
Annual Report 2010

Northern Melbourne
Institute of TAFE

Green Skills Centre

NMIT STRATEGIC PLAN

- The Northern Journey

First published in 2008, NMIT has revised its Strategic Plan, The Northern Journey, to reflect the challenges of Victorian Skills Reform and to articulate a vision for its Higher Education program. The revision also responds to emerging expectations that TAFE institutes identify and report on key performance indicators in addition to those required by legislation and the annual Performance Agreement with Skills Victoria.

As well as articulating the Institute's Mission and Vision, The Northern Journey identifies Strategic Themes and corresponding key result areas. Together these will provide the basis for planning and operations in the coming years.

Mission

NMIT delivers vocational training and higher education for a global workforce.

Vision

NMIT graduates will be recognised as practical and solution oriented, making meaningful contributions to their chosen field of endeavour.

Strategic Themes

Learning

NMIT guides students in the acquisition of knowledge, vocational skills and lifelong learning capabilities to enable them to achieve their vocational goals.

Engagement

NMIT forges mutually beneficial partnerships with and between community, governments, industry, professions and other education providers.

Capacity

NMIT builds human resources, corporate practices and infrastructure to ensure the effective, sustainable and ethical conduct of the core activities of learning and engagement.



Information correct as at April 2011. © NMIT

		
		
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Northern Melbourne Institute of TAFE		



Annual Report 2010

Northern Melbourne
Institute of TAFE

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Further copies can be obtained from:

Marketing and Corporate Communications

NMIT

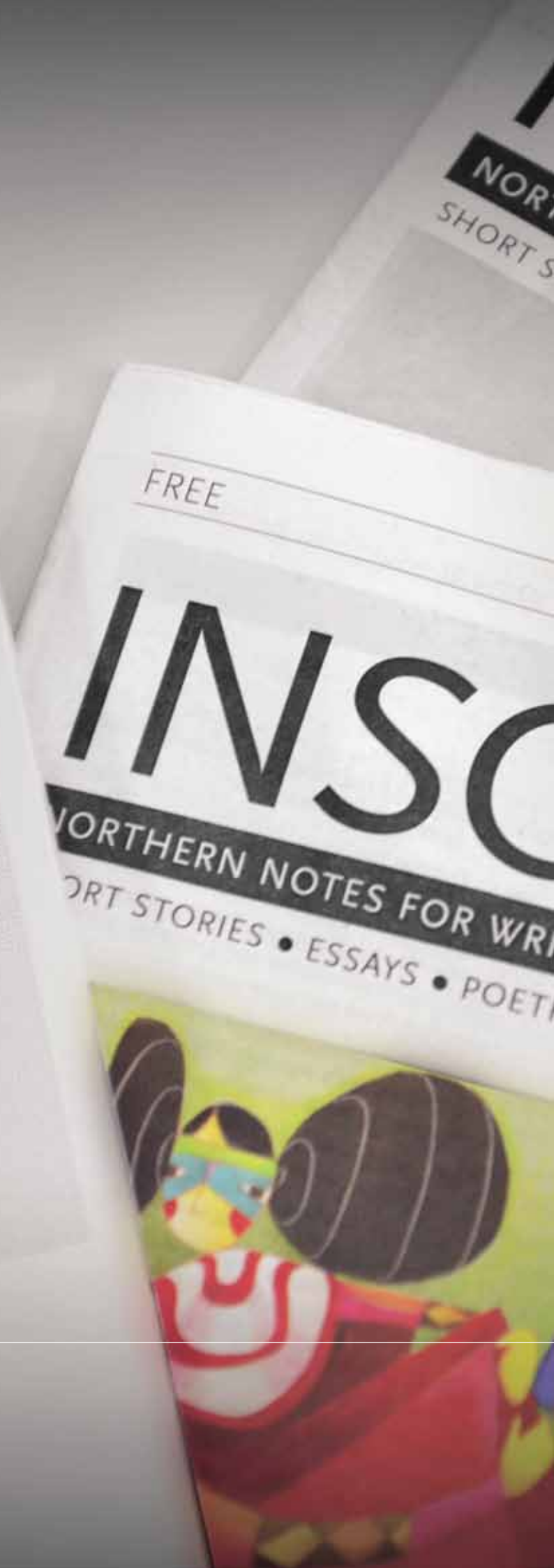
77-91 St Georges Rd

Preston Vic 3072

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Email: info@nmit.vic.edu.au

Enquiries should be directed to the Manager,
Marketing and Corporate Communications at
the above address.



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Report of Operations



Board President's Report

As the President of the NMIT Board I am pleased to present the 2010 Annual Report. The annual report provides details on the strategic, operational and financial initiatives undertaken in 2010 and reviews the significant events and achievements of the Institute, its staff and students.

2010 was an extremely challenging but successful year for NMIT. The most significant influence on activity was the introduction of the State Government's Skills Reform with the resultant increases in tuition fees for most of our students and higher levels of competition from private colleges registering as VET providers. The amount of additional administrative work associated with the reforms placed a considerable burden on NMIT staff. The immediate impact of the reforms in 2010 was a significant drop in enrolments in diploma programs due to the considerable increase in student tuition fees. The full impact of the Skills Reform and increased contestability will not be fully realised until the end of 2011.

The Institute generated a surplus of \$14.4 million from a total income of more than \$153.2 million – a record. During the year NMIT generated over \$69 million in extraneous income mainly from fee for service activity.

In capital works, the refurbishment of Building Q at the Fairfield campus was completed in 2010. The initial design of the Stage 1 redevelopment at the Epping campus was completed and the project was put out for tender. Construction commenced in August 2010 and it is anticipated that construction will be completed in October 2011.

NMIT obtained approval under the Commonwealth's Training Infrastructure Investment for Tomorrow (TIIFT) Fund for the construction of the Green Skills Centre at the Epping campus. This centre incorporates specialised low carbon sustainable technologies supporting practical and theory classrooms.

The facility provides learning modules that support the delivery of knowledge and skills development in environmentally sustainable practices.

Construction was managed by NMIT and completed in 2010.

Funding of more than \$5 million was received for implementation of wireless connectivity at all campuses. This project was managed by Skills Victoria and completed in 2010.

In 2010 NMIT employed approximately 1,700 teaching and support staff to deliver over 550 Vocational Education and Training and Higher Education courses. NMIT's comprehensive portfolio of certificate to bachelor level qualifications attracted more than 67,500 course enrolments, comprising over 23,000 off-shore course enrolments in China, Hong Kong and Korea and 44,500 course enrolments within Australia.

The Higher Education program continued to grow with delivery of the Bachelor of Agriculture and Land Management and the Bachelor of Accounting and the accreditation of the Bachelor of Education (Early Years) and Bachelor of Early Years Studies.

Over the course of the year, the NMIT Board members discharged their duties with diligence and care and I thank them for their valuable contributions.

Through the efforts of the executive and staff, NMIT continues to be well positioned for the coming changes brought about through Skills Reform and has delivered high quality education to its students and highly skilled, quality graduates to their future employers.



Andrew Giddy
President of Board
DATE: 28/2/2011

NMIT History

NMIT was formed in 1988 through the amalgamation of Preston College of TAFE and Collingwood College of TAFE, to which was attached the Parkville horticulture campus. The new entity, called Northern Metropolitan College of TAFE, developed campuses at Heidelberg, Greensborough and Epping to add to those existing at Preston, Collingwood and Parkville.

In 1996, the name was changed to Northern Melbourne Institute of TAFE and in 1999, the acronym NMIT was adopted. There are also training centres at Eden Park and Yan Yean, and during 2002, a new training centre was opened at Yarra Glen in the Yarra Valley and new campus in Ararat. In 2004, NMIT opened another new campus at Fairfield after the Parkville campus was closed.



Corporate Governance

The NMIT Board is the governing body of NMIT. Directors of the Board are appointed or elected because of their specialist knowledge, skills and experience.

The NMIT Board met six times during 2010 with meetings scheduled at the end of alternate months commencing in February.

The Board objectives are to:

- establish goals for the Institute, within the context of national and state policy and management frameworks
- provide quality vocational education and training and adult, community and further education programs and services which promote the competitiveness of industry, enhance the opportunities of individuals and serve the needs of the general community
- govern and control the Institute efficiently and effectively and optimise the efficient use of resources.

The Board duties are to:

- take all reasonable steps for the advancement of its objectives
- operate in accordance with the economic and social objectives and public sector management policy established from time to time by the Government of Victoria
- provide all assistance and information that the Minister, the Secretary or the deputy Secretary for Skills and Workforce Participation may reasonably require from the Board
- ensure the safe custody and proper use of the common seal of the Board.

The NMIT Board Governance Manual provides guidance for Board Directors in decision making.

Professional Development

An information seminar was held on 12 October 2010 at which Board Directors were present.

The Directors of Client Services and Corporate Services, Associate Directors and Academic Head of Higher Education made presentations about current and future developments in their areas.

2010 NMIT Board Membership

Board Director	Nature of Appointment	Key areas of knowledge, skill and experience	Current employment / position	Meetings attended
President Dr Andrew Giddy B VSci, Grad Dip Bioethics, MAICD	Ministerial	Senior management and strategic consultancy	Chief Executive Officer, Nucleus Network Limited	6 of 6
Vice President Josephine Acquaro B Econ, LLB, MBA, Grad Cert Barrister/ Solicitor of Supreme Court, Cert in Mediation	Ministerial	Administration and the law	General Manager Advocacy and Practice, Law Institute of Victoria	5 of 6
Deputy Vice President Norman Shearer B Bus (Acctg), B Ed, TPTC, MBA	Co-opted	Extensive experience in State and Institute TAFE administration at a senior level	Educational author/ Consultant	6 of 6
Director (Past President) Elaine Forde	Co-opted	Knowledge and skills in local retail and property management	Consultant	5 of 6
Director Peter Grist B Eng (Mech) (Hons)	Ministerial	Experience in agriculture, engineering and business management	Senior Partner, Grist Consulting	4 of 6
Director Dr Leslie Kilmartin B A(Hons), MA, PhD	Ministerial	Regional planning, economic development and higher education	Principal, The Insight Group	1 of 1 (Resigned February 2010)
Director Alexandra McMullen M.Ed, BMusic/Arts, Dip MusicBus, Dip Trng and Assessment Systems	Ministerial	Experience in delivery of VET programs for disadvantaged communities and knowledge in areas of VET QA and audit processes, Government funded training programs and equity issues in education	Formerly VET consultant and RTO Quality Assurance/ Audit Coordinator for the Brotherhood of St Lawrence	6 of 6 (Appointed February 2010)
Director Anthony Ray	Co-opted	Extensive small business operational knowledge and experience	Managing Director, Dura-Wear Industries	3 of 6
Director Michael Said CPA, RCA	Co-opted	Consultant in finance, governance, audit and business accounting and reporting	Principal, EMES Consulting	4 of 6
Director Christopher Watson Dip Tchg	Ministerial	State and national level senior management in racing industry and education	Consultant	5 of 6
Director Dr Jennifer Wajsenberg PhD, LLB, B Social Work, TESOL, Dip Ed(Hons), BA(Hons)	Ministerial	Educational administration and leadership, education Kindergarten - Tertiary, international education, governance and compliance	Tribunal Member, Teacher Professional Practice and Conduct Panel, Victorian Institute of Teaching; Senior Project Manager, Curriculum Corporation	4 of 6
Director Alison Ivey Master of Public Policy, BA, Dip Tchg	Ministerial	Experience in business development, education and academic governance	Registrar of the Architects Registration Board of Victoria	3 of 3 (Appointed July 2010)
Director Prof David Finlay BSc, MSc, PhD	Ministerial	Extensive experience in higher education science, technology and engineering fields and academic governance	Chair of Human Ethics Committee and Director, La Trobe University Foundation	2 of 2 (Appointed September 2010)
Student Director Antony Kuypers Adv Dip Acctg	Elected	Part-time teaching in design drafting/building fields	Currently studying at NMIT	5 of 6
Staff Director Anthony Budge Dip Civil Eng, Grad Dip Ed	Elected	Teaching/training experience in computing/various fields at NMIT	NMIT staff member - ICT Services	5 of 6
Director Brian MacDonald B Econ, Dip Ed	Ex Officio - CEO	Ex Officio/TAFE Institute Chief Executive Officer	NMIT Chief Executive Officer	6 of 6

Committees

Board Committees are established under Clause 15 of the NMIT Constitution. Each Committee makes recommendations to the Board and ensures compliance with appropriate statutory requirements.

The Board committees met approximately six times during the year to review and monitor various aspects of NMIT's operations.

Audit and Risk Management Committee (A&RMC)

The Board Directors on the Audit and Risk Management Committee (A&RMC) were Michael Said (Chair), Andrew Giddy, Josephine Acquaro, Elaine Forde, Christopher Watson and Alexandra McMullen. Brian MacDonald (CEO), Peter Christie (Director Corporate Services) and Leigh Pike (Chief Finance Officer), were in attendance at all meetings.

The A&RMC is appointed to provide independent assurance to the Board and the Chief Executive Officer in fulfilling their oversight responsibilities for financial reporting, the system of internal control, risk management, audit processes and the Institute's process for monitoring compliance with laws, regulations and ethical conduct as prescribed in the Institute Code of Practice.

Board Executive Committee

Members were Andrew Giddy (chair), Norman Shearer, Josephine Acquaro, Elaine Forde and Brian MacDonald (CEO). The Executive Committee exercises the powers, functions and duties of the Board between Board meetings and reports on the exercise of its delegation to the Board.

Higher Education (HE) Academic Committee

Board Director Jennifer Wajsenberg chaired meetings of the HE Academic Committee which is responsible for assisting the Board to ensure appropriate supervision of Higher Education programs and maintenance of high standards in teaching and academic performance. Other Board Directors on the HEAC were Norman Shearer, David Finlay and Brian MacDonald (CEO).

Resources Committee

The Board Directors on the Resources Committee were Josephine Acquaro (chair), Andrew Giddy, Michael Said, Christopher Watson, Elaine Forde, Alexandra McMullen and Brian MacDonald (CEO). The Resources Committee provides advice to the Board on finances, facilities, human resources and student services.

Vocational Education and Training (VET) Programs Committee

Board Directors on the VET Programs Committee were Norman Shearer (chair), Elaine Forde, Jennifer Wajsenberg and Brian MacDonald (CEO). The role of the VET Programs Committee is to assist the Board to ensure that appropriate content and academic standards of Vocational Education and Training courses are met.

Attestation on compliance with the Australian / New Zealand Risk Management Standard

I, Brian James MacDonald, certify that as at the 31st December 2010, the Northern Melbourne Institute of Technical and Further Education, has risk management processes in place broadly consistent with the Australian / New Zealand Risk Management Standard (or equivalent designated standard) and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures.

The Audit and Risk Management Committee verifies this assurance and that the risk profile of the Institute has been formally reviewed within the last 12 months.



Brian MacDonald
Chief Executive Officer
Northern Melbourne Institute of TAFE
DATE: 28/2/2011

Senior Management

Chief Executive Officer

Mr Brian MacDonald

The Chief Executive Officer is responsible for the operational management of NMIT.

Director Programs

Mr David Draper

The Director Programs is responsible for the Faculties of Arts and Social Sciences, Building and Construction, Business, Earth Sciences, Engineering, Further Education, Hospitality, Tourism and Personal Services and Higher Education programs. He is also responsible for the International Office, Quality Assurance, Policy and Analysis and Research and Development.

Deputy Director Programs Higher Education

Ms Christine Spratt

The Deputy Director Programs Higher Education is responsible for the development of Higher Education policy and programs across the Institute.

Associate Directors

Faculty of Arts and Social Sciences

Mr Peter Lamburd

Faculty of Building and Construction

Mr Peter Jacobson

Faculty of Business

Ms Dianne Holman

Ms Melissa Giffard

Faculty of Earth Sciences

Mr Wayne Pappin

Faculty of Engineering

Mr Bruce Burns

Faculty of Further Education

Ms Frances Coppolillo

Faculty of Hospitality, Tourism and Personal Services

Mr Philip Javier

Managers

International Office

Mr Dino Bettiol

Quality Assurance

Ms Fay Bellis

Policy Development and Analysis

Ms Jennifer Nation

Research and Development

Mr Chris Corbel

Director Corporate Services

Mr Peter Christie

The Director Corporate Services is responsible for the delivery of services through the Managers of Buildings and Properties, Capital Works Projects, Finance, Human Resources and ICT Services.

Managers

Buildings and Properties

Mr David Delaney

Capital Works Projects

Mr Dom Valeri

Finance

Mr Leigh Pike

Human Resources

Mr Peter Christie

ICT Services

Mr Robert Hagan

Director Client Services

Ms Anne Bambrook

The Director Client Services is responsible for the delivery of services through the Managers of Academic Registry, Information Services, Marketing and Corporate Communications and Student Services.

Managers

Academic Registry

Mr John Mitchell

Mr Marin Radobuljac
(replacing Mr Mitchell while on sick leave)

Information Services

Ms Anne Callahan

Marketing and Corporate Communications

Ms Jude Whelan

Student Services

Ms Cathy O'Connor



NMIT Campuses And Training Centres

Campuses

Ararat

Grano Street
Ararat 3377
Telephone (03) 5355 3555

Collingwood

20 Otter Street
Collingwood 3066

Epping

Cnr Cooper Street and Dalton Road
Epping 3076

Fairfield

Yarra Bend Road
Fairfield 3078

Greensborough

Civic Drive
Greensborough 3088

Heidelberg

Cnr Waterdale Road and Bell Street
Heidelberg 3081

Preston

77-91 St Georges Road
Preston 3072

Telephone (03) 9269 1200 for all metropolitan campuses.

Training Centres

Growling Frog Vineyard

1910 Donnybrook Road
Yan Yean 3755
Telephone (03) 9269 1086

NMIT Kyneton Park

Campaspe Place
Kyneton
Telephone (03) 9269 8623

Northern AMEP Centre

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

Northern Lodge, Eden Park

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

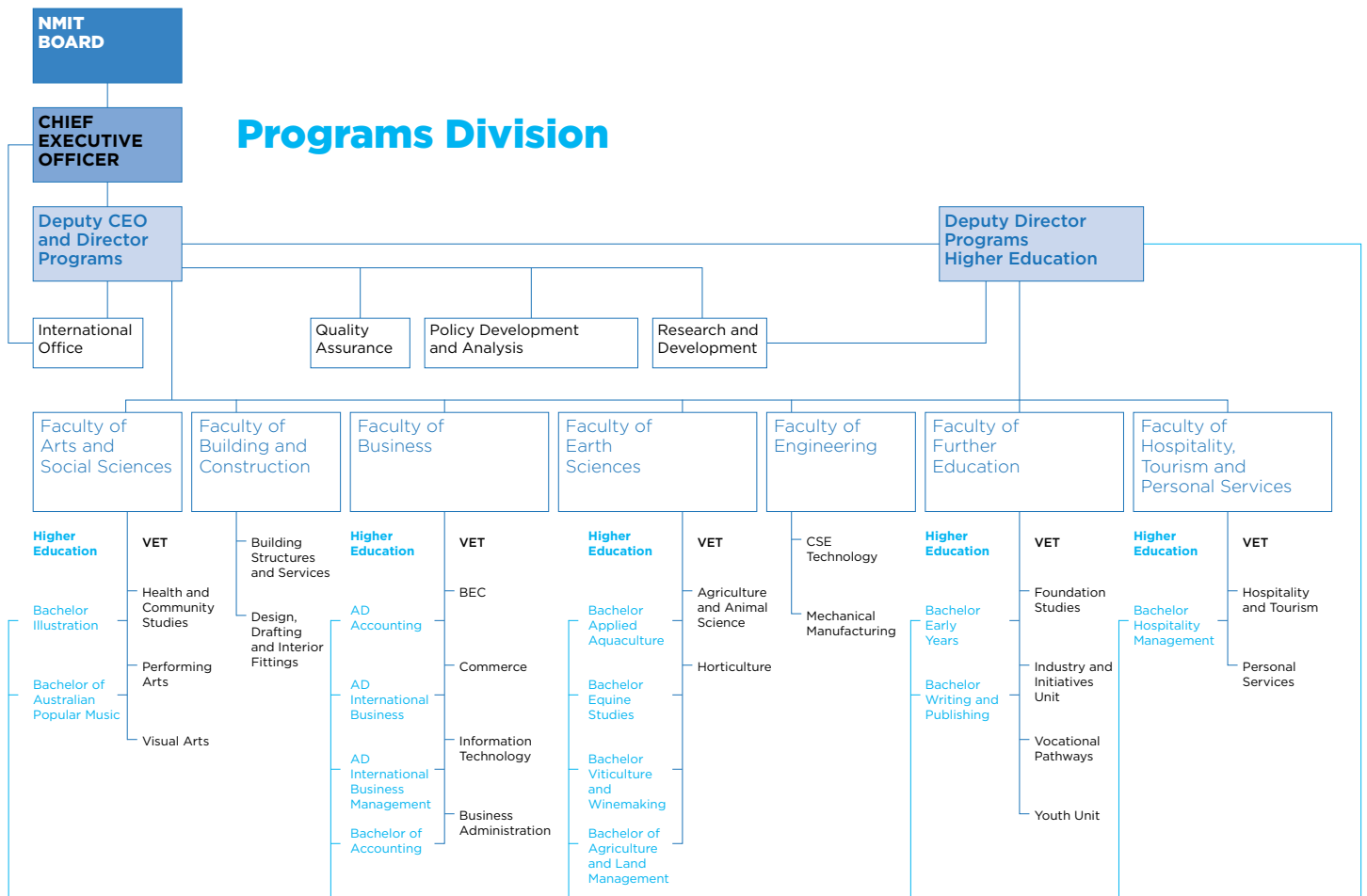
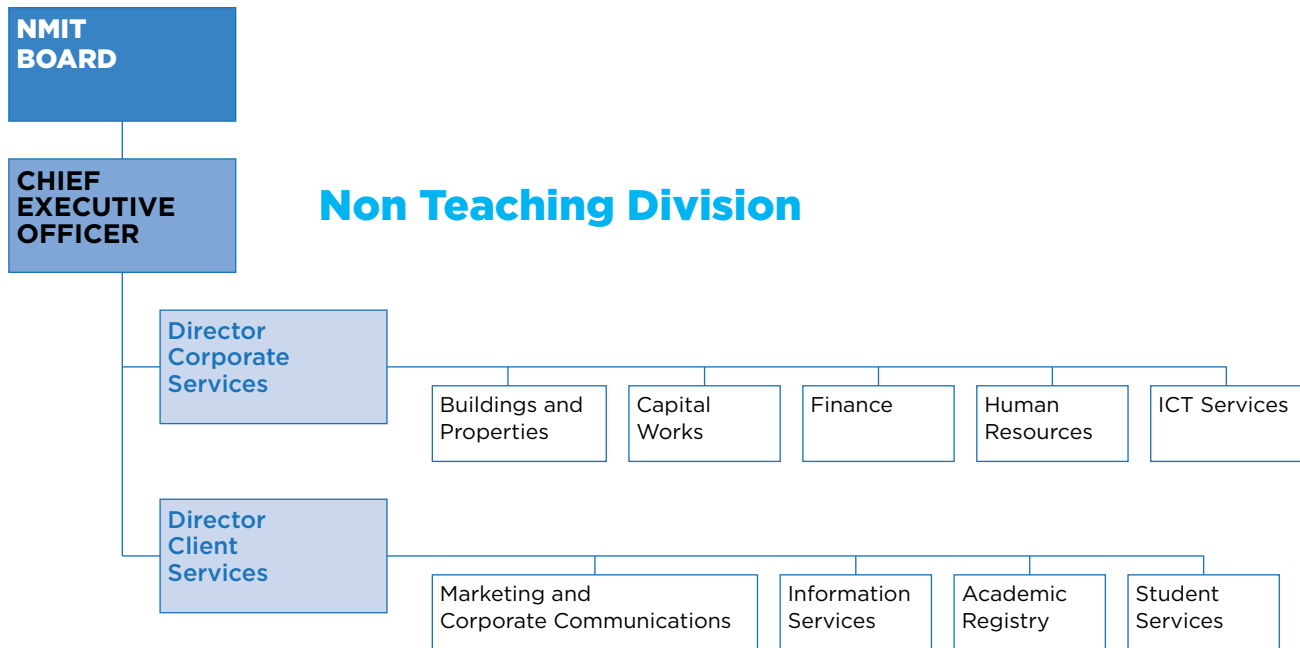
Northern Lodge, Yan Yean

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

Yarra Valley Racing Centre

Armstrong Grove
Yarra Glen 3775
Telephone (03) 9269 1086

NMIT Organisational Structure 2010



The Year in Review 2010

In 2010 NMIT offered an extensive range of Vocational Education and Training and support programs to a diverse cohort of metropolitan, regional and international students.

