
	Moderation & Board of Assessors Processes
	Casual Staff Recruitment and Performance

Table 3: 2012 internal audit engagements finalised and presented to the audit committee during 2012.

GOVERNANCE

Charter

Southern Cross University was established under the Southern Cross University Act 1993. Section 6 of the Act identifies the object of the University as 'the promotion, within the limits of the University's resources, of scholarship, research, free inquiry, the interaction of research and teaching, and academic excellence'.

The University has the following principal functions for the promotion of its object:

- (a) The provision of facilities for education and research of university standard, having particular regard to the needs of the north coast region of the State
- (b) The encouragement of the dissemination, advancement, development and application of knowledge informed by free inquiry
- (c) The provision of courses of study or instruction across a range of fields, and the carrying out of research, to meet the needs of the community,
- (d) The participation in public discourse,
- (e) The conferring of degrees, including those of Bachelor, Master and Doctor, and the awarding of diplomas, certificates and other awards,
- (f) The provision of teaching and learning that engage with advanced knowledge and inquiry,
- (g) The development of governance, procedural rules, admission policies, financial arrangements and quality assurance processes that are underpinned by the values and goals referred to in the functions set out in this subsection, and that are sufficient to ensure the integrity of the University's academic programs.

Southern Cross University is governed by a Council to which its Chief Executive Officer, the Vice Chancellor, reports.

The major academic body providing advice to Council on academic matters is the Academic Board. The Council, chaired by the Chancellor, has 17 members, including the Vice Chancellor, the Chair of the Academic Board, six members appointed by the Minister, four members appointed by Council, three elected staff members and one elected student member.

Executive officers

Vice Chancellor

Professor Peter Lee FTSE BE(Chem)(RMIT), PhD(Monash) FTSE

Deputy Vice Chancellor

Professor William MacGillivray BSc, PhD(Qld)

Pro Vice Chancellor (Research)

Professor Neal Ryan, BSc, MSc, MPhil, PhD(Griffith)

Pro Vice Chancellor (Academic)

Professor Andrew McAuley BA(Hons) PhD (Nottm) MAM MCIM

Pro Vice Chancellor (International and Enterprise)

Mr Chris Patton BA(UBC), MA(Guelph)

Executive Director, Corporate Services and Council Secretary

Mr Malcolm Hugh Marshall BA(CCAE), MBA(CQU), CPA
(retired 2/07/2012)

Executive Director, Corporate Services

Ms Caroline Anderson (13/2/12 to 2/5/12)

Executive Director, Community and Corporate Relations and Acting Council Secretary

Ms Helen Hughes BA(Qld) (appointed as Acting Council Secretary effective from 2/07/2012)

Executive Director, Information and Physical Resources

Mr Allan Morris GradDipInfoTech(Monash)

The above persons have been in office since the start of the year unless otherwise stated.

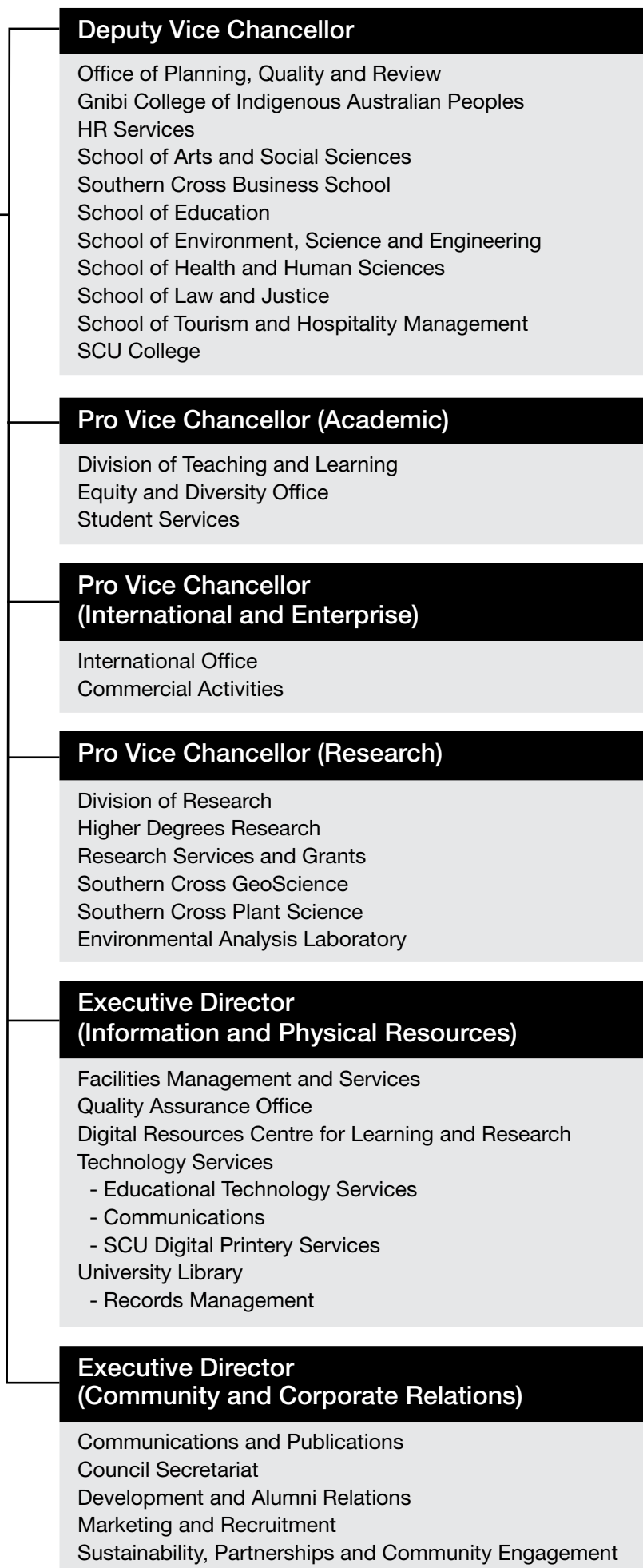
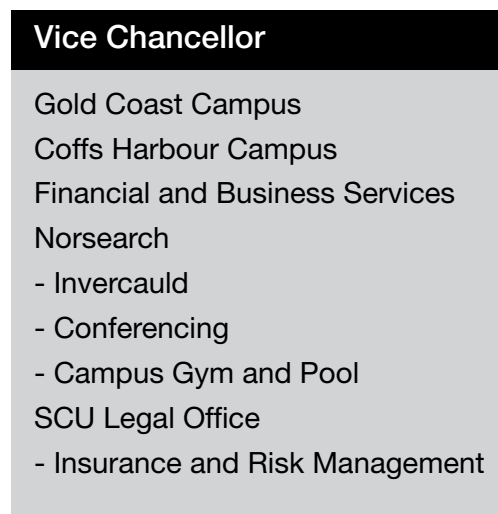
Name	Position	Total Remuneration Package	Performance Pay	Period in Position	Results	Responsibility for assessment of performance
Prof Peter Lee FTSE	Vice Chancellor	\$601 414	Nil	Whole Year	✓	Council
Prof William MacGillivray	Deputy Vice Chancellor	\$389 272	Nil	Whole Year	✓	Vice Chancellor
Ms Helen Hughes	Executive Director Community and Corporate Relations	\$262 004	Nil	Whole Year	✓	Vice Chancellor
Mr Malcolm Marshall	Executive Director (Corporate Services)	\$341 648	Nil	1/1/12 to 2/7/12	✓	Vice Chancellor
Prof Andrew McAuley	Pro Vice Chancellor (Academic)	\$269 610	Nil	Whole Year	✓	Vice Chancellor
Mr Allan Morris	Executive Director Information and Physical Resources	\$281 245	Nil	Whole Year	✓	Vice Chancellor
Prof Neal Ryan	Pro Vice Chancellor (Research)	\$310 369	Nil	Whole Year	✓	Vice Chancellor
Mr Chris Patton	Pro Vice Chancellor (International and Enterprise)	\$281 325	Nil	Whole Year	✓	Vice Chancellor
Ms Caroline Anderson	Executive Director Corporate Services	\$162 724	Nil	13.2.12 to 2.5.12	✓	Vice Chancellor

✓ Met all performance objectives

Table 4: Performance and number of executive officers

Organisational Chart

Organisational Structure as
at 24 December, 2012



As at 24 December, 2012

Diagram 1: Organisational Chart



University Council: Front from left: Dr Amanda Reichelt-Brushett, Trevor Wilson, Chancellor The Hon John Dowd AO QC, Vice Chancellor Professor Peter Lee FTSE, Fiona Wright, Neville Newell. Middle from left: Anthony Matis, Matthew Newell, Professor William Boyd, Warren Grimshaw AM. Back from left: John Shanahan, Justice Terry Sheahan AO, Julie Granger, Professor John Jenkins. Absent: Janelle Saffin MP, Rhoda Roberts and Margot Sweeny.

University Council

Vice Chancellor's Committee

Vice Chancellor's Executive Committee

Committees of Council

Chancellor's Committee

Audit and Risk Management Committee

Appeals Committee

Governance Committee

Honorary Awards Committee

Nominations Committee

Remuneration Committee

Academic Board

Committees of Academic Board

Academic Board Executive Committee

Accreditation Committee

Research Committee (RC)

Higher Degrees Research Committee (HDRC)

Academic Standards and Quality Committee (ASQC)

Academic Board Appeals Committee

Schools Board

Diagram 2: University Council

Boards and Committees of Council

Under the Southern Cross University Act (1993), the University Council has the power to refer or delegate functions to an authorised person, or persons and a number of boards and committees have been established to deal with specific areas of University business.

Committees of Council

Chancellor's Committee

This Committee is the executive committee of Council and meets between Council meetings to deal with matters of an urgent nature. The Minutes of Chancellor's Committee meetings are forwarded to the next Council meeting. The Chancellor's Committee met five times in 2012.

Chancellor (Chair): The Hon J. Dowd AO QC

Deputy Chancellor: Mr T. Wilson

Vice Chancellor: Professor P. Lee FTSE

Chair, Academic Board: Professor J. Jenkins

Academic Board

The Academic Board is constituted under the Southern Cross University Act 1993 and By-laws of the University. Its primary functions are to advise the University Council and the Vice Chancellor on all academic matters, including the formulation of policies and advice on the academic structure and academic development of the University and any matter relating to the University's teaching, learning, research or other academic activity.

Following a recommendation in the Academic Board and Academic Policy Review, changes were made to the structure and membership of the Board in 2011 and further amendments were made in 2012. The Academic Board met six times in 2012.

Chair

Professor J. Jenkins AssocDipHort(HAC), BA(Hons), PhD(UNE)

Deputy Chairs

Dr R. Smith DipTeach, BA(UNE), GradDipHum, MLitt(UNE), MA(Hons), PhD(UNE)

Associate Professor R. Coyle BEd(CollofVic), MA(UTS), PhD(MACQU), GradCertHed(T&L)(SCU)

Members

Ms C. Anderson (Until April 2012)

Dr K. Benkendorff BSc(Mq), PhD(UoW)

Mr B. Bullivant

Dr M. Costello BA(Syd), DipEd(SydTC), GradDipMedia(Vic), MA(Deakin), PhD(Adel) (from August 2012)

Ms S. Darab BA(Hons)(N'cle), PhD(N'cle) (from June 2012)

Ms M. Day LLB(Syd)

Professor M. Evans BA(Victoria), MA(McMaster), PhD(McMaster)

Professor K. Fahy MEd(UNSW), PhD(UQ)

Mr A. Gibson DipEd(TCC), BJuris(Monash), LLB(Monash), MA(Asian&Int Studies)(Griff) (from April 2012)

Dr S. Grace PhD(US), MSc(Macquarie), DO(SydCollege), DC(SydCollege), BA(US), GradCert(SportsChiro)(Melb), DipEd(US)

Professor I. Graham BSc(CNAA), MSc(Manc), MEd(CNAA), PhD(Manch)

Mr R. Harris BA(ANU), DipEd(Syd), LLB(ANU), LLM(QUT) (Until March 2012)

Professor P.M. Hayden BA(Monash), MEd(Monash), PhD(Melb)

Mr F. Horton

Ms J. Jones (from April 2012)

Associate Professor S. Kelly BAdmin(Griff), MBus(SCU), PhD(SCU)

Dr E. Kerruish BA(Hons)(ANU), PhD(UNSW) (until June 2012)

Professor P. Lee FTSE BE(Chemical)(RMIT), PhD(Monash)

Professor D. Lynch BEd(JCU), MEd(School Admin)(JCU), DipTeach(JCU), EdD(CQU), FAACLM(OTHAUS)

Ms R. Lynwood BA(UNSW)

Professor W. MacGillivray BSc(Hons)(Qld), PhD(UQ)

Mr G. Manion BA(Hons)(Sydney), LLB (Sydney) (from August 2012)

Mr M.H. Marshall BA(CCAE), MBA(CQU), CPA (until April 2012)

Professor A. McAuley BA(Hons), PhD Nottingham

Professor A. Miller BA(JCU), MPubHlth(JCU) (until April 2012)

Mr A. Morris GradDipInfoTech (Monash), MACS (Senior)

Mr C. Patton BA(UBC), MA(Guelph) (from June 2012)

Dr G. Ray BBus(NE), MPA(SCU), DBA(SCU) (from August 2012)

Professor R. Reynolds BA(Sydney), LLM(Sydney), PhD(Sydney)

Professor E. Roberts BSc(CMU), MA(EMU), PhD(PU) (from October 2012)

Professor N. Ryan BSc(Griff), MSc(Griff), MPhil(Griff), PhD(Griff)

Dr B. Shipway BT(Hons)(SCU), PhD(SCU) (from October 2012)

Professor S. Speedy BA(Flind), BA(Hons)(Adel), DipEd(Adel), EdD(Roch), MURP(Adel) (until August 2012)

Associate Professor J. Stevens BA(UNSW), PhD(UNSW) (from December 2012)

Ms T. Swain (Until August 2012)

Professor J. Taylor BSc(Syd), DipEd(Syd), MSc(Syd), PhD(UNE)

Dr J. Thomson BA(UQ), BSW(Hons)(JCU), GradCertEd(JCU), PhD(JCU) (from June 2012)

Professor J. Vanclay DipCompSc(UQ), BA(UQ), BSc(For)(Hons)(ANU), MSc(Oxford), DScFor(UQ)

Professor R.P. Weatherby BPharm(Hons)(Syd), MSc(Syd), PhD(Syd)

Dr M. Whelan BAgSc(Qld), MSc(SCU) (from April 2012)

Dr B. Wilks BSc(Hons)(ANU), MSc(Qld), PhD(UQ)

Academic Board Appeals Committee

This Committee is a sub-committee of the Academic Board for matters relating to student appeals about grades, exclusion for academic reason and progression.

Academic Board Executive Committee (formerly Strategic Standing Committee of Academic Board)

This Committee provides advice and recommendations to the Academic Board on any academic matter requested by the Board, the Vice Chancellor or the Chair of Academic Board. It may act on behalf of the Academic Board in the event of urgent and/or exceptional circumstances which require a decision normally in the purview of the Academic Board.

Academic Standards and Quality Committee (formerly Learning and Teaching Advisory Committee)

The Academic Standards and Quality Committee is the principal advisory committee of the Academic Board on issues of standards and quality associated with teaching and learning at SCU.

Accreditation Committee (formerly Programs Committee of Academic Board)

The Accreditation Committee advises the Academic Board on matters relating to unit and course approvals and course accreditation. The Committee ensures that course submissions, unit statements and course reviews conform to the requirements of, and meet the standards established by the Academic Board and approves items as delegated in the Rules of Academic Board and its Committees.

Research Committee (formerly Research Advisory Committee)

The Research Committee of Academic Board is the principal advisory committee of the Academic Board on issues of research across the University. It advises on the University's performance with regards to national research standards frameworks and assessments, monitors and reports to Academic Board on trends in research relevant to the University, and provides advice and recommendations on policies, strategies and actions to promote and enhance research quality, performance and integrity of the University.

Higher Degrees Research Committee

The Higher Degrees Research Committee is a committee of the Academic Board responsible for Higher Degree Research training across the University. The committee provides advice on research higher degree and research training outcomes, standards and quality and strategies to provide support to students. It monitors, reviews and makes recommendations to Academic Board on policies and rules relating to research higher degree awards, scholarships and research higher degree pathways.

School/College Boards

School/College Boards are sub-committees of Academic Board. School Boards ensure that course submissions, course accreditation submissions, unit statements and course reviews conform to the requirements of, and meet the standards established by the Academic Board. School/College Boards consider matters referred by the Academic Board or other sub-committees and approve items as delegated by Academic Board.

Boards of Assessors

The Boards of Assessors are a sub-committee of School/College Boards which meet to ensure that matters relating to moderation and award of grades are undertaken and thence approve and authorise the release of final grades.

Summary of Major Activities in 2012

Course Approvals

- Associate Degree in Allied Health (Admission via SCU College)
- Associate Degree of Business and Diploma of Business (Admission via SCU College)
- Bachelor of Social Welfare
- Bachelor of Environmental Science/Bachelor of Marine Science and Management
- Bachelor of Health Science
- Master of Social Work (Professional Qualifying)
- Associate Degree of Arts (Admission via SCU College).

Course Removals

- Bachelor of Indigenous Studies, Bachelor of Laws; Bachelor of Indigenous Studies, Bachelor of Laws with Honours
- Bachelor of Ageing in the Community
- Doctor of Education
- Master of Indigenous Studies
- Diploma in Community Recovery
- Bachelor of Environmental Tourism Management
- Bachelor of Business in Tourism Management
- Bachelor of Sport Tourism Management

- Bachelor of Sport Tourism Management with Honours
- Bachelor of Business in Tourism Management, Bachelor of Laws; Bachelor of Business in Tourism Management, Bachelor of Laws with Honours; Bachelor of Environmental Science, Bachelor of Laws; and Bachelor of Environmental Science, Bachelor of Laws with Honours.

Major Policy and Rule Amendments and Revisions

- Amendment to the Rules of Academic Board and its Committees – Changes to Committees and Terms of Reference of each Committee
- Amendment to Chapter 4.20 of Academic Policy: Student Academic Integrity
- Amendment to the Rules Relating to Awards, Rule 3 Coursework Awards: Student Assessment and Examinations and Student Misconduct Rules
- Amendment to Rule 1: Rules Relating to Awards – Addition of a New Definition: Accelerated Progression
- Amendment to the internal appeal processes involving the Academic Board Appeals Committee
- Amendment to the Rules Relating to Awards: Rule 3.4 Grounds for Special Consideration and Rule 3.5 Types of Special Consideration
- Approval of Course Progress and Completion within Expected Duration of Study Policy and Procedures
- Amendment to Clauses 1, 7 and 29 of the Rules – Fees, Charges and Sanctions
- Amendment to Clauses 4, 7, 8, 19, 48 and 49 of the Rules Relating to Awards – Rule 2 – Coursework Awards – General Provisions
- Approval of the Social Media for Teaching and Learning Policy
- Amendment to Rule 10, Section 7 – University Medal; and Prizes and Medals Policy.

Articulation or Education Collaboration agreements were approved as follows:

- Approval of articulation arrangements between Southern Cross University and Melbourne Institute of Technology Pty Ltd (MIT), Affiliated Institute of the University of Ballarat
- Approval of articulation arrangements between SCU School of Arts and Social Sciences awards and TAFE NSW – North Coast Institute
- Approval of articulation arrangements between Southern Cross Business School and TAFE NSW – North Coast Institute
- Amendments to the advanced standing for the Diploma pathway into the SCU Bachelor of Contemporary Music award, relevant to Annexure 93 of Articulation Agreement (83) between SCU and the Northern Rivers Conservatorium Arts Centre Inc (NRCAC)
- Approval of amendment to articulation arrangements

(Annexure 115) within the Articulation Agreement (#34) between SCU School of Arts and Social Sciences and TAFE NSW – North Coast Institute.

- Approval of amendment to articulation arrangements (Annexure 94) within the Articulation Agreement (#1) between SCU School of Arts and Social Sciences and Gold Coast Institute of TAFE.
- Approval of amendment to articulation arrangements (Annexure 95) within the Articulation Agreement (#55) between SCU School of Arts and Social Sciences and Southbank Institute of Technology.
- Approval hospitality and tourism articulation arrangements (Annexure 106) within the Articulation Agreement (#92) between SCU and Imagine Education Australia Pty Ltd.
- Approval hospitality and tourism articulation arrangements (Annexure 82) within the Articulation Agreement (#67) between SCU and Aurora Training Institute.
- Approval of articulation arrangements for the School of Arts and Social Sciences, Bachelor of Media (Annexure 120) within the Articulation Agreement (#97) between SCU and Rycki Symons Pty Ltd, trading as Academy of Design, Australian Institute of Excellence Training.
- Approval of amendments to the articulation arrangements detailed in (Annexure 121) within the Articulation Agreement (#49) between the SCU School of Arts and Social Sciences and TAFE (NSW)
- Approval of Business articulation arrangements (Annexure 113) within the Articulation Agreement (#95) between SCU and Aviation Strategies International Inc and QLD Airports Limited.
- Approval of Tourism and Hospitality articulation arrangements (Annexure 104) within the Articulation Agreement (#91) between SCU and Polytechnic West.
- Approval of amendment to existing SCU and Kaplan articulation arrangements within Articulation Agreement (#108) between SCU and Carrick Education Group [Kaplan] to include (Annexure 141) for the School of Arts and Social Sciences.
- Approval of amendment to Articulation Agreement (#58) between SCU and ACE North Coast Inc, trading as ACE North Coast Community Colleges (ACE) to include articulation pathways into SCU undergraduate business awards.

Other

- Approval of SCU Governance Hierarchy Framework
- Approval of revised SCU Graduate Attributes
- Approval of New Course Accreditation and New Course Concept Master Files
- Approval of a revised Academic Approvals Timeline
- Approval of revised Course and Unit Change Approval Levels

- Discussion of the Teaching and Learning White Paper and draft Teaching and Learning Plan 2013 – 2015.

Academic Board Elections

- At its first meeting in 2012 Academic Board elected Dr Robert Smith to the position of Deputy Chair of Academic Board for a two year term (March 2012 – March 2014)
- Academic Board elected Dr Kirsten Benkendorff as Academic Board representative on Research Committee for the term 1 September 2012 – 31 August 2014.

Audit and Risk Management Committee

This Committee has the primary objective of assisting Council in fulfilling its responsibilities relating to the accounting and reporting practices of Southern Cross University. This Committee also ensures that the University and its controlled entities have an effective risk management system; have identified the principal strategic, operational and financial risks to which they are exposed; and that systems are in place to facilitate the effective monitoring and management of the principal risks and that timely and accurate information is presented to Council. The Audit and Risk Management Committee met six times in 2012.

Mr J. Shanahan (Chair)

Four external members of Council:

The Hon J. Dowd AO QC (Chancellor)

Mr N. Newell

Ms M. Sweeny

Mr T. Wilson

Appeals Committee of Council

The Appeals Committee of Council function is to hear and determine any matter referred to it under the Student Misconduct Rule 2006.

The structure/membership of the Appeals Committee is to consist of not less than three (3) members of Council and not more than five (5), with one being the Student Member of Council. The Appeals Committee of Council met once in 2012.

Mr T. Wilson (Deputy Chancellor) (Chair)

Ms M. Sweeny

Professor P. Harrison

Mr N. Newell

and the student member of Council, Mr M. Newell

Chancellor's Committee

The Chancellor's Committee is the executive committee of Council and meets between meetings to deal with matters of an urgent nature. The Minutes of Chancellor's Committee meetings are forwarded to the next Council meeting.

Chancellor (Chair) – The Honourable J. Dowd AO QC

Deputy Chancellor – Mr T. Wilson

Vice Chancellor – Professor P. Lee FTSE

Chair of Academic Board – Professor J. Jenkins

Finance Committee

This Committee was established to oversee the capital, financial and budgetary arrangements of the University. The Finance Committee met six times in 2012 with two extraordinary meetings.

