



KNOWLEDGE & SKILLS
TO GET THE JOB YOU'LL LOVE

ANNUAL **20**
REPORT 17



MELBOURNE
POLYTECHNIC



A PLACE TO
THRIVE



VISION

Developing the capabilities of students and industry to thrive in a rapidly changing world.

As Australia's first genuine polytechnic, Melbourne Polytechnic will set the national benchmark in innovative, applied and outcome-driven tertiary education.

We are dedicated to providing our students and industry partners with programs that prepare students for the world of work and provide our industry partners with world-class value-adding students and customised programming that listens and understands the challenges facing business. At Melbourne Polytechnic, our students gain experiences that make them more than just competent – they will be strategic assets to their employers.

We know the building blocks necessary for students to thrive in this rapidly changing world. We are dedicated to ensuring students gain the right skills, knowledge and real-world capabilities necessary to succeed both today and long into the future. We promote a rich, diverse culture with students from across the globe combined with dedicated staff and strong supports – Melbourne Polytechnic really is a place to thrive.

For industry, we believe going beyond the usual expectations is crucial, so when our former students are called upon to solve complex problems, think critically, take initiative or work in collaboration with others they have the knowledge, experience and work-oriented ethos that will help them, and their employers, succeed. Melbourne Polytechnic is a strong partner to industry. We have access to world-leading innovation and financial analytics as well as real-world professional teaching staff who are dedicated to working with our industry partners to help them succeed.

To demonstrate our commitment to career success and industry alignment, we established our Skills and Jobs Centres and a Call Centre staffed with dedicated Education and Career Advisors able and ready to help design personalised pathways to success.

ACKNOWLEDGEMENT OF CULTURE

Cultural inclusiveness is one of our guiding principles at Melbourne Polytechnic. On behalf of our staff and students we acknowledge the first educational practices that occurred on this land for thousands of years. They are the traditional learnings and teachings of the Wurundjeri people.

MELBOURNE POLYTECHNIC

ANNUAL REPORT 2017

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BANYULE NILLUMBIK
**TECH
 SCHOOL**



WHITTLESEA
**TECH
 SCHOOL**



Top left: The Banyule Nillumbik Tech School Sod Turning event at Greensborough Campus on 17 August 2017 was attended by (L-R) Vaughn Evans, Commercial Industrial Construction Group (CICG), Michael Marson, CICG, James Cartledge, Project Manager Melbourne Polytechnic, Elizabeth Grigg, Tectura Architects, Melika Grigg-Baycan, Tectura Architects and Warrick Smith, Director Facilities and Assets Melbourne Polytechnic.

Centre left: Marc Blanks, Executive Director Tech Schools, the Hon. Lily D'Ambrosio MP, Danielle Green MP and Bronwyn Halfpenny MP joined students to turn the first sod of earth at the Whittlesea Tech School site, Epping Campus, 14 September 2017.

Bottom left: The Hon. Bill Shorten MP visited Melbourne Polytechnic's Heidelberg campus, where students are trained in building trades, electronics and engineering. Anthony Carbines MP and Vicki Ward MP accompanied him.

Above right: The Whittlesea Tech School Sod Turning event on 14 September 2017 was attended by (L-R) Marc Blanks, Executive Director Tech Schools, Danielle Green MP, Bronwyn Halfpenny MP and the Hon. Lily D'Ambrosio MP (not in photo).

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REPORT OF OPERATIONS

BOARD CHAIR'S REPORT

As newly elected Board Chair, I am pleased to present the 2017 Annual Report, which provides an overview of the Institute's activities, events, financial results and achievements by students and staff.

2017 was a year of positive transformation for the Institute. I congratulate our students on their efforts and achievements and thank staff for their contributions.

There were two changes to Board membership in 2017.

Bill Forwood retired as Director and Board Chair in December 2017. Bill worked tirelessly over the past two years and the Board is particularly appreciative of his governance, wisdom, energy, influence and counsel at a pivotal time in the Institute's history.