This included:

- nationally recognised advanced diplomas, diplomas and certificates, as well as pre-apprenticeships, apprenticeships, traineeships, VET in Schools and Victorian Certificate of Applied Learning (VCAL), delivered in accordance with the Australian Quality Training Framework (AQTF)
- Institute accredited short courses responsive to industry needs
- off-shore courses in English language, business services, information technology, hospitality, event management, horticulture and building studies
- a suite of commercial services such as customised training, flexible delivery, online training and the production of training resources.

In Higher Education, the Bachelor of Agriculture and Land Management and Bachelor of Accounting commenced delivery. Bachelor degree programs continued to be conducted in Aquaculture, Australian Popular Music, Equine Studies, Hospitality Management, Illustration, Viticulture and Winemaking, Writing and Publishing and associate degrees in Accounting, International Business and International Business Management. Bachelor degree programs in Early Years Studies and Education (Early Years) and an associate degree in Early Years Studies were approved by the Victorian Qualification Registration Authority (VRQA) and will be offered in 2011. The Bachelor of Education (Early Years) is the first course of training leading to registration with the Victorian Institute of Teaching to be conducted by a TAFE Institute in Victoria. Another five Higher Education courses are before the VRQA for approval or accreditation and a further 10 courses are under development.

The NMIT/Chisholm STRATA Student Management System has been successfully implemented and meets the ever changing Skills Victoria and NMIT statistical data requirements. Further development on STRATA is continuing, with the implementation of the STRATA Course Information System (CIS) and the STRATA International Student Management System (ISMS). The CIS module has been developed to assist the production of all NMIT course information through print and online media, while the ISMS contains information about international students from the point of application through to enrolment.

NMIT spent or committed \$4.1 million for teaching and other equipment. NMIT also completed \$1.6 million worth of minor works.

Summary of Performance

All performance agreement targets are on line to being fully achieved as documented in the performance agreement with the Victorian Skills Commission. The Institute has over-delivered on its training targets by approximately 13 per cent.

Manage a financially sound organisation with a balanced budget

NMIT generated a significant recurrent budget surplus in 2010 of \$2.70 million. The Institute's income exceeded \$153.2 million for the first time and generated over \$69 million in extraneous income - another record.

Achieve all Performance Agreement targets and advance NMIT's position as a leading provider of Vocational Education and Training

NMIT maintained its position as a leading provider of Vocational Education and Training in Victoria by:

- delivering all agreed program profile student contact hours
- complying with all audit requirements
- maintaining all quality assurance processes
- being below the threshold invalid module enrolment requirement
- providing statistical reports on enrolments by industry, sector, qualification level, student contact hours and staffing.

NMIT reported on:

- total student hours of training undertaken in the workplace
- usage of Victorian Crown Copyright curriculum, interstate or overseas, where it was used as the basis of commercial delivery
- capital works
- finances
- Indigenous programs
- regulated apprenticeship training agreements
- meeting obligations in relation to tagged items.

Expand the Institute's regional and international profile

NMIT expanded its regional and international profile by:

- maintaining onshore student numbers and activities in 2010 in the context of a shrinking market. The year-on-year numbers of international students studying in Australia are stable from 2009 to 2010
- achieving higher numbers of enrolments in higher education programs increasing to 150 international student enrolments
- establishing a niche market English language program for the spouses of university scholarship holders from Saudi Arabia

- further developing formal articulation arrangements and clearly defining pathways for courses with La Trobe University
- establishing new arrangements with the University of Wollongong for students not wanting to study in Victoria
- conducting diploma programs in China at 20 partner universities. Growth in enrolments continued in the last full academic year with over 26,000 students including diplomas and English language development courses
- signing new agreements with three Chinese institutions for delivery of NMIT programs in preparation for the first expansion of our China institutional relationships for several years
- providing teacher development training for over 54 Chinese teachers engaged in NMIT China programs, bringing the total number of China program teachers who have engaged in NMIT staff development to 80
- managing two partner programs with Korean colleges in 2010 and finalising arrangements for a Business Administration program with a new partner college in Seoul
- preparing and delivering course resources for NMIT welding training to Australian standard with a new polytechnic in Ho Chi Minh City, Vietnam. The project is expected to move into the teaching phase in 2011
- signing agreements for delivery of a wide variety of programs in equine studies in China, Singapore and Malaysia in a major initiative to position NMIT as a major trainer in equine studies in Asia
- signing an agreement with a major Chinese developer to provide training for an emerging high quality aged care industry in China.

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

NMIT delivered a comprehensive range of high quality programs to students using a variety of delivery methods. These programs met the Australian Quality Training Framework standards and were quality assured through the NMIT Quality Management System. NMIT's quality system covers the design, development and provision of training programs and services provided by all teaching and non-teaching departments within NMIT.

In 2010 NMIT completed the external quality re-certification audit with nil non-conformances. The Quality Assurance unit has undertaken a number of quality audits of NMIT partner programs overseas. NMIT has now achieved 15 years of ISO accreditation – the longest period of any Victorian TAFE institute. The Institute's Risk Management Framework has been fully implemented and is undergoing scheduled ongoing review and revision.

Provide access to high quality equipment and facilities

NMIT continued its program of equipment purchase, refurbishment of campuses and capital works.

This included:

- completing the Technical Education Centre at the Heidelberg campus
- completing the Green Skills Centre of Excellence and surrounding major landscaping works at Epping campus
- completing mains power upgrade at Eden Park campus
- refurbishing the Building Q at Fairfield campus into a Student Resource Centre
- upgrading facilities in Building S at Fairfield campus
- completing new Jewellery practical workshops at Fairfield campus

- continuing refurbishment of reception area and kitchens for the Yarra House accommodation at Fairfield campus
- commencing stage 1 redevelopment of the Epping campus
- submitting plans for Institute Environmental Strategy to Sustainability Victoria
- submitting business case for building new student centre and refurbishing cafeteria and furniture and trade areas at Heidelberg campus
- submitting business case for general purpose classrooms and fitness centre at Fairfield campus
- planning and submitting a business case for the stage 1 redevelopment of the Preston campus, including the refurbishment and extension of the library to become a student centre, where construction is anticipated to commence in the second half of 2011.

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

During the year 1,005 NMIT staff undertook 3,273 professional development activities. The aggregate amount of Institute funding of \$1,704,528 for staff time, registration fees, travel, accommodation and replacement costs represents the continual investment and priority placed on staff professional development.

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

NMIT expanded its range of specialist programs and products and services offered by the Institute. Developments included:

- implementing the STRATA Student Management System, Course Information System and International Student Management System to ensure information remains aligned for both print and online media and to ensure reporting requirements are maintained to meet the requirements of the Victorian Training Guarantee and full contestability in 2011
- delivering the high speed wireless network connectivity for mobile services within all buildings and most open ground on all campuses and training centres
- delivering through the TAFE Broadband project a 1 Gigabit-per-second connection to the TAFE Institutes hub
- deployed Zenworks Configuration Manager software to all student computer laboratories and staff machines to map hardware and installed software details
- opened the Fairfield Student Centre incorporating contemporary learning spaces, library services, information operations, counselling, study skills and passive recreation in one building and at one service point
- instigated MyPC, an institute-wide computer booking system for open access PCs and laptops in campus libraries
- implemented a customer relationship management system, Connect, to capture prospective student contact details and report actual course and student demand

Further examples of innovative products and applied research activities are provided in the individual faculty and department reports.



Awards

Student Awards

Faculty of Arts and Social Sciences

National Triple J Songwriting Award – Triple J Unearthed High 2010

Amy Findlay Winner for song, 'Foreign Lover'

Canon AIPP (Australian Institute of Professional Photography)/ APPA (Australian Professional Photographer Awards) 2010

Kobe Pallis	Winner, National Canon AIPP/APPA Student of the Year 2 Gold Awards 1 Silver Award
Christopher Sanders	1 Silver Award
Rod Donald	1 Silver Award
Spiros Spirou	1 Silver Distinction Award 2 Silver Awards
Anthony Mammone	2 Silver Distinction Awards
Susan Martin	1 Silver Award
Janelle Price	1 Silver Award
Stephanie Barlow	1 Silver Award
David Bowe	1 Silver Award
Alicia Gray	1 Silver Award
Carly Astley	1 Silver Award
Amy Wanden	1 Silver Award
Emma Hill	1 Silver Award
Craig George	2 Silver Awards

Southern Cross Package Design Awards

Stacey Wilson	Silver Prize, Redesigning an Existing Product Category
Joshua Irons	Commendation, Redesigning an Existing Product Category
Matthew Morawski	Commendation, Redesigning an Existing Product Category

NMIT 2010 Outstanding Student of the Year Awards

Lynda Webb	Winner, Outstanding Student of the Year (Faculty of Arts and Social Sciences)
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Faculty of Building and Construction

Furnishing Industry of Australia Awards (FIAA)

Gareth Openshaw	Best Victorian/Tasmanian Certificate II Pre-Apprentice Best Overall Entrant - Furnishing Trade
Rodney Porter	Equal Andrew Kossenas Memorial Award for Best Certificate III Furnishing (Cabinetmaking) Victorian/Tasmanian Apprentice of the Year

National WorldSkills Competition

Lukas Page	1st Place - Gold Medal, Detailed Joinery Category
Steven Knapman	5th Place, Plastering Category
John Dagher	Participant

Australian Shop and Office Fitting Industry Association (ASOFIA)/ Thomas Brown 2009 National Apprentice of the Year Award

Thomas Bennet	Winner, National Apprentice of the Year
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NMIT 2010 Outstanding Student of the Year Awards

Nathan Correnti	Winner, Outstanding Student of the Year (Faculty of Building and Construction)
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Faculty of Business

National WorldSkills Competition

Beau Mifsud	2nd Place - Silver Medal, Web Design Category
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NMIT 2010 Outstanding Student of the Year Award

Simon Jones	Winner, NMIT Outstanding Student of the Year (Faculty of Business) Winner, NMIT Outstanding Student of the Year (Overall)
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Faculty of Earth Sciences

Melbourne International Flower & Garden Show (MIFGS)

Rosalie Wrest	Silver Medal, Avenue of Achievable Gardens Student Design
Lindy Robinson	Bronze Medal, Avenue of Achievable Gardens Student Design
Linda Day	Winner of the Lysaght Award, Avenue of Achievable Gardens Student Design
Jet Paungphaka	Winner, Advanced Floral Student Design Competition
Myhanh Rutledge	Certificate of Merit, Advanced Floral Student Design Competition
Jenna Mellerick	First prize trophy, LIAV Student Design Competition: “Attracting Birds” Design and Construction Bronze Medal, MIFGS Garden Awards

Victorian Training Awards

Linda Day	Finalist, Victorian Vocational Student of the Year Award Whittlesea Show 2010
Sheena Mason	Winner, Royal Victorian Agriculture Society Rural Ambassador Award

NMIT 2010 Outstanding Student of the Year Awards

Benjamin James Hokin	Winner, Outstanding Student of the Year (Higher Education)
David Moon	Winner, Outstanding Student of the Year (Indigenous)
Michael Neugeberger	Winner, Outstanding Student of the Year (Apprentice)
Bryce Pettit	Winner, Outstanding Student of the Year (Faculty of Earth Sciences)



Faculty of Engineering

WorldSkills Competition

Celeste Thompson	6th Place, Victorian Region, Jewellery Category National Competition Participant, Jewellery Category
Nathan Cameron	5th Place, Victorian Country Region, Jewellery Category National Competition Participant, Jewellery Category
Halina Kaufman	1st Place - Gold Medal, Tasmanian Region, Jewellery Category

Plumbing Industry Training Awards 2010

Simon Wilson	Winner, Environment Energy Award
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2010 JAA Australian Jewellery Awards

Jade Harper	Winner, Best 3rd Year/4th Year Apprentice Design and Craftsmanship Award
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Master Locksmithing Association of Australasia (MLAA) Awards

Kyle Bevans	Winner, Apprentice of the Year Award 2010
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Craft Victoria Fresh Awards

Mary Hackett	Finalist
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NMIT 2010 Outstanding Student of the Year Awards

Michael Barton	Winner, Outstanding Student of the Year (Faculty of Engineering)
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Faculty of Further Education

Industry Training Board for Sports and Arts Industry Body (SpArta) Annual Awards 2010

Therese Mobayad	State Finalist
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Charlie Bell Scholarship for Future Leaders

Abbie Kinniburgh	Winner
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NMIT 2010 Outstanding Student of the Year Awards

Nathan Woods	Winner, Outstanding Student of the Year (Faculty of Further Education)
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Faculty of Hospitality, Tourism and Personal Services

Rotary of Preston Pride of Workmanship Awards

Matthew Ouwerkerk	Winner
Renee Selkrig	Winner

VicTAFE Culinary Trophy

Team consisting of: Bronze Medal (Team)

Keelan Gallogly
Matthew Styles
Dylan Forte
Holly Shackelford

The AusTAFE Individual Cookery Competition - Regional Final

Beth Candy	Gold medal, Winner Section 2
Halie Welsh	Silver Medal, Winner Section 1
Gao Liu	Silver medal, Winner Section 3

2010 National Australian Culinary Challenge

Robert Georgievsk	Bronze Medal, Back of House (Commercial Cookery) Section 1
Adam Khazaal	Bronze Medal, Back of House (Commercial Cookery) Section 2
Maria Noriel	Silver Medal, Back of House (Commercial Cookery) Section 3

Team consisting of: Silver Medal, Front of House (Waitering)

Raquel Gutierrez
Ian Stone
Thilina Rasin
Steven Phan

Northern Melbourne VET, SBAT and VCAL Awards

Danielle Ellis	Winner, Award for Excellence - School Based Apprentice Trainee
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Melbourne Airport Developing Tourism Leaders Awards

Samantha Walsh	Winner, Judges' Award
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NMIT 2010 Outstanding Student of the Year Awards

Kirsten Aldersea	Winner, Outstanding Student of the Year (Faculty of Hospitality, Tourism and Personal Services)
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Staff Awards

Faculty of Arts and Social Sciences

National Triple J Songwriting Award – Triple J Unearthed High 2010

Greg Arnold Winner for producing song, 'Foreign Lover' with student Amy Findlay

Canon AIPP (Australian Institute of Professional Photography)/ APPA (Australian Professional Photographer Awards) 2010

John Di Flumeri 3 Silver Awards

Americana Festival Music City, Nashville Tennessee, USA

Dobe Newton Master of Ceremonies

Calleen Art Award

Kari Hendrickson Finalist

Williamstown Art Prize

Geoff Tolchard Finalist

Karenne Rees Finalist

Cassandra Allen Finalist

Faculty of Building and Construction

Paul Gray Winner, Skills Victoria Veneto International TAFE Fellowship

Faculty of Earth Sciences

Colin Smith Judge, World Cup Draught Horse Shoeing Competition
- Gatton Heavy Horse Field Days

Peter Suszcyski Judge, Horse Shoeing Championships – 2010 Royal Queensland Show

Institute Awards

Faculty of Arts and Social Sciences

*Canon AIPP (Australian Institute of Professional Photography)/
APPA (Australian Professional Photographer Awards) 2010*

2010 Canon AIPP Tertiary Photography Institution of the Year

Faculty of Earth Sciences

Royal Melbourne Show

NMIT won the following awards in the Beef Carcase Competition:

- Champion Export Steer (Live) (this steer was bred and prepared by NMIT)
- Champion Export Carcase
- Champion Schools Carcase
- Borthwicks Trophy (team of three animals of which NMIT exhibited one)

2010 Canberra International Riesling Challenge

A silver medal was awarded to the staff/student processed Northern Estates Riesling

14th International Extra Virgin Olive Oil Show, Adelaide

A bronze medal was awarded to NMIT's Northern Estates Extra Virgin Olive Oil

Faculty of Further Education

Victorian Training Awards

Centre of Excellence for Students who are Deaf and Hard of Hearing

- Training Initiative of the Year Award for the delivery of the Certificate IV in Training and Assessment (for the Deaf)
- VET Client Service/Support Excellence Award

IELTS International Conference Award

NMIT IELTS Centre Nominee, Significant growth of candidate numbers in 2010

2010 Highlights – Programs Division

The Programs Division includes the faculties of Arts and Social Sciences, Building and Construction, Business, Earth Sciences, Engineering, Further Education, Hospitality, Tourism and Personal Services, as well as the International Office, Research and Development, Higher Education and Quality Assurance.

Faculty of Arts and Social Sciences

The faculty comprises the departments of Health and Community Studies, Performing Arts and Visual Arts, and a Higher Education program.

Health and Community Studies

The department delivered programs in Aged Care, Health, Childcare, Disability, Alcohol and Other Drugs Work, Welfare and Mental Health.

Highlights included:

- developing a customised training program for community services partners, including providing Salvation Army staff with qualifications through express skill recognition processes
- providing training programs through a collaborative needs analysis process with the Child Protection and Youth Justice Professional Development Unit
- reaching employment outcomes for housing tenants with the Church of All Nations
- developing customised training through a partnership with The Alfred and St Vincent's hospitals to optimise employment outcomes for Koorie students
- commencement of online delivery of the Advanced Diploma of Children's Services to provide flexibility for a range of students.

Performing Arts

The department delivered programs in Music Performance, Music Industry (Business), Music Industry (Technical Production) and Screen and Media.

Highlights included:

- developing an online audition booking and RPL systems to improve the processing of students into courses
- organising the highly acclaimed Yarra Edge Festival featuring the entire Performing Arts Department
- staff and students continuing to receive awards and recognition, as well as being offered work with prominent industry employers
- signing a three-year partnership with premier production company McGuire Media, focusing on sports and news production.

Visual Arts

The department delivered programs in Fine Art, Illustration, Applied Photography, Graphic Arts and Photomedia.

Highlights included:

- NMIT being recognised as the 2010 Canon AIPP Tertiary Photography Institution of the Year. Fourteen students received a total of 20 medals, including a number of specialist awards.
- notable achievements for staff in various local arts awards.

Higher Education

The faculty offered bachelor degree courses in Australian Popular Music and Illustration.

Highlights included:

- managing research collaborations with Manchester Metropolitan University and hosting a delegation of visiting academics
- staff delivering master classes at the Australian National University and the Musikschule Charlottenburg-Wilmersdorf, Germany
- publication of illustrations by a third year Illustration student featured in the New Fast Ed Cook Book
- Illustration staff providing advice on seminar development and promotional flyer design for Intellectual Property Australia.

Staff achievements in their fields included:

- Bachelor of Illustration Head of Program presenting papers at a range of conferences and seminars and having a number of highly successful exhibitions
- Bachelor of Illustration lecturers hosting and collaborating in the Illustrators Australia Forum as well as featuring in successful local art exhibitions
- Bachelor of Australian Popular Music Head of Program performing at several music festivals including Melbourne Jazz Fringe Festival, Wangaratta Jazz Festival, Australian Shakespeare Festival and numerous recordings
- Bachelor of Australian Popular Music lecturers providing musical direction and performing with a local and international acts, including the Melbourne Symphony Orchestra, Australian Art Orchestra, Vancouver Symphony Orchestra, Black Arm Band and the Americana Festival in Nashville, Tennessee.



Faculty of Building and Construction

The faculty comprises two departments - Building Structures and Services and Design, Drafting and Interior Fittings.

Building Structures and Services

The department offered programs in Carpentry, Bricklaying, Plumbing, Painting, Plastering, Roof Tiling, and Wall and Floor Tiling.

Highlights included:

- launching online training and assessment for Certificate IV plumbing students and began developing Certificate III common units for 2011 delivery
- developing a Certificate IV building course for delivery in 2011 to international students who have completed certificate III training in bricklaying and plastering. The course will also be available to apprentices who require builders registration
- relocating staff and developing marketing materials and strategies for the RPL unit to facilitate growth and competition
- continuing to forge greater ties with employers and apprentices with onsite visitation programs and assessments.

Design, Drafting and Interior Fittings

The department offered courses in Civil Engineering, Building Design, Building, Interior Decoration and Design, Furniture Design, Cabinet Making, Joinery, Shop Fitting and Stair Building.

Highlights included:

- increasing delivery at Greensborough in diploma and advanced diploma level courses, with enrolments exceeding targets in 2010
- purchasing new equipment purchases via additional equipment grants obtained to support the Civil Engineering, Building Design, Building and Construction and Building Surveying areas of field surveying and soil testing
- successfully introducing the Building Surveying diploma to its suite of programs in 2010 and the development of the advanced diploma course to begin in 2011
- using an integrated approach to deliver classes successfully to local students, as well as delivering high quality programs to international students in China
- successfully applying for TAFE Development Centre grants to support industry release for teachers, flexible delivery development and a scholarship for non-teaching staff, including a Flexible Learning Australia grant to further support the development of online delivery resources.



Faculty of Business

The faculty includes the departments of Commerce, Information Technology, Business Administration, the Business Enterprise Centre and Work Education Centre, as well as a Higher Education program.

Commerce

The department offered courses in Financial Services, Accounting, Bookkeeping, Marketing, International Business, Small Business Management, Business Sales and Sports Development.

Highlights included:

- organising industry-based projects for Marketing students working with Darebin Council, Preston Business Precinct and the Northcote Business Precinct to develop business and marketing plans for presentations to Council staff, local small business traders and TAFE staff
- hosting the inaugural Career Ready Conference for diploma and advanced diploma students at the NMIT conference centre, featuring industry experts as guest speakers, information sessions on preparation for work, and attendance from leading industry associations such as the National Institute of Accountants, Association of Accounting Technicians, Australian Institute of Sport, AusTrade and the Australian Marketing Institute

- building closer industry links with the Sport Development programs, through visits to Essendon Football Club and Melbourne Hearts Soccer Club
- Netball Victoria delivering a Teacher Education Workshop to Certificate IV students
- Life Saving Victoria delivering first aid courses and Sports Medicine Australia conducting sessions for students to obtain their Sports Trainer Level 1 qualifications
- delivering the new course Certificate IV in Financial Services (Bookkeeping) to meet industry needs
- participating in a research project with La Trobe University to explore the barriers that prevent TAFE students advancing to university. Sports Development students were interviewed and findings will be forwarded to NMIT at the end of the project
- continuing to send teaching staff to China throughout the year on an international placement program, although a 15 per cent decrease in teaching weeks and hours may see an adjustment to the length and amount of placements in the near future.

Information Technology

The department offered courses in Software Development, Multimedia and Network Security.