Ms M. Sweeny (Chair)

Mr T. Wilson (Deputy Chancellor)

Vice Chancellor: Professor P. Lee FTSE

Mr J. Shanahan

Mr R. Dowell (term expired 09/09/2012)

Mr W. Grimshaw AM

Prof J. Jenkins (Chair, Academic Board)

Ms J. Saffin MP

Mr G. Lancaster (term expired 09/09/2012)

Mr N. Newell

Mr A. Matis (elected 09/11/2012)

Governance Committee

The Committee has been established to assist the University Council in fulfilling its responsibilities in relation to overall governance of the University including its compliance with recommended best-practice governance protocols. The Governance Committee met five times in 2012.

Mr T. Wilson (Chair)

Vice Chancellor: Professor P. Lee FTSE

Mr N. Newell

Mr W. Grimshaw AM

Mr R. Dowell (term expired 09/09/2012)

Ms J. Granger (elected 09/11/2012)

Council Secretary

Honorary Awards Committee

This Committee advises, and makes recommendations as appropriate, on matters concerning the conferring and awarding of honorary degrees and honorary titles. The Committee met two times in 2012.

The Hon J. Dowd AO QC (Chancellor) (Chair)

Mr T. Wilson (Deputy Chancellor)

Vice Chancellor: Professor P. Lee FTSE

Professor J. Jenkins (Chair, Academic Board)

Professor W. MacGillivray (Deputy Vice Chancellor)

Ms J. Saffin MP

Ms H. McGregor

Remuneration Committee

This Committee performs the annual performance appraisal of the Vice Chancellor and determines the remuneration of the Vice Chancellor.

The Hon J. Dowd AO QC (Chancellor) (Chair)

Mr T. Wilson (Deputy Chancellor)

and one external member of Council

Vice Chancellor's Executive Committee

This Committee deals with all higher-level management issues at the Cost Centre level and meets weekly.

Tender Board

This Board meets weekly to ensure that the University's policies and procedures for the acquisition of goods and services, tendering and quotations, involving amounts in excess of \$70 000, are properly applied.

Report by University Council

The Council of Southern Cross University presents its report on the consolidated entity consisting of Southern Cross University and the entities it controlled during the year ended 31 December 2012.

Members

The following persons were members of Southern Cross University Council during the whole of the year and up to the date of this report.

Chancellor and Chair of Council

The Hon John Robert Arthur Dowd AO QC, LLB(Syd)

Vice Chancellor

Professor Peter Lee FTSE, BE(Chem)(RMIT), PhD(Monash)

Deputy Chancellor and Deputy Chair of Council

Mr Trevor Wilson BSc(Griff)

Chair of Academic Board

Professor John Jenkins AssocDipHort(HAC), BA(Hons), PhD(UNE)

Other Members

Mr Warren Albert Grimshaw AM, BBus(NSWIT), ASTC

Mr Matthew Newell

Mr Neville Newell

Ms Janelle Anne Saffin MP, DipT(NRCAE), BLegS(MAQ)

Mr John B. Shanahan MCom(Hons)(NSW), FCA, MAICD, SF Fin

The Hon Justice Terrence Sheahan AO, BA,LLB(Syd)

Ms Margot Sweeny MEd(NE), BBus(NRCAE), CPA, SA Fin, FAMI, MACS CT, JP

Ms Rhoda Roberts

The following members were appointed on the dates indicated and continued in office at the date of this report.

Prof William Boyd BSc(Hons)(St.And), MEdLead(HigherEd)(MAQ), DSc(St.And), PhD(Glas) (elected 10/09/2012)

Ms Julie Granger LLM(SCU), BA,LLB(Hons)(SCU) (appointed 9/11/12)

Mr Anthony Matis FCPA, BBus(SCU) (appointed 9/11/12)

Ms Amanda Reichelt-Brushett BAppSc(UNENR), MSc(JCU), PhD(SCU) (elected 10/09/12)

Ms Fiona Wright BA(MAQ), GradDipIT(IS)(CSturt) (elected 10/09/12)

The following members were appointed at the beginning of the year until his/her resignation on the dates indicated.

Mr Ronald J. Dowell GradDipOD(RMIT), MBus(VUT) (concluded 9/09/2012)

Prof Peter Harrison BSc(Hons)(JCU), PhD(JCU) (concluded 9/09/2012)

Mr Graham Lancaster BAppSc(Hons)(UNENR) (concluded

9/09/2012)

Ms Helen McGregor MHLthSc(SCU), MEd(SCU) (concluded 18/11/2012)

Ms Gabrielle Neaves BA(UNE) (concluded 18/11/2012)

Council Secretary

Mr Malcolm Hugh Marshall BA(CCAE), MBA(CQU), CPA (retired 2/07/2012)

Ms Caroline Anderson BSSc (Accounting)(QUB) FCA (13/2/12 – 2/5/12)

Acting Council Secretary

Ms Helen Hughes BA(Qld) (1/6/12 – 31/12/12)

Meetings of Members

Meetings of Southern Cross University Council and of each Council Committee held during the year ended 31 December 2012, and the attendance by each member are provided in Appendix F.

Principal Activities

During the year, the principal activities of the consolidated entity consisted of:

- The provision of teaching and research at university standard, having particular regard to the needs of the North Coast region of the state
- Creating and disseminating knowledge through scholarship, research, creative works, consultancy and internal and external teaching
- The conferring of Doctor of Philosophy, and the Degrees of Bachelor, Master, and Doctor, and the awarding of diplomas, certificates and other awards.

Significant Changes in State of Affairs

The following significant changes in the nature of the activities of the consolidated entity occurred during the year

- Disposal of subsidiary Australian Plant DNA Bank Limited (23 August 2012)
- Disposal of subsidiary Biobank Pty Ltd (23 August 2012).

Matters Subsequent to the end of the Financial Year

Southern Cross University is not aware of any matters subsequent to the period reported which would have a material impact on operations.

Likely Developments and Expected Results from Operations

Disclosure of likely developments in the operations of the University not finalised at the date of this report could result in unreasonable prejudice to the University. Accordingly, this information has not been disclosed in this report.

Environmental Regulation

The University is subject to various commonwealth, state and local government environmental laws. The University Council is unaware of any breach of such laws.

Insurance of Officers

Southern Cross University has insured all members of University Council and directors of its controlled entities against liabilities for defence costs, legal representation expenses, awards of damages and other associated expenses that may be incurred by them in defending any legal proceedings arising out of their conduct while acting in their capacity as an officer of the entity. The cover is subject to certain terms and exclusions including conduct involving a wilful breach of duty. There have been no claims by the University against this insurance in the past 12 months.

Other Insurance

Insurance was not available to the University for deliberate breach of contract.

Legal Proceedings

Litigation claiming wrongful termination of an agreement was discontinued. The University was not involved in any other legal proceedings.

This report is made in accordance with a resolution of the members of the Council of Southern Cross University.

A handwritten signature in black ink, appearing to read 'John Dowd', with a stylized flourish at the end.

The Honourable John Dowd AO QC
Chancellor
Southern Cross University

Southern Cross University and Controlled Entities

ABN 41 995651 524

Financial Statements for the year ended 31 December 2012

Statement by the Members of the Council

31 December 2012

In accordance with a resolution of the Council of Southern Cross University and pursuant to Section 41C (1B) and (1C) of the Public Finance and Audit Act 1983, we state that:

1. The attached is a general purpose financial report and presents a true and fair view of Southern Cross University and the Consolidated Entity's financial position as at 31 December 2012 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date;
2. The financial reports have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, Public Finance and Audit Regulation 2010 and the Commonwealth Government Financial Statement Guidelines for Australian Higher Education Providers for the 2012 Reporting Period;
3. The financial statements have been prepared in accordance with Australian Accounting Standards which includes Accounting Accounting interpretations;
4. At the date of this declaration, there are reasonable grounds to believe that the University and Consolidated Entity will be able to pay its debts as and when they become due and payable;
5. We are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate;
6. The amount of Commonwealth financial assistance expended during the reporting period was for the purposes for which it was provided.

Chancellor


John Dowd

Vice Chancellor


Peter Lee

Dated

12 April 2013



INDEPENDENT AUDITOR'S REPORT

Southern Cross University

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Southern Cross University (the University), which comprise the statements of financial position as at 31 December 2012, the statements of comprehensive income, the income statements, the statements of changes in equity and the statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of the University and the consolidated entity. The consolidated entity comprises the University and the entities it controlled at the year's end or from time to time during the financial year.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the University and the consolidated entity, as at 31 December 2012, and of the financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010
- comply with the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2012 Reporting Period' (the Guidelines), issued by the Australian Government Department of Industry, Innovation, Science, Research and Tertiary Education, pursuant to the *Higher Education Support Act 2003*, the *Higher Education Funding Act 1988* and the *Australian Research Council Act 2001*.

My opinion should be read in conjunction with the rest of this report.

University Council's Responsibility for the Financial Statements

The Council of the University is responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards, the PF&A Act and the Guidelines, and for such internal control as the Council determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

My opinion does *not* provide assurance:

- about the future viability of the University or the consolidated entity
- that they have carried out their activities effectively, efficiently and economically
- about the effectiveness of their internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



Aaron Green
Director, Financial Audit Services

17 April 2013
SYDNEY

Statement of comprehensive income for the year ended 31 December 2012

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Operating result after income tax for the period	3,461	7,567	4,026	9,638
Net actuarial (losses)/gains recognised in respect of Defined Benefit Plans	(200)	(237)	(200)	(237)
Total comprehensive income	3,261	7,330	3,826	9,401
Total comprehensive income attributable to:				
Members of the parent entity	3,261	7,330	3,826	9,401

Income statement

for the year ended 31 December 2012

	Note	Consolidated		Parent entity	
		2012 000's \$	2011 000's \$	2012 000's \$	2011 000's \$
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	3	106,594	98,617	106,594	98,617
HELP - Australian Government payment	3	44,962	40,743	44,962	40,743
State and local Government financial assistance	4	1,554	2,387	1,554	2,387
HECS-HELP - Student payments		3,077	3,062	3,077	3,062
Fees and charges	5	19,174	21,385	19,174	21,385
Investment revenue	6	1,439	2,958	2,209	13,848
Royalties, trademarks and licences	7	14	40	14	40
Consultancy and contracts	8	7,158	5,621	7,158	5,571
Other revenue	9	10,935	10,223	8,841	8,845
Total revenue from continuing operations		194,907	185,036	193,583	194,498
Gains on disposal of assets		623	-	623	-
Share of profit on investments accounted for using the equity method	24	382	(389)	-	-
Total revenue and income from continuing operations		195,912	184,647	194,206	194,498
Employee related expenses	10	122,101	111,040	120,702	110,012
Depreciation and amortisation	11	8,674	8,295	8,655	8,278
Repairs and maintenance	12	2,961	3,505	2,931	3,477
Impairment of assets	13	1,105	159	1,104	169
Deferred Super expense	10	14	52	14	52
Losses on disposal of assets		-	39	-	39
Other expenses	14	57,596	53,990	56,774	62,833
Total expenses from continuing operations		192,451	177,080	190,180	184,860
Operating result before income tax		3,461	7,567	4,026	9,638
Operating result from continuing operations		3,461	7,567	4,026	9,638
Operating result after income tax for the period		3,461	7,567	4,026	9,638
Operating result attributable to members of Southern Cross University		3,461	7,567	4,026	9,638

The accompanying notes form part of these financial statements.

Statement of financial position as at 31 December 2012

		Consolidated		Parent entity	
		2012	2011	2012	2011
		000's	000's	000's	000's
	Note	\$	\$	\$	\$
Assets					
Current assets					
Cash and cash equivalents	16	12,176	34,469	12,107	34,396
Trade and other receivables	17	7,788	8,191	8,352	8,621
Inventories	18	35	31	9	8
Other assets	21	3,238	3,442	3,238	3,439
Non-current assets held for sale	22	-	1,163	-	1,163
Total current assets		23,237	47,296	23,706	47,627
Non-current assets					
Trade and other receivables	17	66,388	56,826	66,388	56,826
Investments accounted for using the equity method	24	(1,237)	(847)	275	275
Property, plant and equipment	19	226,490	197,200	226,472	197,122
Investment properties	23	1,000	1,258	1,000	1,258
Intangible assets	20	1,539	353	1,539	353
Total non-current assets		294,180	254,790	295,674	255,834
Total assets		317,417	302,086	319,380	303,461
Liabilities					
Current liabilities					
Trade and other payables	25	11,795	12,736	11,705	12,632
Provisions	28	22,328	18,880	22,215	18,777
Other liabilities	26	5,912	6,045	5,904	6,045
Total current liabilities		40,035	37,661	39,824	37,454
Non-current liabilities					
Trade and other payables	25	-	4	-	-
Provisions	28	69,391	59,691	69,391	59,668
Total non-current liabilities		69,391	59,695	69,391	59,668
Total liabilities		109,426	97,356	109,215	97,122
Net assets		207,991	204,730	210,165	206,339
Equity					
Retained earnings		207,991	204,730	210,165	206,339
Total equity		207,991	204,730	210,165	206,339

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 31 December 2012

	Parent entity		
	Retained Earnings	Non-controlling interest	Total
	000's	000's	000's
	\$	\$	\$
Balance at 1 January 2011	196,938	-	196,938
Operating result	9,638	-	9,638
Other comprehensive income	(237)	-	(237)
Total comprehensive income	9,401	-	9,401
Balance at 31 December 2011	206,339	-	206,339
Balance at 1 January 2012	206,339	-	206,339
Operating result	4,026	-	4,026
Other comprehensive income	(200)	-	(200)
Total comprehensive income	3,826	-	3,826
Balance at 31 December 2012	210,165	-	210,165

	Consolidated		
	Retained Earnings	Non-controlling interest	Total
	000's	000's	000's
	\$	\$	\$
Balance at 1 January 2011	197,400	-	197,400
Operating results	7,567	-	7,567
Total comprehensive income	(237)	-	(237)
Total comprehensive income	7,330	-	7,330
Balance at 31 December 2011	204,730	-	204,730
Balance at 1 January 2012	204,730	-	204,730
Operating result	3,461	-	3,461
Other comprehensive income	(200)	-	(200)
Total comprehensive income	3,261	-	3,261
Balance at 31 December 2012	207,991	-	207,991

The accompanying notes form part of these financial statements.

Statement of cash flows

for the year ended 31 December 2012

	Note	Consolidated		Parent entity	
		2012 000's \$	2011 000's \$	2012 000's \$	2011 000's \$
Cash flows from operating activities:					
Australian Government Grants	3(h)	151,855	138,605	151,855	138,605
OS-HELP (net)	3(h)	4	(146)	4	(146)
State Government Grants received		1,628	2,014	1,628	2,014
HECS-HELP - Student payments		3,058	3,069	3,058	3,069
Receipts from student fees and other customers		33,867	36,448	33,867	34,575
Dividends received		-	257	-	257
Joint venture partnership distributions received		848	430	848	430
Payments to suppliers and employees (inclusive of GST)		(183,465)	(168,340)	(183,429)	(165,596)
Interest received		1,611	2,689	1,609	2,684
GST recovered/paid		6,230	3,926	6,296	3,993
Net cash provided by (used in) operating activities	34	15,636	18,952	15,736	19,885
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		790	876	677	876
Proceeds from sale of available-for-sale investments		1,530	-	1,530	-
Payment for intangible asset		(1,257)	-	(1,257)	-
Purchase of property, plant and equipment		(38,992)	(24,966)	(38,975)	(25,253)
Net cash used by investing activities		(37,929)	(24,090)	(38,025)	(24,377)
Cash flows from financing activities					
Receipts from advances repaid		-	(30)	-	(30)
Net cash used by financing activities		-	(30)	-	(30)
Net increase (decrease) in cash and cash equivalents held		(22,293)	(5,168)	(22,289)	(4,522)
Cash and cash equivalents at beginning of year		34,469	39,637	34,396	38,918
Cash and cash equivalents at end of financial year	16	12,176	34,469	12,107	34,396

The accompanying notes form part of these financial statements.

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Summary of Significant Accounting Policies

for the year ended 31 December 2012

1 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements is set out below. The policies have been consistently applied for all years reported unless otherwise stated. The financial statements include separate statements for Southern Cross University as the parent entity and the consolidated entity consisting of Southern Cross University and its subsidiaries. Southern Cross University is a Higher Education Provider which has been established under the Southern Cross University Act 1993.

The principal address of Southern Cross University is Military Road Lismore NSW 2480.

(a) Basis of Preparation

The annual financial statements represent the audited general purpose financial statements of Southern Cross University. They have been prepared on an accrual basis in accordance with Australian Accounting Standards and AASB Interpretations.

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

- *Higher Education Support Act 2003 (Financial Statement Guidelines)*
- *Public Finance and Audit Act 1983 and the Public Finance and Audit Act Regulations 2010.*

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

Date of authorisation for issue

The financial statements were authorised for issue by the members of Southern Cross University on 12 April 2013.

Historical cost convention

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

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying Southern Cross University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

Defined benefit superannuation positions

Provisions for employee entitlements

Depreciation

Impairment of debtors.

(b) Principles of Consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Southern Cross University ("parent entity") as at 31 December 2012 and the results of all subsidiaries for the year then ended. Southern Cross University and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Notes to the financial statements

for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(b) Principles of Consolidation (continued)

Subsidiaries are all those entities (including special purpose entities) over which the Group has the ability to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

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

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

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

(ii) Joint ventures

Joint venture operations

The proportionate interests in the assets, liabilities and expenses of a joint venture operation have been incorporated into the financial statements under the appropriate headings. Details of the joint venture are set out in note 41.

Joint venture entities

The interest in a joint venture entity is accounted for in the consolidated financial statements using the equity method and is carried at cost by the parent entity. Under the equity method, the share of the profits or losses of the entity is recognised in the income statement, and the share of movements in reserves is recognised in reserves in the statement of comprehensive income and statement of changes in equity. Details relating to the entity are set out in note 24.

(c) Foreign currency translation

(i) Functional and presentation currency

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

Notes to the financial statements

for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Qualifying cash flow hedges and qualifying net investment hedges in a foreign operation shall be accounted for by recognising the portion of the gain or loss determined to be an effective hedge in other comprehensive income and the ineffective portion in profit or loss.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities, such as equities held at fair value through profit and loss, are recognised in profit or loss as part of the fair values gain or loss. Translation differences on non-monetary financial assets are included in the fair value reserve in equity

(d) Revenue Recognition

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

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

(i) Government Grants

Southern Cross University treats operating grants received from Australian Government entities as income in the year of receipt.

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

(ii) Student fees and charges

Fees and charges are recognised as income in the year of receipt, except to the extent that fees and charges relate to courses to be held in future periods. Such receipts (or portion thereof) is treated as income in advance in liabilities. Conversely, fees and charges relating to debtors are recognised as revenue in the year to which the prescribed course relates.

(iii) Human resources

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

Other human resources revenue is recognised when the service is provided.

Notes to the financial statements

for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(d) Revenue Recognition (continued) *(iv) Lease income*

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

(e) Income Tax

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

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

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

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

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

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

(f) Leases

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (note 38). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Summary of Significant Accounting Policies for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(g) Business combinations

The acquisition method is applied to account for each business combination; this does not include a combination of entities or businesses under common control, the formation of a joint venture, or the acquisition of an asset or a group of assets. The acquisition method requires identification of the acquirer, determining the acquisition date and recognising and measuring the identifiable assets acquired, liabilities assumed, any goodwill or gain, from a bargain purchase and any non-controlling interest in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. Identifiable assets acquired, liabilities assumed and any non-controlling interest in the acquiree shall be recognised separately from goodwill as of the acquisition date. Intangible assets acquired in a business combination are recognised separately from goodwill if they are separable, but only together with a related contract, identifiable asset or liability. Acquisition related costs are expensed in the periods in which they are incurred with the exception of costs to issue debt or equity securities, which are recognised in accordance with AASB132 and AASB139.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Measurement of any non-controlling interest in the acquiree is at fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by Australian Accounting Standards. Contingent liabilities assumed are recognised as part of the acquisition if there is a present obligation arising from past events and the fair value can be reliably measured. The excess at the acquisition date of the aggregate of the consideration transferred, the amount of any non-controlling interest and any previously held equity interest in the acquiree, over the net amounts of identifiable assets acquired and liabilities assumed is recognised as goodwill. If the cost of acquisition is less than the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the income statement of the acquirer, but only after a reassessment of the identification and measurement of the net assets acquired.

Consideration transferred in a business combination shall be measured at fair value. Where the business combination is achieved in stages, the acquirer shall remeasure previously held equity interest in the acquiree at its acquisition date fair value and recognise the resulting gain or loss in profit or loss.

(h) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(i) Cash and cash equivalents

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

Notes to the financial statements for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(j) Trade receivables

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

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Cash flows relating to short-term receivable are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement.

(k) Inventories

Inventories have been valued at the lower of cost or net realisable value, on a first in first out basis (FIFO).

(l) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

Summary of Significant Accounting Policies

for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(m) Investments and other financial assets

Classification

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

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

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

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

(iii) Held-to-maturity investments

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

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

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

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

Notes to the financial statements for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(m) Investments and other financial assets (continued)

Subsequent measurement

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

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

Fair value

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

Impairment

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

(n) Fair value estimation

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

Entities shall classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices for identical assets or liabilities at the balance sheet date (Level 1). The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments (Level 2) are used for long-term debt instruments held. Other techniques that are not based on observable market data (Level 3) such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

Notes to the financial statements for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(n) Fair value estimation (continued)

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

(o) Property, Plant and Equipment

The cost method of accounting is used for acquisitions of land, buildings (except for investment properties – refer to note 1(y)) and infrastructure. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition, incidental costs directly attributable to the acquisition and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

The consolidated entity has elected to recognise all land, building and infrastructure at deemed cost. The deemed cost of the non-current assets is the carrying value at 1 January 2004. These values were based on the 2002 independent valuation prepared by a member of the Australian Property Institute.

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

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

	%pa
Buildings	1-10
Infrastructure	1-15
Leasehold Improvements	22
<i>Plant and equipment</i>	0
Vehicles	20
Computer equipment	8-33.3
Medical and audio visual equipment	15
General equipment	3-23
Research equipment	10-33.3
Library general collection	20

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

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

Summary of Significant Accounting Policies for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(p) Intangible Assets

Intangibles include major Internal-use software which is capitalised only when the amounts are greater than the University's capitalisation threshold and they satisfy the conditions for capitalisation. Internal-use software is recognised at cost and amortised over the useful life of 5 years.

(q) Unfunded Superannuation

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

The unfunded liabilities recorded in the statement of financial position under Provisions have been determined by independent actuaries appointed by each defined benefit plan and relate to the assessment of the gross superannuation liabilities for the defined benefits scheme administered by the SAS Trustee Corporation for the year ended 31 December 2012. These schemes include the State Superannuation Scheme (SSS), the State Authorities Superannuation Scheme (SASS) and the State Authorities Non-Contributory Superannuation Scheme (SANCS).

Note 41 discloses specific treatment.

Contributions are made by the university to employee superannuation funds and are expensed when incurred.

An arrangement exists between the Australian Government and the State Government to meet the unfunded liability for the University's beneficiaries of the State Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the Higher Education Funding Act 1988 and subsequent amending legislation. Accordingly the unfunded liabilities have been recognised in the balance sheet under Provisions with a corresponding asset recognised under Receivables. The recognition of both the asset and the liability consequently does not affect the year end net asset position of the University.

Summary of Significant Accounting Policies

for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(r) Borrowings

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

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

(s) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

(t) Trade and other payables

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

(u) Provisions

Provisions for legal claims and service warranties are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are not recognised for future operating losses.

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

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

(v) Employee benefits

(i) Wages and salaries

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

Notes to the financial statements

for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(v) Employee benefits (continued)

(ii) Annual leave and sick leave

The liability for long-term employee benefits such as annual leave and accumulating sick leave is recognised in current provisions for employee benefits as it is not due to be settled within 12 months after the end of the reporting period. It is measured at the amount expected to be paid when the liability is settled. Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

(iii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iv) Retirement benefit obligations

All employees of the Group are entitled to benefits on retirement, disability or death from the Group's superannuation plan. The Group has a defined benefit section and defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from the Group and the Group's legal or constructive obligation is limited to these contributions. The employees of the parent entity are all members of the defined contribution section of the Group's plan.

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

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

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, outside of the income statement, in the statement of comprehensive income.