Rob Wood resigned as CEO and Director in September 2017. Rob returned to Canada with his family after two years as CEO. The Board is grateful for his vision, energy, courage and political astuteness in contributing to the Institute's turnaround and future success.

Frances Coppolillo was appointed CEO to replace Rob Wood. Frances earlier held the positions of Deputy CEO and Head of Programs and is very well known and respected across the region. We are confident that Frances has the skills necessary to continue the momentum that the Institute has built over the past two years.

In February, we were pleased to reopen our Greensborough campus as part of the Victorian Government's revitalisation of TAFE. We are committed to making the campus a vibrant student and industry-centric educational precinct with innovative approaches to education. The campus was opened on time, on budget and exceeded the first-year expectations in terms of student, community and industry activity levels.

There were a number of successes in 2017 that will contribute to reshaping the Institute for the future. Key highlights included:

- ▶ The Board re-endorsed the Strategic Plan 2018-2021, which aims to position Melbourne Polytechnic at the intersection of students, industry and the knowledge economy - read more about it on page 7.
- ▶ Melbourne Polytechnic won a major Commonwealth tender for provision of Adult Migrant English Programs (AMEP) services across Melbourne for the next six years. This will deliver approximately \$40 million revenue per annum to the Institute.
- ▶ We reversed the five-year trend in falling VET enrolments to an increase of 16 per cent on the prior year.
- ▶ We have begun revitalising our links with secondary schools through a School Leaders' Advisory Group with leaders across all sectors.

Read more about Melbourne Polytechnic's successes and highlights from page 20.

I would like to thank the Minister for Training and Skills, the Hon. Gayle Tierney MLC, her staff and the Department of Education and Training for their support and assistance during an important year for Melbourne Polytechnic.

My thanks also go to the members of the Board for their wisdom and support. We are looking forward to 2018 and anticipate another strong year of performance.



Jim Pasinis

Board Chair
Melbourne Polytechnic

Date: 26 February 2018



Jim Pasinis

Board Chair
Melbourne Polytechnic

Date: 26 February 2018

CHIEF EXECUTIVE OFFICER'S REPORT

2017 was a year focused on strengthening the three-year-old Melbourne Polytechnic brand, implementing our vision, and stabilising the business operations to enable growth in alignment with the Melbourne Polytechnic Strategic Intent. We executed detailed plans to arrest the market share loss over prior years, improve performance and financial management, enhance operational excellence through process improvement, and increase student retention.

I wish to thank departing CEO, Rob Wood, for his leadership, vision, counsel and energy over the past two years. In 2017 we saw clear evidence of the effectiveness of his leadership in the many tangible achievements that were delivered.

The Strategic Plan, first adopted in early 2016, aims to position Melbourne Polytechnic for growth, improve our ability to respond to the challenges of the competitive marketplace, and secure opportunities. The vision at Melbourne Polytechnic is to develop the capabilities of students and industry to thrive in a rapidly changing world.

Brand awareness was again a primary area of focus in 2017. Significant effort was placed on media advertising, which further enhanced the brand, vision and value to potential students through various mediums. Our Skills and Jobs Centres provide us with an opportunity to truly listen and connect with students, understand their learning and career aspirations and help develop a program of study that meets their needs and helps them achieve their learning and career goals. Combined with work undertaken in 2016 through Project Stabilise, we delivered a 16 per cent improvement in total enrolments on the prior year. In a flat overall market, this is clear confirmation of the effectiveness of both strategy and execution.

During 2016, we embedded the six Schools at the centre of what we deliver and built support structures around them. 2017 was the first full year we operated with that structure, and also embedded clear business planning, accountability and performance management processes. Combined, these initiatives contributed to a turnaround in the performance of the Institute.

The Strategic Plan 2018-2021 outlines elements that will set us apart in our industry as we continue to find new and innovative opportunities for Melbourne Polytechnic students to excel in a knowledge economy and to thrive in a rapidly changing world.