Highlights included:

- engaging in an Industry Links Program to establish, strengthen and maintain industry links with the view to providing students with relevant industry exposure and easier transition into the ICT industry
- redeveloping the department website to highlight its links with industry and to help market the department's benefits and appeal to potential students through showcasing current student project work, galleries and testimonials
- continuing to conduct the Student Exit Program for approximately 160 Information Technology students, featuring keynote speakers and workshops centred around taking the next step from education into a career
- completing an 18-month Industry Based Learning Program project in conjunction with Multimedia Victoria, which aims to provide IT students with the opportunity to experience and work in real-life industry based environments outside the classroom
- sourcing a number of certification programs from the new ICA10 Training Package for integration into new and existing courses for delivery in 2011, including Adobe product certification and Microsoft certification.

Business Administration

The department offered courses in Business Administration, Legal, Human Resources, Project Management, Medical, Community Pharmacy and Retail.

Highlights included:

- introducing new courses including the Certificate IV in Justice, the Fashion Business course and a Certificate IV in Business Administration course, developed with industry consultation for Indian women returning to work, with the aim of gaining employment in Australia
- restructuring the Advanced Diploma of Legal Practice course to allow students to complete the qualification over 18 months. The course has also been refined for online delivery to provide optimum flexibility for students
- partnering with Fitted for Work to conduct a Transition to Work Program, which is designed to help women who have experienced disadvantage and wish to gain employment
- student involvement in numerous fundraising events as part of their qualification for charities including The Smith Family and Breast Cancer Australia
- students hosting a careers conference, attended by staff, students and guest speakers
- visiting schools, holding information sessions and informal meetings with careers advisors and engaging with statewide industry networks in fields such as legal practice, administration studies, retail and human resources and management.

Business Enterprise Centre

The centre has continued to provide customised consulting and training solutions to meet individual, organisational, industry and government requirements. Traineeships are provided over a range of qualifications. The New Enterprise Incentive Scheme (NEIS) program supports new small businesses and the Short Courses program services a number of skill development areas.

Highlights included:

- delivering the Certificate IV in Government (Traineeship) program to 280 sworn and unsworn employees of Victoria Police over an 18 month period, which resulted in a completion rate of 86 per cent
- developing a customised Certificate IV in Training and Assessment course for the Country Fire Authority across the state. To date, over 60 staff and volunteers have attended training sessions, with the program set to continue in 2011
- successful completion of a dual qualification Diploma of Management in conjunction with the Faculty of Earth Sciences to over 70 staff from the Department of Primary Industries - Fisheries Victoria across the state
- customised Certificate IV in Employment Services for 40 participants from Salvation Army Employment Plus using online and remote delivery across Australia
- completion of Skills Store, with over 4,500 completed RPLs across North Western Skills Store consortium, which saw a marked increase in the number of RPL applications and a boost in successful attainment figures across the Institute
- delivery of units from the Certificate IV in Training and Assessment to participants in Shanghai and Fuzhou, China and in Melbourne as part of NMIT's commitment to professional development and continuous improvement for the Institute's Chinese partners
- partnering with representatives from the Darebin Enterprise Centre, Darebin City Council and supported by AusIndustry to participate in the Building Northern Melbourne's E-business Capacity project, which was designed to assist small businesses establish an online presence, and enhance their websites to effective marketing and e-business strategies
- hosting Januario Mok from the East Timor Development Agency for three months as part of his Endeavour (Executive) Award, where he was able to undergo leadership and management mentoring to broaden his experience in training for Timor-Leste's unemployed youth, local and international NGOs, government and police.

Work Education Centre

The centre offered courses in Transition, Work Education, Hospitality and Performing Arts to students with specialised individual learning needs and styles.

Highlights included:

- undertaking a wide range of staff professional practice including publication of journal articles and professional development in a diverse areas of skills development and specialisations
- celebrating student progress and achievement through employer forums, award presentations, alumni and family events that elicited greater community involvement, customer service feedback and improvement suggestions
- recording an increase in the number of course inquiries in response to targeted market planning and partnership building with local community, government and industry groups
- improving achievement levels for students with greater focus on planning student exit processes, including work and non-work activities, and further education and training opportunities
- extending partnerships with local government, industries and communities to provide practical placements, employment agencies and developing leisure and recreation links for students.



Higher Education

The Faculty of Business Higher Education programs have experienced further growth in 2010 with enrolments expected to increase in 2011. The associate degrees of Accounting, International Business and International Business Management have applied for reaccreditation, and a major change application related to the Bachelor of Accounting has been approved.

Highlights included:

- developing a new Bachelor of Information Technology course for accreditation with the aim to commence in 2012. The course aims to provide seamless transition for students graduating from advanced diploma courses to higher education as well as targeting potential international and post-Year 12 students
- organising seminars on contemporary issues in business for staff and students by NMIT lecturers and industry experts
- delivering the newly accredited Bachelor of Accounting, which incorporates an innovative sustainable business focus. The popularity of this new degree was reflected in strong enrolments in 2010
- benchmarking and moderation of higher education assessments by La Trobe University and an agreement to expand the exercise in 2011
- continuing to develop a higher education culture within the faculty through innovative programs established including English and Academic Skills Enhancement program and active student involvement in Skills Week events and newsletters
- organising various activities within NMIT including Faculty of Business conference, work integrated learning workshops, participation in the Higher Education Training, Learning and Research Showcase, Sustainability at Work conference, Moodle seminar and entrepreneurial leadership at Climate of Change 2010 conference
- academic staff were involved in post-graduate research with the Centre of Study of higher Education (The University of Melbourne) examining factors influencing business degree curriculum development
- staff participating in various national and international conferences including a Water Accounting Panel Discussion, SAS Forum Australia and New Zealand, SAS Quarterly Forum on Data Mining, Islamic Banking and Finance Conference, Australian Qualifications Framework Advisory Workshop, CPA examination moderation and marking within CPA program of post-graduate study
- academic staff were involved in writing refereed journal articles including:
 - Wong S, 2010, "Sustainability Reporting of Small and Medium-sized Business in the Electricity Distribution Industry in Australia", *The International Journal of Business Research*.



Faculty of Earth Sciences

The faculty includes the departments of Agriculture and Animal Science and Horticulture, and a Higher Education program.

Agriculture and Animal Science

The department offered courses in Animal Technology, Natural Resource Management, Agriculture and Land Management, Wool Handling and Classing, Beef Cattle Production, Meat and Fish Processing, Farriery, Farm Management and Operations, Viticulture and Winemaking, Aquaculture, Equine Studies, Thoroughbred Breeding, Horse Racing, Civil Construction and Earthmoving, Transport and Distribution, Warehousing and Forklift Operations and Veterinary Nursing.

Highlights included:

- hosting the Mustad Asian Pacific Farrier Conference, bringing together international specialists delivering presentations on the latest international methods and techniques in corrective farriery, and including two days of competition to decide Australia's leading farrier
- establishing the Grampians Pyrenees Wine Cooperative, providing the Institute's processing facilities at the Ararat campus to support smaller Grampians Pyrenees regional wineries produce wine for export to southern China under the Ararat Gold label
- producing high quality olive oil products for show, as well as Certificate III in Agriculture students preparing and parading cattle at the Royal Melbourne Show
- hosting a tour of the Epping, Fairfield and Heidelberg campuses and Northern Lodge by the Director-General of the Malaysian Ministry for Higher Education, who was in Melbourne to gain a first-hand understanding of TAFE operations in order to develop a proposal for the introduction of a TAFE-style of vocational education and training for consideration to the Malaysian Government.

Horticulture

The department offered courses in Arboriculture, Amenity Horticulture, Landscaping, Nursery, Parks and Gardens, Turf Management, Floristry and Pest Management.

Highlights included:

- students assisting with the restoration and reconstruction of works at the Altona, Brighton and Riverside (Maribyrnong) golf courses
- students completing an extensive project to remove woody weeds from a bushland reserve in Wonga Park in conjunction with Manningham Council
- students competing successfully at a number of major industry shows, including the Melbourne International Flower and Garden Show, the Interflora Rising Star Award and the Victorian Training Awards.

Higher Education

The Bachelor of Agriculture and Land Management course commenced, a new Associate Degree in Equine Studies was accredited and the Bachelor of Equine Studies course was reaccredited.

Highlights included:

- finalising formal articulation arrangements with Challenger Institute of Technology in Western Australia to assist their Aquaculture students to diversify and upgrade their studies at NMIT
- a successful study tour of the United States undertaken by two third year Bachelor of Equine Studies students, which included visits to California Polytechnic State University, the World Equestrian Games in Kentucky and a number of world-renown stud farms
- running a successful equine industry forum on the Equine Hendra virus which included guest speakers from CSIRO and the Department of Primary Industries.



Faculty of Engineering

The faculty comprises the departments of Computer Systems & Electrotechnology and Mechanical Manufacturing.

Computer Systems and Electrotechnology

The department offered programs in Computer Systems, Electrical Technology, Data and Communications, Electronic Engineering, Power Industry and Renewable Energy.

Highlights included:

- obtaining TAFE Development Centre funding for three staff members to further their professional development
- establishing an agreement with Metro Trains to accredit and joint deliver a customised program for their control room operators
- recognising outstanding student achievements at the Faculty of Engineering Awards evening, which acknowledged 43 award recipients
- developing and implementing competency-based progress and completion processes and procedures for the faculty and Institute.

Mechanical Manufacturing

The department offered programs in basic Engineering, Engineering Technology, Jewellery, Manufacturing Engineering, Metal Fabrication and Welding, Security Technology and Locksmithing.

Highlights included:

- producing seven specialist welding DVDs in conjunction with Safetycare Australia for distribution throughout Australia and internationally to the United States, Canada, United Kingdom, Singapore and Malaysia
- conducting an annual graduate exhibition for Advanced Diploma of Jewellery students at the Northcote Town Hall, which was strongly supported by local industry, employer and community groups with over 1,000 people in attendance across the 10-day exhibition
- developing a customised program with Citipower/Powercor and SP Ausnet to enable their electrical fitters to upskill within the mechanical and welding disciplines
- developing a full suite of training resources for Dang An Polytechnic and NMIT for training delivery of the Certificate II in Engineering (Fabrication) in Vietnam
- participating in the Australian Clean Energy Renewable Energy Technologies tour of China, which included attending several major renewable energy expositions and seminars, and visiting large companies involved in the design and manufacture of renewable energy equipment and products.



Faculty of Further Education

The faculty includes the Foundation Studies and Vocational Pathways departments, the Further Education Industry and Initiatives Unit, the Youth Unit and the International English Language Testing System (IELTS) Test Centre, as well as a Higher Education program.

Foundation Studies

The department offered courses in English as a Second Language (ESL), Adult Literacy and Basic Education (ALBE), the Adult Migrant English Program (AMEP), the Employment Pathways Program, the Language, Literacy and Numeracy Program (LLNP) and literacy and numeracy support to apprentices and trainees. These programs provided students with opportunities to develop their literacy and numeracy skills and employability skills for work, further education and/or training.

Highlights included:

- implementing the new Language, Literacy and Numeracy Program (LLNP) contract 2010–2013 in the Northern Business Service Area at Epping and Preston campuses and the Northwest Business Service Area at the Broadmeadows Training Centre
- extending the existing Adult Migrant English Program (AMEP) contract until 30 June 2011, and being awarded the new AMEP contract from 1 July 2011 to 30 June 2014. The 2003–2011 program delivery included partnerships with nine providers in the Northern Melbourne region to over 2,900 clients, involving Employment Pathways Program training and work placement for over 70 AMEP students across four campuses
- delivering 138 per cent of its profile student contact hours targets
- participating in a national longitudinal study, which was completed in cooperation with the AMEP Research Centre (Macquarie and La Trobe universities) and representation on the National Assessment Task Bank committee
- collaborating with other departments to facilitate pathways for students into mainstream courses or employment through dual delivery models, as well as increasing work and study placements
- faculty and student participation in a range of community activities intended to assist refugees and recent arrivals with settlement in Australia.

Vocational Pathways

The department offered courses in Liberal Arts and Professional Writing, Bridging Science, English as a Second Language (ESL) for vocational and further study, English Language Intensive Courses for Overseas Students (ELICOS) and the Overseas Qualified Professionals Program. It was responsible for organising practical placements in the faculty for student teachers from five universities. The Centre of Excellence for Students who are Deaf and Hard of Hearing offered the Certificate IV in Training and Assessment for people who are hearing impaired. The department provided study skills support to students in other faculties and managed the staffing of off-shore delivery of the Certificate in Business and Global Communication.

Highlights included:

- delivering a support program for international higher education students
- providing a range of dual ESL and vocational programs in the areas of bilingual health and community work, child care and hospitality
- thirty-one teachers delivered offshore programs to 2,165 students in China in 10 partner locations
- nearly 250 students from 30 countries enrolling in eight ELICOS intakes throughout the year
- success for Professional Writing and Editing students recognised at the 2010 SpArta awards, as well as the publication of commercially successful books.

Notable achievements by the Centre of Excellence included:

- the Central Auslan Booking Service receiving funding for a fifth year to book interpreters for the Deaf and Hard of Hearing in TAFE institutes across the state, fulfilling 85 per cent of requests
- winning two 2010 Victorian Training Awards in the Training Initiative and Client Service/ Support Excellence categories, and received shortlisting as a finalist for the Australian Training Awards.

Further Education Industry and Initiatives Unit

The unit coordinated the faculty's business activities and provided project management services. A significant part of this work included provision of customised training programs and innovative approaches for enterprises and communities with employees with low levels of literacy, numeracy and English language skills, as well as the preparation of major government contracts and tenders. As part of the Adult Migrant English Program (AMEP) contract, the unit provided distance learning courses in ESL and the AMEP Home Tutor Scheme volunteer training.

Highlights included:

- providing customised training in the community in partnership with Parks Victoria, Jesuit Social Services, and the Victorian Government Neighbourhood Renewal Projects in Flemington and Collingwood
- implementing and completing six Workplace English Language and Literacy (WELL) projects in the industry sectors of aged care, home and community services, polymer production, process manufacturing and local government
- partnering with the Australian Industry Group (AIG) in the Department of Education, Employment and Workplace Relations Workforce Literacy pilot program to deliver workplace language and literacy to workers in industries across the AIG membership
- training 54 new volunteer tutors and the placement of 225 newly arrived migrants to assist with learning English for settlement in Australia.

Youth Unit

The unit offered the Young Adult Migrant Education Course (YAMEC) at Preston, Collingwood and Heidelberg campuses and the Victorian Certificate of Applied Learning (VCAL) at Epping, Preston, Collingwood, Greensborough, Heidelberg, Fairfield and in partnership with the Salvation Army at Brunswick. Other programs in the unit include Youth Connections, Student Pathways and the Managed Individual Pathways (MIPs) service.

Highlights included:

- relocating the Youth Unit programs from Preston campus to the new Technical Education Centre building at Heidelberg, providing high quality infrastructure and administrative hub facilities
- implementing the Youth Connections contract across Melbourne's north for greater potential to connect with local government, Local Learning and Employment Networks (LLEN), community agencies and other providers
- developing opportunities for previously disengaged young people through the Creative Industries program, run in partnership with Youthworx Australia and the Salvation Army at Brunswick through various media projects for community and government organisations
- introducing a new Young Adult Migrant Education Course (YAMEC) - Introduction to Trade Skills - based at the Heidelberg campus. This course provides newly arrived young migrants the chance to successfully move into pre-apprenticeships and apprenticeships within the building industry
- offering access to a greater range of workplace experiences, tours and local employer involvement through the Job Readiness Program run in conjunction with the Inner Northern LLEN
- implementing a low level learner driver course for YAMEC students in partnership with Mission Australia
- VCAL Carpentry students building and delivering a cubby house to a kindergarten in Lalor, and Ticket to a Trade students constructing bird and possum boxes around Kinglake for Landcare.

IELTS Test Centre

The centre offered and administered the internationally recognised International English Language Testing Systems (IELTS), which is jointly owned and managed by British Council, IDP:IELTS Australia (IDP:IA) and University of Cambridge ESOL Examinations (Cambridge ESOL).

Highlights included:

- conducting 52 tests in 2010, compared with 41 tests in 2009
- increasing candidate totals by an overall 26 per cent from 9,832 students in 2009 to 12,413 students in 2010 at Preston and Collingwood campuses. The Collingwood campus can accommodate 250 candidates per test, while Preston campus is able to accommodate 280 candidates per test
- recruiting and training 15 additional IELTS examiners
- the NMIT IELTS Test Centre was one of three worldwide test centres to be nominated for an IELTS International Conference Award due to the significant growth of candidate numbers in 2010
- increasing the income of the Test Centre from \$3 million in 2009 to \$3.5 million in 2010.

Higher Education

The Bachelor of Education (Early Years), Bachelor of Early Years Studies and the Associate Degree in Early Years Studies were accredited, with the programs due to begin in 2011. The Bachelor of Writing and Publishing established its first full delivery cycle and continued its active community and industry involvement with the development of student internships. The Writing and Publishing program will relocate from the Greensborough campus to Fairfield and will move across to the Faculty of Arts and Social Sciences in 2011.

Highlights included:

- organising and hosting the Future Writers Festival
- publishing issues of the Inscribe newspaper in partnership with the City of Darebin
- producing an issue of literary journal Cursive Scripts
- establishing a student internship program which has led to employment opportunities
- hosting the Tuesday Seminar Series with speakers from many of Australia's most significant publishers
- student success with many pieces of poetry and fiction authored and published
- staff delivering more than 10 academic papers for overseas conferences and publications
- staff success involving the publication of three books:
 - *The Cry of the Marwing* by Karen Simpson-Nikakis
 - *Dragon Tales: the Role of the Dragon in Selected Narratives* by Karen Simpson-Nikakis
 - *First Love: a Phenomenology of the One* by Sigi Jottkandt



Faculty of Hospitality, Tourism and Personal Services

The faculty comprises the departments of Hospitality and Tourism and Personal Services, as well as a Higher Education program.

Hospitality and Tourism

The department offered courses in Food and Beverage, Accommodation, Cookery, Patisserie, Hospitality, Tourism, Retail Travel and Sales, Tourism Product Development, International Travel, Tour Guiding and Event Management. Training programs incorporated partnerships with industry, local councils and community groups, schools and the general community. The department delivered cookery apprenticeships and traineeships, hospitality traineeships, school based apprenticeships and VET in schools. Institute based students utilised external events, St Georges restaurant, Level 3 Bistro and the NMIT conference centre for hospitality industry experiences. The successful ongoing mentor program for Tourism and Events courses continued to provide benefits for mentors, students and related industries.

Highlights included:

- partnering with Spotless Services to deliver the Certificate IV in Commercial Cookery across Victoria via a traineeship program
- setting up a pilot program with Australian Leisure Hotels to deliver a pre-apprenticeship program with students offered work experience with apprenticeships offered if successful
- partnering with leading Italian culinary school ALMA as the preferred training provider in Australia to deliver an international training project, which includes the delivery of the Certificate IV in Hospitality (Commercial Cookery), and allows students to participate in a study exchange and work experience program. The project is expected to commence in 2011

- student success and participation in many local food and wine festivals and events
- Event Management students organising and coordinating the Victorian TAFE Administrators Conference held at NMIT
- negotiating with award winning restaurant Vue de Monde to develop a signature traineeship in the areas of waiting, sommelier, cookery and patisserie in 2011
- working with the Business Enterprise Centre to develop and deliver retail and hospitality traineeships for IKEA in 2011
- Event Management students arranging the Tourism Employment seminar
- students and volunteer chef trainers organising the Pink Breakfast fundraising event at the Queen Victoria Market, which raised over \$10,000 for the McGrath Foundation
- students organising and running themed events at the St Georges training restaurant throughout the year
- Master Chefs and Food and Wine Dinners held throughout the year, featuring top industry experts from respected local and regional eateries and wineries
- hosting the Hospitality TAFE Team Challenge, in which students from across eight TAFE institutes competed in both front-of-house and back-of-house activities
- student success and participation across various competitions including the Vic TAFE Challenge, Nestle Golden Chef, Melbourne Fine Foods and the Student Barista Competition at William Angliss
- developing new courses such as the Diploma of Holiday Parks and Resorts and Certificate III in Retail Baking for delivery in 2011.

Personal Services

The department offered courses in Relaxation Massage, Remedial Massage, Myotherapy, Aromatherapy, Hairdressing, Beauty Therapy, and Salon Management. Institute Accredited Courses were also available in Fitness, Pathology, First Aid and Medical Administration.

Highlights included:

- developing and delivering the new Diploma of Aromatherapy in the second half of 2010 to meet high client demand
- developing a part-time Certificate IV in Massage Therapy course, as well as an evening massage relaxation clinic, which highlights the growing demand for programs with flexible delivery and allows members of the public greater access to treatment after hours
- the placement of Beauty trainees to beauty spas affiliated with five-star hotels in Melbourne, with further work placement opportunities to be explored in 2011
- Hairdressing and Beauty students collaborating with other departments to showcase skills by organising competitions featuring local industry expert judges throughout the year
- attending the Battle of Colleges held at Crown Casino, with a view to entering the competition in 2011
- Massage students volunteering at the Round the Bay cycling event to gain experience treating clients
- Remedial Massage students volunteering to treat residents at local aged care facilities on a weekly basis as part of their assessment requirements.

Higher Education

The faculty's Higher Education program is continuing to grow with 49 students enrolling for the Bachelor of Hospitality Management. It is anticipated that there will be continuing students across all three year levels of the degree in 2011.

Highlights included:

- Higher Education staff member Charles Eller attending and presenting papers at international conferences such as Global Events Congress IV: Events and Festivals Research – State of the Art in Leeds, United Kingdom
- participating in the National Forum on Graduate Capability Development, Mapping, Assessing and Evaluating achievement for Graduate Employability, held in Melbourne
- organising guest speaker Helen James from Definitive Events to discuss events careers with students
- field trips to the Crown Metropol Hotel and Crowne Plaza Melbourne, as well as organising work experience for students at hotels around the Melbourne CBD, including the Mantra Group, Holiday Inn and Sebel Hotels
- students organising and hosting the NMIT Multicultural Fair and NMIT Wine Tasting events in conjunction with other departments across the Institute.



International Office

The International Office manages the international activities of the Institute through the identification and evaluation of international opportunities, professional advice and planning.

Highlights included:

- maintaining onshore student numbers and activities in the context of a shrinking market. The year-on-year numbers of inbound students were stable from 2009 to 2010
- achieving higher numbers of enrolments in higher education programs, with an increase to 150 international student enrolments
- establishing a niche market English language program for the spouses of university scholarship holders from Saudi Arabia
- continuing to develop formal articulation arrangements and clearly defining pathways with La Trobe University
- establishing new arrangements with University of Wollongong for students not wishing to study in Victoria
- conducting diploma programs in China at 20 partner universities, with enrolments growing to over 26,000 students including diplomas and English language development courses
- signing new agreements with three Chinese institutions for delivery of NMIT programs in preparation for the first expansion of China institutional relationships for several years
- managing two partner programs with Korean colleges and finalising arrangements for a Business Administration program with a new partner college in Seoul
- preparing and delivering course resources for NMIT welding training to Australian standards with a new polytechnic in Ho Chi Minh City, Vietnam, with expected progress to the teaching phase in 2011
- signing agreements for delivery of equine studies programs in China, Singapore and Malaysia, which will position NMIT as a major equine studies training provider for Asia
- providing teacher development training for 54 Chinese teachers engaged in NMIT China programs, bringing the total number of teachers engaged in NMIT staff development to 80
- signing an agreement with a major Chinese developer to provide training for an emerging aged care industry in China.

Research and Development

The department's role was to research, develop and support curriculum in vocational and higher education; support, enhance and extend staff professional capabilities; provide relevant and appropriate information and advice on teaching and learning, and provide executive services to internal and external curriculum bodies. The principal activities of the department were in the areas of Higher Education, staff development, Primary Industries Curriculum Maintenance (PICMM), executive services and document preparation. The functions of the Research and Development department were integrated into other areas of NMIT from October 2010.