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

Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

Notes to the financial statements for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(v) Employee benefits (continued)

(v) Termination Benefits

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

Rounding of amounts

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

(w) Web site costs

Costs in relation to web sites controlled by a subsidiary arising from development are recognised as an intangible asset if, and only if, in addition to complying with the general requirements described in AASB 138.21 for recognition and initial measurement, the subsidiary can satisfy the requirements in AASB 138.57. When these criteria cannot be satisfied, all expenditure on developing such a web site shall be recognised as an expense when incurred. Expenditure on start-up activities is recognised as an expense when incurred.

(x) Goods and Services Tax (GST)

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

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

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

Summary of Significant Accounting Policies for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(y) Investment properties

Investment properties exclude properties held to meet service delivery objectives of Southern Cross University and its subsidiaries.

Investment properties are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to Southern Cross University. Where an investment property is acquired at no cost or for nominal consideration, its cost shall be deemed to be its fair value, as at the date of acquisition.

Subsequent to initial recognition at cost, investment property is carried at fair value, which is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices in less active markets or discounted cash flow projections. These valuations are reviewed annually by a member of the Australian property institute. Changes in fair values are recorded in the income statement as part of the other income

Rental revenue from the leasing of investment properties is recognised in the income statement in the periods in which it is receivable, as this represents the pattern of service rendered through the provision of the properties.

(z) Comparative Amounts

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

Reclassification has been made in the prior year income statement to transfer Write down on investment in subsidiaries to Other expenses. Other expenses has been amended from \$53,233 to \$62,833. There has been no change to total comprehensive income.

(aa) New Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2012 reporting periods. Southern Cross University's assessment of the impact of these new Standards and Interpretations is set out below:

AASB 1048 Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments as amended by AASB 2011-3 and 2012-9 (2013)

AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049 Presentation of Other Comprehensive Income as amended by AASB 2011-9 (2013)

AASB 10 Consolidated Financial Statements (2013)

AASB 11 Joint Arrangements (2013)

AASB 12 Disclosure of Interests in Other Entities (2013)

AASB 13 Fair Value Measurement (2013)

AASB 119 Employee Benefits (2013)

AASB 1053 Application of Tiers of Australian Accounting Standards (2014)

AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements (2013)

AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (2015)

AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements (2013)

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements (2014)

AASB 2011-6 Amendments to Australian Accounting Standards Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements (2013)

AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (2013)

Summary of Significant Accounting Policies for the year ended 31 December 2012

1 Summary of Significant Accounting Policies (continued)

(aa) New Accounting Standards and Interpretations (continued)

AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 (2013)
AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (2013)
AASB 2011-11 Amendments to Australian Accounting Standard AASB 119 (2013)
AASB 2012-1 Amendments to Australian Accounting Standards Amendments to Australian Accounting Standards - Fair Value Measurement - Reduced Disclosure Requirements (2013)
AASB 2012-2 Amendments to Australian Accounting Standards –Disclosures – Offsetting Financial Assets and Financial Liabilities (2013)
AASB 2012-3 Amendments to Australian Accounting Standards –Offsetting Financial Assets and Financial Liabilities (2014)
AASB 2012-4 Amendments to Australian Accounting Standards –Government Loans AASB 1 (2013)
AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle (2013)
AASB 2012-7 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements (2012)
AASB 2012-11 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements and Other Amendments (2013)
AASB 9 Financial Instruments as amended by AASB 2010-7 and AASB 2012-6 (2015)
AASB 2011-12 Amendments to Australian Accounting Standards arising from Interpretation 20 (2013)[Specify]

2 Disaggregated information

(a) Geographical - Consolidated entity

	Revenue		Results		Assets	
	2012	2011	2012	2011	2012	2011
	000's	000's	000's	000's	000's	000's
	\$	\$	\$	\$	\$	\$
Australia	180,535	166,733	-	-	317,417	302,086
Asia	3,565	3,671	-	-	-	-
Unallocated	11,812	14,243	3,461	7,567	-	-
	195,912	184,647	3,461	7,567	317,417	302,086

Notes to the financial statements for the year ended 31 December 2012

3 Australian Government financial assistance including Australian government loan programs (HELP)

(a) Commonwealth Grant Scheme and Other Grants

	Note	Consolidated		Parent entity	
		2012	2011	2012	2011
		000's	000's	000's	000's
		\$	\$	\$	\$
Commonwealth Grant Scheme #1		73,924	64,836	73,924	64,836
Indigenous Support Program		898	898	898	898
Partnership and Participation Program #2		1,764	2,727	1,764	2,727
Disability Support Program		133	148	133	148
Capital Development Pool		-	6,255	-	6,255
Diversity and Structural Adjustment Fund #3		3,700	-	3,700	-
Transitional Cost Program		68	98	68	98
Promotion of Excellence in Learning and Teaching		225	-	225	-
Reward funding		319	-	319	-
Total Commonwealth Grant Scheme and Other Grants	38(a)	81,031	74,962	81,031	74,962

(b) Higher Education Loan Programmes

HECS - HELP		38,395	35,017	38,395	35,017
FEE - HELP#4		6,196	5,726	6,196	5,726
SA-HELP payments		371	-	371	-
Total Higher Education Loan Programmes	38(b)	44,962	40,743	44,962	40,743

(c) Scholarships

Australian Postgraduate Awards		1,556	1,322	1,556	1,322
International Postgraduate Research Scholarships		128	123	128	123
Commonwealth Education Costs Scholarships #5		518	244	518	244
Commonwealth Accommodation Scholarships #5		580	641	580	641
Indigenous Access scholarships		110	26	110	26
Total Scholarships	38(c)	2,892	2,356	2,892	2,356

Notes to the financial statements for the year ended 31 December 2012

3 Australian Government financial assistance including Australian government loan programs (HELP) (continued)

(d) DIISRTE Research

	Note	Consolidated		Parent entity	
		2012 000's \$	2011 000's \$	2012 000's \$	2011 000's \$
Joint Research Engagement Program #6	38(d)	1,673	1,698	1,673	1,698
Research Training Scheme		3,605	3,486	3,605	3,486
Research Infrastructure Block Grants		341	301	341	301
Commercialisation Training Scheme		-	48	-	48
Sustainable Research Excellence in Universities		521	340	521	340
Total DIISRTE Research Grants	38(d)	6,140	5,873	6,140	5,873

(e) Other Capital Funding

Teaching and Learning Capital Fund		-	6,572	-	6,572
Education Investment Fund		8,093	-	8,093	-
Total Other Capital Fundi	38(e)	8,093	6,572	8,09	6,572

(f) Australian Research Council

(i) Discovery

Projects	38(f)	631	350	631	350
Fellowships		555	182	555	182
Indigenous Researchers Development		-	120	-	120
Total Discovery		1,186	652	1,186	652

(ii) Linkages

Linkages - Infrastructure Projects		450	-	450	-
		1,171	1,150	1,171	1,150
Total Linkages		1,621	1,150	1,621	1,150
Total ARC	38(f)	2,807	1,802	2,807	1,802

Notes to the financial statements

for the year ended 31 December 2012

3 Australian Government financial assistance including Australian government loan programs (HELP) (continued)

(g) Other Australian Government Financial Assistance

	Note	Consolidated		Parent entity	
		2012 000's	2011 000's	2012 000's	2011 000's
		\$	\$	\$	\$
Non-capital					
Health Workforce Australia		655	904	655	904
Australian Centre for International Agricultural Research		241	319	241	319
Dept Innovation Industry Science and Research		1,236	625	1,236	625
Other		2,445	4,640	2,445	4,640
Total		4,577	6,488	4,577	6,488
Capital					
Healthworkforce Australia		1,054	564	1,054	564
Total		1,054	564	1,054	564
Total Other Australian Government Financial Assistance		5,631	7,052	5,631	7,052
Total Australian Government Financial Assistance		151,556	139,360	151,556	139,360
Reconciliation					
Australian Government Grants (a + c + d + e + f +g)		106,594	98,617	106,594	98,617
HECS - HELP		38,395	35,017	38,395	35,017
FEE - HELP		6,196	5,726	6,196	5,726
SA-HELP payments		371	-	371	-
Total Australian Government Financial Assistance		151,556	139,360	151,556	139,360

Notes to the financial statements for the year ended 31 December 2012

3 Australian Government financial assistance including Australian government loan programs (HELP) (continued)

(h) Australian Government Grants received - cash basis

	Note	Consolidated		Parent entity	
		2012	2011	2012	2011
		000's	000's	000's	000's
		\$	\$	\$	\$
CGS and Other DEEWR Grants		81,032	74,962	81,032	74,962
Higher Education Loan Programmes		45,146	40,809	45,146	40,809
Scholarships		1,208	2,356	1,208	2,356
DIISR research		7,824	5,873	7,824	5,873
Other Capital Funding		8,093	6,572	8,093	6,572
ARC grants - Discovery		631	652	631	652
ARC grants - Linkages		2,176	1,150	2,176	1,150
Other Australian Government Grants		5,745	6,231	5,745	6,231
Total Australian Government Grants received - cash basis		151,855	138,605	151,855	138,605
OS-Help (Net)	38(g)	4	(146)	4	(146)
Total Australian Government funding received - cash basis		151,859	138,459	151,859	138,459

#1 Includes the basic CGS grant amount, CGS – Regional Loading and CGS – Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.

#2 Includes Equity Support Program.

#3 Includes Collaboration & Structural Adjustment Program

#4 Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.

#5 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.

#6 Includes Institutional Grants Scheme.

Notes to the financial statements for the year ended 31 December 2012

4 State and local government financial assistance

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Non-capital				
Northern Territory	28	13	28	13
New South Wales	690	795	690	795
Queensland	261	346	261	346
Victoria	250	704	250	704
South Australia	85	259	85	259
Total non-capital	1,314	2,117	1,314	2,117
Capital				
Queensland	200	230	200	230
Western Australia	40	40	40	40
Total capital	240	270	240	270
Total State and Local Government financial assistance	1,554	2,387	1,554	2,387

Notes to the financial statements for the year ended 31 December 2012

5 Fees and charges

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Course fees and charges				
Fee-paying overseas students	15,564	17,915	15,564	17,915
Continuing education	3	6	3	6
Fee-paying domestic postgraduate students	2,259	2,430	2,259	2,430
Fee-paying domestic undergraduate students	148	171	148	171
Fee-paying domestic non-award students	94	70	94	70
Total course fees and charges	18,068	20,592	18,068	20,592
Other non-course fees and charges				
Student services fees from students	400	-	400	-
Late fees	129	118	129	118
Rental charges	5	18	5	18
Student accommodation	331	259	331	259
Amenities and service fees	83	226	83	226
Other services	158	172	158	172
Total other fees and charges	1,106	793	1,106	793
Total fees and charges	19,174	21,385	19,174	21,385
6 Investment revenue and income				
Interest	1,439	2,701	1,438	2,698
Dividends	-	257	-	10,643
Partnership Distributions	-	-	771	507
Total investment revenue	1,439	2,958	2,209	13,848
7 Royalties, trademarks and licences				
Royalties, trademarks and licences	14	40	14	40
Total royalties, trademarks and licences	14	40	14	40

Notes to the financial statements for the year ended 31 December 2012

8 Consultancy and contracts

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Consultancy	1,654	1,568	1,654	1,518
Contract research	5,504	4,053	5,504	4,053
Total consultancy and contracts	7,158	5,621	7,158	5,571

9 Other revenue and income

Other revenue

Donations and bequests	140	273	140	273
Scholarships and prizes	224	286	224	286
Sale of goods	307	369	88	100
Non-student rental income	453	448	453	458
Catering income	390	497	126	208
Printery sales	84	134	85	138
Conferences and workshops	302	397	90	97
Facilities hire	110	86	102	86
Immersion program	35	77	35	77
Licence fee	537	670	537	670
Scientific testing	3,697	3,102	3,697	3,102
Cost recoveries	2,381	2,469	2,383	2,469
Other revenue	1,544	857	172	429
Miscellaneous sales	689	544	667	438
Bad debts recovered	42	14	42	14
Total other revenue	10,935	10,223	8,841	8,845

Notes to the financial statements for the year ended 31 December 2012

10 Employee related expenses

	Note	Consolidated		Parent entity	
		2012 000's \$	2011 000's \$	2012 000's \$	2011 000's \$
Academic					
Salaries		44,673	41,497	44,673	41,497
Contributions to superannuation and pension schemes:					
- Emerging cost		278	299	278	299
- Funded		6,455	5,987	6,455	5,987
Payroll tax		3,082	2,812	3,082	2,812
Worker's compensation		201	192	201	192
Long service leave expense		2,528	1,570	2,528	1,570
Annual leave		3,257	2,693	3,257	2,693
Other		502	518	502	518
Total academic		60,976	55,568	60,976	55,568
Non-academic					
Salaries		44,474	40,910	43,312	40,102
Contributions to superannuation and pension schemes:					
- Emerging cost		358	443	358	443
- Funded		6,655	6,119	6,537	6,026
Payroll tax		3,088	2,831	3,011	2,757
Worker's compensation		202	195	197	188
Long service leave expense		2,803	1,282	2,796	1,284
Annual leave		2,820	2,961	2,790	2,914
Other		725	731	725	730
Total non-academic		61,125	55,472	59,726	54,444
Total employee related expenses		122,101	111,040	120,702	110,012
Deferred superannuation expense	41	14	52	14	52
Total employee related expenses, including deferred government employee benefits for superannuation		122,115	111,092	120,716	110,064

Notes to the financial statements for the year ended 31 December 2012

11 Depreciation and amortisation

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Depreciation				
Buildings	4,363	4,629	4,363	4,268
Investment property	42	42	42	42
Leasehold improvements	187	255	187	255
Library holding	383	367	383	366
Plant and equipment	3,225	2,611	3,225	2,956
Infrastructure	403	362	384	362
Total depreciation	8,603	8,266	8,584	8,249
Amortisation				
Computer software, other	71	29	71	29
Total amortisation	71	29	71	29
Total depreciation and amortisation	8,674	8,295	8,655	8,278
12 Repairs and maintenance				
Repairs and maintenance	2,961	3,505	2,931	3,477
Total repairs and maintenance	2,961	3,505	2,931	3,477
13 Impairment of assets				
Bad and doubtful debts	398	159	397	169
Buildings	461	-	461	-
Property, plant and equipment	30	-	30	-
Investment property	216	-	216	-
Total impairment of assets	1,105	159	1,104	169

Notes to the financial statements for the year ended 31 December 2012

14 Other expenses

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Advertising, marketing and promotional	3,325	3,684	3,305	3,366
Audit and legal fees	937	1,056	902	1,022
Bank charges	158	98	150	90
Books, serials and subscriptions	1,957	1,842	1,957	1,841
Cleaning	804	686	742	620
Commission to agents	3,869	4,710	3,869	4,710
Consulting and fees	12,566	9,510	12,316	9,358
Contribution to joint ventures	851	927	851	927
Entertainment	372	291	354	380
Equipment maintenance, rental and hire	727	710	678	661
Freight and cartage	449	501	449	500
Fringe benefits tax	385	382	372	372
Insurance	757	673	757	673
Laboratory consumables and analysis	757	576	757	576
Lease rentals on operating lease	1,120	1,295	1,120	1,295
Non-capitalised equipment	3,850	3,330	3,788	3,282
Other expenses	3,448	3,338	3,616	13,184
Printing and stationery	886	977	867	961
Property and facility costs	1,929	1,781	1,924	1,756
Scholarships, grants and prizes	4,803	4,148	4,679	4,147
Security costs	892	967	867	932
Software purchases and licences	2,674	2,233	2,653	2,230
Subscriptions	662	638	660	631
Telephone and fax	1,187	1,299	1,177	1,289
Travel and staff development	5,537	6,067	5,476	5,952
Utilities	2,694	2,271	2,488	2,078
Total other expenses	57,596	53,990	56,774	62,833

Notes to the financial statements for the year ended 31 December 2012

15 Income Tax Expense

(a) Numerical reconciliation of income tax expense to prima facie tax payable

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Operating result from continuing operations before income tax expense	-	-	-	-
Tax at the Australian tax rate of 30% (2011: 30%)	48	48	-	-
Reduction of deferred tax from previous year	(48)	(48)	-	-
Income tax expense	-	-	-	-

(b) Income tax expense

Current tax	-	-	-	-
Deferred tax	-	-	-	-
Aggregate income tax expense	-	-	-	-

(c) Deferred tax assets

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1 are satisfied	-	-	-	-
Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables, franking debits arising from payment of proposed dividends and any credits that may be prevented from distribution in subsequent years	-	-	-	-

Notes to the financial statements for the year ended 31 December 2012

16 Cash and cash equivalents

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Cash at bank and on hand	2,676	1,469	2,607	1,396
Deposits at call	9,500	33,000	9,500	33,000
Total cash and cash equivalent	12,176	34,469	12,107	34,396

(a) Reconciliation to cash at the end of the year

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

Balances as above	12,176	34,469	12,107	34,396
Balance per statement of cash flows	12,176	34,469	12,107	34,396

(b) Cash at bank and on hand

Cash at bank are at variable interest rates.

(c) Deposits at call

The deposits are at floating interest rates between 4.05% and 4.30% (2011: 5.54% and 6.00%). These deposits have an average maturity of 38 days (2011:67 days).

Notes to the financial statements for the year ended 31 December 2012

17 Receivables

Note	Consolidated		Parent entity	
	2012 000's \$	2011 000's \$	2012 000's \$	2011 000's \$
Current				
Trade receivables	5,214	5,778	5,776	6,211
Student fees	2,178	1,471	2,178	1,471
Less: Provision for impaired receivables	(989)	(606)	(987)	(606)
	6,403	6,643	6,967	7,076
Other receivables	1,385	1,548	1,385	1,545
Total current receivables	7,788	8,191	8,352	8,621
Non-current				
Tweed Heads land	354	383	354	383
Deferred government contribution for superannuation	66,034	56,443	66,034	56,443
Total non-current receivables	66,388	56,826	66,388	56,826
Total receivables	74,176	65,017	74,740	65,447

(a) Impaired receivables

As at 31 December 2012 current receivables of the Group with a nominal value of \$988,635 (2011: \$605,936) were impaired. The amount of the provision was \$988,635 (2011: \$605,936). The individually impaired receivables mainly relate to student fees not yet collected and a wide variety of trade debtors.

The ageing of these receivables is as follows:

	Consolidated		Parent entity	
	2012 000's \$	2011 000's \$	2012 000's \$	2011 000's \$
0 to 3 months	4	7	4	7
3 to 6 months	69	111	68	111
Over 6 months	916	488	915	488
	989	606	987	606

Notes to the financial statements for the year ended 31 December 2012

17 Receivables (continued)

(a) Impaired receivables (continued)

As at 31 December 2012 current receivables of \$1,456,931 (2011: \$1,357,890) were past due but not impaired. These relate to student fees not yet collected and a wide variety of trade debtors.

The ageing analysis of these receivables is as follows:

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Between 0 to 3 months	485	4	485	-
Between 3 to 6 months	971	1,354	971	1,354
	1,456	1,358	1,456	1,354

Movements in the provision for impaired receivables are as follows:

At 1 January	606	1,025	606	999
Provision for impairment recognised during the year	989	588	987	606
Receivables written off during the year as uncollectible	14	549	14	541
Unused amount reversed	(620)	(1,556)	(620)	(1,540)
	989	606	987	606

The creation and release of the provision for impaired receivables has been included in 'other expenses' in the income statement. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash.

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

18 Inventories

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Current				
At cost	35	31	9	8
	35	31	9	8
Total inventories	35	31	9	8

Notes to the financial statements for the year ended 31 December 2012

19 Property, plant and equipment Parent entity

	Land 000's \$	Buildings 000's \$	Construction in Progress 000's \$	Leasehold Improvem't 000's \$	Plant and Equipment 000's \$	Infrastructure 000's \$	Library 000's \$	Total 000's \$
At 1 January 2011								
- Cost	13,022	153,479	4,014	956	30,568	16,263	10,092	228,394
Accumulated depreciation	-	(24,687)	-	(355)	(17,388)	(2,178)	(9,109)	(53,717)
Net book amount	13,022	128,792	4,014	601	13,180	14,085	983	174,677
Year ended 31 December 2011								
Opening net book amount	13,022	128,792	4,014	601	13,180	14,085	983	174,677
Additions	1,500	5,856	19,263	-	5,257	183	480	32,539
Assets classified as held for sale and other disposals	(800)	(556)	-	-	(5,409)	(19)	(235)	(7,019)
Depreciation expense	-	(4,268)	-	(256)	(2,956)	(362)	(365)	(8,207)
Depreciation written back	-	206	-	-	4,685	7	234	5,132
Transfers	-	285	(880)	-	523	72	-	-
Closing net book amount	13,722	130,315	22,397	345	15,280	13,966	1,097	197,122
At 31 December 2011								
- Cost	13,722	159,064	22,397	956	30,939	16,499	10,337	253,914
Accumulated depreciation	-	(28,749)	-	(611)	(15,659)	(2,533)	(9,240)	(56,792)
Net book amount	13,722	130,315	22,397	345	15,280	13,966	1,097	197,122
Year ended 31 December 2012								
Opening net book amount	13,722	130,315	22,397	345	15,280	13,966	1,097	197,122
Additions	-	-	32,817	-	5,002	744	413	38,976

Notes to the financial statements for the year ended 31 December 2012

19 Property, plant and equipment (continued)

Parent entity

	Land 000's	Buildings 000's	Construction in Progress 000's	Leasehold Improvement 000's	Plant and Equipment 000's	Infrastructure 000's	Library 000's	Total 000's
	\$	\$	\$	\$	\$	\$	\$	\$
Assets disposals	-	-	-	-	(2,572)	-	(366)	(2,938)
Depreciation expense	-	(4,363)	-	(187)	(3,225)	(384)	(383)	(8,542)
Depreciation written back	-	-	-	-	1,984	-	361	2,345
Impairment charges	-	(461)	-	-	(30)	-	-	(491)
Transfers	-	5,648	(6,622)	-	840	134	-	-
Closing net book amount	13,722	131,139	48,592	158	17,279	14,460	1,122	226,472

At 31 December 2012

- Cost	13,722	164,711	48,592	956	34,208	17,377	10,384	289,950
Accumulated depreciation	-	(33,111)	-	(798)	(16,899)	(2,917)	(9,262)	(62,987)
Accumulated impairment	-	(461)	-	-	(30)	-	-	(491)
Net book amount	13,722	131,139	48,592	158	17,279	14,460	1,122	226,472

Consolidated

	Land 000's	Buildings 000's	Construction in Progress 000's	Leasehold Improvement 000's	Plant and Equipment 000's	Infrastructure 000's	Library 000's	Total 000's
	\$	\$	\$	\$	\$	\$	\$	\$
At 1 January 2011								
- Cost	14,522	159,407	4,014	956	30,974	16,444	10,096	236,413
Accumulated depreciation	-	(24,759)	-	(355)	(17,470)	(2,183)	(9,110)	(53,877)
Net book amount	14,522	134,648	4,014	601	13,504	14,261	986	182,536

Notes to the financial statements for the year ended 31 December 2012

19 Property, plant and equipment (continued)

Consolidated

Year ended 31 December 2011

	Land 000's	Buildings 000's	Construction in Progress 000's	Leasehold Improvement 000's	Plant and Equipment 000's	Infrastructure 000's	Library 000's	Total 000's
	\$	\$	\$	\$	\$	\$	\$	\$
Opening net book amount	14,522	134,648	4,014	601	13,504	14,261	986	182,536
Additions	-	-	19,263	-	5,204	15	478	24,960
Asset disposals	(800)	(556)	-	-	(5,584)	(28)	(235)	(7,203)
Depreciation expense	-	(4,268)	-	(256)	(2,973)	(362)	(365)	(8,224)
Depreciation written back	-	206	-	-	4,684	7	234	5,131
Transfers	-	285	(880)	-	523	72	-	-
Closing net book amount	13,722	130,315	22,397	345	15,358	13,965	1,098	197,200

At 31 December 2011

- Cost	13,722	159,136	22,397	956	31,116	16,503	10,339	254,169
Accumulated depreciation	-	(28,821)	-	(611)	(15,758)	(2,538)	(9,241)	(56,969)
Net book amount	13,722	130,315	22,397	345	15,358	13,965	1,098	197,200

Year ended 31 December 2012

Opening net book amount	13,722	130,315	22,397	345	15,358	13,965	1,098	197,200
Additions	-	-	32,817	-	5,045	744	413	39,019
Asset disposals	-	-	-	-	(2,681)	-	(366)	(3,047)
Depreciation expense	-	(4,363)	-	(187)	(3,244)	(384)	(383)	(8,561)
Depreciation written back	-	-	-	-	2,009	-	362	2,371
Impairment charges	-	(461)	-	-	(30)	-	-	(491)
Transfers	-	5,648	(6,622)	-	840	134	-	-

Notes to the financial statements for the year ended 31 December 2012

19 Property, plant and equipment (continued) Consolidated

	Land 000's	Buildings 000's	Construction in Progress 000's	Leasehold Improvement 000's	Plant and Equipment 000's	Infrastructure 000's	Library 000's	Total 000's
	\$	\$	\$	\$	\$	\$	\$	\$
Closing net book amount	13,722	131,139	48,592	158	17,297	14,459	1,124	226,491
At 31 December 2012								
- Cost	13,722	164,711	48,592	956	34,264	17,377	10,384	290,006
Accumulated depreciation	-	(33,111)	-	(798)	(16,937)	(2,917)	(9,262)	(63,025)
Accumulated impairment	-	(461)	-	-	(30)	-	-	(491)
Net book amount	13,722	131,139	48,592	158	17,297	14,460	1,122	226,490

(a) Valuations of land and buildings

The valuation basis of land and buildings is deemed cost. Refer to Note 1 (o)

(b) There are no non-current assets pledged as security by the parent entity and its controlled entities.

Notes to the financial statements

for the year ended 31 December 2012

20 Intangible assets

	Consolidated entity		
	Computer software	Work in progress	Total
	000's \$	000's \$	000's \$
Year ended 31 December 2011			
Balance at the beginning of the year	140	98	238
Additions - internal development	-	95	95
Additions - separately acquired	-	49	49
Amortisation charge	(29)	-	(29)
Closing value at 31 December 2011	111	242	353
Year ended 31 December 2012			
Opening net book amount	111	242	353
Additions - internal development	9	722	731
Additions - separately acquired	319	207	526
Transfers	242	(242)	-
Amortisation charge	(71)	-	(71)
Closing value at 31 December 2012	610	929	1,539

21 Other non-financial assets

	Consolidated		Parent entity	
	2012 000's \$	2011 000's \$	2012 000's \$	2011 000's \$
Current				
Prepayments	3,238	3,442	3,238	3,439
Total other non-financial assets	3,238	3,442	3,238	3,439

Notes to the financial statements for the year ended 31 December 2012

22 Non-current assets classified as held for sale

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Land and buildings	-	1,163	-	1,163
Total non-current assets held for sale	-	1,163	-	1,163

23 Investment properties

At Cost

Opening balance at 1 January	1,258	1,300	1,258	-
Acquisition of subsidiary	-	-	-	1,300
Depreciation charge	(42)	(42)	(42)	(42)
Impairment charge	(216)	-	(216)	-
Closing balance at 31 December	1,000	1,258	1,000	1,258

(a) Amounts recognised in profit and loss for investment properties

Rental income	89	81	89	92
Direct operating expenses (rent generating properties)	(61)	(63)	(61)	(63)
Other direct operating expenses	(42)	(42)	(42)	(42)
Impairment charges	(216)	-	(216)	-
Total recognised in profit and loss	(230)	(24)	(230)	(13)

(b) Valuation basis

Investment properties for the year ended 31 December 2012 are measured at cost. Depreciation is calculated at 3.23% using the straight line method over their useful lives.

The fair value of the Investment properties is \$1,000,000. The valuation was based on the independent valuation prepared by Taylor Byrne on 31 December 2012.

(c) Non-current assets pledged as security

No non-current assets have been pledged as security.

(d) Contractual obligations

There are no capital commitments for investment properties.

(e) Leasing arrangements

The investment properties are managed by an external property management company for short term holiday letting

Notes to the financial statements for the year ended 31 December 2012

24 Investments accounted for using the equity method

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Current				
Investments in jointly controlled entities	(1,237)	(847)	275	275
Total investments accounted for using the equity method	(1,237)	(847)	275	275
Reconciliation				
Balance at 1 January	(847)	49	275	275
Share of profit for the year	382	(389)	-	-
Dividends	(772)	(507)	-	-
Balance at 31 December	(1,237)	(847)	275	275

(a) Ownership Interest

		%	%
Description		2012	2011
Joint controlled entities			
Australasian Institute of Hotel Management	Professional development services for participants in the hotel industry	43.00	43.00
Coffs Harbour Technology Park Limited	Real estate development	33.30	33.30
CRC Care Pty Ltd	Research and development in contamination assessment and remediation.	7.46	5.11
Rail CRC Limited	Research and development in rail.	6.07	5.81
CRC Forestry Limited	Research and development in forestry management.	4.00	4.00

Notes to the financial statements for the year ended 31 December 2012

24 Investments accounted for using the equity method (continued)

(b) Summarised financial information - jointly controlled

Summarised financial information in respect of jointly controlled entities is set out below:

	Note	Consolidated		Parent entity	
		2012 000's \$	2011 000's \$	2012 000's \$	2011 000's \$
Financial Position					
Current assets		3,146	2,426	275	275
Non-current assets		485	624	-	-
Total assets		3,631	3,050	275	275
Current Liabilities		(2,328)	(1,413)	-	-
Non-current liabilities		(1)	(27)	-	-
Total liabilities		(2,329)	(1,440)	-	-
Net assets		1,302	1,610	275	275
Financial Performance					
Income		4,154	3,395	-	-
Expenses		(3,772)	(3,784)	-	-
Profit/(loss)		382	(389)	-	-
Share of jointly controlled entities' profit/(loss)		382	(389)	-	-

Capital commitments and contingent liabilities arising from the Group's interests in associates and joint ventures are disclosed in notes 38 and 32 respectively.

25 Trade and other payables

	Consolidated		Parent entity	
	2012 000's \$	2011 000's \$	2012 000's \$	2011 000's \$
Current				
Payables and accrued expenses	11,795	12,736	11,705	12,632
Total current trade and other payables	11,795	12,736	11,705	12,632
Non-current				
Payables and accrued expenses	-	4	-	-
Total non-current trade and other payables	-	4	-	-
Total trade and other payables	11,795	12,740	11,705	12,632

Notes to the financial statements for the year ended 31 December 2012

26 Other liabilities

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Current				
Student fees and other income in advance	3,737	3,281	3,729	3,281
Australian government unspent financial assistance	2,175	2,764	2,175	2,764
Total current other liabilities	5,912	6,045	5,904	6,045

27 Borrowings

(a) Assets pledged as security

The Group and parent entity had no assets pledged as security in 2012 and 2011.

(b) Financing arrangements

The University has a borrowing facility with Australia and New Zealand Banking Group Limited. At 31 December 2012 there had been no drawings on this facility.

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Bank loan facilities				
Total facilities	45,000	-	45,000	-
Unused at balance date	45,000	-	45,000	-

Notes to the financial statements for the year ended 31 December 2012

28 Provisions

Note	Consolidated		Parent entity	
	2012 000's \$	2011 000's \$	2012 000's \$	2011 000's \$
Current provisions expected to be settled within 12 months				
Employee benefits				
Annual leave	5,736	5,505	5,679	5,455
Long service leave	3,146	1,927	3,127	1,901
	8,882	7,432	8,806	7,356
Current provisions expected to be settled after more than 12 months				
Employee benefits				
Annual leave	1,828	1,761	1,828	1,734
Long service leave	11,618	9,687	11,581	9,687
	13,446	11,448	13,409	11,421
Total current provisions	22,328	18,880	22,215	18,777
Non-Current provisions expected to be settled after more than 12 months				
Employee benefits				
Long service leave	2,550	2,543	2,550	2,520
Defined benefit obligation	66,841	57,148	66,841	57,148
Total non-current provisions	69,391	59,691	69,391	59,668
Total Provisions	91,719	78,571	91,606	78,445

Movements in each class of provision during the financial year are set out below:

Consolidated

	Long service leave 000's \$	Annual leave 000's \$	Deferred non- government benefits for superannuation 000's \$	Total 000's \$
Current				
Carrying amount at 1 January 2012	14,157	7,266	57,148	78,571
Amounts used	2,173	5,788	-	7,961
Provisions recognised/(reversed)	984	(5,490)	9,693	5,187
Balance at 31 December 2012	17,314	7,564	66,841	91,719

Notes to the financial statements for the year ended 31 December 2012

29 Retained earnings

Retained surplus

	Note	Consolidated		Parent entity	
		2012 000's	2011 000's	2012 000's	2011 000's
		\$	\$	\$	\$
Balance 1 January		204,730	197,400	206,339	196,938
Total other comprehensive income		(200)	(237)	(200)	(237)
Operating result for the period		3,461	7,567	4,026	9,638
Balance 31 December		207,991	204,730	210,165	206,339

30 Key Management Personnel Disclosures

(a) Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of Southern Cross University during the financial year:

Official Council Members

The Honourable John Robert Arthur Dowd AO QC, Chancellor
Professor Peter Leslie Lee, Vice Chancellor
Professor John Jenkins, Chair Academic Board

Ministerial Appointments

Warren Albert Grimshaw AM
Neville Newell
Janelle Saffin MP
Honorable Justice Terence Sheahan AO
Trevor Stanley Wilson, Deputy Chancellor
Rhoda Roberts

Elected Council Members

Professor William Boyd (from September 2012)
Fiona Wright (from September 2012)
Matthew Newell
Dr Amanda Reichelt-Brushett (from September 2012)

Council Appointed Members

Helen McGregor
John B Shanahan
Margot Ruth Sweeny
Anthony Matis (from November 2012)
Julie Granger (from November 2012)

Notes to the financial statements

for the year ended 31 December 2012

30 Key Management Personnel Disclosures (continued)

(a) Names of responsible persons and executive officers (continued)

Council Members resigned from office in 2012

Graham Lancaster

Ronald Dowell

Professor Peter Harrison

(b) Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of Southern Cross University during the financial year:

Professor Peter Lee	Vice Chancellor
Professor William MacGillivray	Deputy Vice Chancellor
Professor Neal Ryan	Pro Vice-Chancellor (Research)
Professor Andrew McAuley	Pro Vice Chancellor (Academic)
Helen Hughes	Executive Director, Community and Corporate Relations
Allan Morris	Executive Director, Information and Physical Resources
Chris Patton	Pro Vice Chancellor (International and Enterprise)

Executive Officers no longer in office at the end of 2012

Malcolm Marshall	Executive Director, Corporate Services
Caroline Anderson	Executive Director, Corporate Services

Notes to the financial statements

for the year ended 31 December 2012

30 Key Management Personnel Disclosures (continued)

(c) Remuneration of board members and executives

	Consolidated		Parent entity	
	2012	2011	2012	2011
	Number	Number	Number	Number
Remuneration of Board Members				
Nil to \$14,999	14	13	14	13
\$30,000 to \$44,999	2	-	2	-
\$45,000 to \$59,999	1	-	1	-
\$90,000 to \$104,999	2	-	2	-
\$105,000 to \$119,999	-	1	-	1
\$120,000 to \$134,999	1	1	1	1
\$135,000 to \$149,999	-	1	-	1
\$165,000 to \$179,999	-	1	-	1
\$195,000 to \$209,999	-	1	-	1
\$210,000 to \$224,999	1	-	1	-
\$600,000 to \$614,999	1	1	1	1
Remuneration of executive officers				
\$150,000 to \$164,999	1	-	1	-
\$195,000 to \$209,999	-	1	-	1
\$225,000 to \$239,999	-	1	-	1
\$255,000 to \$269,999	2	2	2	2
\$270,000 to \$284,999	2	-	2	-
\$285,000 to \$299,999	-	2	-	2
\$300,000 to \$314,999	1	-	1	-
\$330,000 to \$344,999	1	-	1	-
\$360,000 to \$374,999	-	1	-	1
\$375,000 to \$389,999	1	-	1	-
\$600,000 to \$614,999	1	1	1	1

(d) Key management personnel compensation

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Short-term employee benefits	2,842	2,700	2,842	2,700
Post-employment benefits	456	457	456	457
Other long-term benefits	189	-	189	-
Termination benefits	78	110	78	110
	3,565	3,267	3,565	3,267

Notes to the financial statements for the year ended 31 December 2012

31 Remuneration of Auditors

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

Assurance Service

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
(a) Audit Services	\$	\$	\$	\$
Fees paid to The Audit Office of New South Wales:				
Audit and review of financial reports and other audit work under the Corporations Act 2001	210	225	175	185
Total remuneration for audit services	210	225	175	185
(b) Fees paid to internal audit service providers				
Fees paid to audit firms unrelated to The Audit Office of New South Wales	122	101	122	101
Total remuneration for other assurance services	122	101	122	101
Non-audit services				
Fees paid to firms unrelated to The Audit Office of NSW	17	19	17	19

32 Contingencies

Contingent liabilities

There are currently no claims against the parent or the group,

Claims

There are no litigation claims in progress at this time.

Guarantees

The University has a bank guarantee facility of \$5.0 million with ANZ Banking Group Limited of which \$140,000 has been utilised in favour of Gold Coast Central Airport Pty Limited for lease premises.

33 Related Parties

(a) Parent entities

The ultimate parent entity within the Group is Southern Cross University. The ultimate Australian parent entity is Southern Cross University which is incorporated in Australia.

Notes to the financial statements for the year ended 31 December 2012

33 Related Parties (continued)

(b) Subsidiaries

Interests in subsidiaries are set out in note 40.

(c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 30

(d) Transactions with related parties

The following transactions occurred with related parties:

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
<i>Revenue</i>				
Phone and postage costs recovered	-	-	6	7
Other costs recovered	-	-	124	180
<i>Expenses</i>				
Catering costs	-	-	149	122
Salary and related costs	-	-	343	351
Management fees	-	-	180	180
Other costs paid	-	-	216	274
Debt forgiveness	-	-	91	-
Operations grant	-	-	251	-

(e) Outstanding balances

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
<i>Current receivables (sale of goods and services)</i>				
Subsidiaries	593	465	593	465
<i>Current payables (purchase of goods)</i>				
Subsidiaries	4	-	4	-

The balance outstanding will be settled in cash.

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

Notes to the financial statements for the year ended 31 December 2012

33 Related Parties (continued)

(f) Guarantees

There have been no guarantees given (2011: Nil)

A letter of unconditional financial support has been provided by Southern Cross University to Norsesearch Limited, SCU College Pty Ltd and Asia Pacific Football Institute Operations Pty Ltd. The ultimate parent entity will support the entities financially to help ensure the entities can pay their debts as and when they fall due.

(g) Terms and Conditions

Related party outstanding balances are unsecured and have been provided on interest-free terms.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Notes to the financial statements for the year ended 31 December 2012

34 Reconciliation of Operating Results After Income Tax to Net Cash Flows From Operating Activities

Reconciliation of net cash from operating activities to net operating result	Note	Consolidated		Parent entity	
		2012 000's \$	2011 000's \$	2012 000's \$	2011 000's \$
		3,461	7,567	4,026	9,638
Add non-cash items:					
Depreciation and amortisation	11	8,674	8,295	8,655	8,278
Write-down investment to recoverable amount		-	-	-	9,600
Net gain on disposal of non- current assets		-	39	-	39
Changes in operating assets and liabilities:					
(Increase)/decrease in trade and other receivables		(9,159)	(21,929)	(9,238)	(17,582)
(Increase)/decrease in joint venture investments		390	(896)	-	-
(Increase)/decrease in inventories		(4)	(9)	(1)	(1)
(Increase)/decrease in other assets		204	(1,807)	201	(11,408)
(Increase)/decrease in investment properties		-	42	-	-
Increase/(decrease) in trade and other payables		(945)	4,044	(927)	2,128
Increase/(decrease) in provisions		13,148	21,359	13,162	21,334
Increase/(decrease) in other liabilities		(133)	2,247	(142)	(2,141)
Net cash provided by operating activities		15,636	18,952	15,736	19,885

35 Events Occurring After the Reporting Date

There has not occurred in the period between the end of the financial year (31 December 2012) and the date of this report any item, transaction or event of a material nature to significantly affect the financial position of the University.

36 Business combinations

Summary of acquisition

National Marine Science Centre Pty Ltd

On 1 May 2010 Southern Cross University obtained control of National Marine Science Centre Pty Ltd (NMSC) by acquiring 50% shares and voting rights in NMSC from the University of New England for cash consideration of \$4,600,000. In 2011 the activities of NMSC were absorbed into Southern Cross University and the company deregistered on 14 December 2011. The assets of NMSC were brought into the University accounts at cost and the value on Investment written down by \$9,599,996 in 2011.

Notes to the financial statements

for the year ended 31 December 2012

37 Financial Risk Management

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

Risk management is carried out by a Financial and Business Services under the University's Investment guidelines. The Group does not enter into or trade financial instruments for speculative purposes

(a) Market risk

(i) Foreign exchange risk

The Group undertakes transactions with other educational institutions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. At the reporting date The Group's transactions denominated in foreign were insignificant and the movement in rates and volumes throughout the year was not considered high risk.

(ii) Price risk

Price risk arises on financial instruments because of changes in, for example, commodity prices or equity prices. The Group is not exposed to price risk.

(iii) Cash flow and fair value interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

The Group's main interest rate risk arises from investments held as interest bearing deposits and on-call bank deposits. The Group aims to minimise risk through prudent financial management and diversification of investments. Term deposits are spread across financial institutions for varying terms with a maximum percentage for each institution. Interest is paid on maturity.

Notes to the financial statements for the year ended 31 December 2012

37 Financial Risk Management (continued)

(a) Market risk (continued)

(iv) Summarised sensitivity analysis

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

31 December 2012	Carrying amount \$'000	Interest rate risk				Foreign exchange risk			
		-1%		+1%		-1%		+1%	
		Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$
Financial assets									
Cash and Cash Equivalents - at bank	12,175	(221)	(221)	221	221	(8,276)	(8,276)	8,276	8,276
Receivables - Debtors	74,528	-	-	-	-	-	-	-	-
Financial liabilities									
Trade and other payables	11,807	-	-	-	-	-	-	-	-
Other financial liabilities	5,911	-	-	-	-	-	-	-	-
Total increase/(decrease)	68,985	(221)	(221)	221	221	(8,276)	(8,276)	8,276	8,276

Notes to the financial statements for the year ended 31 December 2012

37 Financial Risk Management (continued)

(a) Market risk (continued)

31 December 2011

	Carrying amount \$'000	Interest rate risk				Foreign exchange risk			
		-1%		+1%		-1%		+1%	
		Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$
Financial assets									
Cash and Cash Equivalents - at bank	34,469	(386)	(386)	386	386	(37)	(37)	37	37
Receivables - Debtors	65,017	-	-	-	-	-	-	-	-
Financial liabilities									
Payables	12,740	-	-	-	-	-	-	-	-
Other financial liabilities	6,045	-	-	-	-	-	-	-	-
Total increase/(decrease)	80,701	(386)	(386)	386	386	(37)	(37)	37	37

(b) Credit risk

Trade accounts receivable consist of a large number of customers, spread across diverse industries and geographical areas. The receivables are assessed after 60 days and action taken to collect the debt. There has been no change in managing credit risk since the prior year.

Notes to the financial statements for the year ended 31 December 2012

37 Financial Risk Management (continued)

(c) Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves, the availability of funding through the Commonwealth, banking facilities and continuously monitoring forecast and actual cash flows to ensure that there is adequate liquidity to meet the entity's obligations over the near term.

The following tables summarise the maturity of the Group's financial assets and financial liabilities:

	Average interest rate		Variable interest rate		Within 1 year		Non Interest		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets:										
Cash and cash equivalents	5.73	5.88	2,675	1,469	9,500	33,000	-	-	12,175	34,469
Receivables	-	-	-	-	-	-	74,528	65,017	74,528	65,017
Total Financial Assets			2,675	1,469	9,500	33,000	74,528	65,017	86,703	99,486
Financial Liabilities:										
Payables	-	-	-	-	-	-	11,807	12,740	11,807	12,740
Other financial liabilities	-	-	-	-	-	-	5,911	6,045	5,911	6,045
Other financial liabilities			-	-	-	-	17,718	18,785	17,718	18,785

Notes to the financial statements for the year ended 31 December 2012

37 Financial Risk Management (continued)

(d) Fair value estimation

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

The fair value of financial instruments that are not traded in active markets is determined using valuation technique. The Group uses discounted cash flows and makes assumptions that are based on market conditions existing at each balance date.

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

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

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

	Carrying Amount		Fair Value	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	12,175	34,469	12,175	34,469
Receivables	74,528	65,017	74,528	65,017
Total financial assets	86,703	99,486	86,703	99,486
Financial Liabilities				
Payables	11,807	12,740	11,807	12,740
Other financial liabilities	5,911	6,045	5,911	6,045
Total financial liabilities	17,718	18,785	17,718	18,785

The fair values of non-current receivables are based on expected cash flows.

Notes to the financial statements for the year ended 31 December 2012

38 Acquittal of Australian Government Financial Assistance

(a) DIIS RTE - CGS and other DIIS RTE grants											
Parent Entity (University) Only	Note	Commonwealth Grants Scheme#1		Indigenous Support Program		Partnership & Participation Program #2		Disability Support Program		Capital Development Pool	
		2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
		000's	000's	000's	000's	000's	000's	000's	000's	000's	000's
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		73,924	64,836	898	898	1,764	2,727	133	148	-	6,255
Revenue for the period	3(a)	73,924	64,836	898	898	1,764	2,727	133	148	-	6,255
Surplus/(deficit) from the previous year		-	-	116	162	2,016	907	-	-	3,084	1,429
Total revenue including accrued revenue		73,924	64,836	1,014	1,060	3,780	3,634	133	148	3,084	7,684
Less expenses including accrued expenses		(73,924)	(64,836)	(582)	(944)	(3,780)	(1,618)	(133)	(148)	(3,084)	(4,600)
Surplus/(deficit) for the reporting period		-	-	432	116	-	2,016	-	-	-	3,084

Notes to the financial statements for the year ended 31 December 2012

38 Acquittal of Australian Government Financial Assistance (continued)

(a) DIIRTE - CGS and other DIIRTE grants (continued)

Parent Entity (University) Only	Note	Diversity and Structural Adjustment Fund #3		Transitional Cost Program		Promo of Exc in Learning and Teaching		Reward Funding		Total	
		2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
		000's	000's	000's	000's	000's	000's	000's	000's	000's	000's
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		3,700	-	68	98	225	-	319	-	81,031	74,962
Revenue for the period	3(a)	3,700	-	68	98	225	-	319	-	81,031	74,962
Surplus/(deficit) from the previous year		50	83	-	-	-	-	-	-	5,266	2,581
Total revenue including accrued revenue		3,750	83	68	98	225	-	319	-	86,297	77,543
Less expenses including accrued expenses		(1,384)	(33)	(68)	(98)	(24)	-	(319)	-	(83,298)	(72,277)
Surplus/(deficit) for the reporting period		2,366	50	-	-	201	-	-	-	2,999	5,266

#1 basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.

#2 Includes Equity Support Program.