Highlights included:

- preparing submissions for accreditation and/or reaccreditation of 16 degree and associate degree programs collaboratively with faculties, the Quality Assurance department and the Higher Education Office
- collaborating with the Higher Education Office on three Academic Staff Teaching and Learning Forums
- managing eight TAFE Development Centre staff and organisational development projects.
- re-accrediting the 21637VIC Diploma of Equine Stud Management and 21704VIC Diploma of Sustainable Agriculture
- completing delivery and assessment strategies for 10 units in 21704VIC Diploma of Sustainable Agriculture
- linking training and delivery strategies for units in RGR08 Racing Training Package to licensing requirements for stablehands, trainers assistants and racing managers
- completing a review and update of the Training and Occupational Licensing Matrix
- completing four newsletters and the Primary Industries Curriculum Maintenance Annual Report.



Higher Education Office

In 2010, the Higher Education Office was expanded to better serve the growth and development of the Institute's rapidly increasing number of higher education academic programs. Principal activities of the Office included documenting the higher education operational plan and developing an e-learning framework to grow a flexible learning strategy.

Highlights included

- developing the first Higher Education Strategy 2010-2015 and Operational Plan to complement the NMIT Strategic Plan 2010-2015
- reviewing and implementing the first online Student Evaluation Questionnaire against University standards to provide a better evidence base for the quality of the higher education programs at NMIT
- establishing a new operational management structure with the faculties to better assure the academic and operational management of an integrated portfolio
- participating in the national Australian Graduate Survey for the first time, which is the key measure for student satisfaction and graduate destinations across the university sector in Australia
- establishing formal benchmarking collaborations with Box Hill Institute and Holmesglen TAFE. Two faculties are collaborating on assessment benchmarking with Box Hill and a benchmarking project involving academic skills development is proposed for the first quarter in 2011 across the portfolio with Holmesglen
- collaborating with the Marketing and Corporate Communications department and the Australian Mentor Centre to investigate and report to the Higher Education Academic Committee on approaches to mentoring at NMIT as a means of developing students and of building the Alumni in VET and higher education areas
- collaborating with the Faculty of Arts and Social Sciences to host the first NMIT Visiting Scholar for the higher education portfolio
- managing the accreditation and/or reaccreditation submissions and VRQA site visits of 16 degree and associate degree programs collaboratively with faculties, the Quality Assurance department and the Research and Development department
- Deputy Director Programs - Higher Education presenting a peer-reviewed paper to the international EDGE2010 E-learning Conference in St John's, Canada
- expanding the existing relationship with the College of Agriculture, Food and Environmental Sciences at California Polytechnic State University through a visit by the Deputy Director Programs - Higher Education. Further collaboration with the Department of Earth and Soil Sciences will be established subsequently. Staff and student exchanges will remain the main feature of the relationship. NMIT Equine Studies also participated in a study tour supported by California Polytechnic
- promoting a seminar series of teaching and research practices across the portfolio with internal and external academic experts including the Faculty of Medicine at Monash University, the Faculty of Business at Victoria University, and the Institute for Learning and Teaching at Deakin University. A large majority of the equivalent full-time higher education academic staff attended all seminars on each occasion
- developing and implementing the first NMIT Higher Education Teaching, Learning and Research Showcase, attended by 56 NMIT staff and demonstrating best practice activities, in particular industry-based research and development collaboration in Primary Industries and the Creative Arts programs.



Quality Assurance

NMIT has been certified to international standard ISO 9001 since 1995. The quality system covers the design, development and provision of training programs, including Higher Education, and services provided by all teaching and non-teaching departments within the Institute. NMIT has now achieved 15 years of ISO certification, which is longer than any other Victorian TAFE institute.

The Quality Assurance unit was directly involved in a number of external audits:

- RTO Re-registration:
 - External audit undertaken in March by VRQA
 - RTO registration renewed for five years
- VCAL Re-registration:
 - external audit undertaken in March and May by VRQA/VCAA
 - RTO registration renewed for five years
- ISO 9001:2008:
 - external quality audit undertaken in March and October/November by SAI-Global Assurance Services
 - Certification to standard ISO 9001:2008 permitted to continue
 - Nil non-conformances achieved
- Victorian Regulation and Qualifications Authority:
 - External audit of NMIT's applications for qualifications:
- Accreditation:
 - Associate Degree of Tertiary Studies
 - Diploma of Tertiary Studies
 - Bachelor of and Associate Degree of Music Industry (Management, Sound Production, Songwriting)
- Re-accreditation:
 - Associate Degree of Accounting
 - Bachelor and Associate Degree of Music
- External CRICOS audit of NMIT's application for qualifications:
 - Bachelor of Education (Early Years)
 - Bachelor and Associate Degree of Early Years Studies
- Cattlecare:
 - External audit by AusMeat
 - Continued accreditation achieved for activities on Yan Yean farm
 - Nil non-conformances achieved
- Meat Processing Facility:
 - External HACCP audits in February, June, September, December by SGS Pty Ltd
 - Nil non-conformances achieved
- Aquaculture Training and Research Centre:
 - External audit by PrimeSafe Victoria
 - Licence renewed
- Department of Primary Industries (Animal Welfare Bureau):
 - Animal ethics
 - Licences renewed
 - Nil non-conformances achieved
- Public Safety Transport Victoria:
 - Nil non-conformances achieved



2010 Highlights – Corporate Services

The Corporate Services division comprises the Buildings and Properties (including Capital Works Projects), Finance, Human Resources and ICT Services departments.

Buildings and Properties

The department provided a range of services including maintenance of buildings and grounds, cleaning, security and capital works.

Major capital works completed in 2010:

Fairfield campus

- refurbishment of Building Q Student Resources Centre

Epping Campus

- completion of the Green Skills Centre of Excellence

Major capital works begun in 2010 or continuing:

Epping Campus

- construction of Student Learning Centre

Fairfield campus

- refurbishment of Building S

Preston Campus

- design and documentation Preston redevelopment

Minor works projects completed in 2010:

All campuses

- large scale landscaping across all campuses
- repainting and replacement floor coverings across a range of buildings

Ararat Campus

- cave exploration leading to the discovery of the wine cellars at the Aradale Hospital

Collingwood Campus

- level 1 toilet refurbishments
- extensive passenger lift compliance maintenance and upgrades

Eden Park

- upgrade to mains power supply

Heidelberg Campus

- replacement of cooling system in Building E
- replacement of sky lights in buildings C and E
- replacement of HVAC units in Building K

Preston Campus

- refurbishment of Finance and Human Resources departments, Building B stage 2
- complete refurbishment of ICT Services, Building E
- refurbishment of Marketing and Corporate Communications offices and studio
- mains power upgrade for Cramer Street buildings
- external refurbishment of lecturer accommodations Building Y
- refurbishment of Client Services, Building B
- complete refurbishment of QA office space, Building E

Minor Works begun in 2010 or continuing:

Various campuses

- major staff movements across campus to accommodate relocation of some existing and new degree courses commencing in 2011

Heidelberg Campus

- major alteration to sawdust extraction system, Building K

Preston Campus

- removal and replacement of poplar trees and replacement with ornamental pear trees. This was occasioned by the poplar tree seeds causing problems to air conditioning systems and to NMIT's neighbours in Leicester Street, Preston.

Finance

The department was responsible for the financial functions of NMIT including accounts payable and receivable, assets, banking and investments, budgets, courier, insurance, management reporting, payroll, printing and risk management. The department had responsibility for implementing legislation through the Financial Management Compliance Framework and Ministerial Directions.

Highlights included:

- preparing and submitting the 2009 annual financial reports, 2009 whole of government financial reports and 2009 commercial activities financial reports
- implementing an integrated Enterprise Budgeting System.

Human Resources

The department provided all faculties, departments and staff at NMIT with human resource services encompassing recruitment, induction, leave, industrial relations and employee welfare. The department carried out extensive reviews of the Departmental Quality Assurance Policies and Procedures Manual and the Health and Safety Manual. The department also has responsibility for the Freedom of Information, Information Privacy and Whistleblower Protection Acts.

Highlights included:

- finalisation of the Storage Services Agreement
- preparation of management logs for the PACCT Staff and Miscellaneous Workers Agreements
- achieving 40 per cent participation rate in the State Service Authority's People Matter Survey
- providing information sessions on retirement and superannuation for staff involved with the Emergency Services and State Superannuation, Vic Super and National Seniors Australia.



ICT Services

The department is responsible for the development and delivery of all Information and Communication Technology (ICT) services used by NMIT.

ICT Services responded to more than 8,000 end user requests for assistance during 2010.

Highlights included:

- management and delivery of e-Learning Grant projects that concentrate on the enhancement of course material and delivery on the student portal, and on staff professional development in the use of staff and student portals
- commencement of significant engagement with teachers about the type of equipment currently provided in the NMIT teaching environment and its usability, and how to develop this relationship into the future
- rollout of the wireless Local Area Network (wifi@nmit) in all classrooms, offices and most open spaces for both students and staff from mobile equipment including laptops, notebooks and smart phones
- linkage to the TAFE Broadband Hub providing very fast access to other Victorian TAFEs and significantly increased access speeds to the internet
- continued development of the STRATA system to broadly complete its coverage of the Student Management System, Course Information System and support for the International Office
- consulting on and providing ICT equipment to many new buildings
- strengthening the methodologies and capabilities of the ICT Project Office
- implementing significantly improved approaches to the distribution and management of computer software for staff and the teaching and learning areas
- implementation of a new Service Management System in line with the IT Infrastructure Library framework
- systematic migration of core software systems up to the most recent versions.



2010 Highlights – Client Services Division

The Client Services division is comprised of the Academic Registry, Marketing and Corporate Communications, Information Services and Student Services departments.

Academic Registry

The Academic Registry provides a range of administrative services to support teaching and learning for students and staff. These services include VTAC selection, enrolments, coordination of timetables, curriculum templates, maintenance of academic records and statements of results, curriculum and recording of the delivery of off-shore education programs and the reporting of student enrolment data internally and externally.

Skills Reform and the Victorian Training Guarantee have impacted greatly on Institute processes with respect to systems administration, enrolment processes, internal and external reporting and fee scheduling. Through continual development of the STRATA Student Management System (SMS) and the redevelopment of QA procedures, the Academic Registry is successfully meeting these challenges and is well positioned to respond to future changes and growth.

Highlights included:

- the successful accommodation of the STRATA Student Management System to changed recording and reporting requirements in response to the implementation of the Victorian Training Guarantee and the commencement of contestability arrangements in 2010
- successfully implementing apprentice and trainee data in the SMS Delivery Management module to meet employer assessment and reporting requirements
- appointing a new Coordinator Statistics and Data Quality for the implementation of the Victorian Training Guarantee, ensuring continual improvements in reporting and the ability to reconcile contestable demand-driven funding
- successfully meeting reporting requirements online to the Department of Education, Employment and Workplace Relations for VET FEE-HELP eligible diplomas and advanced diplomas and FEE-HELP for higher education courses through the Higher Education Information Management System
- working with teaching departments and service areas across the Client Services Division to successfully develop and implement the Instalment Payment Plans, which allows students to pay their enrolment fees progressively, rather than through one upfront payment.

Information Services

The department is responsible for Library Services and Information Operations. The NMIT Library Service comprises six campus libraries, a technology unit and a centralised resources unit. It provides a range of services to students and staff including reference and effective research advice; acquisition of relevant resources and subsequent usage and loans; information literacy; bookshop; information and training relating to the Institute's copyright obligations and ongoing support for teaching and learning across VET and Higher Education.

The Information Operations area manages the institute switchboard; enrolment payments and refunds; student records; Instalment Payment Plans and Recognition of Prior Learning applications. It assists in the organisation of the information and enrolment evenings at all campuses, provides specialised assistance to the Academic Registry and the annual NMIT graduation ceremony in association with the Marketing and Corporate Communications Department.

Highlights included:

- relocating both information operations and library services within the refurbished Student Centre at Fairfield campus to allow greater opportunities for coordinating student information services, such as enrolment, counselling and study skills
- expanding e-resources and related Web 2.0 search facilities to support student research and learning outcomes, particularly in Higher Education programs
- library staff taking on leadership roles in professional groups and associations
- operational management of the NMIT information and enrolment evenings at all campuses
- implementing MyPC, an institute-wide booking system for open access PCs in campus libraries, which provides students with the ability to book a PC via the library webpage on campus or remotely.



Marketing and Corporate Communications

The department provides a range of services to attract, engage and interact with, potential students and retain existing students, while promoting NMIT as a major tertiary institution servicing the education needs of diverse stakeholders and communities. The department is responsible for developing a consistent and memorable brand, ensuring the website evolves to meet the needs and expectations of potential students and preparing and publishing major publications such as the Course and Career Guide and the International Course Guide.

Highlights included:

- increasing the number of school activities by 6 per cent, coordinating regular school and industry mailouts and developing an interactive student recruitment DVD
- surveying Alumni and developing communication plans to strengthen the connections between NMIT, past students and industry

- building on prospective student engagement through the use of social media and timely email communication
- implementing a customer relationship management system to capture prospective student contact details and to understand what led prospective students to contact NMIT and report actual course and student demand
- establishing a central course information source using the STRATA Course Information System to ensure information on the website and publications are accurate and aligned
- organising a number of public events including the NMIT Graduation ceremony at the Melbourne Town Hall; the opening of the Epping Green Skills Centre of Excellence; the launch of the wireless@nmit project; the opening of the Heidelberg Technical Education Centre, and a Back To Fairfield function to welcome former staff and members of the Fairfield Hospital and patients of the AIDS ward and memorial garden back to the campus.



Student Services

The department provides a comprehensive range of services designed to support the educational achievements of students and enhance their participation in Institute life. The department comprises the Student Support unit, Student Facilities and Services unit and the Koorie Services centre. The department provides services including counselling and disability support, recreational and sporting activities, orientation and transition services, housing assistance, first aid and student support and mentoring.

Highlights included:

- welcoming the first student residents to Yarra House on-campus accommodation at Fairfield campus in March
- developing the Institute's 2011-2015 Disability Action Plan
- implementing a range of social activities at the Heidelberg campus to enhance student participation and engagement in the campus community following the opening of the Technical Education Centre
- providing professional development opportunities to teaching staff to enhance their capacity to respond appropriately to students with mental health issues.







Statutory and Financial Information

Environmental Performance

NMIT has focused on effective energy management since 1990 and has a successful record in environmental performance. All new and refurbished buildings will have, as part of the planning and construction processes, environmentally sustainable outcomes. Where possible, such outcomes will also be applied to existing building stock.

In 2010 NMIT:

- installed energy efficient lighting at the Preston campus
- continued converting a number of irrigation systems to automated drip irrigation
- installed additional water harvesting tanks at Epping campus with holding capacity of 160,000 litres
- installed two 25kW solar powered systems at Epping campus
- continued implementation of the Preston Water Plan and met water reduction requirements
- constructed the new Green Skills Centre of Excellence which was opened in semester two, 2010. The building is designed as a 5-star Green Star rated construction and incorporates the latest in sustainable technology and construction techniques
- became a member of Resource Smart and submitted our first Environmental Strategy.





Workforce and Compliance

Workforce

The following statistics apply as at the last pay in November of 2010.

They reflect staff numbers and not equivalent full-time positions.

2009 - 2010 Staffing Gender Analysis

Year	Male	Female	TOTAL
2010	804	920	1724
2009	783	948	1731

2009 - 2010 Workforce Profile

Executives

		Full-time	Part-time	TOTAL
2010	Female	6	-	6
2010	Male	14	-	14

Total 20

		Full-time	Part-time	TOTAL
2009	Female	4	-	4
2009	Male	14	-	14

Total 18

2009 - 2010 Teaching Staff - Ongoing

		Full-time	Part-time	TOTAL
2010	Female	110	69	179
2010	Male	223	34	257

Total 436

		Full-time	Part-time	TOTAL
2009	Female	117	60	177
2009	Male	236	34	270

Total 447

2009 - 2010 Teaching Staff - Contract

		Full-time	Part-time	TOTAL
2010	Female	35	38	73
2010	Male	32	14	46

Total 119

		Full-time	Part-time	TOTAL
2009	Female	42	58	100
2009	Male	35	14	49

Total 149

2009 - 2010 Teaching Staff - Casual

		TOTAL
2010	Female	218
2010	Male	197

Total 415

		TOTAL
2009	Female	257
2009	Male	250

Total 507

2010 Higher Education Lecturers - Ongoing

		Full-time	Part-time	TOTAL
2010	Female	8	2	10
2010	Male	14	2	16

Total 26

2010 Higher Education Lecturers - Contract

		Full-time	Part-time	TOTAL
2010	Female	-	1	1
2010	Male	-	-	-

Total 1

2010 Higher Education Lecturers - Casual

		TOTAL
2010	Female	30
2010	Male	56

Total 86

2009 - 2010 Non-teaching Staff - Ongoing

		Full-time	Part-time	TOTAL
2010	Female	146	55	201
2010	Male	112	6	118

Total 309

		Full-time	Part-time	TOTAL
2009	Female	137	53	190
2009	Male	116	9	125

Total 315

2009 - 2010 Non-teaching Staff - Contract

		Full-time	Part-time	TOTAL
2010	Female	14	22	36
2010	Male	10	2	12

Total 48

		Full-time	Part-time	TOTAL
2009	Female	18	23	41
2009	Male	10	1	11

Total 52

2009 - 2010 Non-teaching Staff - Casual

		TOTAL
2010	Female	151
2010	Male	79

Total 230

		TOTAL
2009	Female	179
2009	Male	64

Total 243

2010 Higher Education Non-teaching Staff - Ongoing

		Full-time	Part-time	TOTAL
2010	Female	3	3	6
2010	Male	1	1	2

Total 8

2010 Higher Education Non-teaching Staff - Casual

		TOTAL
2010	Female	9
2010	Male	6

Total 15

Termination of Employment

98 employees ceased employment with NMIT during 2010, for the reasons shown.

Reason for Ceasing Employment	Male	Female	TOTAL
Retirement	3	0	3
Resignation	31	48	79
Redundancy	4	8	12
Performance/ Misconduct	2	2	4
Ill health	-	-	-
			Total 98

Compliance

Professional Development

During 2010, 1,005 staff undertook 3,273 professional development activities at a total cost of \$1,704,528.

Employment and Conduct Principles

NMIT's Human Resources policies and practices are underpinned by the public sector employment principles set out in Section 8 of the *Public Sector Administration Act 2004*. Selection decisions are based on key selection criteria in position descriptions available to all applicants. NMIT has a range of policies that promote fairness and equity in the workplace and are designed to discourage discrimination and harassment against staff, students and visitors.

These policies are:

- Institute Code of Practice
- Anti-discrimination Policy
- Employment Procedures
- Prevention of Bullying, Harassment and Sexual Harassment Policy and associated procedures
- Policy and Procedures for Employee Grievances
- Selection Policy
- Whistleblowers Policy and Procedures.

Industrial Relations

Excellent relationships were maintained with all unions with coverage at NMIT. There was no industrial action during 2010. Preparation of draft agreements was undertaken for the Professional Administrative Clerical Computing and Technical (PACCT) staff, Miscellaneous Workers and Storage Services.

Application of the Freedom of Information Act 1982

It is NMIT policy to facilitate, where possible and subject to privacy and confidentiality provisions, access to information without recourse to the provisions of the FOI Act.

FOI Access Arrangements

Requests for access to records must be in writing and directed to:

Freedom of Information Officer
Human Resources Department
NMIT
77-91 St Georges Road
Preston VIC 3072

FOI Access Charges

Charges for access to documents were in accordance with the *Freedom of Information (Access Charges) Regulations 2004*. Charges covered costs incurred in conducting routine searches for documents, supervising document inspections and supplying document copies. The application fee for FOI requests was \$23.40 until 30 June 2010 and \$23.90 from 1 July 2010 onwards.

FOI Access Claims 2010

There were no requests for access to records pursuant to the Act during 2010.

Occupational Health & Safety (OH&S)

The Occupational Health and Safety Committee met four times during the year. The Committee considered staff and student incident reports at each meeting.

Two staff members were trained as Occupational Health and Safety Representatives and one OH&S representative requested and was provided with OH&S refresher training. Seventeen staff were trained as wardens.

Statistics for reported accidents and incidents are tabulated below.

Staff

Total number employed as at the last pay in November 2010	1,724
Number of incidents reported	62
Number of Compensable Claims	2
Time lost (hours)	2,267

Students

Total number of enrolments effective November 2010	67,294
Number of incidents reported	104

Compliance with Whistleblowers Protection Act 2001

No disclosures were made to NMIT. No disclosures were referred to the Ombudsman and there were no requests made to the Ombudsman to investigate matters.

Compliance with Building Act 1993

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

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

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

During 2010, the following works and maintenance were undertaken to ensure conformity with the relevant standards:

Building works	Number
Work under construction and the subject of mandatory inspections	2
Certificate of final inspection/occupancy issued	4

Compliance with National Competition Policy

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

- competitive neutrality principles
- the Victorian Government Timetable for the Review of Legislative Restrictions on Competition
- any subsequent reforms.

International Education

Growth and Achievements

International student numbers and activities have been maintained over the last year despite a shrinking market, mainly due to 'pipelining' of existing enrolments which will not continue.

- Year-on-year onshore enrolments remained stable from 2009 to 2010
- Offshore enrolments have increased - from 24,000 to 26,000
- Higher numbers of enrolments were achieved in Higher Education programs, with an increase to 150 international student enrolments (from 80 in 2009)
- Total revenue has grown slightly from \$A20.5 million to \$21 million

International students studying in Australia

Over 2010 NMIT has been successful in recruiting from a broader base of countries with significant numbers of inbound students for our courses. India remained our predominant source country with approximately 26%. This figure is down from 37% in 2009. In 2010 student numbers increased in higher education programs, and the range of newly-registered CRICOS courses on offer also grew.

NMIT successfully recruited and retained international students who had found private RTOs to be less than satisfactory and saw these students through to successful completion of their studies.

A major re-registration audit has confirmed NMIT's reputation as a high quality ethical provider in a market in which there has been substantial turmoil in the past year.

**See Figure 1 Risk Issues and Strategies:
Onshore International Student Programs Page 71**

International students studying outside Australia

NMIT delivered programs outside Australia with 23 partner institutions that involved over 26,000 student enrolments. The majority of these students were studying through partner institutions in China and preceded their main study with English language training provided by NMIT or other providers. Programs in Korea and Hong Kong served several hundred students.

The International Office has reviewed and renewed all agreements with foreign institutions to ensure that all AQTF and ISO 9001 requirements are covered.

NMIT has delivered several staff development programs to selected academic staff at partner institutions in China and in Australia to enhance our capacity and to ensure compliance.

NMIT is actively pursuing cooperative partnerships with institutions in South and South East Asia. Such partnerships usually take several years from initial contact to commencement of delivery.

**See Figure 2 Risk Issues and Strategies:
Transnational (Offshore) International
Student Programs Page 72 - 73**

Figure 1**Risk Issues and Strategies: Onshore International Student Programs**

Risk Issue	Strategies
Government policy changes relating to immigration on the basis of 'critical skills' have led to dramatic reduction of interest in some specialist courses that had previously seen 'bubble growth'.	<p>NMIT actively promotes courses to appeal to students seeking to study across a broader range of disciplines.</p> <p>NMIT is well positioned to cater to meet the needs of students who are motivated to study in Australia for a wide variety of reasons.</p> <p>New qualifications in Higher Education are being actively promoted and marketed with an emphasis on establishing pathways from overseas institutions.</p> <p>Our marketing will continue to leverage off the fact that Melbourne is world renowned as a multicultural city with established communities from a number of our key source countries (China, Colombia, Vietnam, Philippines, Sri Lanka).</p>
Other global issues may affect our ability to attract students from these countries. An appreciating \$AUD affects demand for study in Australia.	Continue to communicate regularly with agents representing us in these countries and work closely with them to help them promote NMIT on our behalf.
A significant percentage of enrolments are still coming from a limited number of source countries.	A marketing strategy to address this risk will focus on emerging and under-represented markets in a volatile environment. Asia, South America and parts of Europe are our current focus with Middle Eastern countries under consideration.
High attrition rate for international students after commencing studies.	International Office and teaching departments have improved monitoring systems and early response to emerging student problems, including enhanced use of SharePoint for logged communication with department staff.