#3 Includes Collaboration and Structural Adjustments Program

Notes to the financial statements for the year ended 31 December 2012

38 Acquittal of Australian Government Financial Assistance (continued)

		HECS-HELP (Aust. Government payments only)				FEE-HELP #4				SA-HELP				Total			
		2012		2011		2012		2011		2012		2011		2012		2011	
		000's	\$	000's	\$	000's	\$	000's	\$	000's	\$	000's	\$	000's	\$	000's	\$
Parent Entity (University) Only	Note																
Cash Payable/(Receivable) at the beginning of the year			(1,075)		(456)	481	(204)	-	-	-	(594)	-	(660)				
Financial assistance received in cash during the reporting period		39,080		34,398		5,934	6,411	131	-	45,145	40,809						
Cash available for the period		38,005		33,942		6,415	6,207	131	-	44,551	40,149						
Revenue earned		38,395		35,017		6,195	5,726	371	-	44,961	40,743						
Cash Payable/(Receivable) at the end of the year		(390)		(1,075)		220	481	(240)	-	(410)	(594)						

#4 Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP

Notes to the financial statements for the year ended 31 December 2012

38 Acquittal of Australian Government Financial Assistance (continued)

(c) Scholarships	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships #5		Commonwealth Accommodation Scholarships #5		
	2012	2011	2012	2011	2012	2011	2012	2011	
	000's	000's	000's	000's	000's	000's	000's	000's	
Parent Entity (University) Only	Note	\$	\$	\$	\$	\$	\$	\$	
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		1,556	1,322	128	123	518	244	580	641
Revenue for the period	3(c)	1,556	1,322	128	123	518	244	580	641
Surplus/(deficit) from the previous year		549	449	8	(29)	288	338	651	628
Total revenue including accrued revenue		2,105	1,771	136	94	806	582	1,231	1,269
Less expenses including accrued expenses		(1,510)	(1,222)	(136)	(86)	(166)	(294)	(314)	(618)
Surplus/(deficit) for the reporting period		595	549	-	8	640	288	917	651

#5 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.

Notes to the financial statements for the year ended 31 December 2012

38 Acquittal of Australian Government Financial Assistance (continued)

(c) Scholarships (continued)

	Indigenous Access Scholarship				Total	
	2012		2011		2012	2011
	000's	000's	000's	000's	000's	000's
Parent Entity (University) Only	Note	\$	\$	\$	\$	\$
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		110	26	2,892	2,356	
Revenue for the period	3(c)	110	26	2,892	2,356	
Surplus/(deficit) from the previous year		-	-	1,496	1,386	
Total revenue including accrued revenue		110	26	4,388	3,742	
Less expenses including accrued expenses		(50)	(26)	(2,176)	(2,246)	
Surplus/(deficit) for the reporting period		60	-	2,212	1,496	

Notes to the financial statements for the year ended 31 December 2012

38 Acquittal of Australian Government Financial Assistance (continued)

	(d) DIIRTE Research									
	Joint Research Engagement Program#6		Research Training Scheme		Infrastructure Block Grants		Commercialisation Training Scheme			
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Parent Entity (University) Only	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's
Note	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	1,673	1,698	3,605	3,486	341	301	-	-	-	48
Revenue for the period	1,673	1,698	3,605	3,486	341	301	-	-	-	48
Surplus/(deficit) from the previous year	-	-	-	-	67	220	69	69	69	39
Total revenue including accrued revenue	1,673	1,698	3,605	3,486	408	521	69	69	69	87
Less expenses including accrued expenses	(1,673)	(1,698)	(3,605)	(3,486)	(408)	(454)	(69)	(69)	(69)	(18)
Surplus/(deficit) for the reporting period	-	-	-	-	-	67	-	-	-	69

#6 Includes Institutional Grants Scheme

Notes to the financial statements for the year ended 31 December 2012

38 Acquittal of Australian Government Financial Assistance (continued)

(d) DIISRTE Research (continued)

Parent Entity (University) Only	Note	Sustainable Research Excellence in Universities		Total	
		2012	2011	2012	2011
		000's	000's	000's	000's
		\$	\$	\$	\$
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		521	340	6,140	5,873
Revenue for the period	3(d)	521	340	6,140	5,873
Surplus/(deficit) from the previous year		62	95	198	354
Total revenue including accrued revenue		583	435	6,338	6,227
Less expenses including accrued expenses		(583)	(373)	(6,338)	(6,029)
Surplus/(deficit) for the reporting period		-	62	-	198

Notes to the financial statements for the year ended 31 December 2012

38 Acquittal of Australian Government Financial Assistance (continued)

(e) Other Capital Funding

	Note	Teaching and Learning Capital Fund		Education Investment Fund		Total	
		2012	2011	2012	2011	2012	2011
		000's	000's	000's	000's	000's	000's
		\$	\$	\$	\$	\$	\$
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		-	6,572	8,093	-	8,093	6,572
Revenue for the period	3(e)	-	6,572	8,093	-	8,093	6,572
Surplus/(deficit) from the previous year		6,058	-	-	-	6,058	-
Total revenue including accrued revenue		6,058	6,572	8,093	-	14,151	6,572
Less expenses including accrued expenses		(148)	(514)	(2,163)	-	(2,311)	(514)
Surplus/(deficit) for the reporting period		5,910	6,058	5,930	-	11,840	6,058

Notes to the financial statements for the year ended 31 December 2012

38 Acquittal of Australian Government Financial Assistance (continued)

(f) Australian Research Council Grants

(i) Discovery Parent Entity (University) Only	Note	Projects		Fellowships		Indigenous Researchers Development		Total	
		2012 000's	2011 000's	2012 000's	2011 000's	2012 000's	2011 000's	2012 000's	2011 000's
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		631	350	555	182	-	120	1,186	652
Revenue for the period	3(f)(i)	631	350	555	182	-	120	1,186	652
Surplus/(deficit) from the previous year		104	49	72	93	107	-	283	142
Total revenue including accrued revenue		735	399	627	275	107	120	1,469	794
Less expenses including accrued expenses		(512)	(295)	(286)	(203)	(43)	(13)	(841)	(511)
Surplus/(deficit) for the reporting period		223	104	341	72	64	107	628	283

Notes to the financial statements for the year ended 31 December 2012

38 Acquittal of Australian Government Financial Assistance (continued)

(f) Australian Research Council Grants (continued)		Infrastructure		International		Projects		Total	
	Note	2012	2011	2012	2011	2012	2011	2012	2011
Parent Entity (University)		000's	000's	000's	000's	000's	000's	000's	000's
Only		\$	\$	\$	\$	\$	\$	\$	\$
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		-	-	-	-	1,171	1,150	1,171	1,150
Net accrual adjustments		450	-	-	-	-	-	450	-
Revenue for the period	3(f)(ii)	450	-	-	-	1,171	1,150	1,621	1,150
Surplus/(deficit) from the previous year		-	161	4	4	514	321	518	486
Total revenue including accrued revenue		450	161	4	4	1,685	1,471	2,139	1,636
Less expenses including accrued expenses		(336)	(161)	(4)	-	(966)	(957)	(1,306)	(1,118)
Surplus/(deficit) for the reporting period		114	-	-	4	719	514	833	518

Notes to the financial statements for the year ended 31 December 2012

38 Acquittal of Australian Government Financial Assistance (continued)

(g) OS-HELP

	2012	2011
	000's	000's
Note	\$	\$
Parent Entity (University) Only		
Cash received during the reporting period	185	(10)
Cash spent during the reporting period	(181)	(136)
Net cash received	4	(146)
Cash surplus/(deficit) from the previous period	(17)	129
Cash surplus/(deficit) for the reporting period	25	(17)

(h) Student Services and Amenities Fee

	2012	2011
	000's	000's
Note	\$	\$
Parent Entity (University) Only		
SA-HELP revenue earned	3(b) 371	-
Student services fees direct from students	5 400	-
Total revenue expendable in period	771	-
Student services expenses during period	(200)	-
Unspent/(overspent) student services revenue	571	-

Notes to the financial statements for the year ended 31 December 2012

39 Commitments

(a) Capital commitments

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

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Property, plant and equipment				
Within one year	10,019	35,951	10,019	35,951
Later than one year	-	675	-	675
Total	10,019	36,626	10,019	36,626

The above commitments include capital expenditure commitments of Nil (2011:Nil) for joint ventures.

(b) Lease commitments

(i) Operating Leases

The entity leases various plant and equipment under non-cancellable leases and a lease is held with the Gold Coast Airport until 2048 for the Gold Coast Campus of the University

Commitments for minimum lease payments in relation to operating leases not recognised as liabilities are payable as follows:

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Within one year	2,161	2,309	2,161	2,309
Between one year and five years	4,490	4,638	4,490	4,638
Later than five years	37,325	38,110	37,325	38,110
Total future minimum lease payments	43,976	45,057	43,976	45,057

Notes to the financial statements for the year ended 31 December 2012

39 Commitments (continued)

(c) Joint venture commitments

Commitments for remuneration in existence at the reporting date but not recognised as liabilities payable:

Due within one year	662	827	662	827
Due after one year, but within five years	1,384	1,384	1,384	1,384
Later than five years	386	168	386	168
	2,432	2,379	2,432	2,379

40 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding	
			2012 %	2011 %
Norsearch Limited	Australia	Limited by guarantee	100	100
SCU College Pty Ltd	Australia	Ordinary	100	100
Asia Pacific Football Institute Operations Pty Ltd	Australia	Ordinary	100	100
Australian Plant DNA Bank Limited	Australia	Limited by guarantee	-	100
Biobank Pty Ltd	Australia	Ordinary	-	100

Notes to the financial statements for the year ended 31 December 2012

41 Defined Benefits Plans

(a) Fund specific disclosure

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:
State Authorities Superannuation Scheme (SASS)

State Superannuation Scheme (SSS)

State Authorities Non-contributory Superannuation Scheme (SANCS)

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership.

All the Schemes are closed to new members.

The University expects to make a contribution of \$585,825 (2011: \$735,940) to the defined benefit plan during the next financial year.

The principal assumptions used for the purposes of the actuarial valuations were as follows (expressed as weighted averages):

	2012	2011
	%	%
Discount rate(s)	3.30	3.70
Expected return on plan assets	8.60	8.60
Expected rate(s) of salary increase	2.50	2.50
Rate of CPI increase	2.50	2.50

The analysis of the plan assets and the expected rate of return at the reporting date is as follows:

	2012	2011
	%	%
Equity instruments	31.00	32.10
Overseas equities	24.30	29.00
Australian fixed interest securities	6.20	5.60
Overseas fixed interest securities	2.40	2.60
Property	8.70	9.50
Cash	13.40	6.60
Other	14.00	14.60
Expected rate of return on Fund assets backing current pension liabilities	8.30	8.30
Expected rate of return on Fund assets backing other liabilities	7.30	7.30

The overall expected rate of return is a weighted average of the expected returns of the various categories of plan assets held. The University's assessment of the expected returns is based on historical return trends and actuarial predictions of the market for the asset in the next twelve months.

Notes to the financial statements for the year ended 31 December 2012

41 Defined Benefits Plans (continued)

(b) History of experience adjustments

	2012	2011	2010	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000
Fair value of plan assets	(32,371)	(33,109)	(37,357)	(39,973)	(36,719)
Present value of defined benefit obligation	99,213	90,257	74,525	70,656	76,880
Surplus/(deficit)	66,841	57,148	37,168	30,683	40,161
Experience adjustments on plan liabilities	9,313	15,354	3,079	(8,131)	17,064
Experience adjustments on plan assets	(166)	3,715	2,738	(1,545)	11,946

(c) Present value obligations

	SASS 000's \$	SANCS 000's \$	SSS 000's \$	Total 000's \$
Present value obligations - 2012				
Opening defined benefit obligation	10,638	2,906	76,713	90,257
Current service cost	389	116	214	719
Interest cost	369	97	2,786	3,252
Contributions from fund participants	159	-	378	537
Actuarial losses/(gains)	478	240	8,595	9,313
Benefits paid	(2,009)	(963)	(1,893)	(4,865)
Closing defined benefit obligation	10,024	2,396	86,793	99,213
Present value of plan assets - 2012				
Opening fair value of plan assets	7,805	2,201	23,103	33,109
Expected return on plan assets	613	199	1,864	2,676
Actuarial gains/(losses)	100	40	27	167
Contributions from the employer	343	111	292	746
Contributions from plan participants	159	-	378	537
Benefits paid	(2,009)	(963)	(1,893)	(4,865)
Closing fair value of plans assets	7,011	1,588	23,771	32,370
Net liability - 2012				
Defined benefit obligation	10,024	2,396	86,793	99,213
Fair value of plan assets	(7,012)	(1,588)	(23,772)	(32,372)
Net liability	28 3,012	808	63,021	66,841
Total net liability/(asset) in balance sheet	3,012	808	63,021	66,841

Notes to the financial statements for the year ended 31 December 2012

41 Defined Benefits Plans (continued)

(c) Present value obligations (continued)

	SASS 000's \$	SANCS 000's \$	SSS 000's \$	Total 000's \$
Expense recognised - 2012				
Current service cost	389	116	214	719
Interest on obligation	369	97	2,786	3,252
Expected return on plan assets	(613)	(199)	(1,864)	(2,676)
Expense/(income)	10	145	14	1,136
Actual returns - 2012				
Actual return on plan assets	852	239	2,736	3,827
Other comprehensive income - 2012				
Actuarial losses/(gains) on defined benefits	478	240	8,595	9,313
Actuarial (losses)/gains on plan assets	(100)	(40)	(27)	(167)
Recognised in other comprehensive income	378	200	8,568	9,146
Cumulative total net actuarial (losses)/gains	3,286	1,422	34,983	39,691
	SASS 000's \$	SANCS 000's \$	SSS 000's \$	Total 000's \$
Present value obligations - 2011				
Opening defined benefit obligation	12,177	2,971	59,377	74,525
Current service cost	429	124	286	839
Interest cost	640	154	3,249	4,043
Contributions from plan participants	185	-	332	517
Actuarial losses/(gains)	(1,073)	(34)	16,460	15,353
Benefits paid	(1,720)	(309)	(2,991)	(5,020)
Closing defined benefit obligation	10,638	2,906	76,713	90,257
Present value of plan assets - 2011				
Opening fair value of plan assets	9,397	2,391	25,569	37,357
Expected return on plan assets	746	226	2,092	3,064
Actuarial gains/(losses)	(1,185)	(271)	(2,259)	(3,715)
Contributions from the employer	382	163	361	906
Contributions from plan participants	185	-	332	517
Benefits paid	(1,720)	(309)	(2,991)	(5,020)
Closing fair value of plans assets	7,805	2,200	23,104	33,109

Notes to the financial statements for the year ended 31 December 2012

41 Defined Benefits Plans (continued)

(c) Present value obligations (continued)

	SASS	SANCS	SSS	Total
	000's	000's	000's	000's
Note	\$	\$	\$	\$
Net liability - 2011				
Defined benefit obligation	10,638	2,906	76,713	90,257
Fair value of plan assets	(7,805)	(2,201)	(23,103)	(33,109)
Net liability	28	2,833	705	53,610
Total liability/(asset) in balance sheet		2,833	705	53,610
		2,833	705	53,610
Expense recognised - 2011				
Current service cost	429	124	286	839
Interest on obligation	640	154	3,249	4,043
Expected return on plan assets	(746)	(226)	(2,092)	(3,064)
Expense/(income)	10	323	52	1,443
		323	52	1,443
Actual returns - 2011				
Actual return on plan assets	(152)	(44)	(487)	(683)
Other comprehensive income - 2011				
Actuarial losses/(gains) on defined benefits	(1,073)	(34)	16,460	15,353
Actuarial (losses)/gains on plan assets	1,185	271	2,259	3,715
Recognised in other comprehensive income	112	237	18,719	19,068
Cumulative total net actuarial (losses)/gains	2,908	1,222	26,415	30,545

Notes to the financial statements for the year ended 31 December 2012

41 Defined Benefits Plans (continued)

(c) Present value obligations (continued)

Unisuper

The Group also contributes to Unisuper Defined Benefit Division ("Unisuper"), formerly known as Superannuation Scheme for Australian Universities (SSAU).

The UniSuper Defined Benefit Division (DBD) is a defined benefit plan under Superannuation Law but, as a result of Clause 34 of the UniSuper Trust Deed, is considered to be a defined contribution plan under Accounting Standard AASB 119.

UniSuper is not considered to be controlled by the University and therefore the excess/shortfall of assets over accrued benefits have not been included in the University's accounts.

As at 30 June 2012, the assets of the DBD in aggregate were estimated to be \$2010.8 million in deficiency of vested benefits. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the DBD.

As at 30 June 2012, the assets of the DBD in aggregate were estimated to be \$906.8 million in deficiency of accrued benefits. The accrued benefits have been calculated as the present value of expected future benefits payments to members and indexed pensioners which arise from membership of UniSuper up to the reporting date.

The vested benefit and accrued benefit liabilities were determined by Unisuper's actuary, Russell Employee Benefits, using the actuarial demographic assumptions outlined in their report dated 15 November 2012 on actuarial investigation of DBD as at 30 June 2012.

The actuary believes that the Defined Benefit Division as at 30 June 2012 is in an "unsatisfactory financial position" as defined by SIS Regulation 9.04. An "unsatisfactory financial position" for a defined benefit fund is defined as when 'the value of the assets of the Fund is inadequate to cover the value of the liabilities of the Fund in respect of benefits vested in the members of the Fund'. The Actuary and the Trustee have followed the procedure required by Section 130 of the SIS Act when funds are found to be in an unsatisfactory financial position.

Clause 34 was initiated following both the 31 December 2008 and 30 June 2011 actuarial investigation and it has again been initiated following the 30 June 2012 actuarial investigation.

The actuary currently believes, in respect of the long-term financial condition of the Fund, that assets as at 30 June 2012, together with current contribution rates, are not expected to be sufficient to provide for the current benefit levels for both existing members and anticipated new members if experience follows the "best estimate" assumptions or the more conservative "funding" assumptions

Notes to the financial statements for the year ended 31 December 2012

42 Monies held on behalf of third parties

The parent entity holds money on behalf of parties involved in the Coffs Harbour Education Campus (CHEC). These monies are excluded from the financial report as the parent entity cannot use them for the achievement of its objectives.

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Cash at beginning of financial year	1,638	1,387	1,638	1,387
Add: Receipts	584	750	584	750
Less: Expenditure	(145)	(499)	(145)	(499)
Closing cash balance at the end of the financial year	2,077	1,638	2,077	1,638

43 Jointly controlled operations and assets

Name of Entity	Principal activity	Output interest	
		2012	2011
		%	%
Coffs Harbour Education Campus (CHEC)	A joint educational precinct	38.00	38.00
Australian Centre for Complimentary Medicine Education and Research (ACCMER)	Research, teaching and training in the field of complimentary medicine	50.00	50.00
Wound Management Innovation Cooperative Research Centre	Research and development in strategies, diagnostics and treatments for wound management	9.33	9.33
Cooperative Research Centre for Remote Economic Participation	Research and development to deliver solutions on economic disadvantage in remote Australia	6.35	6.35
CRC for Infrastructure and Engineering Asset Management	Research and development to improve the efficiency of infrastructure and engineering management.	1.11	1.11

Notes to the financial statements for the year ended 31 December 2012

43 Jointly controlled operations and assets (continued)

The assets employed in the above jointly controlled operations are detailed below. The amounts are included in the financial statements under their respective categories.

	Consolidated		Parent entity	
	2012	2011	2012	2011
	000's	000's	000's	000's
	\$	\$	\$	\$
Non-current assets				
Land and Buildings	24,620	24,620	24,620	24,620
Less: Accumulated depreciation	(4,583)	(4,064)	(4,583)	(4,064)
Plant and equipment at cost	40	64	40	64
Less: Accumulated depreciation	(25)	(27)	(25)	(27)
Total non-current assets	20,052	20,593	20,052	20,593
Total assets	20,052	20,593	20,052	20,593

Capital commitments and contingent liabilities arising from the Group's interests in joint ventures are disclosed in notes 39 and 32 respectively.

End of financial report

Asia Pacific Football Institute Operations Pty Ltd

ABN 19 151 245 411

**A controlled entity of
Southern Cross University**

**Financial Statements for the year
ended 31 December 2012**

Directors' report

The directors of the company present their report on the company for the period ended 31 December 2012:

Principal activities

The company's principal activities are as a training and development facility to enhance skills and provide educational pathways and development opportunities in Australian youth football.

Review of operations

The net operating result of the company was a profit of \$158,652 (2011: loss of \$158,652) after providing \$6,804 (2011: \$1,163) for depreciation.

Changes in state of affairs

There were no significant changes in the state of affairs of the company during the financial year, other than referred to in the financial statements or notes thereto.

Subsequent events

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

Environmental regulations

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a State or Territory.

Proceedings on behalf of the company

No person has applied for leave of the Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the period.

Future developments

Disclosure of information regarding likely developments, future prospects and business strategies of the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

Directors' report

Information about the directors

The Directors in office during or since the start of the financial year are:

Mr Malcolm Marshall, BA(CCAE), MBA(CQU)

Mr Marshall is Executive Director, Corporate Services for Southern Cross University
Resigned 20 March 2012.

Ms Janelle Saffin, BLegsS(Macq), DipT (NRCAE), MP

Ms Saffin is Federal Member for Page
Resigned 23 August 2012.

Ms Caroline Anderson. BSSc (Hons), FCA

Ms Anderson is Executive Director, Corporate Services for Southern Cross University
Appointed 21 March 2012; Resigned 2 May 2012.

Ms Margot Sweeny, MEc, BBus, CPA, SA Fin, FAMI, MACS CT

Ms Sweeny is Chief Executive Officer for Summerland Credit Union

Professor Peter Lee, BE(chemical)(RMIT), PhD(Monash)

Professor Lee is Vice Chancellor for Southern Cross University
Appointed 24 August 2012.

The directors have been in office since the start of the financial year unless otherwise indicated.

Company Secretary

Ms Margot Sweeny, MEc, BBus, CPA, SA Fin, FAMI, MACS CT

Ms Sweeny is Chief Executive Officer for Summerland Credit Union
Resigned 24 August 2012.

Ms Selena Arthur, BComm(UNSW), CPA

Ms Arthur is Acting Director of Financial & Business Services for Southern Cross University
Appointed 24 August 2012.

Directors' report

Meetings of directors

The numbers of meetings of directors held during the period and the number of meetings attended by each director were as follows:

	Number eligible to attend	Number attended
Janelle Saffin	2	2
Margot Sweeny	3	3
Malcolm Marshall	2	1
Caroline Anderson	1	-
Peter Lee	1	1

Directors' benefits

During or since the financial period, no director of the company has received or become entitled to receive a benefit, because of a contract that:

- (a) the director; or
- (b) a firm of which the director is a member; or
- (c) an entity in which the director has a substantial financial interest, has made with the company, an entity controlled by the company or related body corporate, other than:
 - (i) a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company, and
 - (ii) the fixed salary of a full time employee of the company, controlled entity or related body corporate.

During or since the financial period Southern Cross University has insured all of the directors previously listed against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

Directors' report

Indemnification of officers and auditors

The company has not, during or since the financial period, in respect of any person who is or has been an officer or auditor of the company or related body corporate:

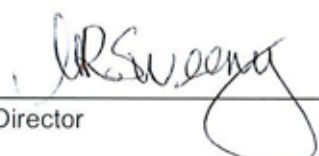
- (a) indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceeding; or
- (b) paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Auditors' independence declaration


The auditors' independence declaration for the period ended 31 December 2012 has been received and is included after the Directors declaration.

Signed in accordance with a resolution of the directors made pursuant to S298(2) of the Corporations Act 2001.

On behalf of the Directors



Director



Director

Dated this 12th day of April 2013

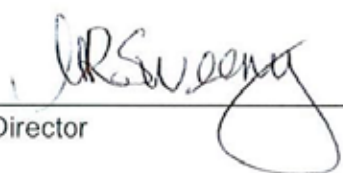
Directors' declaration

In accordance with a resolution of the directors of Asia Pacific Football Institute Operations Pty Ltd and pursuant to section 41C (1B) and (1C) of the Public Finance and Audit Act 1983, we state:

1. The attached is a general purpose financial statement and gives a true and fair view of the financial position as at 31 December 2012 and of the performance for the financial period ended on that date;
2. The financial statement has been prepared in accordance with Australian Accounting Standards, the Public Finance and Audit Act 1983, Public Finance and Audit Regulation 2011, the Corporations Act 2001, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
3. We are not aware of any circumstances which would render any particulars included in the financial statement to be misleading or inaccurate; and,
4. At the date of this declaration, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed this 12th day of April, 2013 in accordance with a resolution of the directors, made pursuant to S295(5) of the Corporations Act 2001.

On behalf of the Directors



Director



Director

Dated this 12th day of April 2013



To the Directors
Asia Pacific Football Institute Operations Pty Ltd

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Asia Pacific Football Institute Operations Pty Ltd for the year ended 31 December 2012, I declare, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Aaron Green'.

Aaron Green
Director, Financial Audit Services

9 April 2013
SYDNEY

Statement of comprehensive income for the year ended 31 December 2012

	Notes	2012 \$	1 June 2011 to 31 December 2011 \$
Revenue from continuing operations			
Grants received		251,023	-
Total revenue from continuing operations		251,023	-
Gain on disposal of assets	3	19,936	-
Total income from continuing operations		270,959	-
Expenses from continuing operations			
Employee benefits	4	76,995	63,742
Consultancy fees	4	1,314	50,295
Minor equipment purchases		3,702	17,618
Depreciation on plant and equipment		6,804	1,163
Travel, accommodation and hospitality		1,268	5,219
Finance costs		-	15
Other expenses		17,724	17,200
Audit fees		4,500	3,400
Total expenses from continuing operations		112,307	158,652
Profit / (Loss) from continuing operations before income tax		158,652	(158,652)
Income tax expense	5	-	-
Profit / (Loss) from continuing operations after income tax		158,652	(158,652)
Profit / (Loss) for the year		158,652	(158,652)
Total comprehensive profit/(loss) for the year		158,652	(158,652)
Total comprehensive income attributable to:			
Members of Asia Pacific Football Institute Operations Pty Ltd		158,652	(158,652)

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

Statement of financial position as at 31 December 2012

		1 June 2011 to
	Notes	2012 31 December 2011
		\$ \$
ASSETS		
Current assets		
Cash and cash equivalents	6	1,443 11
Trade and other receivables	7	5,305 979
Total current assets		6,748 990
Non-current assets		
Property, plant and equipment	8	- 39,662
Other financial assets	9	10 10
Total non-current assets		10 39,672
Total assets		6,758 40,662
LIABILITIES		
Current liabilities		
Trade and other payables	10	6,757 193,883
Provisions	11	- 4,595
Total current liabilities		6,757 198,478
Non-current liabilities		
Provisions	11	- 835
Total non-current liabilities		- 835
Total liabilities		6,757 199,313
Net assets		1 (158,651)
EQUITY		
Retained losses	12	- (158,652)
Issued capital	21	1 1
Total equity		1 (158,651)

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

Statement of changes in equity for the year ended 31 December 2012

	Notes	Share Capital	Retained Earnings	Total Equity
		\$	\$	\$
Balance at 1 June 2011		-	-	-
Issue of ordinary shares	21	1	-	1
Total comprehensive income for the period	12	-	(158,652)	(158,652)
Balance at 31 December 2011		1	(158,652)	(158,651)
Balance at 1 January 2012		1	(158,652)	(158,651)
Total comprehensive income for the year	12	-	158,652	158,652
Balance at 31 December 2012		1	-	1

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

Statement of cash flows for the year ended 31 December 2012

	Notes	2012 \$	1 June 2011 to 31 December 2011 \$
Cash flows from operating activities			
Receipts from customers		251,023	-
Payments to suppliers and employees		(125,224)	(133,415)
GST recovered / (paid)		979	-
Net cash provided by / (used in) operating activities	20	126,778	(133,415)
Cash flows from investing activities			
Loans from / (to) related parties		(178,140)	174,260
Purchase shares in Summerland Credit Union		-	(10)
Sale of assets		52,794	-
Purchase of assets		-	(40,825)
Net cash provided by / (used in) investing activities		(125,346)	133,425
Cash flows from financing activities			
Proceeds from issue of capital	21	-	1
Net cash provided by financing activities		-	1
Net increase / (decrease) in cash and cash equivalents		1,432	11
Cash and cash equivalents at the beginning of the financial year		11	-
Cash and cash equivalents at the end of the financial year	6	1,443	11

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

Notes to the financial statements for the period ended 31 December 2012

Note 1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years reported, unless otherwise stated.

Asia Pacific Football Institute Operations Pty Ltd is a small proprietary company limited by shares which is incorporated and domiciled in Australia. The company's principal activities are as a training and development facility to enhance skills and provide educational pathways and development opportunities in Australian youth football. The company was incorporated on 1st June 2011 and accordingly comparative year figures covering the period from incorporation are shown.

The principal address of Asia Pacific Football Institute Operations Pty Ltd is Military Road Lismore NSW 2480.

a) Basis of preparation

These general purpose financial statements have been prepared on an accrual basis in accordance with Australian Accounting Standards, AASB Interpretations, the Public Finance and Audit Act 1983, the Public Finance and Audit Act Regulations 2010 and the Corporations Act 2001. The financial statements are presented in Australian dollars.

Compliance with IFRSs

The financial statements and notes comply with Australian Accounting Standards, some of which contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements.

Date of authorisation for issue

The financial statements were authorised for issue by the Directors on 12th April 2013.

Historical cost convention

These financial statements have been prepared on an accruals basis and are based on the historical cost convention.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. These areas require a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements. No critical accounting estimates have been identified in these financial statements.

Going Concern Principle

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. A letter of unconditional financial support has been provided by Southern Cross University. The parent entity will support the company financially to help ensure the company can pay its debts as and when they fall due.

b) Significant revenues & expenses

Where an item of revenue or expense from ordinary activities is of such size, nature or incidence, that its disclosure is relevant in explaining the financial performance of the entity, its nature and amount have been disclosed separately in the notes.

Notes to the financial statements for the period ended 31 December 2012

c) Revenue recognition

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

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

Rendering of Services

Revenue from sales of services is recognised in the period in which the service is provided.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and reward are considered passed the the buyer at the time of delivery to the customer.

Interest

Interest is recognised as it accrues using the effective interest method.

d) Income tax

Asia Pacific Football Institute Operations Pty Ltd, is subject to income tax.

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

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

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

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

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

Notes to the financial statements for the period ended 31 December 2012

e) Cash and cash equivalents

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

f) Trade receivables

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

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement.

g) Investments and other financial assets

Classification

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

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified in this category if it is acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

Loans and receivables

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

Held-to-maturity investments

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

Notes to the financial statements for the period ended 31 December 2012

Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

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

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

Subsequent measurement

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

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

Fair value

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

Impairment

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

h) Property, plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Notes to the financial statements for the period ended 31 December 2012

i) Depreciation of non-current assets

Depreciation is calculated using the straight line method to allocate their costs, net of residuals, over their estimated useful lives to the company.

The annual rates for depreciation are:

	%p.a.
Motor vehicles	20

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

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

j) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial period, which are unpaid. The amounts are unsecured and are usually paid within 45 days of recognition.

k) Employee benefits

Wages and salaries

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

Annual leave and sick leave

The liability for long-term employee benefits such as annual leave and accumulating sick leave is recognised in current provisions for employee benefits as it is not due to be settled within 12 months after the end of the reporting period. It is measured at the amount expected to be paid when the liability is settled. Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. The Actuarial assessment gives consideration to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on Commonwealth government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Notes to the financial statements for the period ended 31 December 2012

Retirement benefit obligations

All employees of the company are entitled to benefits on retirement, disability or death from the company's superannuation plan. The company has a defined benefit section and a defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from company and the company's legal or constructive obligation is limited to these contributions. The employees of the company are all members of the defined contribution section of the company's plan.

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

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

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, outside the income statement, in the Statement of comprehensive income.

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

Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Termination Benefits

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

I) Goods and Services Tax

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

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

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

Notes to the financial statements for the period ended 31 December 2012

m) Allocation between current and non-current

In determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to settle. The asset or liability is classified as current if it is expected to settle within the next 12 months, being the company's operational cycle. In the case of liabilities where the company does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if it is not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

n) Comparative Amounts

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

o) New accounting standards and interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2012 reporting period.

It is considered that the impact of these new Standards and Interpretations in future periods will have no material impact on the financial statements of the company.

Notes to the financial statements for the year ended 31 December 2012

Note 2. Company Details

Asia Pacific Football Institute Operations Pty Ltd is a small proprietary company, limited by shares which is incorporated and operates in Australia.

The registered office and principal place of business of the company is:

Rod Treyvaud Building
Southern Cross University
Military Road
LISMORE NSW 2480

1 June 2011 to
2012 31 December 2011
\$ \$

Note 3. Gains/(losses) on disposal of assets

Proceeds from sale	52,794	-
Carrying amount of assets sold	(32,858)	-
Total of net gain/(loss) on disposal of assets	19,936	-

Note 4. Expenses from continuing operations

Note 4.1. Employee benefits

Salaries	67,923	50,596
Superannuation	4,934	4,325
Payroll tax	4,016	2,855
Workers' compensation	122	536
Long service leave expense	-	835
Annual leave	-	4,595
Total employee benefits	76,995	63,742

Note 4.2 Consultancy fees paid

The company as part of its normal activities engages consultants to provide services not available within its own resources

1,314	50,295
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Note 5. Income tax

Income tax expense

Current tax	39,673	(39,673)
Deferred tax	7,922	(7,922)
Write-off deferred income tax as it is not probable that it will be recovered by future operations	-	47,595
Less reduction of deferred taxes from previous years	(47,595)	-
Income tax attributable to the entity	-	-

Deferred tax assets

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1 are satisfied.

- operating losses	-	47,595
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Notes to the financial statements for the year ended 31 December 2012

	2012	1 June 2011 to 31 December 2011
	\$	\$
Note 6. Cash and cash equivalents		
Cash at bank	1,442	10
Cash on hand	1	1
Total cash and cash equivalents	1,443	11

(a) Reconciliation to cash at the end of the period

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

Balances as above	1,443	11
Balance per statement of cash flows	1,443	11

Note 7. Trade and other receivables

Current

Trade receivables	362	-
Amounts receivable from parent entity	3,880	-
Net goods and services tax receivable	1,063	979
Total trade and other receivables	5,305	979

No receivables were considered impaired at 31 December 2012 (2011: \$Nil)

Note 8. Plant and equipment

Plant and equipment

At cost	-	40,825
Accumulated depreciation	-	(1,163)
Total plant and equipment	-	39,662

Movement in the carrying amounts

Movement in the carrying amounts of plant and equipment between the beginning and the end of the current financial period

Carrying amount as at 1 January 2012	39,662	-
Additions	-	40,825
Disposals	(32,858)	-
Depreciation expense	(6,804)	(1,163)
Carrying amount as at 31 December 2012	-	39,662

Note 9. Other financial assets

Non-current

Shares in Summerland Credit Union (unlisted)	10	10
	10	10

These financial assets are carried at cost. There are no fixed returns or fixed maturity dates attached to these investments.

Notes to the financial statements for the year ended 31 December 2012

	1 June 2011 to
2012	31 December 2011
\$	\$

Note 10. Trade and other payables

Current

Accrued expenses	6,757	19,623
Amounts payable to related parties	-	174,260
Total trade and other payables	6,757	193,883

Note 11. Provisions

Provisions for annual leave and long service leave

A provision has been recognised for employee benefits relating to annual leave and long service leave. The company has measured its liabilities relating to annual leave and long service leave in accordance with the criteria described in note 1(k) to the financial statements.

Current provisions expected to be settled within 12 months

Employee benefits		
Annual leave	-	4,595
Subtotal	-	4,595
Total current provisions	-	4,595

Non-current

Employee benefits		
Long service leave	-	835
Total non-current provisions	-	835
Total provisions	-	5,430

Note 12. Retained earnings

Retained earnings at 1 January	(158,652)	-
Total comprehensive income for the year	158,652	(158,652)
Retained earnings at 31 December	-	(158,652)

Notes to the financial statements for the year ended 31 December 2012

Note 13. Key management personnel disclosures

Directors

The names of directors who held office during the financial period are:

Malcolm Marshall (resigned 20 March 2012)

Janelle Saffin (resigned 23 August 2012)

Margot Sweeny

Caroline Anderson (appointed 21 March 2012; resigned 2 May 2012)

Peter Lee (appointed 24 August 2012)

The above persons have been in office since the start of the year unless otherwise stated.

Directors remuneration

Income paid or payable to directors and other members of key management personnel in the company and the Group:

Number of directors whose income was within the following bands:

\$0 to \$14,999

\$75,000 to \$89,999

\$120,000 to \$134,999

\$150,000 to \$164,999

\$195,000 to \$209,999

	2012	1 June 2011 to 31 December 2011
	\$	\$
	404,226	150,077

Number	Number
2	2
1	-
1	-
-	1
1	-

This remuneration does not just relate to the Directors role within Asia Pacific Football Institute Operation Pty Ltd. It includes remuneration from associated entities.

Responsible officer remuneration

Income paid or payable to a staff member employed by Southern Cross University whose duties includes management responsibilities for the Company's operation.

\$60,000 to \$74,999

\$75,000 to \$89,999

	2012	1 June 2011 to 31 December 2011
	\$	\$
	86,748	60,932

Number	Number
-	1
1	-

Key management personnel compensation

Short-term employee benefits

Post-employment benefits

Termination benefits

	2012	1 June 2011 to 31 December 2011
	\$	\$
Short-term employee benefits	72,512	56,606
Post-employment benefits	5,692	4,326
Termination benefits	8,544	-
	86,748	60,932

Notes to the financial statements for the year ended 31 December 2012

Note 14. Related party transactions

Parent entity

Southern Cross University is the parent entity.

Related party transactions

Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

i) Parent entity

Transactions with Southern Cross University for services provided are fully reimbursed by the company as charged however, financial services and administration assistance are provided by the University at no cost. The value of these costs are not readily quantified.

	2012	1 June 2011 to 31 December 2011
	\$	\$
<i>Revenue</i>		
Southern Cross University grant received	251,023	-
Southern Cross University sale of property, plant and equipment	17,984	-
<i>Expenditure</i>		
Southern Cross University service fees	673	589
Norsearch Limited consultancy services	-	45,000

Outstanding balances

Aggregate amounts receivable from, and payable to related parties at balance date are as follows:

Current payables

Parent entity	-	174,260
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Current receivables

Parent entity	3,880	-
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Terms and conditions

Related party outstanding balances are unsecured and have been provided on interest-free terms.

A provision for impairment has not been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

Note 15. Remuneration of auditors

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

Assurance services

Fees paid to *The Audit Office of New South Wales*
Audit of financial statements

4,500	3,400
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Notes to the financial statements for the year ended 31 December 2012

Note 16. Contingencies

Contingent liabilities

Asia Pacific Football Institute Operations Pty Ltd currently has no legal matters outstanding or other contingent liabilities which are expected to result in material claims against it.

Note 17. Commitments for expenditure

(a) Capital expenditure commitments

There were no commitments for capital expenditure as at 31 December 2012 (2011: \$Nil).

(b) Other expenditure commitments

There were no other expenditure commitments as at 31 December 2012 (2011: \$Nil).

(c) Lease commitments

There were no leasing commitments as at 31 December 2012 (2011: \$Nil).

Note 18. Segment reporting

(a) Industry segments

The company operates within the one industry for training and development, provision of educational pathways and development opportunities in Australian youth football.

(b) Geographic segments

The company operates solely within Australia.

Note 19. Events after balance sheet date

There were no events subsequent to reporting date that would have a material financial effect on the financial report.

Note 20. Reconciliation of operating result for the period after income tax to net cash flows from operations

	2012	1 June 2011 to 31 December 2011
	\$	\$
Net operating result for the period	158,652	(158,652)
Add: Depreciation	6,804	1,163
Net (gain) / loss on sale of assets	(19,936)	-
<i>Change in operating assets and liabilities</i>		
(Increase) / decrease in receivables	(362)	-
(Increase) / decrease in GST receivable	(84)	(979)
Increase / (decrease) in provision for employee benefits	(5,430)	5,430
Increase / (decrease) in payables and other liabilities	(12,866)	19,623
Net cash inflow / (outflow) from operating activities	126,778	(133,415)

Notes to the financial statements for the year ended 31 December 2012

1 June 2011 to
2012 31 December 2011
\$ \$

Note 21. Contributed equity

Opening balance	1	-
Fully paid shares issued during the reporting period	-	1
Closing balance (1 share, fully paid at \$1.00 each)	1	1

Fully paid shares

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. At the shareholders meeting each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

The company has the power to forfeit any shares upon which the call remains unpaid for a period specified by the directors.

The company has a first and paramount lien on every share not fully paid for all money, whether presently payable or not, called or payable at a fixed time in respect of that share.

Note 22. Economic dependency

A letter of unconditional financial support has been provided by Southern Cross University. The parent entity will support the company financially to help ensure the company can pay its debts as and when they fall due.

Notes to the financial statements for the year ended 31 December 2012

Note 23. Financial risk management

The company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

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

Risk management assessment is undertaken by the parent entity. The company does not enter into or trade financial instruments for speculative purposes.

(a) Market risk

(i) Foreign exchange risk

The company does not undertake transactions in other currencies so does not have exposure to exchange rate fluctuations.

(ii) Price Risk

Price risk arises on financial instruments because of changes in, for example, commodity prices or equity prices. The company is not exposed to price risk.

(iii) Cash flow and fair value interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

The cash management functions are performed by the parent entity.

(iv) Summarised sensitivity analysis

The following table summarises the sensitivity of the company's financial assets and financial liabilities to interest rate risk.

2012	Carrying amount	Interest Rate Risk			
		-1%		1%	
		Result	Equity	Result	Equity
	\$	\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	1,443	-	-	-	-
Receivables	4,242	-	-	-	-
Financial liabilities					
Payables	5,170	-	-	-	-
Net financial assets/(liabilities)	515	-	-	-	-

2011	Carrying amount	Interest Rate Risk			
		-1%		1%	
		Result	Equity	Result	Equity
	\$	\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	11	-	-	-	-
Receivables	-	-	-	-	-
Financial liabilities					
Payables	174,260	-	-	-	-
Net financial assets/(liabilities)	(174,249)	-	-	-	-

Notes to the financial statements for the year ended 31 December 2012

Note 23. Financial risk management (cont)

(b) Credit risk

The company's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the balance sheet.

Trade accounts payables are carried in the financial statement at net fair value unless otherwise stated. They have normal business trading terms.

(c) Liquidity risk

The company manages liquidity risk by maintaining banking facilities and continuously monitoring forecast and actual cash flows.

(d) Fair value of financial assets and liabilities

The carrying amounts of each asset and liability as stated in the balance sheet approximates their fair values.

Fair value measurements recognised in the balance sheet are categorised into the following levels:

Level 1 - Derived from quoted prices in active markets for identical assets / liabilities.

Level 2 - Derived from inputs other than quoted prices that are observable directly or indirectly.

Level 3 - Derived from valuation techniques that include inputs for the asset / liability not based on observable market data (unobservable inputs).

	31 Dec 2012	Level 1	Level 2	Level 3
	\$	\$	\$	\$
Financial assets				
Non-traded financial assets	515	515	-	-
	515	515	-	-
Financial liabilities				
Non-traded financial liabilities	-	-	-	-
	-	-	-	-

"End of Audited Financial Report"

Norsearch Limited

ABN 57 003 082 406

**A controlled entity of
Southern Cross University**

**Financial Statements for the year
ended 31 December 2012**

Directors' report

The directors of the company present their report on the company for the year ended 31 December 2012.

Short and long-term objectives and strategy

The company's short and long-term strategy are to:

- Provide assistance and amenities to students and staff of the University.

The company's strategy for achieving these objectives include:

- Provision of on-campus services for food, drink and amenities;
- Provision of consultancy resources.

Principal activities

The principal activities of the company during the financial year were:

- a) operation of an on-campus catering service;
- b) operation of a licensed bar and function area;
- c) operation of a gymnasium;
- d) conference services; and
- e) consultancy.

These activities have assisted the company in achieving its objectives by enabling it to:

- Operate facilities within peak study periods.

Performance Measures

The company measures performance through the client usage of facilities.

Review of operations

The net operating result of the company was a loss of \$335,233 (2011: loss \$236,439) after providing \$9,673 (2011: \$16,091) for depreciation.

Members' guarantee

In accordance with the company's constitution, each member is liable to contribute \$20 in the event that the company is wound up. The total amount members would contribute is \$80.

Changes in state of affairs

There were no changes to the Company business operations during the financial year.

Taxation

The company is a non-profit organisation and has been granted exemption from the payment of income tax under Div 50-B of the Income Tax Assessment Act 1997 (ITAA) and there continues to be no change to the company's tax exempt status.

Dividends

The company does not issue shares or debentures. No dividends were declared or payable by the company in the financial year.

Directors' report

Subsequent events

No matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Environmental regulations

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a State or Territory.

Proceedings on behalf of the company

No person has applied for leave of the Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Future developments

Disclosure of information regarding likely developments, future prospects and business strategies of the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

Directors' report

Information about the directors

The Directors in office during or since the start of the financial year are:

Malcolm Marshall. BA(CCAE), MBA(CQU), CPA, FTIA

Executive Director (Corporate Services) at Southern Cross University
Director since 1991; Resigned 13 April 2012.

Caroline Anderson. BSSc (Hons), FCA

Executive Director (Corporate Services) at Southern Cross University
Appointed 24 February 2012; Resigned 2 May 2012.

Jean Griffiths. BA(Qld), Grad Dip Counselling(BCAE), MNA(UNSW)

Senior Lecturer within the school of Arts and Social Sciences at Southern Cross University
Director since 1996; Resigned 14 December 2012.

Michael Carter. BBus(NRCAE), CPA

Director of Financial and Business Services at Southern Cross University
Appointed 26th February 2008; Resigned 2 May 2012.

Donna Moffit. BCom(Griffith), MStratHRM(UOW)

Director of Student Services at Southern Cross University
Appointed 21st September 2010.

Paul Deegan. B.Build(UNSW), Licensed Real Estate Agent

Principal of LJ Hooker Franchise, Lismore NSW 2480
Appointed 21st September 2010.

Chris Patton. BA(UBC), MA(Guelph)

Pro Vice Chancellor-International & Enterprise at Southern Cross University
Appointed 9th May 2012.

David Lynch. Bed(JCU), Med(School Admin)(JCU), DipTeach(JCU), EdD(CQU), FAACLM(OTHAUS)

Head, Coffs Harbour Campus at Southern Cross University
Appointed 13th May 2012.

The directors have been in office since the start of the financial year unless otherwise indicated.

Company Secretary

Selena Arthur. BCom(UNSW), CPA

Acting Director Financial and Business Services at Southern Cross University
Appointed 20th August 2007.

Directors' report

Meetings of directors

The numbers of meetings of directors held during the year and the number of meetings attended by each director were as follows:

	Number eligible to attend	Number attended
Malcolm Marshall	1	-
Jean Griffiths	4	2
Michael Carter	1	-
Donna Moffitt	4	1
Paul Deegan	4	4
Chris Patton	3	3
David Lynch	3	3

Directors' benefits

During or since the financial year, no director of the company has received or become entitled to receive a benefit, because of a contract that:

- (a) the director; or
- (b) a firm of which the director is a member; or
- (c) an entity in which the director has a substantial financial interest, has made with the company, an entity controlled by the company or related body corporate, other than:
 - (i) a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company, and
 - (ii) the fixed salary of a full time employee of the company, controlled entity or related body corporate.

During or since the financial year Southern Cross University has insured all of the directors previously listed against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

Directors' report

Indemnification of officers and auditors

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company or related body corporate:

(a) indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceeding; or

(b) paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Auditors' independence declaration

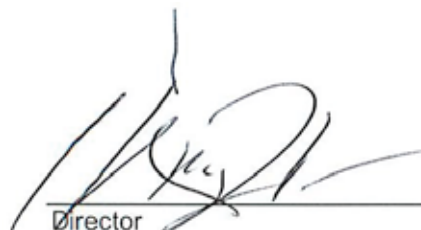
The auditors' independence declaration for the year ended 31 December 2012 has been received and is included after the Directors declaration.

Signed in accordance with a resolution of the directors made pursuant to S298(2) of the Corporations Act 2001.

On behalf of the Directors



Director



Director

Dated this 12th day of April 2013

Directors' declaration

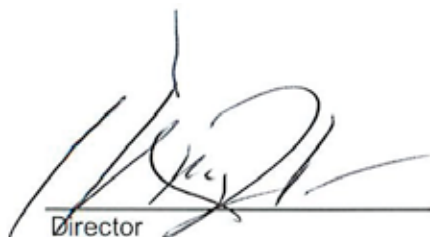
In accordance with a resolution of the directors of Norsearch Limited and of the economic entity and pursuant to section 41C (1B) and (1C) of the Public Finance and Audit Act 1983, we state:

1. The attached is a general purpose financial statement and gives a true and fair view of the financial position as at 31 December 2012 and of the performance for the financial year ended on that date;
2. The financial statement has been prepared in accordance with Australian Accounting Standards, the Public Finance and Audit Act 1983, Public Finance and Audit Regulation 2010, the Corporations Act 2001, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
3. We are not aware of any circumstances which would render any particulars included in the financial statement to be misleading or inaccurate; and,
4. At the date of this declaration, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed this 12th day of April, 2013 in accordance with a resolution of the directors, made pursuant to S295(5) of the Corporations Act 2001.