Figure 2

Risk Issues and Strategies: Transnational (Offshore) International Student Programs

Risk Issue	Strategies
<p>Finance:</p> <p>Adequate fees not being recovered due to cost increases and fluctuations in foreign exchange rates.</p>	<p>NMIT reviews agreements and fees prior to each intake to ensure the financial viability of programs.</p>
<p>Expenditure which is not closely monitored can lead to budgeted expenses being exceeded.</p>	<p>Each instance of offshore teaching by NMIT appointed staff is subject to completion of a teaching plan that addresses all cost elements. Increases in travel expenses have been offset by integration of teaching delivery programs and expanded use of known reliable teachers based in the offshore location.</p>
<p>Strategic engagement:</p> <p>Foreign national policies can change giving rise to new opportunities and new risks.</p>	<p>NMIT actively monitors advice on policy development, both through the Australian Government (Austrade) and through our network of agents and consultants in various countries.</p>
<p>Activity focused on too few foreign locations leaves the program vulnerable to changes in one host country.</p>	<p>NMIT has actively pursued new partnerships beyond the existing large involvement in China. New programs in Korea and Hong Kong have grown. Vietnam is the site for some new agreements, but progress is slow. Other opportunities in that country are being evaluated. Sri Lanka is emerging as a source of many invitations for transnational cooperation in the wake of the end of the civil war there.</p>
<p>Staffing:</p> <p>International security issues can severely impact on the ability to send teaching staff off-shore.</p>	<p>NMIT is widening the range of nations in which our programs are offered to spread the risk. We maintain good working relationships with our existing partners to ensure that short term disruptions to travel arrangements can be handled by re-scheduling the teaching provided by NMIT and partner institutions.</p>
<p>High growth levels in transnational operations can be limited by the availability of suitably qualified staff.</p>	<p>NMIT maintains an active list of available staff, both within and beyond the Institute. We also favour new agreements where NMIT does not provide teaching resources, focussing our involvement on content and quality assurance. NMIT uses highly experienced locally based organisations where NMIT has a high level of control to source suitably qualified and experienced staff already in the host country. This strategy is subject to strict compliance with NMIT staffing standards.</p>

Figure 2 (continued)

Risk Issues and Strategies: Transnational (Offshore) International Student Programs

Risk Issue	Strategies
<p>Quality assurance:</p> <p>If suitable quality assurance procedures are not in place and implemented the reputation of the program can be adversely affected either offshore or in Australia.</p>	<p>NMIT maintains ISO 9001 accreditation of all operations. Requirements of the Australian Quality Training Framework (AQTF) are integrated into our ISO framework and compliance monitored through regular audits.</p> <p>Following an audit of transnational delivery in 2010, NMIT is implementing improved procedures and documentation systems.</p>
<p>Increased scrutiny, compliance costs and pressures from the regulators where National qualifications are delivered offshore combined with a lack of consideration of offshore programs in review of Training Packages.</p>	<p>Examine a move to become self accrediting so that we can offer Institute accredited qualifications. The cost of this, and how it can be spread across multiple offerings, will be considered in any proposal.</p>

International Consultancy

The International Office provides a consultancy and advisory service to senior management and NMIT faculties on all international activities. This includes hosting delegations, briefing senior staff involved in approved visits and identifying opportunities for further development.

The International Office has advised and assisted in the development of articulation agreements aimed at improved pathways for international students studying in Melbourne.

Opportunities for specialised consulting and training in our areas of specialist expertise are actively pursued in close cooperation with the appropriate Faculty.

Performance Measures, Targets and Outcomes

Finance

All NMIT International activities are required to cover costs and make a reasonable return in their own right. No international activity is supported on the basis of 'loss leading' or support of another activity. Each category of activity has its own budget which is carefully monitored. All categories cover costs and return a margin in line with Institute requirements.

Quality

All International NMIT activities which lead to an award are required to produce educational outcomes comparable to those achieved in Melbourne while taking account of the context of delivery. Comparability of outcomes is monitored through our quality assurance program. Professional development activities were conducted in China and Australia for key personnel in offshore partnerships to improve compliance with AQTF requirements and enhance the quality of course delivery. A regular audit program is in place. NMIT international graduates who choose to articulate to higher education have a high success rate in gaining entry to further study and achieve outstanding success.

Reputation

NMIT has an established reputation and is a highly regarded Institution that operates ethically and responsibly in the international education environment. Through our continued high level involvement in professional activity in the field and the regular stream of international institutions actively seeking partnerships with NMIT we enhance our reputation and contribute to the wider Australian education sector.

Audit Report on Statement of Performance

VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Northern Melbourne Institute of TAFE

The Statement of Performance

The accompanying statement of performance for the year ended 31 December 2010 of Northern Melbourne Institute of TAFE comprises the statement, the related notes and the President of the Board, Chief Executive Officer, and Chief Finance and Accounting Officer declaration.

The Board Member's Responsibility for the Statement of Performance

The Board Members of Northern Melbourne Institute of TAFE are responsible for the preparation and the fair presentation of the statement of performance in accordance with the *Financial Management Act 1994* and for such internal control as the Board Members determine is necessary to enable the preparation of the statement of performance that is free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of performance. The audit procedures selected depend on judgment, including the assessment of the risks of material misstatement of the statement of performance, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the statement of performance 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 overall presentation of the statement of performance.

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

Electronic Publication of the Audited Statement of Performance

It is our understanding that the Institute intends to electronically present the audited statement of performance and auditor's report on its internet website. Responsibility for the electronic presentation of the statement of performance on the Institute's website is that of the Board Members of the Institute. The security and controls over information on the website should be addressed by the Institute to maintain the integrity of the data presented. The examination of the controls over the electronic presentation of the audited statement of performance on the Institute's website is beyond the scope of the audit of the statement of performance.

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Auditing in the Public Interest

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Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion, the statement of performance of the Northern Melbourne Institute of TAFE in respect of the 31 December 2010 financial year presents fairly, in all material respects, and in accordance with the *Financial Management Act 1994*.

MELBOURNE
3 March 2011



D D R Pearson
Auditor-General

Statement of Performance Management

Northern Melbourne Institute of TAFE Performance Statement for 2010

In our opinion, the accompanying Statement of Performance of Northern Melbourne Institute of TAFE in respect of the 2010 financial year is presented fairly in accordance with the Financial Management Act 1994.

The statement outlines the performance indicators as determined by the responsible Minister, pre-determined targets and the actual results for the year against these indicators and an explanation of any significant variance between the actual results and performance targets.

As at the date of signing, we are not aware of any circumstance that would render any particulars in the statement to be misleading or inaccurate.



Andrew Giddy
President of Board
DATE: 28/2/2011



Brian MacDonald
Chief Executive Officer
DATE: 28/2/2011



Leigh Pike
Chief Finance Officer
DATE: 28/2/2011

Statement of Performance for the Year Ended 31 December 2010

Executive Memorandum 2007-48 from Patricia Neden Deputy Secretary Office of Training and Tertiary Education stated:

In 2006 a comprehensive suite of KPIs were approved by the then Minister for Education and Training for inclusion in 2006 Annual Reports by TAFE Institutes. In 2007 a further review was undertaken of the KPIs in consultation with TAFE Business Managers. As a result, three new indicators have been added for inclusion ... FRD 27(A) requires the disclosure of such information in a concise statement of performance as part of an entity's report of operations.

Executive Memorandum 2008-03 from Philip Clarke Acting Deputy Secretary OTTE restated the advice from Executive Memorandum 2007-48.

Financial Reporting Direction (FRD) 27(A) stipulates that public entities are 'to present and report any performance information required by the responsible portfolio Minister in an audited statement of performance as part of its report of operations.'

The requirements of FRD 27(A) are:

- An applicable entity must include in its report of operations an audited statement of performance.
- The statement must contain the details as required by the responsible portfolio Minister.

The statement of performance must include:

- a) The relevant performance targets and indicators as determined by the responsible portfolio Minister;
- b) The actual results achieved for that financial year against pre-determined performance targets and indicators; and
- c) An explanation of any significant variance between the actual results and performance targets and indicators.

The outcomes and targets are detailed in the chart and commentary on the following pages.

Key Performance Indicators and 2010 Performance

KPI	Definition	Actual Performance	Target Performance	
1. Module Load Completion Rate	Scheduled hours assessed and passed or satisfactorily completed / Total scheduled hours reported less hours recorded with Credit Transfer and continuing studies outcomes	74.58%	No Target advised	
2. Student Satisfaction	Proportion of graduates satisfied with the overall quality of training	88.30%	No Target advised	
3. Participation of 15 - 24 Year olds	Number of students within the age group	41,679	No Target advised	
4. Participation of 25 - 64 Year olds	Number of students within the age group	25,468	No Target advised	
5. Total Cost per Student Contact Hour (SCH)	Total funded expenditure (excluding Depreciation) / Total SCH	\$10.25	Targets set for recurrently funded programs only	
6. Working Capital Ratio	Current Assets / Current Liabilities (adjusted for Long Term current Long Service Leave)	1 : 3.20	1 : 1	Target exceeded by 220%
7. Net Operating Margin	Funded Operating Surplus (excluding Depreciation) / Total Revenue (excluding Capital)	1.14%	3.46%	Target exceeded by 67.1%
8. Fee for Service Revenue	Fee for Service Revenue / Total Revenue (%).	30.44%	26.37%	Target exceeded by 15.4%
9. Revenue per EFT Staff	Total Revenue (excluding Capital) / Average EFT Staff	\$119,491	No Target advised	
10. Student Contact Hours	Total number of student contact hours delivered against contracted delivery.	12,922,980	No Target advised	
11. Energy Consumption	Percentage reduction in energy consumption for Electricity, Gas LPG, Green Power and Heating Oil			
	Electricity	10,473,356 (kwhs)	1999 data (for target setting) not available	
	Natural Gas	32,628,023 (megajoules)		
	LPG	24,337 (litres)		
	Electricity purchased from Green Power	3,021,420 (kwhs). 28.85% of total	25.00%	Target exceeded by 3.85%

Each key performance indicator is dealt with in turn as the NMIT Statement of Performance.

1. Module Load Completion Rate MLCR

- The actual MLCR was 74.58%.
- No target was set.

Comment

MLCR is considerably lower for some types of programs, especially Further Education programs. The latest information available (2008 statistics) indicated that the MLCR across the Victorian VET system was 63% in Adult, Community and Further Education compared to 78% for all other programs. The percentage of an Institute's total program profile delivered in Further Education programs can therefore have a very significant impact on its MLCR, which would be largely unrelated to performance. Other factors that contribute to variations in MLCR include:

- Different methods of recording enrolments and module completion for students enrolled in modules being delivered across two calendar years give a different MLCR for the same group of students and modules
- Different methods of recording internal student transfers from one program to another also give a different MLCR for the same group of students and modules
- Differing pass standards and pass rates between TAFE Institutes will have an impact on respective MLCRs.

Because of the above influences the MLCR as a measure of Institute performance is of little value.

2. Student Satisfaction

- The actual result was 88.3%
- No target was set.

3. Participation of 15-24 Year Olds

- The actual number of students enrolled in this cohort in government funded places was 41,679
- No target was set by Skills Victoria in the 2010 Performance Agreement.

4. Participation of 25-64 Year Olds

- The actual number of students enrolled in this cohort in government funded places was 25,468
- No target for student numbers was set by Skills Victoria in the 2010 Performance Agreement.

Comment

There is no value in these indicators. The cohorts are formed by arbitrary age identifiers. No targets are set in the Performance Agreement and consequently do not impact on Institute performance.

5. Total Cost per Student Contact Hour (SCH)

- NMIT's total cost per student contact hour was \$10.25
- No target was set by Skills Victoria in the 2010 Performance Agreement.

Comment

Total cost per student contact hour is of little value as a measure of an Institute's performance unless other considerations such as the following are factored into the assessment processes.

- Institutes incur higher cost structures when operating on a multi-campus basis
- Higher costs are incurred for small classes required for educational and/or OH&S reasons
- Essential or preferred quality improvements lead to higher costs per SCH
- Many staff are employed to generate extraneous earnings and undertake other activities that do not generate SCH but do add to total costs
- Increased casualisation of staff will lead to decreased costs, but may also lead to much poorer quality provision.

6. Working Capital Ratio

- The actual was 1:3.20 after adjusting for Long Term Current Long Service Leave
- The target for 2010 was set at 1:1.

Performance was greater than target.

7. Net Operating Margin

- The actual percentage was 1.14% (Funded Operating Surplus excluding Depreciation and Total Revenue excluding Capital)
- The target for 2010 was set at 3.46%. The first year of the Victorian Training Guarantee had a significant impact in not meeting this target.

Performance was less than target.

8. Fee for Service Revenue

- The actual performance was 30.44%
- The target set for 2010 was 26.37%.

Performance was better than target.

Comment

This indicator could show very high revenue for fee for service as a proportion of total revenue, while at the same time the Institute could be making significant losses on fee for service because the indicator measures gross revenue and not net profit. On the other hand, a low revenue figure may show a high net profit.

Because of these considerations this KPI is of little value as a measure of performance.

9. Revenue per EFT Staff

- The actual revenue per EFT staff member for NMIT in 2010 was \$119,491
- No target was set.

Comment

Revenue per EFT staff is not regarded by NMIT as a meaningful or valuable measure of an Institute's performance for the following reasons:

- It ignores the costs associated with generating that level of income
- Significant increases in revenue generated at a loss would show a higher revenue/EFT staff figure but could lead to a deficit, therefore net revenue per EFT staff would be a more appropriate measure but with some qualifications
- An institute may wish to concentrate on excellence in delivery to its students rather than concentrate on income generation, which is not necessarily reflective of a poorer performance, rather a different set of priorities and values.

10. Student Contact Hours

- Actual student contact hours delivered including fee for service against contracted delivery were 12,922,980
- No target was set.

Comment

This indicator is suggestive of over delivery that runs counter to an optimal result in the working capital ratio and net operating margin indicators. Similar comments to those made in relation to fee for service revenue also apply.

In the past there have been no rewards for institutes to over deliver compared to the funded target.

Institutes may decide that higher priorities exist for institute-generated funds than SCH over-delivery, such as capital works, professional development, or quality initiatives.

11. Energy Consumption

The following points need to be made in relation to this indicator:

- The benchmark year for this indicator has been determined to be 1999
- NMIT commenced its major efforts in energy management in 1990 and those efforts were recognised by winning the following awards:
 - Best Educational Institution Award in 1998
 - Energy Achiever of the Year in 2000
 - Service Provider of the Year in 2001
- NMIT is a multi-campus institute and energy reductions are far more difficult to achieve than for single campus institutes
- NMIT has ageing building stock with inefficient energy systems, in particular heating and cooling
- Developments since the benchmark year of 1999 make fair comparisons with the current year impossible. These include:
 - the replacement of Johnston St Collingwood and Parkville campuses with the larger Fairfield campus
 - the addition of the Ararat campus
 - the addition of the Primary Industries and Production Training Centre and Roof Tiling and Painting and Plastering facilities at Epping campus
 - the addition of high energy use programs such as Hairdressing, Viticulture and Meat Processing, and the extension of existing facilities in areas such as Hospitality
 - the addition of the Technical Education Centre at Heidelberg campus
 - the redevelopment and commencement of operation of the Yarra House student accommodation facility at Fairfield campus
 - the addition of the Green Skills Centre of Excellence facility at Epping campus.

Because of the above influences this KPI is of little value as a measure of Institute performance.

Summary

NMIT believes that the raw data used and the KPIs nominated are of very little value when assessing performance unless the KPIs are viewed in the context of other relevant issues, such as the examples given above.

Information about NMIT

The NMIT website is a comprehensive source of information about courses, faculties, campuses, services and history.

The website provides public access to the Institute's annual reports at:
www.nmit.edu.au/about

Summary of Financial Results

Year	Operating Surplus (Deficit) \$000	Accumulated Surplus (Deficit) \$000
2010	14,397	79,984
2009	22,561	65,587
2008	6,442	43,026
2007	7,939	36,584
2006	5,545	32,136

Summary of Significant Changes in Financial Position

There were no significant changes in financial position for the year ended 31 December 2010.

Events Subsequent to Balance Date

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

Consultancies

Consultancies Over \$100,000 (excluding GST)

Alpha West

Wireless Local Area Network	\$676,949
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Paul Morgan Architects

Epping campus development - stage 1	\$201,179
-------------------------------------	-----------

Fairfield campus Buildings Q & S	\$3,000
----------------------------------	---------

	\$204,179
--	------------------

Blomquist & Wark

Epping campus Green Skills centre	\$181,272
-----------------------------------	-----------

A.J. Dever

Fairfield campus Buildings Q & S	\$104,000
----------------------------------	-----------

VRQA registration	\$13,400
-------------------	----------

	\$117,400
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Fairweather Legal

Fairfield campus Buildings Q&S	\$79,156
--------------------------------	----------

Heidelberg campus Technical Education Centre development	\$5,700
--	---------

VRQA registration	\$8,254
-------------------	---------

ATM licences	\$5,993
--------------	---------

Other legal matters	\$2,640
---------------------	---------

	\$101,743
--	------------------

Total Project Fees Approved: \$1,281,543

NMIT has future commitments relating to these consultants of:

\$73,914 - Paul Morgan Architects

\$9,295 - Blomquist & Wark

for a total of \$83,209.

Consultancies Under \$100,000 (excluding GST)

NMIT engaged thirty-six consultants for a total cost of \$601,092 during 2010.

Additional Information

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

Declarations on pecuniary interest

Shares held beneficially by senior officers as nominees of a statutory authority or subsidiary

Publications

Major external reviews

Major research and development activities

Overseas visits undertaken

Major promotional, public relations and marketing activities

Major committees sponsored by NMIT

2010 VET Fees and Charges Prescribed by Ministerial Direction

NMIT charges a range of fees for programs and services offered.

In 2010 the fees and charges included:

- A compulsory tuition fee of \$1.40 per student contact hour for Government subsidised programs in accordance with Ministerial Directions on fees and charges.

Minimum/Concession \$56 (40 or fewer student contact hours)

Maximum \$896

- A compulsory student services and amenities fee of \$0.25 per student contact hour.

There was no increase in this fee from 2009.

Minimum \$45 (Full-fee and Concession)

Full-fee Maximum \$135

Maximum Concession \$101.25

- Class materials and ancillaries fees will be charged on all classes.

Concessions

Concessions that applied to tuition and student services and amenities fees apply to the holder of a Commonwealth Health Care Card, Pensioner Card or Veteran's Gold Card or their dependant spouse or child.

Exemptions

Fee exemptions for government-subsidised TAFE courses are available to:

- Aboriginal and Torres Strait Islanders
- Persons on remand or attending a course as part of a non-custodial order.

Skills Reform Fees and Charges

On 1 July 2009 Skills Reform was implemented in Victoria. Students enrolling into a new course after 1 July are Skills Reform Students. Therefore, a new Tuition Fee Schedule applied to all Skills Reform Students after 1 July 2009. Below is a table summarising Tuition Fees under Skills Reform.

		Rate per SCH	Minimum	Maximum
SKILLS REFORM	FOUNDATION SKILLS	1.08	50	500
	SKILLS CREATION	1.40	105	875
	APPRENTICE/TRAINEES	1.37	57	903
	SKILLS BUILDING	1.60	120	1000
	SKILLS DEEPENING	2.90	225*	2000

Minimum Tuition Contribution (Health Care Card, Pensioner Card, Veteran's Gold Card Holders) is as above (includes LI Health Care Cards)

*Minimum Tuition Contribution not available for Skills Deepening enrolments unless an Apprentice/Trainee or Koorie student.

Information about changes in fees and charges should be directed to:

Academic Registrar
77-91 St Georges Rd
Preston 3072

ACTIVITY TABLE

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

NOTE A1 - OPERATING STATEMENT

Total Operating Expenses

	Note	2010 \$000	2009 \$000
Delivery provision and support activity	A2	93,187	85,706
Admin. and general services activity	A3	28,685	24,103
Property plant and equipment services activity	A4	13,132	12,930
Student and other services activity	A5	3,781	3,847
Total Operating Expenses		138,785	126,586

NOTE A2 - OPERATING STATEMENT

Delivery Provision and Support Activity

	2010 \$000	2009 \$000
Salaries, wages, overtime & allowances	63,161	60,631
Superannuation	5,051	4,756
Payroll tax	3,189	2,918
Other salary related costs	1,058	895
Consumables	5,606	5,565
Travel and motor vehicle expenses	463	435
Depreciation	4,992	4,371
Other direct delivery expenses	9,667	6,135
	93,187	85,706

NOTE A3 - OPERATING STATEMENT

Administration and General Services Activity

	2010 \$000	2009 \$000
Salaries, wages, overtime & allowances	14,757	12,025
Superannuation	1,199	962
Payroll tax	757	590
Other salary related costs	251	181
Consumables	170	257
Communication expenses	1,053	951
Fees	3,605	3,156
Travel and motor vehicle expenses	1,222	1,297
Depreciation	1,185	884
Other expenses	4,486	3,800
	28,685	24,103

NOTE A4 - OPERATING STATEMENT

Property, Plant and Equipment Services Activity

	2010	2009
	\$000	\$000
Salaries, wages, overtime & allowances	226	1,964
Superannuation	18	157
Payroll tax	12	96
Other salary related costs	4	30
Consumables	8	27
Depreciation	18	144
Equipment	4,566	2,516
Energy costs	1,737	1,664
Contract services	3,791	3,193
Rent/leasing charges	929	792
Repairs and maintenance	1,787	2,139
Other expenses	36	208
	13,132	12,930

NOTE A5 - OPERATING STATEMENT

Student and Other Services Activity

	2010	2009
	\$000	\$000
Salaries, wages, overtime & allowances	932	1,060
Superannuation	76	85
Payroll tax	48	52
Other salary related costs	16	16
Consumables	121	113
Depreciation	75	78
Other expenses	2,513	2,443
	3,781	3,847

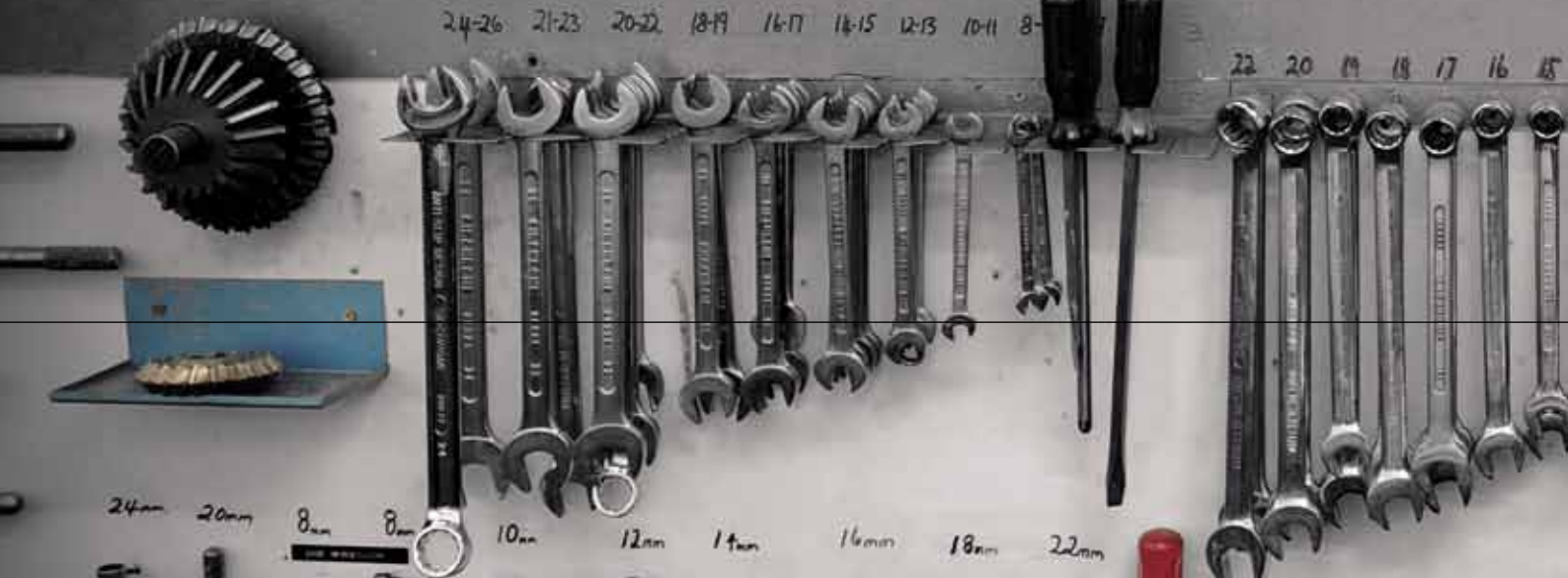




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Financial Statements

Fees and Charges Statement

Compulsory Non-Academic Fees and Charges Statement as at 31 December, 2010

	Note:	2010	2009
		\$	\$
Income			
Compulsory Non- Academic Fees		1,034,690	1,006,743
Total Income		1,034,690	1,006,743
Expenditure			
Salaries			
Salaries		691,960	798,450
Salary Oncosts		105,681	113,868
Total Salary Expenditure		797,641	912,318
Non Salaries			
Consumables		6,095	8,833
Subscriptions		1,284	628
Telephone		3,378	2,676
EDP Equipment Purchases		0	3,426
Equipment Purchases		964	10,127
ICT Equipment		3,676	0
Furniture & Fittings		375	17,219
Equipment Lease		390	432
Security Services		0	7,560
Travel		4,511	874
Citylink Payments		90	76
Diaries & Advertising		49,097	42,505
Staff Development		4,826	3,647
Advertising - Recruitment		700	5,207
Orientation/Recreational Activities		48,287	34,361
Building Repairs & Maintenance		0	783
Uniforms		0	785
Hospitality		125	0
Occupancy Costs		0	2,020
Total Non Salary Expenditure		123,798	141,159
Total Expenditure		921,439	1,053,477
Operating Result for the year		113,251	(46,734)
Accumulated Surplus 1 January		68,675	115,409
Balance b/fwd transfers		56,430	0
Accumulated Surplus/(Deficit)		238,356	68,675

Leigh Pike
Chief Finance Officer
28/01/2011

Auditor General's Independent Audit Report

VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Northern Melbourne Institute of Technical and Further Education

The Financial Report

The accompanying financial report for the year ended 31 December 2010 of the Northern Melbourne Institute of Technical and Further Education which comprises the statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the President of the Board, Chief Executive Officer, and Chief Finance Officer declaration has been audited.

The Board Members' Responsibility for the Financial Report

The Board Members of the Northern Melbourne Institute of Technical and Further Education are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994* and for such internal control as the Board Members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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Auditing in the Public Interest

VAGO

Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Electronic Publication of the Audited Financial Report

It is our understanding that the Institute intends to electronically present the audited financial report and auditor's report on its internet website. Responsibility for the electronic presentation of the financial report on the Institute's website is that of the Board Members of the Institute. The security and controls over information on the website should be addressed by the Institute to maintain the integrity of the data presented. The examination of the controls over the electronic presentation of the audited financial report on the Institute website is beyond the scope of the audit of the financial report.

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Northern Melbourne Institute of Technical and Further Education as at 31 December 2010 and of its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
3 March 2011



D D R Pearson
Auditor-General

Institute Declaration

Northern Melbourne Institute of Technical and Further Education

Financial Report for Year Ended 31 December 2010

**Declaration by
President of the Board,
Chief Executive Officer
and Chief Finance Officer**

We certify that the attached financial report for the Northern Melbourne Institute of TAFE has been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions issued under that legislation, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes to and forming part of the financial report, presents fairly the financial transactions during the year ended 31 December 2010 and financial position of the Institute as at 31 December 2010.

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

The President of the Board, Chief Executive Officer and Chief Finance Officer sign this declaration as delegates of, and in accordance with a resolution of the Board of Northern Melbourne Institute of TAFE.



Andrew Giddy

President of the Board

DATE: 28/2/2011

Place: Preston, Victoria



Brian MacDonald

Chief Executive Officer

DATE: 28/2/2011

Place: Preston, Victoria



Leigh Pike

Chief Finance Officer

DATE: 28/2/2011

Place: Preston, Victoria

Statement of Comprehensive Income

for the year ended 31 December 2010

	Note	2010 \$000	2009 \$000
Continuing Operations			
Income from transactions			
-Government contributions - operating	2(a)(i)	65,024	73,691
-Government contributions - capital	2(a)(ii)	19,025	16,248
-Sale of goods and services	2(b)	64,024	55,541
-Interest	2(c)	2,162	1,542
-Other income	2(d)	2,948	2,126
Total Income from transactions		153,183	149,148
Expenses from transactions			
Employee benefits	3(a)	90,755	86,418
Depreciation and amortisation	3(b)	6,271	5,478
Grants and other transfers	3(c)	50	64
Supplies and services	3(d)	17,733	17,528
Other operating expenses	3(e)	19,904	15,661
Expenditure using Government contributions - capital		3,647	1,298
Total expenses from transactions		138,360	126,447
Net result from transactions (net operating balance)		14,823	22,701
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	4(a)	(402)	(113)
Other gains/(losses) from other economic flows	4(b)	(24)	(27)
Total other economic flows included in net result		(426)	(140)
Net result from continuing operations		14,397	22,561
Net Result		14,397	22,561
Other economic flows - other non-owner changes in equity			
Changes in asset revaluation reserve - Land	14	(120)	-
Total other economic flows - other non-owner changes in equity		(120)	-
Comprehensive result		14,277	22,561

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

Balance Sheet

as at 31 December 2010

	<i>Note</i>	2010 \$000	2009 \$000
Assets			
Financial Assets			
Cash and cash equivalents	5	42,929	42,043
Receivables	6	5,951	7,638
Total Financial Assets		48,880	49,681
Non-Financial Assets			
Inventories	8	1,052	1,188
Property, plant and equipment	10	237,916	225,788
Biological assets	7	4,285	4,611
Other non-financial assets	9	731	1,041
Total Non-Financial Assets		243,984	232,628
Total assets		292,864	282,309
Liabilities			
Payables	11	10,436	15,052
Interest bearing liabilities	12	34	139
Provisions	13	15,157	14,158
Total liabilities		25,627	29,349
Net assets		267,237	252,960
Equity			
Accumulated surplus/(deficit)	14(C)	79,984	65,587
Reserves	14(B)	155,572	155,692
Contributed capital	14(A)	31,681	31,681
Total equity		267,237	252,960
Commitments	16	32,816	17,267
Contingencies	18	408	210

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

Statement of Changes in Equity

for the year ended 31 December 2010

	Note	Changes due to			Equity at 31 Dec 2010
		Equity at 1 Jan 2010	Total Comprehensive result	Transactions with owners in their capacity as owners	
		\$'000	\$'000	\$'000	\$'000
Accumulated surplus/(deficit)		65,587	14,397	-	79,984
Adjustment due to change in accounting policy		-	-	-	-
Accumulated surplus/(deficit) at the end of the year		65,587	14,397	-	79,984
Contributions by owners	14 (a)	31,681	-	-	31,681
Contributed capital		-	-	-	-
Withdrawal of equity		-	-	-	-
Contribution by owners at the end of the year		31,681	-	-	31,681
Assets revaluation reserve - Land and Buildings		155,692	(120)	-	155,572
		155,692	(120)	-	155,572
Total equity at the end of the year		252,960	14,277	-	267,237

	Note	Changes due to			Equity at 31 Dec 2009
		Equity at 1 Jan 2009	Total Comprehensive result	Transactions with owners in their capacity as owners	
		\$'000	\$'000	\$'000	\$'000
Accumulated surplus/(deficit)		43,026	22,561	-	65,587
Adjustment due to change in accounting policy		-	-	-	-
Accumulated surplus/(deficit) at the end of the year		43,026	22,561	-	65,587
Contributions by owners	14 (a)	31,681	-	-	31,681
Contributed capital		-	-	-	-
Withdrawal of equity		-	-	-	-
Contribution by owners at the end of the year		31,681	-	-	31,681
Assets revaluation reserve - Land and Buildings		155,692	-	-	155,692
		155,692	-	-	155,692
Total equity at the end of the year		230,399	22,561	-	252,960

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

Cash Flow Statement

for the year ended 31 December 2010

	<i>Note</i>	2010 \$000	2009 \$000
Cash flows from operating activities			
Receipts			
Government contributions - operating (including Govt FFS)	2(a)(i), (b)	78,936	88,794
Government contributions - capital		19,025	16,248
User fees and charges received (inclusive of GST)		56,796	39,332
Goods and services tax recovered from the ATO		1,063	1,208
Interest received		2,009	1,469
Other receipts		138	176
Total receipts		157,967	147,227
Payments			
Payments to suppliers (inclusive of GST) and employees		(137,836)	(117,534)
Other payments		(330)	(548)
Total payments		(138,166)	(118,082)
Net cash provided by/(used in) operating activities	15 (a)	19,801	29,145
Cash flows from investing activities			
Payments for non-financial assets	10	(18,648)	(24,100)
Proceeds from sale of non-financial assets		247	343
Payments for biological assets	7	(409)	(485)
Net cash provided by/(used in) investing activities		(18,810)	(24,242)
Cash flows from financing activities			
Repayment of finance leases		(105)	(95)
Net cash provided by/(used) in financing activities		(105)	(95)
Net increase (decrease) in cash and cash equivalents			
		886	4,808
Cash and cash equivalents at the beginning of the financial year		42,043	37,235
Effects of exchange rate changes on cash and cash equivalents held in foreign currencies		-	-
Cash and cash equivalents at the end of the financial year	5	42,929	42,043

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

Notes to the Financial Statements

for the year ended 31 December 2010

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards and Interpretations (AASs). AASs include Australian equivalents to International Financial Reporting Standards.

In complying with AASs, the entity has, where relevant, applied those paragraphs applicable to not-for-profit entities.

1.01 Basis of preparation

The financial statements have been prepared on a historical cost basis, except for the revaluation of certain non-financial assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

Critical accounting estimates and judgments

The Institute evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Institute.

Estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

In the application of AASs, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2010 and the comparative information presented for the year ended 31 December 2009.

Compliance with IFRSs

The financial statements and notes of Northern Melbourne Institute of TAFE comply with Australian Accounting Standards, some of which contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements.

The following is a summary of the material accounting policies adopted by the Institute in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

1.02 Scope and presentation of financial statements

In keeping with AASB 101 (September 2007) this complete set of financial statements includes the following changes:

(a) the notion of:

- 'a complete set of financial statements' rather than using 'financial report';
- 'changes in equity' rather than 'movements in equity'; and
- 'transactions with owners in their capacity as owners' rather than 'transactions with owners as owners'.

(b) references to equity holders as owner.

Statement of comprehensive income

The statement of comprehensive income includes items previously included in the statement of changes in equity.

Income and expenses in the comprehensive income statement are separated into either 'transactions' or 'other economic flows'.

Balance sheet

Items of assets and liabilities in the balance sheet are:

- ranked in liquidity order;
- aggregated into financial and non-financial assets;
- classified according to GFS terminology, but retain measurement and disclosure rules under existing accounting standards applicable to the Department; and
- current versus non-current assets and liabilities are disclosed in the notes where relevant.

Statement of changes in equity

The statement of changes in equity presents reconciliations of each non-owner and owner equity opening balance at the beginning of the year to the closing balance at the end of the year, showing separately movements due to amounts recognised in the comprehensive result and amounts recognised in equity related to transactions with owners in their capacity as owners.

Cash flow statement

The cash flow statement classifies flows by operating, investing and financing activities in accordance with AASB 107 Cash Flow Statements.

1.03 Reporting entity

The financial statements cover the Northern Melbourne Institute of TAFE as an individual reporting entity. The Institute is a statutory body corporate established pursuant to an act made by the Victorian Government under the Education and Training Reform Act 2006 No. 24/2006 section 3.1.12 (4).

Its principal address is:
Northern Melbourne Institute of TAFE
77-91 St Georges Road
Preston, VIC 3072

1.04 Basis of consolidation

The financial statements include all the activities of the Institute. The Institute has one controlled entity, NMIT International Ltd, which is dormant and has never traded, therefore consolidation is not warranted.

1.05 Events after reporting date

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Institute and other parties, the transactions are only recognised when the agreement is irrevocable at or before balance date. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting date and before the date the statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the reporting date and the date the statements are authorised for issue where the events relate to condition which arose after the reporting date and which may have a material impact on the results of subsequent years.

1.06 Goods and Services Tax (GST)

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

Commitments and contingent assets or liabilities are presented on a gross basis.

1.07 Income from transactions

Amounts disclosed as income are, where applicable, net of returns, allowances and duties and taxes. Revenue is recognised for each of the Institute's major activities as follows:

Government contributions

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

Sale of goods and services

(i) Student fees and charges

Student fees and charges revenue is recognised by reference to the percentage of services provided. Where student fees and charges revenue has been clearly received in respect of courses or programs to be delivered in the following year, any non-refundable portion of the fees is treated as revenue in the year of receipt and the balance as Revenue in Advance.

(ii) Fee for Service

Fee for service revenue is recognised by reference to the percentage completion of each contract, i.e. in the reporting period in which the services are rendered. Where fee for service revenue of a reciprocal nature has been clearly received in respect of programs or services to be delivered in the following year, such amounts are disclosed as Revenue in Advance.

(iii) Revenue from sale of goods

Revenue from sale of goods is recognised by the Institute when:

- (a) the significant risks and rewards of ownership of the goods have transferred to the buyer;
- (b) the Institute retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be reliably measured;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Institute and;
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest

Interest from cash, short-term deposits and investments is brought to account on a time proportional basis taking into account interest rates applicable to the financial assets.

Net realised and unrealised gains and losses on the revaluation of investments do not form part of income from transactions, but are reported as part of income from other economic flows in the net result or as unrealised gains and losses taken direct to equity, forming part of the total change in net worth in the comprehensive result.

Other income

(i) Rental income

Rental income is recognised on a time proportional basis and is brought to account when the Institute's right to receive the rental is established.

Fair value of assets and services received free of charge or for nominal consideration

Contributions of resources received free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

1.08 Expenses from transactions

Employee benefits

Expenses for employee benefits are recognised when incurred, except for contributions in respect of defined benefit plans.

Depreciation and amortisation

Depreciation

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is generally calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

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

Class of asset	Method	Rate/Rates
Buildings	Straight	2% to 4%
Major components - buildings	Straight	5% to 10%
Plant and equipment	Straight	6.67% to 50%
Motor Vehicles	Straight	10% to 20%
Library Collections	Straight	20.0%

The assets' residual values and useful lives are reviewed and adjusted if appropriate on an annual basis. There has been no change in the methodology and rates for 2010.

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

Finance leases - the discounted minimum lease payments are amortised over the term of the lease (4 years).

Finance costs

Finance costs are recognised as expenses in the period in which they are incurred.

Finance costs include amortisation of ancillary costs incurred in connection with the arrangement of finance lease charges.

Grants and other transfers

Grants and other transfers to third parties are recognised as an expense in the reporting period in which they are paid or payable.

Other operating expenses

Supplies and services

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held-for-distribution are expensed when distributed.

Fair value of assets and services provided free of charge or for nominal consideration

Resources provided free of charge or for nominal consideration are recognised at their fair value.

1.09 Other economic flows included in net result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

Net gain/(loss) on non-financial assets

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses from revaluations, impairments, and disposals of all physical assets and intangible assets.

Disposal of non-financial assets

Any gain or loss on disposal of non-financial assets is recognised at the date control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at the time.

Gain/(loss) arising from fair value changes of biological assets

Biological assets are measured at fair value, and the resultant gain/(loss) is reported as an other economic flow.

Impairment of assets

Assets are assessed annually for indications of impairment.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the statement of comprehensive income, except to the extent that the write down can be debited to an asset revaluation reserve amount applicable to that class of asset.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash flows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell. It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made.

Net gain/(loss) on financial instruments

Net gain/(loss) on financial instruments includes realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading, impairment and reversal of impairment for financial instruments at amortised cost, and disposals of financial assets.

Revaluations of financial instruments at fair value

The revaluation gain/(loss) on financial instruments at fair value excludes dividends or interest earned on financial assets, which is reported as part of income from transactions.

Impairment of financial assets

Bad and doubtful debts are assessed on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. The allowance for doubtful receivables and bad debts not written off by mutual consent are adjusted as 'other economic flows'.

Other gains/(losses) from other economic flows

Other gains/(losses) from other economic flows include the gains or losses from reclassifications of amounts from reserves and/or accumulated surplus to net result, and from the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

1.10 Financial assets

Cash and deposits

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

For the cash flow statement presentation purposes, cash and cash equivalents consist of cash and cash deposits as defined above, net of bank overdrafts. At the reporting date there are no bank overdrafts (2009 - nil).

Receivables

Receivables consist predominately of debtors in relation to goods and services, accrued demand funding, accrued investment income and GST input tax recoverable. A provision for doubtful debts is made when there is objective evidence that the debts will not be collected. Bad debts are written off when identified.

Investments, loans and other financial assets

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting (the date on which the Institute commits to purchase or sell the asset) is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

Financial instruments are classified and measured as set out below

Classification and subsequent measurement

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

Financial assets are classified at fair value through the statement of comprehensive income when they are held-for-trading purposes, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

Fair value is determined in the manner described in Note 25.

(ii) Loans and receivables

Trade receivables, loans and other receivables are recorded at amortised cost, using the effective interest method, less impairment. The effective interest method is a method of calculating the amortised cost of a financial asset and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Institute's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method less impairment losses.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

1.11 Leases

Leases of property, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Leasehold improvements are capitalised and amortised over the term of the lease. There were no capital improvements to leasehold land and buildings during the year.

Institute as lessor

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

Institute as lessee

Finance leases are recognised as assets and liabilities at amounts equal to the fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The lease asset is depreciated over the shorter of the estimated useful life of the asset or the term of the lease. Minimum lease payments are allocated between the principal component of the lease liability and the interest expense calculated using the interest rate implicit in the lease, and charged directly to the statement of comprehensive income. Contingent rentals associated with finance leases are recognised as an expense in the period in which they are incurred. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Operating lease payments including any contingent rentals, are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

1.12 Non-Financial Assets

Inventories

Inventories include goods and other property held either for sale or for distribution at no or nominal cost in the ordinary course of business operations. It includes land held-for-sale and excludes depreciable assets.

The basis used in assessing loss of service potential for inventories held-for-distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

Cost for all other inventory is measured on the basis of weighted average cost.

Inventories acquired for no cost or nominal consideration are measured at current replacement cost at the date of acquisition.

Non-current physical assets classified as held-for-sale, including disposal group assets

Non-current physical assets (and disposal group) classified as held-for-sale are measured at the lower of carrying amount and fair value less costs to sell, and are not subject to depreciation.

Non-current physical assets and disposal groups, related liabilities and financial assets are treated as current and classified as held-for-sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within twelve months from the date of classification.

Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown initially at cost, then subsequently at their fair value.

Crown land is measured at fair value with regard to its highest and best use after due consideration is made for any legal or constructive restrictions imposed on the land, public announcements or commitments made in relation to the intended use of the land. Theoretical opportunities that may be available in relation to the asset are not taken into account until it is virtually certain that the restrictions will no longer apply.

Plant and equipment

Plant and equipment are measured at fair value less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Institute to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the Institute includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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 Institute and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Library collections

Library collections are measured at cost less accumulated depreciation.

Restrictive nature of cultural and heritage assets, Crown land and infrastructures

During the reporting period, the Institute may hold cultural assets, heritage assets, Crown land and infrastructures.

Such assets are deemed worthy of preservation because of the social rather than financial benefits they provide to the community. The nature of these assets means that there are certain limitations and restrictions imposed on their use and/or disposal.

Revaluations of non-current physical assets

Non-current physical assets measured at fair value are revalued in accordance with FRDs issued by the Minister for Finance. This revaluation process normally occurs every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Revaluation increases are credited directly to equity in the revaluation reserve, except to the extent that an increase reverses a revaluation decrease in respect of that class of property, plant and equipment, previously recognised as an expense (other economic flows) in the net result, the increase is recognised as income (other economic flows) in determining the net result.

Revaluation decreases are recognised immediately as expenses (other economic flows) in the net result, except to the extent that a credit balance exists in the revaluation reserve in respect of the same class of property, plant and equipment, they are debited to the revaluation reserve.

Revaluation increases and revaluation decreases relating to individual assets within a class of property, plant and equipment are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation reserves are not normally transferred to accumulated funds on de-recognition of the relevant asset.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Non-current physical assets constructed by the Institute

The cost of non-current assets constructed by the Institute includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads.

Biological assets

Bloodstock

Bloodstock used for breeding purposes is measured at fair value based on self assessment conducted in 2010.

Animals are identified as immature assets (natural increase) and mature assets (transformed and marketable) and classified as consumable (transformed and marketable) or bearer (used for breeding). A distinction is also made between current and non-current biological assets.

Vineyard and winery

Land under vine is measured at fair value and stated at valuations conducted at 31 December 2010 by m3 property (Vic) Pty Ltd; and assessed against indexation annually based on Valuer General indexation movements for subsequent years.

Vines are measured at fair value and identified as immature (non-grape producing) and mature assets (grape producing).

Grapes harvested are measured at fair value based on tonnes produced.

1.13 Liabilities

Payables

Payables consist predominantly of creditors and other sundry liabilities.

Payables are initially recognised at fair value, then subsequently carried at amortised cost and represent liabilities for goods and services provided to the Institute prior to the end of the financial year that are unpaid, and arise when the Institute becomes obliged to make future payments in respect of the purchase of these goods and services.

Interest bearing liabilities

Interest bearing liabilities are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs.

Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the statement of comprehensive income over the period of the borrowing using the effective interest rate method.

Provisions

Provisions are recognised when the Institute has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably. Provisions are not recognised for future operating losses.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

Employee benefits

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

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

(ii) Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current Liability - unconditional LSL representing (7 years service) is disclosed as a current liability even when the Institute does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at :

- present value - component that is not expected to be settled within 12 months.
- nominal value - component that is expected to be settled within 12 months.

Non-current liability - conditional LSL representing less than (7 years service) years is disclosed as a non - current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value. Gain or loss following revaluation of the present value of non-current LSL liability due to changes in bond interest rates is recognised as an other economic flow.

(iii) 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 Institute 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 sheet date are discounted to present value.

Employee benefits on-costs

Employee benefits on-costs (payroll tax, workers compensation, superannuation, annual leave and long service leave accrued while on LSL taken in service) are recognised and included with employee benefits.