On behalf of the Directors



Director

Director

Dated this 12th day of April 2013

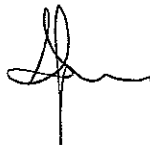


To the Directors
Norsearch Limited

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Norsearch Limited for the year ended 31 December 2012, I declare, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- any applicable code of professional conduct in relation to the audit.



Aaron Green
Director, Financial Audit Services

9 April 2013
SYDNEY

Statement of comprehensive income for the year ended 31 December 2012

	Notes	2012 \$	2011 \$
Revenue from continuing operations			
Sponsorship and promotion		3,300	41,635
Interest		1,425	2,942
Memberships & subscriptions		494,379	560,033
Conference fees	3	211,828	300,517
Catering fees	3	415,403	410,675
Bar revenue	3	218,666	268,763
Service fees		741,765	823,115
Other revenue		102,326	105,521
Total revenue from continuing operations		2,189,092	2,513,201
Expenses from continuing operations			
Employee benefits	4.1	1,262,157	1,315,210
Consultancy fees	4.2	7,909	2,000
Minor equipment purchases		66,620	31,230
Depreciation on plant and equipment	8	9,673	16,091
Travel, accommodation and hospitality		27,347	64,529
Finance costs		1,213	(9,682)
Company fees and legals		43	224
Audit fees	14	26,000	26,000
Cost of goods sold		626,175	759,281
Equipment leasing costs		16,227	19,668
Other expenses		480,961	525,089
Total expenses from continuing operations		2,524,325	2,749,640
Operating result from continuing operations		(335,233)	(236,439)
Operating result for the year		(335,233)	(236,439)
Total comprehensive income/(loss) attributable to members of Norsearch Limited		(335,233)	(236,439)

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

Statement of financial position as at 31 December 2012

	Notes	2012 \$	2011 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	67,144	58,447
Trade and other receivables	6	24,643	37,423
Inventories	7	25,710	22,484
Total current assets		117,497	118,354
Non-current assets			
Property, plant and equipment	8	17,715	38,181
Total non-current assets		17,715	38,181
Total assets		135,212	156,535
LIABILITIES			
Current liabilities			
Trade and other payables	9	681,604	359,689
Provisions	10	93,975	97,841
Total current liabilities		775,579	457,530
Non-current liabilities			
Provisions	10	18,651	22,790
Total non-current liabilities		18,651	22,790
Total liabilities		794,230	480,320
Net assets		(659,018)	(323,785)
EQUITY			
Retained profits	11	(659,018)	(323,785)
Total equity		(659,018)	(323,785)

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

Statement of changes in equity for the year ended 31 December 2012

	Notes	2012 \$	2011 \$
Balance at 1 January 2012		(323,785)	(87,346)
Total comprehensive income for the year		(335,233)	(236,439)
Balance at 31 December 2012	11	(659,018)	(323,785)

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

Statement of cash flows for the year ended 31 December 2012

	Notes	2012 \$	2011 \$
Cash flows from operating activities			
Receipts from student fees and other customers		2,337,254	2,664,380
Interest received		1,484	3,008
Payment of salaries and wages		(1,260,036)	(1,299,359)
Other operating payments		(1,013,105)	(1,300,761)
GST recovered / (paid)		(67,693)	(68,969)
Net cash inflow / (outflow) from operating activities	19	(2,096)	(1,701)
Cash flows from investing activities			
Purchases plant and equipment		(12,525)	-
Sale plant and equipment		23,318	-
Net cash inflow / (outflow) from investing activities		10,793	-
Net increase / (decrease) in cash and cash equivalents		8,697	(1,701)
Cash and cash equivalents at the beginning of the financial year		58,447	60,148
Cash and cash equivalents at the end of the financial year	5	67,144	58,447

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

Notes to the financial statements for the year ended 31 December 2012

Note 1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years reported, unless otherwise stated.

Norsearch Limited is a not-for-profit company limited by guarantee, which is incorporated and domiciled in Australia. The company's principal activities are event management, licensed bar operations, consultancies, catering and fitness services. The financial statements were authorised for issue by the directors on 12th April 2013.

The principal address of Norsearch Limited is Military Road Lismore NSW 2480.

a) Basis of preparation

These general purpose financial statements have been prepared on an accrual basis in accordance with Australian Accounting Standards, AASB Interpretations, the Public Finance and Audit Act 1983, the Public Finance and Audit Act Regulations 2010 and the Corporations Act 2001. The financial statements are presented in Australian dollars.

Historical cost convention

These financial statements have been prepared on an accruals basis and are based on the historical cost convention.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying Norsearch's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below:

- Provisions for employee entitlements
- Depreciation
- Impairment of receivables

Going Concern Principle

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

A letter of unconditional financial support has been provided by Southern Cross University. The parent entity will support the company financially to help ensure the company can pay its debts as and when they fall due.

b) Significant revenues and expenses

Where an item of revenue or expense from ordinary activities is of such a size, nature or incidence, that its disclosure is relevant in explaining the financial performance of the company, its nature and amount have been disclosed separately in the notes.

c) Revenue recognition

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

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

Rendering of services

Revenue from the outcome of a transaction is recognised in the period in which the service can be estimated reliably and revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date.

Notes to the financial statements for the year ended 31 December 2012

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery to the customer.

Interest

Interest is recognised as it accrues using the effective interest method.

d) Income tax

Norsearch Limited is exempt from the payment of income tax, and accordingly, no provision for income tax liability or deferred tax asset has been included in the company's financial report.

e) Leases

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

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

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

f) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

g) Cash and cash equivalents

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

Notes to the financial statements for the year ended 31 December 2012

h) Trade receivables

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

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Cash flows relating to short-term receivable are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement.

i) Inventories

Inventories include goods and other property held for sale. These goods are stated at the lower of cost or net realisable value, on a first in first out basis (FIFO).

j) Investments and other financial assets

Classification

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

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified in this category if it is acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

Loans and receivables

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

Held-to-maturity investments

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

Notes to the financial statements for the year ended 31 December 2012

Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

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

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

Subsequent measurement

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

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

Fair value

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

Impairment

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

k) Property, plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Notes to the financial statements for the year ended 31 December 2012

l) Depreciation of non-current assets

Depreciation is calculated using the straight line method to allocate their costs, net of residuals, over their estimated useful lives to the company.

The annual rates for depreciation are:

	%p.a.
Audio visual equipment	15
General equipment	10
Motor vehicles	20-22

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

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

m) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid on the creditors' payment terms.

n) Employee benefits

Wages and salaries

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

Annual leave and sick leave

The liability for long-term employee benefits such as annual leave and accumulating sick leave is recognised in current provisions for employee benefits as it is not due to be settled within 12 months after the end of the reporting period. It is measured at the amount expected to be paid when the liability is settled. Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. An actuarial assessment is performed every two years and gives consideration to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on Commonwealth government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Notes to the financial statements for the year ended 31 December 2012

Retirement benefit obligations

All employees of the company are entitled to benefits on retirement, disability or death from the company's superannuation plan. The company has a defined benefit section and a defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from the company and the company's legal or constructive obligation is limited to these contributions. The employees of the company are all members of the defined contribution section of the company's plan.

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

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

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to income over the employees' expected average remaining working lives.

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

Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Termination Benefits

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

o) Goods and services tax (GST)

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

Receivables and payables in the balance sheet and commitments are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Tax Office is included as part of receivables or payables.

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

Notes to the financial statements for the year ended 31 December 2012

p) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to settle. The asset or liability is classified as current if it is expected to settle within the next 12 months, being the company's operational cycle. In the case of liabilities where the company does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

q) Comparative amounts

Where the presentation or reclassification of items in the financial statements are amended, comparable amounts are reclassified

- (a) the nature of the reclassification;
- (b) the amount of each item or class of items that is reclassified; and
- (c) the reason for the reclassification.

When it is impracticable to reclassify comparative amounts, the University shall disclose:

- (a) the reason for not reclassifying the amounts; and
- (b) the nature of the adjustments that would have been made, if the amounts had been reclassified.

r) New accounting standards and interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2012 reporting period.

It is considered that the impact of these new Standards and Interpretations in future periods will have no material impact on the financial statements of the entity.

Notes to the financial statements for the year ended 31 December 2012

	2012	2011
	\$	\$

Note 2. Company details

a) Norsearch Limited is a wholly owned subsidiary of Southern Cross University, limited by guarantee, which is incorporated and operates in Australia.

b) The Registered Office and principle place of business of the company is:
Southern Cross University Campus
Military Road
EAST LISMORE NSW 2480

c) The company operates from premises owned by Southern Cross University at no charge and Norsearch Limited is unable to determine the value for this charge.

Note 3. Revenue from continuing operations

Conference fees	211,828	300,517
Catering fees	415,403	410,675
Bar revenue	218,666	268,763
	<u>845,897</u>	<u>979,955</u>

Note 4. Expenses from continuing operations

Note 4.1. Employee benefits

Salaries	1,041,141	1,108,729
Superannuation	104,142	88,889
Payroll tax	69,396	70,748
Workers' compensation	5,083	5,904
Long service leave expense	7,868	(2,734)
Annual leave	34,527	42,475
Leave loading	-	1,199
Total employee benefits	<u>1,262,157</u>	<u>1,315,210</u>

Note 4.2 Consultancy fees paid

The company as part of its normal activities engages consultants to provide services not available within its own resources

	<u>7,909</u>	<u>2,000</u>
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Notes to the financial statements for the year ended 31 December 2012

	2012 \$	2011 \$
Note 5. Cash and cash equivalents		
Cash at bank	60,704	52,007
Petty cash	6,440	6,440
Total cash and cash equivalents	67,144	58,447

(a) Reconciliation to cash at the end of the year

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

Balances as above	67,144	58,447
Balance per statement of cash flows	67,144	58,447

(b) Cash at bank

These are subject to variable interest rates

Note 6. Trade and other receivables

Current

Trade debtors	23,138	33,455
Provision for impairment	(1,624)	(290)
Prepaid expenses	-	3,378
Goods & services tax	3,018	710
Net debtors	24,532	37,253
Accrued interest income	111	170
Total trade and other receivables	24,643	37,423

(a) Impaired receivables

As at December 2012, current receivables of the Company with a nominated values of \$1,624 (2011: \$290) were impaired. The amount of the provision was \$1,624 (2011: \$290). The individually impaired receivables relate to various trade debtors.

The ageing of these receivables is as follows:

3 to 6 months	1,301	290
Over 6 months	323	-
	1,624	290

As at 31 December 2012, current receivables of \$Nil (2011: \$3,440) were past due but not impaired.

The ageing of these receivables is as follows:

0 to 3 months	-	3,440
	-	3,440

Movements in the provision for impaired receivables are as follows:

At 1 January	290	19,896
Provision for impairment recognised during the year	1,334	290
Unused amount reversed	-	(19,896)
At 31 December	1,624	290

The creation and release of the provision for impaired receivables has been included in "finance costs" in the income statement. Amounts charged to the provision are generally written off when there is no expectation of recovering additional cash.

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

Notes to the financial statements for the year ended 31 December 2012

	2012 \$	2011 \$
Note 7. Inventories		
Current		
Bar and catering stock at cost	<u>25,710</u>	<u>22,484</u>

Note 8. Plant and equipment

Plant and equipment		
At cost	55,707	81,108
Accumulated depreciation	(37,992)	(42,927)
Total plant and equipment	<u>17,715</u>	<u>38,181</u>

Movement in the carrying amounts

Movement in the carrying amounts of plant and equipment between the beginning and the end of the current financial year

Carrying amount as at 1 January 2012	38,181	54,272
Additions	12,525	-
Disposals	(23,318)	-
Depreciation expense	(9,673)	(16,091)
Carrying amount as at 31 December 2012	<u>17,715</u>	<u>38,181</u>

Note 9. Trade and other payables

Current		
Payables and accrued expenses	76,292	76,939
Amounts payable to related parties	593,057	282,750
Income and deposits received in advance	12,255	-
Total trade and other payables	<u>681,604</u>	<u>359,689</u>

Notes to the financial statements for the year ended 31 December 2012

	2012 \$	2011 \$
Note 10. Provisions		
Provisions for annual leave and long service leave		
A provision has been recognised for employee benefits relating to annual leave and long service leave. The company has measured its liabilities relating to annual leave and long service leave in accordance with the criteria described in note 1(n) to the financial statements.		
Current provisions expected to be settled within 12 months		
Employee benefits		
Annual leave	35,770	45,795
Long service leave	37,038	25,031
Subtotal	72,808	70,826
Current provisions expected to be settled after more than 12 months		
Employee benefits		
Annual leave	21,167	27,015
Subtotal	21,167	27,015
Total current provisions	93,975	97,841
Non-current		
Employee benefits		
Long service leave	18,651	22,790
Total non-current provisions	18,651	22,790
Total provisions	112,626	120,631
Note 11. Retained earnings		
Retained earnings at 1 January	(323,785)	(87,346)
Total comprehensive loss for the year	(335,233)	(236,439)
Retained earnings at 31 December	(659,018)	(323,785)

Notes to the financial statements for the year ended 31 December 2012

	2012	2011
	\$	\$

Note 13. Related party transactions

Ultimate parent entity

Southern Cross University is the controlling entity of Norsearch Limited. Transactions with Southern Cross University for services provided are fully re-imbursed by the company.

Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Revenue

Southern Cross University cost recoveries	740,443	732,966
Catering services	148,862	121,529
Asia Pacific Football Institute Operations Pty Ltd consultancy service	-	45,000
SCU College Pty Ltd service fees	78	-

Expenditure

Southern Cross University service fees	135,040	176,459
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Outstanding balances

Aggregate amounts receivable from, and payable to related parties at balance date are as follows:

Current payables

Ultimate parent entity	593,057	282,750
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Terms and conditions

Related party outstanding balances are unsecured and have been provided on interest-free terms.

Note 14. Remuneration of auditors

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

Assurance services

Audit services

Fees paid to *The Audit Office of New South Wales*:

Audit of financial statements	26,000	26,000
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Notes to the financial statements for the year ended 31 December 2012

	2012	2011
	\$	\$

Note 15. Commitments for expenditure

(a) Other expenditure commitments

Purchase orders placed with suppliers as at 31 December for goods and services (other than inventories) receivable within twelve months of year end

2,297	254
2,297	254

All commitments include GST which is expected to be recoverable in the normal course of operations.

Note 16. Contingencies

Norsearch Limited currently has no legal matters outstanding or other contingent liabilities which are expected to result in material claims against it (2011: Nil).

Note 17. Members guarantee

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company. As at 31 December 2012 the number of members was 4 (2011: 5).

The company was incorporated on 11 July 1986 and commenced trading on 1 January 1987. The company can make donations and gifts to Southern Cross University from time to time as well as other organisations and bodies which may be related to the work of Southern Cross University. In the event of winding up or dissolution of the company any property shall be given to some other institution or institutions, which may include Southern Cross University.

Note 18. Events after balance sheet date

There were no events subsequent to reporting date that would have a material financial effect on the financial report.

	2012	2011
	\$	\$

Note 19. Reconciliation of net operating result for the year after income tax to net cash flows from operations

Net operating result for the year	(335,233)	(236,439)
Add: Depreciation	9,673	16,091
Add: Provision for impaired receivables	1,337	(19,606)
<i>Change in operating assets and liabilities</i>		
(Increase) / decrease in receivables	11,445	6,639
(Increase) / decrease in inventories	(3,226)	(7,996)
Increase / (decrease) in provision for employee benefits	2,121	15,852
Increase / (decrease) in payables and other liabilities	311,787	223,758
Net cash inflow / (outflow) from operating activities	(2,096)	(1,701)

Notes to the financial statements for the year ended 31 December 2012

Note 20. Financial risk management

The entity's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the entity.

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

Risk management assessment is undertaken by management. The entity does not enter into or trade financial instruments for speculative purposes.

(a) Market risk

(i) Foreign exchange risk

The entity does not undertake transactions in foreign currency or hold any financial instruments in a foreign currency. As such, the company is not exposed to currency risk.

(ii) Price risk

Price risk arises on financial instruments because of changes in, for example, commodity prices or equity prices. The company is not exposed to price risk.

(iii) Cash flow and fair value interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

The entity aims to minimise risk through prudent financial management and diversification. Term deposits are spread across financial institutions for varying terms with a maximum percentage for each institution. Interest is paid on maturity.

The following table summarises the sensitivity of the entity's financial assets and financial liabilities to interest rate risk.

2012	Carrying amount	Interest Rate Risk -1%		Interest Rate Risk 1%	
		Result	Equity	Result	Equity
	\$	\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	67,144	(408)	(408)	408	408
Receivables	22,208	-	-	-	-
Financial liabilities					
Payables	670,233	-	-	-	-
Net financial assets/(liabilities)	(580,881)	(408)	(408)	408	408

2011	Carrying amount	Interest Rate Risk -1%		Interest Rate Risk 1%	
		Result	Equity	Result	Equity
	\$	\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	58,447	(655)	(655)	655	655
Receivables	24,497	-	-	-	-
Financial liabilities					
Payables	275,828	-	-	-	-
Net financial assets/(liabilities)	(192,884)	(655)	(655)	655	655

There has been no variation to the objectives, policies and processes for market risk since the prior period.

Notes to the financial statements for the year ended 31 December 2012

Note 20. Financial risk management (cont)

(b) Credit risk

Trade accounts receivable consist of a large number of customers, spread across diverse industries and geographical areas. The receivables are assessed after 60 days and action taken to collect the debt. There has been no change in managing credit risk since the prior year.

(c) Liquidity risk

The entity manages liquidity risk by maintaining adequate reserves, banking facilities and continuously monitoring forecast and actual cash flows.

The interest bearing deposits and deposits at call have an average maturity of 45 days.

There has been no variation to the objectives, policies and processes for liquidity risk since the prior period.

The following tables summarise the maturity of the company's financial assets and financial liabilities:

2012	Average Interest Rate %	Variable Interest Rate \$	Less than 1 Year \$	1 to 5 Years \$	5+ Years \$	Non Interest \$	Total \$
Financial assets							
Cash and cash equivalents	3.49%	60,704	-	-	-	6,440	67,144
Receivables	-	-	-	-	-	22,208	22,208
Financial liabilities							
Payables	-	-	-	-	-	670,233	670,233
Net financial assets / (liabilities)		60,704	-	-	-	(641,585)	(580,881)
2011							
Financial assets							
Cash and cash equivalents	4.49%	52,007	-	-	-	6,440	58,447
Receivables	-	-	-	-	-	24,497	24,497
Financial liabilities							
Payables	-	-	-	-	-	275,828	275,828
Net financial assets / (liabilities)		52,007	-	-	-	(244,891)	(192,884)

Notes to the financial statements for the year ended 31 December 2012

Note 20. Financial risk management (cont)

(d) Fair value of financial assets and liabilities

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The entity uses discounted cash flows and makes assumptions that are based on market conditions existing at each balance date.

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

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

There has been no change in the method for calculating fair value.

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

	2012		2011	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	67,144	67,144	58,447	58,447
Receivables	22,208	22,208	24,497	24,497
	89,352	89,352	82,944	82,944
Financial liabilities				
Payables	670,233	670,233	275,828	275,828
	670,233	670,233	275,828	275,828

The fair values of non-current receivables are based on expected cash flows.

Fair value measurements recognised in the balance sheet are categorised into the following levels:

Level 1 - Derived from quoted prices in active markets for identical assets / liabilities.

Level 2 - Derived from inputs other than quoted prices that are observable directly or indirectly.

Level 3 - Derived from valuation techniques that include inputs for the asset / liability not based on observable market data (unobservable inputs)

	31 Dec 2012	Level 1	Level 2	Level 3
	\$	\$	\$	\$
Financial assets				
Non-traded financial assets	89,352	89,352	-	-
	89,352	89,352	-	-
Financial liabilities				
Non-traded financial liabilities	670,233	670,233	-	-
	670,233	670,233	-	-

"End of Audited Financial Report"

SCU College Pty Ltd

ABN 40 152 561 825

**A controlled entity of
Southern Cross University**

**Financial Statements for the year
ended 31 December 2012**

Directors' report

The directors of the company present their report on the company for the year ended 31 December 2012:

Principal activities

The company's principal activities is to facilitate higher education opportunities to people from all backgrounds.

Review of operations

The net operating result of the company for the period ended 31 December 2012 was a profit of \$270 (2011: loss of \$3,400) after providing \$2,384 (2011: \$Nil) for depreciation.

Changes in state of affairs

The company commenced trading in February 2012. In June 2012 the operations of the company were transferred to the parent entity. There were no other significant changes in the state of affairs of the company during the financial year, other than referred to in the financial statements or notes thereto.

Subsequent events

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

Environmental regulations

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a State or Territory.

Proceedings on behalf of the company

No person has applied for leave of the Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the period.

Future developments

Disclosure of information regarding likely developments, future prospects and business strategies of the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

Directors' report

Information about the directors

The Directors in office during or since the start of the financial year are:

Professor William MacGillivray, BSc(Hons)(Qld), PhD(UQ)

Professor MacGillivray is the Deputy Vice Chancellor of Southern Cross University

Appointed 24 August 2011.

Mr Malcolm Marshall, BA(CCAE), MBA(CQU)

Mr Marshall is Executive Director, Corporate Services for Southern Cross University

Appointed 24 August 2011; Resigned 29 February 2012.

Ms Caroline Anderson, BSSc(Hons), FCA

Ms Anderson is Executive Director, Corporate Services for Southern Cross University

Appointed 24 February 2012; Resigned 5 May 2012.

The directors have been in office since the start of the financial year unless otherwise indicated.

Company Secretary

Ms Susan Gooley, BBus(UNE), CPA

Ms Gooley is Manager, Taxation and Transactions for Southern Cross University

Appointed 24 August 2011.

Meetings of directors

The numbers of meetings of directors held during the period and the number of meetings attended by each director were as follows:

	Number eligible to attend	Number attended
Professor William MacGillivray	2	2
Malcolm Marshall	1	1
Caroline Anderson	-	-

Directors' benefits

During or since the financial period, no director of the company has received or become entitled to receive a benefit, because of a contract that:

- (a) the director; or
- (b) a firm of which the director is a member; or
- (c) an entity in which the director has a substantial financial interest, has made with the company, an entity controlled by the company or related body corporate, other than:
 - (i) a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company, and
 - (ii) the fixed salary of a full time employee of the company, controlled entity or related body corporate.

During or since the financial period Southern Cross University has insured all of the directors previously listed against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

Directors' report

Indemnification of officers and auditors

The company has not, during or since the financial period, in respect of any person who is or has been an officer or auditor of the company or related body corporate:

- (a) indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceeding; or
- (b) paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Auditors independence declaration

The auditors independence declaration for the period ended 31 December 2012 has been received and is included after the Directors declaration.

Signed in accordance with a resolution of the directors made pursuant to S298(2) of the *Corporations Act 2001*.

On behalf of the Directors



Director



Secretary

Dated this 12th day of April 2013

Directors' declaration

In accordance with a resolution of the directors of SCU College Pty Ltd and pursuant to section 41C (1B) and (1C) of the *Public Finance and Audit Act 1983*, we state:

- 1 The attached is a general purpose financial report and gives a true and fair view of the financial position as at 31 December 2012 and of the performance for the financial period ended on that date;
- 2 The financial report has been prepared in accordance with Australian Accounting Standards, the *Public Finance and Audit Act 1983*, *Public Finance and Audit Regulation 2010*, the *Corporations Act 2001*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- 3 We are not aware of any circumstances which would render any particulars included in the financial report to be misleading or inaccurate; and,
- 4 At the date of this declaration, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed this 12th day of April, 2013 in accordance with a resolution of the directors, made pursuant to S295(5) of the *Corporations Act 2001*.