Performance Payments

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

Retirement benefit obligations

(i) Defined contribution plan

Contributions to defined contribution plans are expensed when they become payable.

(ii) Defined benefit plans

The amount charged to the statement of comprehensive income in respect of superannuation represents the contributions made by the Institute to the superannuation plan in respect of current services of current Institute staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

The Institute does not recognise any deferred liability in respect of the plan(s) because the Institute has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as and when they fall due. The Department of Treasury and Finance recognises and discloses the State's defined benefit liabilities in its finance report.

Onerous contracts

An onerous contract is considered to exist where the Institute has a contract under which the unavoidable cost of meeting the contractual obligations exceed the economic benefits estimated to be received. Present obligations arising under onerous contracts are recognised as a provision to the extent that the present obligation exceeds the economic benefits estimated to be received.

1.14 Commitments

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

1.15 Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the balance sheet, but are disclosed by way of a note (refer note 18) and, if quantifiable, are measured at nominal value.

1.16 Equity

Contributed capital

Funding that are in the nature of contributions by the State government are treated as contributed capital when designated in accordance with UIG Interpretation 1038 Contribution by Owners Made to Wholly-Owned Public Sector Entities. Commonwealth capital funds are not affected and are treated as income.

1.17 Foreign currency translations

Functional and presentation currency

The functional currency of each group entity is measured using the currency of the primary economic environment in which that entity operates. The Institute's financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange difference arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of comprehensive income.

1.18 Materiality

In accordance with Accounting Standard AASB1031 'Materiality', accounting policies need only be identified in the summary of accounting policies where they are considered 'material'. Accounting policies will be considered material if their omission, misstatement or non-disclosure has the potential, individually or collectively, to:

- (a) influence the economic decisions of users taken on the basis of the financial report; and
- (b) affect the discharge of accountability by the management or governing body of the entity.

1.19 Rounding of amounts

Amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

1.20 Comparative information

When required by Australian Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1.21 Change in accounting policy

There was no change in accounting policy for the financial year ending 31 December 2010.

1.22 New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2010 reporting period.

As at 31 December 2010 the following standards and interpretations (applicable to the Institute) had been issued but were not mandatory for financial year ending 31 December 2010. The Institute has not, and does not intend to, adopt these standards early.

Standards Affected	Outline of Amendment	Application date of standard	Impact on financial statements
AASB 9 Financial Instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial instruments: recognition and measurement (AASB 139 Financial Instruments: recognition)	Beginning 1 January 2013	Impact expected to be insignificant
AASB 124 Related Party Disclosures (December 2009)	Government related entities have been granted partial exemption with certain disclosure requirements.	Beginning 1 January 2011	Impact expected to be insignificant
AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1,3,4,5,7,10,11,102,108,112,118,121,127,128,131,132,136,139,1023 and 1038 and Interpretations 10 and 12]	This gives effect to consequential changes arising from the issuance of AASB 9.	Beginning 1 January 2013	Impact expected to be insignificant
AASB 2010-1 Amendments to Australian Accounting Standards - Limited Exemption from Comparative AASB 7 Disclosures for First-time adopters [AASB 1 & AASB 7]	This amendment provides limited exemptions from the requirements of adhering to AASB 1 and AASB 7 that arise from AASB 2009-2.	Beginning 1 July 2010	Not applicable
AASB 1053 Application of Different Tiers of Australian Accounting Standards	This standard establishes a differential financial reporting framework consisting of two tiers or reporting requirements for preparing general purpose financial statements.	Beginning 1 July 2013	Impact expected to be insignificant
AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements	This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities.	Beginning 1 July 2013	Impact expected to be insignificant

NOTE 2 – INCOME FROM TRANSACTIONS

	2010 \$000	2009 \$000
Income from transactions		
(a) Grants and other transfers (other than contributions by owners)		
Government financial assistance		
(i) Government contributions - operating		
Commonwealth government recurrent specific funded programs	22,231	21,746
State government recurrent specific funded programs	42,789	51,938
Other contributions	4	7
Total government contributions - operating	65,024	73,691
(ii) Government contributions - capital		
Commonwealth capital	16,012	8,009
State capital	3,013	8,239
Total government contributions - capital	19,025	16,248
Total government financial assistance	84,049	89,939
(b) Sales of goods and services		
Course fees and charges	14,286	6,196
Rendering of services		
Fee for service - Government	13,912	15,104
Fee for service - International operations	21,039	20,524
Fee for service - other	11,682	10,753
Total rendering of services	46,633	46,381
Other non-course fees and charges		
Sale of goods	3,105	2,964
Total other fees and charges	3,105	2,964
Total revenue from sale of goods and services	64,024	55,541
(c) Interest		
Interest from financial assets not at fair value through P/L:		
Interest on bank deposits	2,162	1,542
Total interest revenue from financial assets not at fair value through P/L	2,162	1,542
Net interest income	2,162	1,542
(d) Other income		
Rental revenue:		
Rent	79	75
Total rental revenue	79	75
Accommodation Income	317	-
Donations, bequests and contributions	138	176
Child Care Income	741	854
Other revenue	1,673	1,021
Total other income	2,948	2,126

(e) TAFE institutes are reimbursed for income foregone as a result of providing Fee Concessions rather than full fees to eligible students in accordance with the TAFE Service Agreement.

In 2010, NMIT claimed \$3,763,466 in funding from Skills Victoria for Fee Concessions and only received \$1,912,371 representing 51 per cent of the total claim. This represents foregone income of \$1,851,095 as a result of Government policy.

In 2009, NMIT claimed \$2,600,057 in funding from Skills Victoria for Fee Concessions and only received \$1,238,590 representing 48 per cent of the total claim. This represents foregone income of \$1,361,467 as a result of Government policy.

NOTE 3 – EXPENSES FROM TRANSACTIONS

	2010 \$000	2009 \$000
Expenses from transactions		
(a) Employee benefits		
Salaries, wages, overtime and allowances	78,064	74,486
Superannuation	6,344	5,960
Payroll tax	4,006	3,656
Long service leave	406	821
Annual leave	619	382
Other	1,316	1,113
Total employee benefits	90,755	86,418
(b) Depreciation and amortisation		
Depreciation of non-current assets		
Buildings	3,399	2,841
Plant and equipment	1,948	1,761
Motor vehicles	452	402
Library collections	158	160
Total depreciation	5,957	5,164
Amortisation of non-current physical and intangible assets		
Leasehold improvements	24	24
Plant and equipment under finance leases	290	290
Total amortisation	314	314
Total depreciation and amortisation	6,271	5,478
(c) Grants and other transfers (other than contributions by owners)		
Grants and subsidies apprentices and trainees	50	64
Total grants and other payments	50	64
(d) Supplies and Services		
Purchase of supplies and consumables	5,898	5,960
Communication expenses	925	951
Contract and other services	3,519	3,193
Cost of goods sold/distributed (ancillary trading)	2,316	2,267
Building repairs and maintenance	1,715	2,139
Fees and charges	3,360	3,018
Total supplies and services	17,733	17,528
(e) Other Expenses		
General Expenses		
Marketing and promotional expenses	1,313	1,536
Audit fees and services	113	138
Staff development	806	851
Travel and motor vehicle expenses	1,685	1,733
Other expenses	11,512	7,332
Utilities	1,737	1,664
Foreign currency translation losses	27	32
Total other expenses	17,193	13,286
Operating lease rental expenses:		
Minimum lease payments	775	792
Total operating lease rental expenses	775	792
Subtotal	17,968	14,078
Equipment below capitalisation threshold	1,936	1,583
Total other operating expenses	19,904	15,661

NOTE 4 - OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT

	2010 \$000	2009 \$000
Other economic flows included in net result		
(a) Net gain/(loss) on non-financial assets (including PPE and intangible assets)		
Impairment of non-financial assets	(105)	-
Net gain/(loss) arising from changes in fair value	(288)	-
Net gain/(loss) on disposal of physical assets	(9)	(113)
Total net gain/(loss) on non-financial assets and liabilities	(402)	(113)
(b) Other gains/(losses) from other economic flows		
Bad debts	(24)	(27)
Total other gains/(losses) from other economic flows	(24)	(27)

NOTE 5 - CASH AND CASH EQUIVALENTS

	2010 \$000	2009 \$000
Cash and cash equivalents		
Cash at bank and on hand	1,579	1,627
Deposits at call	41,350	40,416
Total cash and cash equivalents	42,929	42,043

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

	2010 \$000	2009 \$000
(a) Reconciliation to cash at the end of the year		
Balances as above	42,929	42,043
Balance as per cashflow statement	42,929	42,043

(b) Cash at bank and on hand

Refer to note 25 - Part 1 (ii) for information on cash at bank and on hand.

(c) Deposits at call

The deposits are bearing effective interest rates between 3.82% and 5.26% (2009 - 4.63% and 3.82%). These deposits have an average maturity of 45 days.

(d) Refer to note 16 for capital and other significant operating commitments that will affect cash and cash equivalents balance in 2011.

NOTE 6 – RECEIVABLES

	2010 \$000	2009 \$000
Receivables		
Current receivables		
Contractual		
Trade receivables ¹	1,730	3,354
Provision for doubtful contractual receivables(a) (See also Note 6(a) below)	(87)	(62)
Revenue receivable	4,129	3,614
Total contractual	5,772	6,906
Statutory		
GST receivable from ATO	179	732
Total statutory	179	732
Total current receivables	5,951	7,638
Total receivables	5,951	7,638

¹ The average credit period on sales of goods is 30 days. A provision has been made for estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience. The \$87,515 reduction was recognised in the operating result for the current financial year.

	2010 \$000	2009 \$000
(a) Movement in the provision for doubtful contractual receivables		
Balance at beginning of the year	62	24
Reversal of unused provision recognised in the net result	-	-
Increase in provision recognised in the net result	25	38
Reversal of provision for receivables written off during the year as uncollectible	-	-
Balance at end of the year	87	62

	2010 \$000	2009 \$000
(b) Ageing analysis of contractual receivables		
Less than 30 days	690	2,534
Greater than 30 days, less than 60 days	217	363
Greater than 60 days, less than 90 days	470	199
Greater than 90 days	353	258
Balance at end of the year	1,730	3,354

(c) Nature and extent of risk arising from contractual receivables

A provision for doubtful debts has been recognised. The trade receivables remaining are expected to be paid in 2011.

NOTE 7 – BIOLOGICAL ASSETS

BIOLOGICAL ASSETS - PLANTS

Nature

Vines

Activities

Grape production and harvesting vineyard including establishment involving design, construction and management of vineyards for educational purposes

	2010 \$000	2009 \$000
Bearer assets		
Immature assets		
Vine planting	-	-
Mature assets		
Aged vines	623	1,032
Total bearer assets	623	1,032

	Qty	Qty
Quantities		
Ararat (hectares)	29	29
Eden Park (hectares)	8.0	8
Yarra Glen (hectares)	2.0	2
Whittlesea (hectares)	1.5	1.5
Total hectares	40.5	40.5
Output		
Tonnes harvested	107.6	6
Total Output	107.6	6

	\$000	\$000
Fair value of output was determined at current expected market rates		
Wine grape harvest valued at \$ 1,000 per tonne	108	6
Total fair value of output was determined at current expected market rates	108	6

BIOLOGICAL ASSETS - ANIMALS

Nature

Bearer assets

Bloodstock horses, Charolais and Angus bulls

Mature assets

Bloodstock horses, riding horses , cattle, sheep, Charolais and Angus bulls

Activities

Equine studies, aquaculture studies and agriculture studies.

	2010 \$000	2009 \$000
Consumable assets		
Immature assets		
Value of natural increases and purchases		
Fish fingerlings	8	8
Horses	28	30
Cattle	3	2
Mature assets		
Biologically transformed and marketable assets		
Horses	15	13
Cattle	3	3
Sheep	20	12
Total consumable assets	77	68

	Qty	Qty
Quantities		
Fish fingerlings	4,450	4,450
Horses	86	88
Cattle	283	238
Sheep	236	182
Total quantity of consumable assets	5,055	4,958
Output		
Natural increase	130	115
Cattle	267	240
Total quantity of output	397	355

	\$000	\$000
Fair value of output was		
Determined using a nominal amount at birth	4	3
Total fair value of output	4	3

BIOLOGICAL ASSETS - ANIMALS (CONT.)

	2010 \$000	2009 \$000
Bearer assets		
Mature assets		
Mares, Stallions, Charolais and Angus bulls	3,585	3,512
Total bearer assets	3,585	3,512

	Qty	Qty
Quantities		
Bloodstock horses	54	61
Angus bulls	2	2
Charolais bull	1	1
Total quantity of output	57	64
Output		
Foals Natural increase	31	38
Total quantity of output	31	38

	\$000	\$000
Fair value of output was determined at cost to produce		
Natural increase	9	12
Total fair value of output	9	12

BIOLOGICAL ASSETS - RECONCILIATION

	2010 \$000	2009 \$000
Reconciliation of changes in carrying amount of biological assets		
Carrying amount at 1 January	4,611	4,109
Increases due to:		
Purchases	409	485
Donations	5	55
Births	13	14
Decreases attributable to:		
Sales	(84)	(21)
Deaths	(155)	(31)
Aged Vine Devaluation	(409)	-
Other IFRS impairment	(105)	-
Carrying amount at 31 December	4,285	4,611

NOTE 8 – INVENTORIES

	2010 \$000	2009 \$000
Inventories		
Current		
Printroom supplies	10	14
Hairdressing and beauty products	31	27
Hospitality supplies	39	40
Inventories held-for-sale:		
at cost		
Nursery	42	44
Wine stock	807	939
Bookshop stock	123	124
Total current inventories	1,052	1,188

NOTE 9 – OTHER NON-FINANCIAL ASSETS

	2010 \$000	2009 \$000
Other non-financial assets		
Current other non-financial assets		
Prepayments	731	1,041
Total current other non-financial assets	731	1,041
Total other non-financial assets	731	1,041

NOTE 10 – PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Construction in progress	Plant & Equipment	Motor Vehicles	Leasehold Improvements	Library	Leased Plant & Equipment	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
At 1 January 2009									
Cost	-	4,325	1,968	16,707	2,756	479	3,902	1,739	31,876
Valuation	64,546	128,885	-	-	-	-	-	-	193,431
Accumulated depreciation	-	(3,126)	-	(8,556)	(1,249)	(120)	(3,508)	(1,126)	(17,685)
Net book amount	64,546	130,084	1,968	8,151	1,507	359	394	613	207,622
Year ended 31 December 2009									
Opening net book amount	64,546	130,084	1,968	8,151	1,507	359	394	613	207,622
Additions	-	167	21,360	1,718	696	-	159	-	24,100
Disposals	-	(46)	-	(92)	(318)	-	-	-	(456)
Depreciation/Amortisation expense	-	(2,841)	-	(1,761)	(402)	(24)	(160)	(290)	(5,478)
Closing net book amount	64,546	127,364	23,328	8,016	1,483	335	393	323	225,788
At 31 December 2009									
Cost	-	4,430	23,328	-	-	-	-	-	27,758
Valuation	64,546	128,885	-	17,381	2,900	479	4,062	1,739	219,992
Accumulated depreciation	-	(5,951)	-	(9,366)	(1,416)	(144)	(3,669)	(1,416)	(21,962)
Net book amount	64,546	127,364	23,328	8,015	1,484	335	393	323	225,788
Year ended 31 December 2010									
Opening net book amount	64,546	127,364	23,328	8,015	1,484	335	393	323	225,788
Additions	-	13,200	1,243	3,469	571	-	165	-	18,648
Disposals	-	(13)	-	(46)	(188)	-	-	-	(247)
Transfers	-	22,636	(22,636)	72	(74)	-	-	-	(2)
Depreciation/Amortisation expense	-	(3,399)	-	(1,949)	(452)	(24)	(158)	(289)	(6,271)
Closing net book amount	64,546	159,788	1,935	9,561	1,341	311	400	34	237,916
At 31 December 2010									
Cost	-	40,233	1,935	-	-	-	-	-	42,168
Valuation	64,546	128,885	-	21,016	2,645	479	4,227	1,739	223,537
Accumulated depreciation	-	(9,330)	-	(11,455)	(1,304)	(168)	(3,827)	(1,705)	(27,789)
Net book amount	64,546	159,788	1,935	9,561	1,341	311	400	34	237,916

1 Property, plant & equipment includes all operational assets.

(a) Valuations of land and buildings

Freehold land and buildings carried at fair value. Valuations conducted at 31 December 2007 by Charter Keck Cramer; and assessed against indexation annually based on Valuer General indexation movements for subsequent years.

The Institute holds \$9,336,000 worth of properties listed as heritage assets. These heritage assets cannot be modified or disposed of without Ministerial approval.

NOTE 11 – PAYABLES

	2010 \$000	2009 \$000
Payables		
Current		
Creditors and accruals	3,361	8,268
Revenue in advance	7,075	6,784
Total current payables	10,436	15,052
Total payables	10,436	15,052

NOTE 12 – INTEREST BEARING LIABILITIES

	2010 \$000	2009 \$000
Interest bearing liabilities		
Secured		
Current		
Finance Lease liability	34	105
Total current secured financial liabilities	34	105
Non-current		
Finance Lease liability	-	34
Total non-current secured financial liabilities	-	34
Total secured financial liabilities	34	139
Total financial liabilities	34	139

NOTE 13 – PROVISIONS

Provisions	2010 \$000	2009 \$000
Current provisions expected to be settled within 12 months		
Employee benefits		
Annual leave	4,322	3,703
Long service leave	735	492
Sick Leave	-	51
Performance Payments	320	295
Total current provisions expected to be settled within 12 months	5,377	4,541
Current provisions expected to be settled after 12 months		
Employee benefits		
Long service leave	8,736	8,679
Total current provisions expected to be settled after 12 months	8,736	8,679
Total current provisions	14,113	13,220
Non-current		
Employee benefits:		
Long service leave	1,044	938
Total non-current provisions	1,044	938
Total provisions	15,157	14,158

(a) Classification of employee benefits as current or non-current

Current

All annual leave and long service leave entitlements, representing 7 years of continuous service:

- Short term employee benefits that fall due within 12 months after the end of the period, measured at nominal value
- Other long term employee benefits that do not fall due within 12 months after the end of the period, measured at present value

Non-current

Long service leave representing less than 7 years of continuous service measured at present value

(b) Movements in Provisions	2010 \$000	2009 \$000
Movements in each class, other than employee provisions during the financial year are set out below:		
Carrying amount at start of year	295	287
Additional provisions recognised	369	331
Amounts used	(344)	(323)
Carrying amount at end of year	320	295

NOTE 14 – EQUITY

	2010 \$000	2009 \$000
Equity		
(a) Contributed Capital		
Balance at 1 January	31,681	31,681
Capital contributions	-	-
Transfer to Government Department	-	-
Balance at 31 December	31,681	31,681
(b) Reserves		
Composition of Reserves		
Asset revaluation reserve		
Land	69,859	69,979
Buildings	85,713	85,713
Balance at 31 December	155,572	155,692
(c) Accumulated surplus / (deficit)		
Balance at 1 January	65,587	43,026
Net operating result for the year	14,397	22,561
Balance at 31 December	79,984	65,587
Total equity	267,237	252,960

	2010 \$000	2009 \$000
Movements in Reserves		
Asset Revaluation Reserve - Land		
Balance at 1 January	69,979	69,979
Revaluation (decrement) on non-current assets	(120)	-
Balance at 31 December	69,859	69,979
Asset Revaluation Reserve - Buildings		
Balance at 1 January	85,713	85,713
Balance at 31 December	85,713	85,713

NOTE 15 – CASH FLOW INFORMATION

	2010 \$000	2009 \$000
(a) Reconciliation of operating result to net cash flows from operating activities		
Net operating result for the year	14,397	22,561
Non-cash flows in operating result		
Depreciation and amortisation of non-current assets	6,271	5,478
Net (gain) / loss on sale of non-current assets	(1)	113
Net (gain) / loss on changes in fair value of Vineyard	288	-
Impairment of non-current assets	105	-
Total non-cash flows in operating result	6,663	5,591
Change in operating assets and liabilities		
Decrease / (increase) in trade receivables	1,687	(3,602)
Decrease / (increase) in inventories	359	201
Decrease / (increase) in other assets	310	328
Increase / (decrease) in payables	(4,614)	2,841
Increase/ (decrease) in provisions	999	1,225
Total change in operating assets and liabilities	(1,259)	993
Net cash flows provided by/(used in) operating activities	19,801	29,145

NOTE 16 – COMMITMENTS

CAPITAL COMMITMENTS

Commitments	2010 \$000	2009 \$000
(a) Capital commitments		
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:		
Property, Plant and Equipment		
Payable:		
Within one year	8,305	13,041
Later than one year but not later than five years	21,078	176
Later than five years	-	-
Total Property, Plant and Equipment	29,383	13,217

The above commitments include capital expenditure commitments of \$29,383,000 (2009: \$13,217,000) relating to the following:

Building S - Fairfield	\$1,095,000
Redevelopment Project - Preston	\$21,768,000
Stage 1 Development - Epping	\$6,520,000

LEASE COMMITMENTS

Commitments	2010 \$000	2009 \$000
(b) Lease commitments		
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:		
Within one year	725	712
Later than one year but not later than five years	1,203	1,883
Later than five years	-	-
Total lease commitments	1,928	2,595
Representing:		
Non-cancellable operating leases	1,928	2,595
Total lease commitments	1,928	2,595

(i) Operating leases

NMIT leases certain land, buildings and equipment to meet current teaching requirements, at current market rates.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:	2010 \$000	2009 \$000
Within one year	725	712
Later than one year but not later than five years	1,203	1,883
Later than five years	-	-
Total minimum lease payments in relation to non-cancellable operating leases	1,928	2,595

LEASE COMMITMENTS (CONT.)

(ii) Finance leases

	2010 \$000	2009 \$000
Commitments in relation to finance leases are payable as follows:		
Within one year	34	111
Later than one year but not later than five years	-	34
Later than five years	-	-
Minimum future lease payment*	34	145
Less Future finance charges	-	6
Present value of minimum lease payments	34	139
Total lease liabilities	34	139
Included in the financial statements as:		
Current interest bearing liabilities	34	105
Non-current interest bearing liabilities	-	34
Total lease liabilities	34	139

OTHER EXPENDITURE COMMITMENTS

Commitments	2010 \$000	2009 \$000
(c) Other expenditure commitments		
Commitments for Contract Cleaning in existence at the reporting date but not recognised as liabilities, payable:		
Within one year	1,471	1,316
Later than one year but not later than five years	-	-
Later than five years	-	-
Total other expenditure commitments	1,471	1,316

The above commitments are represented by:
Contract Cleaning

1,471

NOTE 17 – LEASED ASSETS

	2010 \$000	2009 \$000
Leased assets		
As at the reporting date the Institute leased out the following assets:		
Educational Facilities	1,519	1,285
Gross amount of leased assets	1,519	1,285
Finance Lease Receivables		
Non-cancellable operating lease receivables		
Payments due		
Within one year	399	403
Later than one year but not later than five years	830	522
Later than five years	290	360
Total finance lease receivables	1,519	1,285
Net commitments operating leases assets	1,519	1,285

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

NOTE 18 – CONTINGENCIES

	2010 \$000	2009 \$000
Contingencies		
Details and estimates of maximum amounts of contingent liabilities, classified in accordance with the party from whom the liability could arise and for which no provisions are included in the accounts, are as follows:		
In respect of Organisations		
Government	-	50
Legal disputes - Capital projects 2011	375	160
Legal disputes - Commercial projects 2011	33	-
Total in respect of Organisations	408	210
Total Estimated Contingent Liabilities	408	210

NOTE 19 – ECONOMIC DEPENDENCY

	2010 \$000	2009 \$000
Economic dependency		
Government Contributions - operating	65,024	73,691
Government Contributions - capital	19,025	16,248
	84,049	89,939

In 2010, NMIT was dependent on 42% of Government Contributions - Operating, compared to 49% in 2009.

NOTE 20 – EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

	2010 \$000	2009 \$000
Events occurring after balance sheet date		
Events occurring after reporting date are as follows:	-	-
Total events occurring after reporting date	-	-

NOTE 21 – REMUNERATION OF AUDITORS

	2010 \$000	2009 \$000
Remuneration of auditors		
Remuneration of Victorian Auditor General's Office for:		
Audit of the financial report	30	30
Total remuneration of Victoria Auditor General's Office	30	30
Remuneration of other auditors		
Other Auditors	83	108
Total remuneration of other auditors of subsidiaries	83	108
Total Remuneration of auditors	113	138

NOTE 22 – SUPERANNUATION

Employees of the Institute are entitled to receive superannuation benefits and the Institute contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

The Institute does not recognise any defined benefit liability in respect of the plan(s) because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance recognises and discloses the State's defined benefit liabilities in its financial statements.

However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Statement of Comprehensive Income of the Institute.

The name and details of the major employee superannuation funds and contributions made by the Institute are as follows:

Superannuation	2010 \$000	2009 \$000
Paid Contribution for the Year		
Defined benefit plans:		
State Superannuation Fund - revised scheme 17.3%	405	448
State Superannuation Fund - new scheme 7.3% - 10.2%	813	787
SERB Scheme 12.6%	19	17
Total defined benefit plans	1,237	1,252
Defined contribution plans:		
VicSuper 9%	4,179	3,822
National Mutual 9%	27	25
Hesta 9%	136	128
Uni Super 9% - 17%	175	107
Other Funds 9%	590	626
Total defined contribution plans	5,107	4,708
Total paid contribution for the year	6,344	5,960
Contribution Outstanding at Year End		
Defined benefit plans:		
State Superannuation Fund - revised and new	-	-
Other	-	-
Total defined benefit plans	-	-
Defined contribution plans:		
VicSuper	4	217
Other	-	-
Total defined contribution plans	4	217
Total	4	217

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

NOTE 23 – KEY MANAGEMENT PERSONNEL DISCLOSURES

Responsible persons related disclosures

In accordance with the directions of the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made for the responsible Ministers and responsible Members of Council.

(i) Minister

The responsible Minister was Hon. Jacinta Allan MP, Minister for Skills and Workforce Participation from 1 January to 19 January 2010. From 20 January 2010 to 1 December 2010 the relevant Minister was the Hon. Bronwyn Pike MP, Minister for Skills and Workforce Participation. Following the State election in November 2010 the Hon. Peter Hall MLC was sworn in as Minister for Higher Education and Skills taking effect from 2 December 2010. Remuneration of the Ministers is disclosed in the financial report of the Department of Premier and Cabinet. Other relevant interests are declared in the Register of Members interests which is completed by each member of the Parliament.

(ii) Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of Institute during the year:

Dr. A. Giddy (President)	Mr. A. Ray
Ms. E. Forde (Past President)	Mr. C. Watson
Ms. J. Acquaro (Vice President)	Dr. L. Kilmartin (to February 2010)
Mr. N. Shearer (Deputy Vice President)	Mr. P. Grist
Mr B. MacDonald (NMIT Chief Executive Officer)	Mr. M. Said
Mr. A. Budge (staff representative)	Ms. A. McMullen (Appointed February 2010)
Mr. A. Kuypers (student representative)	Ms. A. Ivey (Appointed July 2010)
Dr. J. Wajsenberg	Prof. D. Finlay (Appointed September 2010)

RESPONSIBLE PERSONS

	2010 \$000	2009 \$000
Remuneration of responsible persons		
Remuneration received, or due and receivable from the Institute in connection with the management of the Institute. Includes termination payments and bonuses paid at end of contracts.	422	350
Remuneration received, or due and receivable from the Institute in connection with the management of any related party entity.	-	-

	No.	No.
The number of Responsible Persons whose remuneration from the Institute was within the specified bands are as follows:		
Income range		
\$ - \$		
0 - 9,999	13	12
30,000 - 39,999	-	1
50,000 - 59,999	1	-
70,000 - 79,999	1	1
240,000 - 249,000	-	1
290,000 - 299,000	1	-
Total number of Responsible Persons	16	15

	\$000	\$000
Retirement benefits of responsible persons		
The retirement benefits paid by the Institute in connection with the retirement of Responsible Persons of the Institute amounted to:	-	-
Total retirement benefits of responsible persons	-	-

EXECUTIVE OFFICERS

Key management personnel disclosures	2010 \$000	2009 \$000
Executive Officers' Remuneration		
<p>The number of executive officers, other than Responsible Persons, included under "Remuneration of Responsible Persons" above whose total remuneration exceeded \$100,000 during the financial year are shown in their relevant income bands. The base remuneration is exclusive of bonus payments, long service leave payments, redundancy payments and retirement benefits.</p>		
Base remuneration of executive officers	3,075	2,548
Total remuneration of executive officers	3,337	2,684

	No.	No.
<p>The number of executive officers whose remuneration from the Institute was within the specified bands are as follows:</p>		
Income range		
\$ - \$		
120,000 - 129,999	1	2
140,000 - 149,999	1	1
150,000 - 159,999	3	6
160,000 - 169,999	10	4
170,000 - 179,999	1	4
180,000 - 189,999	1	-
190,000 - 199,999	2	-
200,000 - 209,999	1	-
Total executive officers	20	17

KEY MANAGEMENT PERSONNEL

Key management personnel disclosures	2010 No.	2009 No.
Key management personnel compensation		
Short-term employee benefits	18	17
Termination benefits	2	-
Total key management personnel compensation	20	17

NOTE 24 – RELATED PARTIES

Key management personnel

Disclosures relating to directors and specified executives are set out in note 23.

There are no ex-gratia payments in 2010 (2009 - NIL).

Transactions with related parties

The following transactions occurred with related parties:

Two (2009: Two) Institute Board Directors declared a pecuniary interest in Institute operations during 2010.

Prior Year Adjustment

Mr. A. Kuypers received salary remuneration as part of his teaching position with NMIT in 2009 and 2010. Although his income (\$33K in 2009) was disclosed under Other Transactions in prior years, both current and prior year income has been transferred and disclosed under Remuneration of Responsible Persons.

	2010 \$000	2009 \$000
Related parties		
Purchase of goods		
Mr A. Ray - Equipment and services provided at commercial rate	5	6
Mr C. Watson - Consultant, Equine programs	99	4
Total purchase of goods	104	10

Financial risk management

Financial risk management objectives

The Institute'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 Institute'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 Institute. The Institute 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 and ageing analysis for credit risk.

Risk management is carried out by the chief finance officer within the Finance function of the Institute under policies approved by the Board. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

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

Financial risk exposures and management

The Institute's financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, accounts receivables and payables and leases.

The main risks the Institute is exposed to through its financial instruments are market risk, foreign currency risk, price risk, funding risk, interest rate risk, credit risk and liquidity risk.

Market risk

The Institute in its daily operations is exposed to a number of market risks. Market risks relate to the risk that market rates and prices will change and that this will have an adverse affect on the operating result and /or net worth of the Institute. e.g. an adverse movement in interest rates or foreign currency exchange rates.

The Board ensures that all market risk exposure is consistent with the Institute's business strategy and within the risk tolerance of the Institute. Regular risk reports are presented to the Board.

There has been no significant change in the Institute's exposure, or its objectives, policies and processes for managing market risk or the methods used to measure this risk from the previous reporting period.

Foreign currency risk

The Institute is exposed to fluctuations in foreign currencies arising from the delivery of services in currencies other than AUD\$.

There has been no significant change in the Institute's exposure, or its objectives, policies and processes for managing foreign currency risk or the methods used to measure this risk from the previous reporting period.

Price risk

The Institute is exposed to price risk in respect of fee for service and contract services which are subject to open market competition.

There has been no significant change in the Institute's exposure, or its objectives, policies and processes for managing price risk or the methods used to measure this risk from the previous reporting period.

Interest rate risk

Interest rate risk arises from the potential for a change in interest rates to change the expected net interest earnings in the current reporting period and in future years. Similarly, interest rate risk also arises from the potential for a change in interest rates to cause a fluctuation in the fair value of the financial instruments.

The objective is to manage the rate risk to achieve stable and sustainable net interest earnings in the long term. This is managed predominately through a mixture of short term and longer term investments.

Funding risk

Funding risk is the risk of over reliance on a funding source to the extent that a change in that funding source could impact on the operating result for the current year and future years.

The Institute manages funding risk by continuing to diversify and increase funding from Commercial activities, both domestically and off shore.

There has been no significant change in the Institute's exposure, or its objectives, policies and processes for managing funding risk or the methods used to measure this risk from the previous reporting period.

Concentrations of credit risk

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

There are no material amounts of collateral held as security at 31 December 2010.

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

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

The Institute does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Institute.

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

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

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

There has been no significant change in the Institute's exposure, or its objectives, policies and processes for managing credit risk or the methods used to measure this risk from the previous reporting period.

Liquidity risk

Liquidity risk is the risk of being unable to meet financial obligations as they fall due.

The Institute manages liquidity risk by monitoring cash flows and ensuring that maximum funds are available for investment and

payment of financial liabilities.

There has been no significant change in the Institute's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

25.2 – FINANCIAL INSTRUMENTS (PART II)

Summarised sensitivity analysis

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

	Carrying amount \$000	Interest rate risk			
		-1%		1%	
		Result \$000	Equity \$000	Result \$000	Equity \$000
31 December 2010					
Financial assets					
Cheque and cash management accounts	1,579	-16	-16	+16	+16
Bank Deposits - At Call	41,350	-414	-414	+414	+414
Total increase / (decrease)	42,929	-	-	-	-

	Carrying amount \$000	Interest rate risk			
		-1%		1%	
		Result \$000	Equity \$000	Result \$000	Equity \$000
31 December 2009					
Financial assets					
Cheque and cash management accounts	1,621	-16	-16	+16	+16
Bank Deposits - At Call	40,416	-404	-404	+404	+404
Total increase / (decrease)	42,037	-	-	-	-

NOTE 25.3 – FINANCIAL INSTRUMENTS (PART III)

Financial instrument composition and maturity analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet. As such, the amounts may not reconcile to the balance sheet.

2010	Weighted average effective rate	Floating interest rate	Within 1 year	1-5 years	More than 5 years	Non-interest Bearing	Total Carrying Amount per Balance Sheet
	%	\$000	\$000	\$000	\$000	\$000	\$000
Financial assets							
Cash and cash equivalents							
Cash at bank and on hand	3.7	1,572	-	-	-	7	1,579
Deposits at call	4.5	-	41,350	-	-	-	41,350
Contractual receivables							
Trade receivables	-	-	-	-	-	1,643	1,643
Revenue receivables	-	-	-	-	-	4,308	4,308
Total financial assets	8	1,572	41,350	-	-	-	48,880
Financial liabilities							
Trade and other payables	-	-	-	-	-	3,362	3,362
Borrowings							
Finance leases	-	-	-	-	-	34	34
Total financial liabilities	-	-	-	-	-	-	3,396

2009	Weighted average effective rate	Floating interest rate	Within 1 year	1-5 years	More than 5 years	Non-interest Bearing	Total Carrying Amount per Balance Sheet
Financial assets							
Cash and cash equivalents							
Cash at bank and on hand	3.7	1,621	-	-	-	6	1,627
Deposits at call	4.2	-	40,416	-	-	-	40,416
Contractual receivables							
Trade receivables	-	-	-	-	-	3,292	3,292
Revenue receivables	-	-	-	-	-	4,346	4,346
Total financial assets	8	1,621	40,416	-	-	-	49,681
Financial liabilities							
Trade and other payables	-	-	-	-	-	8,268	8,268
Borrowings							
Finance leases	-	-	-	-	-	139	139
Total financial liabilities	-	-	-	-	-	-	8,407

Ageing analysis of financial assets

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The following table discloses the ageing only of financial assets that are past due but not impaired:

	Carrying amount	Not past due and not impaired	Past due but not impaired			Impaired financial assets
			30-60 days	60-90 days	> 90 days	
2010 Receivables						
Contractual receivables						
Trade receivables	1,643	690	217	470	353	(87)
Revenue receivables	-	-	-	-	-	-
	1,643	690	217	470	353	(87)

	Carrying amount	Not past due and not impaired	Past due but not impaired			Impaired financial assets
			30-60 days	60-90 days	> 90 days	
2009 Receivables						
Contractual receivables						
Trade receivables	3,292	2,534	363	199	258	(62)
Revenue receivables	-	-	-	-	-	-
	3,292	2,534	363	199	258	(62)

NOTE 25.4 – FINANCIAL INSTRUMENTS (IV)

Fair value estimation

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

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.

For other assets and other liabilities the fair value approximates their carrying value. Financial assets where the carrying amount exceeds fair values have not been written down as the Institute intends to hold these assets to maturity.

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

	2010		2009	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
	\$000	\$000	\$000	\$000
Financial instruments				
Financial assets				
Cash and cash equivalents				
Cash at bank and on hand	1,579	1,579	1,627	1,627
Deposits at call	41,350	41,350	40,416	40,416
Contractual receivables				
Trade receivables	1,643	1,643	3,292	3,292
Revenue receivables	4,308	4,308	4,346	4,346
Total financial assets	48,880	48,880	49,681	49,681
Financial liabilities				
Payables	3,362	3,362	8,268	8,268
Finance Lease liabilities	34	34	139	139
Total financial liabilities	3,396	3,396	8,407	8,407

NOTE 25.5 – FINANCIAL INSTRUMENTS (PART V)

Terms, conditions and accounting policies

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

Recognised financial instruments	Note	Accounting policies	Terms and conditions
FINANCIAL ASSETS			
Cash and cash equivalents - cash at bank and on hand	5	Cash at bank is carried at the nominal amount.	Cash is invested as funds permit at varying interest rates between 3.3% and 4.07% (2009 - 4.07% to 3.3%)
Cash and cash equivalents - deposits at call	5	Deposits at call are carried at their nominal amounts. Interest revenue is recognised in the statement of comprehensive income when it is earned.	Deposits at call have an average maturity of 45 days and effective interest rates of 3.82% to 5.26% (2009 - 4.63% to 3.82%)
Receivables - debtors	6	Trade debtors are carried at amortised cost less any allowance for doubtful debts. An allowance for doubtful debts is maintained to recognise that collection of the full nominal amount is no longer probable.	Credit sales are on 30 day terms
Receivables - other debtors	6	Other debtors are carried at amortised cost less any allowance for doubtful debts. An allowance for doubtful debts is maintained to recognise that collection of the full nominal amount is no longer probable.	
FINANCIAL LIABILITIES			
Payables creditors and accruals	16	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not invoiced to the Institute.	Trade liabilities are settled on 30 day terms
Borrowings: Finance Lease	17	Borrowings are recognised at fair value net of transaction costs, and subsequently measured at amortised cost.	Finance lease term 4 years at an interest rate of 8.29%



Disclosure Index

DISCLOSURE INDEX

The Institute's Annual Report is prepared in accordance with the Financial Management Act 1994 and the Directions of the Minister for Finance. This index has been prepared to facilitate identification of compliance with statutory disclosure requirements.

REPORT OF OPERATIONS & STATUTORY AND FINANCIAL INFORMATION

Legislation	Requirement	Page	Checklist item/s:
SD 4.2 (g, h); FRD 22	General and financial information relating to the Institute and its operations, in accordance with the requirements of the Financial Reporting Directions	16-61	1, 2
SD 4.5.5	Signature of responsible person - Attestation on compliance with the Australian/New Zealand Risk Management Standard	11	3
SD 4.2 (j); FRD 22	Signature of President of Institute Board	6	4
FRD 22	Manner of establishment and relevant Minister	7, 133	5
FRD 22	Objectives, functions, powers and duties	8	6
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TAFE Governance Review	Board structure and committees	8-10	9
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FRD 11	Ex gratia payments	135	20
FRD 21 (1) (a)	Names of responsible persons	133	21
FRD 21 (1) (b)	Total remuneration of responsible persons	133	22
FRD 21 (1) (c)	Remuneration of responsible persons by bands	133	23
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FRD 21 (2) (a)	Total remuneration of executive officers	134	25
FRD 21 (2) (b)	Base remuneration (disclosed separately from actual remuneration)	134	26
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FRD 22	Operational objectives for the year and performance against those objectives	16-19	30
FRD 22	Events subsequent to balance date	82	31
FRD 22	Consultancies valued in excess of \$100,000; consultancies valued at less than \$100,000; and total expenditure on consultancy engagements	83	32, 33, 34
FRD 22	Financial information consistent with that included in the financial statements	6,16-19, 68, 77-81, 82-88	35
FRD 22	Information complementing the financial report as a whole: providing general and financial information including any additional information the accountable officer or the governing board considers appropriate and/or which has been mandated by other authoritative pronouncements; and outlining and explaining an entity's operations and activities for the reporting period.	1-88	36
FRD 27	Audited Statement of Performance including relevant performance targets and indicators, results, and explanations of any variance between targets and results	76-81	37
FRD 22	Application and operation of FOI Act 1982 (including amendments of 3 August 2007)	68	38
FRD 22	Compliance with Building Act 1993 (including amendments of 1 July 2007)	69	39
FRD 22	Compliance with Whistleblowers Protection Act 2001 (including amendments of 1 July 2007)	69	40
FRD 22	Compliance with National Competition Policy	69	41
FRD 22	Statement of environmental performance	64	42
FRD 22	Statement on availability of information, on request, to the relevant Minister, members of Parliament or the public: declarations of pecuniary interests; details of shares held by senior officers; publications produced and where available; major promotional, public relations and marketing activities; major external reviews; major research and development activities; overseas visits undertaken; major committees sponsored by the Institute	68, 69, 82, 84	43, 44, 45, 46, 47, 49, 50, 51, 52
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PAEC (Dec 1997)	Financial and other information on initiatives taken or strategies relating to the institute's international operations	17, 48, 70-73	53
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FRD 27	Signed statement of Performance Management Certificate Reporting against Key Performance Indicators	76 77-81	55

FINANCIAL STATEMENTS

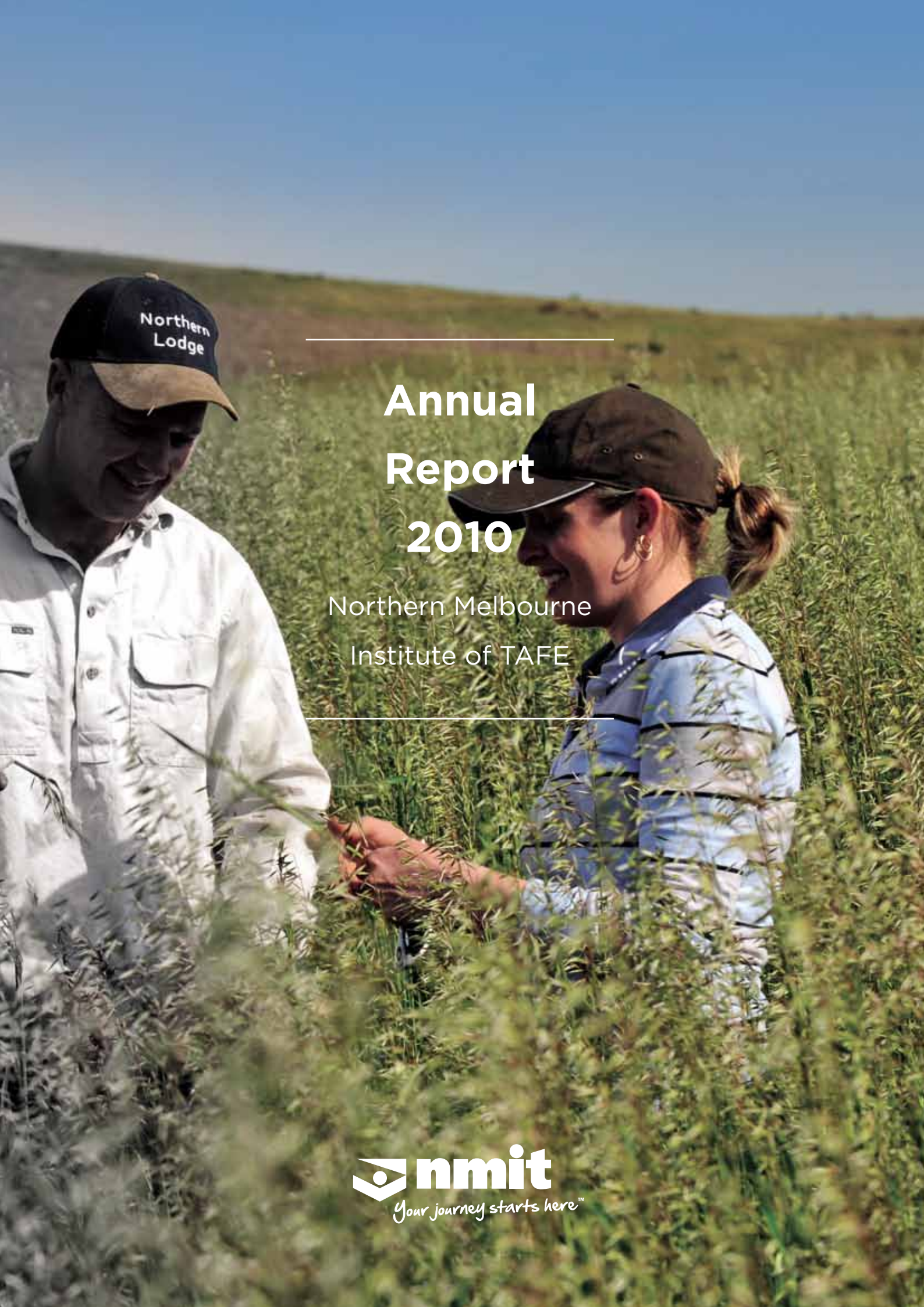
Legislation / Accounting Standard	Requirement	Page (and clause if applicable)	Checklist item/s:
FMA 1994, 49 (a, b, c, d, e)	The Institute's financial statements contain such information as required by the Minister; are prepared in a manner and form approved by the Minister; fairly present the financial transactions of the Institute during the year to which they relate and its financial position as at the end of that year; and are certified in the manner approved by the Minister	95	56, 57, 58, 59, 60
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Legislation / Accounting Standard	Requirement	Page (and clause if applicable)	Checklist item/s:
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Annual Report 2010

Northern Melbourne
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77-91 St Georges Rd, Preston VIC 3072

COLLINGWOOD

20 Otter St, Collingwood VIC 3066

EPPING

Cnr Cooper St & Dalton Rd,
Epping VIC 3076

FAIRFIELD

Yarra Bend Rd, Fairfield VIC 3078

GREENSBOROUGH

Civic Drive, Greensborough VIC 3088

HEIDELBERG

Cnr Waterdale Rd & Bell St,
Heidelberg West VIC 3081

ARARAT

Grano St, Ararat VIC 3377

TRAINING CENTRES

GROWLING FROG VINEYARD

1910 Donnybrook Rd, Yan Yean 3755

NMIT KYNETON PARK

Campaspe Pl, Kyneton VIC 3444

NORTHERN AMEP CENTRE

Cnr Belfast & Blair St,
Broadmeadows 3047

NORTHERN LODGE - EDEN PARK

Glen Robin Ct, Eden Park 3757

NORTHERN LODGE - YAN YEAN

2005 Plenty Rd, Yan Yean 3755

YARRA GLEN RACING CENTRE

Armstrong Grove, Yarra Glen 3775

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