On behalf of the Directors



Director



Secretary

Dated this 12th day of April 2013



To the Directors
SCU College Pty Ltd

Auditor's Independence Declaration

As auditor for the audit of the financial statements of SCU College Pty Ltd for the year ended 31 December 2012, I declare, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read "Aaron Green".

Aaron Green
Director, Financial Audit Services

9 April 2013
SYDNEY

Statement of comprehensive income for the year ended 31 December 2012

	Notes	2012 \$	24 August 2011 to 31 December 2011 \$
Revenue from continuing operations			
Debts forgiven by parent entity		90,732	-
Total revenue from continuing operations		90,732	-
Gain on disposal of assets	3	8,821	-
Total income from continuing operations		99,553	-
Expenses from continuing operations			
Employee benefits	4	59,519	-
Consultancy fees	4	1,312	-
Minor equipment purchases		11,674	-
Depreciation on plant and equipment		2,384	-
Travel, accommodation and hospitality		1,849	-
Other expenses		18,045	-
Audit fees	13	4,500	3,400
Total expenses from continuing operations		99,283	3,400
Profit/(Loss) from continuing operations before income tax		270	(3,400)
Income tax expense	5	-	-
Profit/(Loss) from continuing operations after income tax		270	(3,400)
Profit/(Loss) for the period		270	(3,400)
Total comprehensive profit/(loss) for the period		270	(3,400)
Total comprehensive income/(loss) attributable to:			
Members of SCU College Pty Ltd		270	(3,400)

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

Statement of financial position as at 31 December 2012

	Notes	2012 \$	24 August 2011 to 31 December 2011 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	1	1
Trade and other receivables	7	3,065	340
Total current assets		3,066	341
Non-current assets			
Property, plant and equipment	8	-	-
Total non-current assets		-	-
Total assets		3,066	341
LIABILITIES			
Current liabilities			
Trade and other payables	9	6,195	3,740
Total current liabilities		6,195	3,740
Non-current liabilities			
Total non-current liabilities		-	-
Total liabilities		6,195	3,740
Net assets		(3,129)	(3,399)
EQUITY			
Retained losses	10	(3,130)	(3,400)
Issued capital		1	1
Total equity		(3,129)	(3,399)

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

Statement of changes in equity for the year ended 31 December 2012

	Notes	Share Capital	Retained Earnings	Total Equity
		\$	\$	\$
Balance at 24 August 2011		-	-	-
Issue of ordinary shares	19	1	-	1
Total comprehensive income for the period	10	-	(3,400)	(3,400)
Balance at 31 December 2011		<u>1</u>	<u>(3,400)</u>	<u>(3,399)</u>
Balance at 1 January 2012		1	(3,400)	(3,399)
Total comprehensive income for the year	10	-	270	270
Balance at 31 December 2012		<u>1</u>	<u>(3,130)</u>	<u>(3,129)</u>

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

Statement of cash flows for the year ended 31 December 2012

	Notes	2012 \$	24 August 2011 to 31 December 2011 \$
Cash flows from operating activities			
Receipts from customers		90,732	-
Payments to suppliers and employees		(97,509)	-
GST recovered / (paid)		340	-
Net cash provided by / (used in) operating activities	18	(6,437)	-
Cash flows from investing activities			
Sale of plant and equipment		36,732	-
Purchase of plant and equipment		(30,295)	-
Net cash provided by / (used in) investing activities		6,437	
Cash flows from financing activities			
Proceeds from issue of capital	19	-	1
Net cash provided by financing activities		-	1
Net increase / (decrease) in cash and cash equivalents		-	1
Cash and cash equivalents at the beginning of the financial year		1	-
Cash and cash equivalents at the end of the financial year	6	1	1

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

Note 1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all periods reported, unless otherwise stated.

SCU College Pty Limited is a small proprietary company limited by shares which is incorporated and domiciled in Australia. The company's principal activity is to facilitate higher education opportunities to people from all backgrounds. The company was incorporated on 24th August 2011 and accordingly comparative figures covering the period from incorporation are shown.

The principal address of SCU College Pty Ltd is Military Road Lismore NSW 2480.

a) Basis of preparation

The annual financial statements represent the audited general purpose financial statements which have been prepared on an accrual basis in accordance with Australian Accounting Standards, AASB Interpretations, the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Act Regulations 2010* and the *Corporations Act 2001*. The financial report is presented in Australian Dollars.

Compliance with AIFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). The financial statements and notes comply with the Australian Accounting Standards and have been prepared on a "for profit" basis.

Date of authorisation for issue

The financial statements were authorised for issue by the Directors on 12th April 2013.

Historical cost convention

These financial statements have been prepared on an accruals basis and are based on the historical cost convention.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. These areas require a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements. No critical accounting estimates have been identified in these financial statements.

Going Concern Principle

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. A letter of unconditional financial support has been provided by Southern Cross University. The parent entity will support the company financially to help ensure the company can pay its debts as and when they fall due.

b) Significant revenues & expenses

Where an item of revenue or expense from ordinary activities is of such size, nature or incidence, that its disclosure is relevant in explaining the financial performance of the entity, its nature and amount have been disclosed separately in the notes.

c) Revenue recognition

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

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

Rendering of Services

Revenue from sales of services is recognised in the period in which the service is provided.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and reward are considered passed to the buyer at the time of delivery to the customer.

Interest

Interest is recognised as it accrues using the effective interest method.

d) Income tax

SCU College Pty Ltd, is subject to income tax.

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

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

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

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

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

e) Cash and cash equivalents

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

f) Trade receivables

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

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement.

g) Investments and other financial assets**Classification**

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

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified in this category if it is acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

Loans and receivables

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

Held-to-maturity investments

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

Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

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

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

Subsequent measurement

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

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

Fair value

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

Impairment

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

h) Property, plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

i) Depreciation of non-current assets

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

The annual rates for depreciation are:

	%p.a.
Motor Vehicles	20

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

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

j) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within 45 days of recognition.

k) Employee benefits**Wages and salaries**

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

Annual leave and sick leave

The liability for long-term employee benefits such as annual leave and accumulating sick leave is recognised in current provisions for employee benefits as it is not due to be settled within 12 months after the end of the reporting period. It is measured at the amount expected to be paid when the liability is settled. Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. The Actuarial assessment gives consideration to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on Commonwealth government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Retirement benefit obligations

All employees of the company are entitled to benefits on retirement, disability or death from the company's superannuation plan. The company has a defined benefit section and a defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from company and the company's legal or constructive obligation is limited to these contributions. The employees of the company are all members of the defined contribution section of the company's plan.

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

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

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, outside the income statement, in the Statement of comprehensive income.

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

Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Termination Benefits

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

I) Goods and services tax (GST)

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

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

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

m) Allocation between current and non-current

In determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to settle. The asset or liability is classified as current if it is expected to settle within the next 12 months, being the company's operational cycle. In the case of liabilities where the company does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if it is not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

n) Comparative Amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current period. As this is the first reporting period, no comparatives are provided.

o) New accounting standards and interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2012 reporting period.

It is considered that the impact of these new Standards and Interpretations in future periods will have no material impact on the financial statements of the company.

Notes to the financial statements for the year ended 31 December 2012

Note 2. Company Details

SCU College Pty Ltd is a small proprietary company, limited by shares which is incorporated and operates in Australia.

The registered office and principal place of business of the company is:

Rod Treyvaud Building

Southern Cross University

Military Road

LISMORE NSW 2480

	24 August 2011 to
2012	31 December 2011
\$	\$

Note 3. Gains/(losses) on disposal of assets

Proceeds from sale	36,732	-
Carrying amount of assets sold	(27,911)	-
Total of net gain/(loss) on disposal of assets	8,821	-

Note 4. Expenses from continuing operations

Note 4.1. Employee benefits

Salaries	47,364	-
Superannuation	8,787	-
Payroll tax	3,109	-
Workers' compensation	259	-
Total employee benefits	59,519	-

Note 4.2 Consultancy fees paid

The company as part of its normal activities engages consultants to provide services not available within its own resources

1,312	-
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Note 5. Income tax

Income tax expense

Income tax on profit from continuing operations at 30%	81	(1,020)
Add back non deductible expenses		
Write-off deferred income tax as it is not probable that it will be recovered by future operations	-	1,020
Less reduction of deferred taxes from previous years	(81)	-
Income tax attributable to the entity	-	-

Deferred tax assets

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1 are satisfied.

- operating losses	939	1,020
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Notes to the financial statements for the year ended 31 December 2012

	2012	24 August 2011 to 31 December 2011
	\$	\$
Cash on hand	1	1
Total cash and cash equivalents	1	1

(a) Reconciliation to cash at the end of the year

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

Balances as above	1	1
Balance per statement of cash flows	1	1

Note 7. Trade and other receivables

Current

Trade receivables	2,855	-
Net goods and services tax receivable	210	340
Total trade and other receivables	3,065	340

No receivables were considered impaired at 31 December 2012 (2011: \$Nil)

Note 8. Plant and equipment

Plant and equipment

At cost	-	-
Accumulated depreciation	-	-
Total plant and equipment	-	-

Movement in the carrying amounts

Movement in the carrying amounts of plant and equipment between the beginning and the end of the current financial period

Carrying amount as at 1 January 2012

Additions	30,295	-
Disposals	(27,911)	-
Depreciation expense	(2,384)	-
Carrying amount as at 31 December 2012	-	-

Note 9. Trade and other payables

Current

Trade payables	1,245	-
Accrued expenses	4,950	3,740
Total trade and other payables	6,195	3,740

Notes to the financial statements for the year ended 31 December 2012

Note 10. Retained earnings

	2012	24 August 2011 to 31 December 2011
Retained earnings at 1 January	(3,400)	-
Total comprehensive income for the year	270	(3,400)
Retained earnings at 31 December	(3,130)	(3,400)

Note 11. Key management personnel disclosures

Directors

The names of directors who held office during the financial year are:

Professor William MacGillivray

Malcolm Marshall (resigned 29 February 2012)

Caroline Anderson (appointed 24 February 2012; resigned 5 May 2012)

The above persons have been in office since the start of the year unless otherwise stated.

Directors remuneration

Income paid or payable to directors and other members of key management personnel in the company and the Group:

	2012	24 August 2011 to 31 December 2011
	\$	\$
	597,988	234,443

Number of directors whose income was within the following bands:

	Number	Number
\$45,000 to \$59,999	1	-
\$105,000 to \$119,999	-	1
\$120,000 to \$134,999	-	1
\$150,000 to \$164,999	1	-
\$375,000 to \$389,999	1	-

This remuneration does not just relate to the Directors role within SCU College Pty Ltd. It includes remuneration from associated entities.

Responsible Officer remuneration

Income paid or payable to a staff member employed by SCU College Pty Ltd whose duties includes management responsibilities for the Company's operation.

	2012	24 August 2011 to 31 December 2011
	\$	\$
	60,001	-

\$60,000 to \$74,999

Number	Number
1	-

Key management personnel compensation

	2012	24 August 2011 to 31 December 2011
	\$	\$
Short-term employee benefits	51,525	-
Post-employment benefits	8,476	-
	60,001	-

Notes to the financial statements for the year ended 31 December 2012

Note 12. Related party transactions

Parent entity

Southern Cross University is the parent entity.

Related party transactions

Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

i) Parent entity

Transactions with Southern Cross University for services provided are fully reimbursed by the company as charged however, financial services and administration assistance are provided by the University at no cost. The value of these costs are not readily quantified.

	2012	24 August 2011 to 31 December 2011
	\$	\$
<i>Revenue</i>		
Southern Cross University debts forgiven	90,732	-
Southern Cross University sale of property, plant and equipment	36,732	-
<i>Expenditure</i>		
Norsearch Limited service fees	78	-

Note 13. Remuneration of auditors

	2012	24 August 2011 to 31 December 2011
	\$	\$

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

Fees paid to *The Audit Office of New South Wales*
Audit of financial statement

	4,500	3,400
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Note 14. Contingencies

Contingent liabilities

SCU College Pty Ltd currently has no legal matters outstanding or other contingent liabilities which are expected to result in material claims against it.

Note 15. Commitments for expenditure

(a) Capital expenditure commitments

There were no commitments for capital expenditure as at 31 December 2012 (2011: \$Nil).

(b) Other expenditure commitments

There were no other expenditure commitments as at 31 December 2012 (2011: \$Nil).

(c) Lease commitments

There were no leasing commitments as at 31 December 2012 (2011: \$Nil).

Notes to the financial statements for the year ended 31 December 2012

Note 16. Segment reporting

(a) Industry segments

The company operates within the one industry for delivering higher education opportunities to people from lower social economic backgrounds.

(b) Geographic segments

The company operates solely within Australia.

Note 17. Events after balance sheet date

There were no events subsequent to reporting date that would have a material financial effect on the financial report.

Note 18. Reconciliation of operating result for the year after income tax to net cash flows from operations

	2012	24 August 2011 to 31 December 2011
	\$	\$
Net operating result for the year	270	(3,400)
Add: Depreciation	2,384	-
Net (gain) / loss on sale of assets	(8,821)	-
(Increase) / decrease in receivables	(2,855)	-
(Increase) / decrease in GST receivable	130	(340)
Increase / (decrease) in payables and other liabilities	2,455	3,740
Net cash inflow / (outflow) from operating activities	(6,437)	-

Note 19. Contributed equity

Opening balance	1	-
Fully paid shares issued during the reporting period	-	1
Closing balance (1 share, fully paid at \$1.00 each)	1	1

Fully paid shares

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. At the shareholders meeting each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

The company has the power to forfeit any shares upon which the call remains unpaid for a period specified by the directors.

The company has a first and paramount lien on every share not fully paid for all money, whether presently payable or not, called or payable at a fixed time in respect of that share.

Note 20. Economic dependency

A letter of unconditional financial support has been provided by Southern Cross University. The parent entity will support the company financially to help ensure the company can pay its debts as and when they fall due.

Notes to the financial statements for the year ended 31 December 2012

Note 21. Financial risk management

The entity's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the entity and its subsidiary.

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

Risk management assessment is undertaken by the parent entity. The company does not enter into or trade financial instruments for speculative purposes.

(a) Market risk

(i) Foreign exchange risk

The company does not undertake transactions in other currencies so does not have exposure to exchange rate fluctuations.

(ii) Price Risk

Price risk arises on financial instruments because of changes in, for example, commodity prices or equity prices. The company is not exposed to price risk.

(iii) Cash flow and fair value interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

The cash management functions are performed by the parent entity.

(iv) Summarised sensitivity analysis

The following table summarises the sensitivity of the company's financial assets and financial liabilities to interest rate risk.

2012	Carrying amount	Interest Rate Risk			
		-1%		1%	
		Result	Equity	Result	Equity
	\$	\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	1	-	-	-	-
Receivables	2,855	-	-	-	-
Financial liabilities					
Payables	5,170	-	-	-	-
Net financial assets/(liabilities)	(2,314)	-	-	-	-

24 August 2011 to 31 December 2011	Carrying amount	Interest Rate Risk			
		-1%		1%	
		Result	Equity	Result	Equity
	\$	\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	1	-	-	-	-
Receivables	340	-	-	-	-
Financial liabilities					
Payables	3,740	-	-	-	-
Net financial assets/(liabilities)	(3,399)	-	-	-	-

Notes to the financial statements for the year ended 31 December 2012

Note 21. Financial risk management (cont)

(b) Credit risk

The company's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the balance sheet.

Trade accounts payables are carried in the financial statement at net fair value unless otherwise stated. They have normal business trading terms.

(c) Liquidity risk

The company manages liquidity risk by maintaining banking facilities and continuously monitoring forecast and actual cash flows.

(d) Fair value of financial assets and liabilities

The carrying amounts of each asset and liability as stated in the balance sheet approximates their fair values.

Fair value measurements recognised in the balance sheet are categorised into the following levels:

Level 1 - Derived from quoted prices in active markets for identical assets / liabilities.

Level 2 - Derived from inputs other than quoted prices that are observable directly or indirectly.

Level 3 - Derived from valuation techniques that include inputs for the asset / liability not based on observable market data (unobservable inputs).

	31 Dec 2012	Level 1	Level 2	Level 3
	\$	\$	\$	\$
Financial assets				
Non-traded financial assets	2,856	2,856	-	-
	2,856	2,856	-	-
Financial liabilities				
Non-traded financial liabilities	5,170	5,170	-	-
	5,170	5,170	-	-

"End of Audited Financial Report"

APPENDIX A

Staff Employment

SCU

Nominal FTE	2010	2011	2012
Academic	347.7	332	347.5
Professional	561.5	557.5	563.2
TOTAL	909.2	889.5	910.7

Academic

Nominal FTE	2010	2011	2012
Above senior lecturer	71.2	71.1	73
Senior lecturer	82.6	85.2	88.1
Lecturer	125.5	113.9	147.3
Below lecturer	68.4	61.8	39.1
TOTAL	347.7	332	347.5

Above senior lecturer = Levels D, E (plus VC & DVC)

Senior lecturer = Level C

Lecturer = Level B

Below lecturer = Level A

Professional

Nominal FTE	2010	2011	2012
HEW 1	1.6	1.6	8.2
HEW 2	6.5	2.5	2.5
HEW 3	29.1	30.7	20.6
HEW 4	150.5	143.2	145.2
HEW 5	149.7	148.3	142.6
HEW 6	84.7	86.2	90.4
HEW 7	69.7	69.9	73.9
HEW 8	36.1	42.2	42.9
HEW 9	11.4	10.4	10.4
HEW 10 and above	22.2	22.5	26.5
TOTAL	561.5	557.5	563.2

Source: MIS – DEEWR staff cube

20/02/2013

APPENDIX B

Trends in the Representation of EEO Target Groups

Data Extracts from Reporting Period 2010-2011 as at 31 March 2012 (excludes casual staff)

Academic Staff	Benchmark or Target	2009	2010	2011	2012
Women	50%	52%	54%	49%	48%
Aboriginal people and Torres Strait Islanders	2.6%	3.7%	3.9%	2.7%	2.1%
People whose first language was not English	19%	11%	10%	9%	8.8%
People with a disability	N/A	7%	8%	8%	5.1
People with a disability requiring work-related adjustment	1.3%	1.7%	1.4%	1.0%	0.5%

Professional Staff	Benchmark or Target	2009	2010	2011	2012
Women	50%	66%	67%	67%	67%
Aboriginal people and Torres Strait Islanders	2.6%	3.8%	4.1%	4.2%	3%
People whose first language was not English	19%	5%	5%	3%	2.3%
People with a disability	N/A	7%	5%	5%	3.5%
People with a disability requiring work-related adjustment	1.3%	0.6%	0.4%	0.4%	0.2%

Trends in the Distribution of EEO Target Groups

Distribution Index

Academic Staff	Benchmark or Target	2009	2010	2011	2012
Women	100	74	78	78	81
Aboriginal people and Torres Strait Islanders	100	n/a	n/a	n/a	121
People whose first language was not English	100	90	92	81	79
People with a disability	100	n/a	81	74	89
People with a disability requiring work-related adjustment	100	n/a	n/a	n/a	n/a

Trends in the Distribution of EEO Target Groups

Distribution Index

Academic Staff	Benchmark or Target	2009	2010	2011	2012
Women	100	88	89	91	92
Aboriginal people and Torres Strait Islanders	100	75	75	73	81
People whose first language was not English	100	105	99	99	103
People with a disability	100	95	94	98	98
People with a disability requiring work-related adjustment	100	n/a	n/a	n/a	n/a

A Distribution Index of 100 indicates that the centre of the distribution of the EEO groups across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels.

APPENDIX C

Project Cost to Date	(\$'000)	Expected completion
Student Centred Software System Implementation	97	Dec 2013
Integrated Learning Management System Implementation	530	Dec 2013
Integrated Unit and Course Management System Implementation	418	Dec 2013
Upgraded Learning Spaces (AudioVisual and Video Conferencing upgrades) \$100 Jun 2014	100	Jun 2014
Gold Coast Data Centre	15	Dec 2013
Building B	42 486	Mar 2013
Building C/D	1 719	Dec 2015
APFI	1 719	May 2013
Crawford Land Development	1 058	

APPENDIX D

Reviews Conducted Under Part 5 of the PPIP Act

Table A: Number of internal reviews by type of conduct	
	No of reviews
Collection of the complainant's personal information (IPPs1-4)	0
Security or storage of the complainant's personal information (IPP 5)	1
Refusal to let the complainant access or find out about their personal information (IPPs 6-7)	1
Accuracy or relevance of the complainant's personal information (IPPs 8-9)	0
Use of the complainant's personal information (IPP 10)	1
Disclosure of the complainant's personal information (IPPs 11-12 and/or the public register provisions in Part 6 of the PPIP Act)	0

Table B: Number of internal reviews by outcome	
	No of reviews
Insufficient evidence to suggest alleged conduct occurred	1
Alleged conduct occurred but complied with the IPPs/ public register provisions	1
Alleged conduct occurred; did not comply with the IPPs/ public register provisions; but non-compliance was authorised by an exemption, Code or s.41 Direction	0
Alleged conduct occurred; did not comply with the IPPs/ public register provisions; the non-compliance was not authorised	1

Table C: Timeliness	
	No of reviews
Decided within the statutory timeframe (60 days)	2
Decided after 60 days (by agreement with complainant)	0
Not decided within time	0
Total	2

APPENDIX E

Right to Information: Statistical information about access applications

Table A: Number of applications by type of applicant and outcome								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	1	3	1	2	1	2	0	0

Table B: Number of applications by type of application and outcome								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applicants	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	1	1	1	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	2	0	2	1	2	0	0

Table C: Invalid applications

	No of applications
Reason for invalidity	1
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	1
Invalid applications that subsequently became valid applications	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act

	Number of times consideration used
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	2
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act

	Number of occasions when application not successful
Responsible and effective government	3
Law information and security	0
Individual rights, judicial processes and natural justice	3
Business interests of agencies and other persons	3
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extension)	5
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	5

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision Varied	Decision Upheld	Total
Internal review	1	1	2
Review by Information Commissioner	0	1	1
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
Total	1	2	3

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	3
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

APPENDIX F

Meetings of Members

The numbers of meetings of the Members of Southern Cross University Council and of each Council Committee held during the year ended 31 December 2012, and the numbers of meetings attended by each member are given in the tables below:

Members	Council		Meetings of Committees											
	Meetings		Chancellor's		Audit and Risk Management		Finance		Special Finance		Honorary Awards		Governance	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B
J R Dowd AO QC	6	6	5	5							2	2		
P Lee FTSE	6	6	5	5	5	6	5	5	2	2	2	2	4	5
T S Wilson	6	6	5	5	5	6	4	5	2	2	2	2	5	5
H McGregor	3	5									2	2		
N Newell	6	6			6	6	2	2					5	5
R J Dowell	3	4					2	3	2	2			3	4
W A Grimshaw AM	4	6					5	5	1	2			5	5
R Roberts	1	6												
J Jenkins	6	6	5	5			5	5	2	2				
J A Saffin MP	3	6					2	5	0	2	1	2		
J B Shanahan	4	6			6	6	5	5	2	2				
M R Sweeny	3	6			5	6	5	5	2	2				
M Newell	5	6												
G Lancaster	4	4					3	3	2	2				
P Harrison	3	4												
T Sheahan AO	6	6												
G Neaves	4	5												
W Boyd	2	2												
A Reichelt-Brushett	2	2												
F Wright	2	2												
A Matis	1	1					1	2						
J Granger	1	1												

A = Number of meetings attended

B = Number of meetings held during the time the member held office or was a member of the committee during this year.

Annual Report compliance list of requirements

Compliance list	Page
Letter of submission	2
Application for extension of time	N/A
Charter	38
Aims and objectives	4
Access	Inside back cover
Management and structure	39-41
Summary review of operations	31-35
Funds granted to non-government community organisations	N/A
Legal change	N/A
Economic or other factors	30-33
Management and activities	6-25, 30
Research and development	8-9
Human resources	25, 209
Consultants	33
Equal employment opportunity	26-29, 210
Disability plans	24
Land disposal	33
Promotion (overseas visits)	33
Consumer response	24
Payment of accounts	33
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Risk management and insurance activities	36-37
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