I would like to extend my appreciation to our Board, the Victorian Government, staff members and industry partners who provided endless support this year.

I am excited about what 2018 will bring through the evolution of our Institute and positioning Melbourne Polytechnic as the industry partner and tertiary education provider of choice, particularly in the north of the Greater Metropolitan area.



Frances Coppolillo

Chief Executive Officer
Melbourne Polytechnic

Date: 26 February 2018

CHIEF OPERATING OFFICER'S REPORT

The operational focus for 2017 was the execution of Project Optimise. We realised the benefit of the investments made in 2016 in capability building, structural change, process review, performance management and accountability, and in positioning schools at the centre of the Institute.

The tangible outcomes in 2017 confirmed that our growth strategy of the last two years, and now execution capability, are sound. We improved revenue by 25 per cent, total VET enrolments by 16 per cent, and new enrolments by over 30 per cent against 2016. This made a substantial impact on underlying financial sustainability and positioned us extremely well for further improvement.

FINANCIAL PERFORMANCE

Our headline financial performance improved in 2017. The Institute made a small EBIT (earnings before interest and taxes) level profit of \$0.2 million, compared with a loss of \$2.4 million in 2016.

Revenue increased in 2017 to \$166.0 million from \$133.1 million in 2016. Expenses increased by \$28.1 million due to our capability improvement plan, as well as direct costs in supporting the revenue growth.

Melbourne Polytechnic's net asset base increased to \$361 million, from \$285 million at 31 December 2016, comprising total assets of \$422 million and total liabilities of \$60 million. Property assets were revalued by \$76 million as part of our five-year property review process.

We closed the year with cash of \$32.4 million (2016: \$30.5 million).

TECHNOLOGY UPGRADE

During the year we invested \$7.9 million in ongoing Information and Communications Technology (ICT) operations, inclusive of internal staffing and external services. A further \$0.8 million capital expenditure and \$1.5 million associated operating expenditure was invested on new ICT capability. Work on evaluating and planning our future ICT requirements was undertaken during the year and will be finalised and submitted for approval in 2018.

FACILITY UPGRADE PLANNING

During the year we spent considerable time evaluating and planning the approach to upgrading our campus portfolio to support our strategy rollout. We are well on the way with a vision for 'Precinct' campuses that are welcoming and support the seamless integration of students, industry and community. We will undertake further detailed evaluation in this area in 2018 and we hope to begin rollout in the same year.

TECH SCHOOLS

During 2017 we planned and made significant progress toward opening two Tech Schools at our Greensborough and Epping campuses in 2018. We are confident in our ability to execute and deliver innovation and real-world problem solving experiences to local schools and industries in these areas.

LOOKING FORWARD

Over the past two years the building blocks have been put in place to support our short to medium-term growth. In 2018 we will continue with the Optimise phase of our strategy, which will further enhance our capability, processes and outcomes, through existing systems. We will also devote more time to medium to long-term planning and decision-making to ensure growth in value proposition to students, industry and community.

We look forward to a year of further improvement in financial position and market relevance. We are confident that we have a strategy that will enhance outcomes for students and industry, and we are excited by the opportunities we are identifying.



Mark McNamara

Chief Operating Officer
Melbourne Polytechnic

Date: 26 February 2018

OVERVIEW OF THE MELBOURNE POLYTECHNIC STRATEGIC PLAN 2018-2021

VISION AND VALUE PROPOSITION

Developing the capabilities of students and industry to thrive in a rapidly changing world.

As Australia's first genuine polytechnic, Melbourne Polytechnic will set the national benchmark in customised, culturally connected and outcome-driven tertiary education.

We are dedicated to providing students and our industry partners with programs that prepare students for the world of work and provide our industry partners with world-class value-adding students, and customised programming that listens and understands the challenges facing business. At Melbourne Polytechnic, our students gain experiences that make them more than just 'competent' – they will be strategic assets to their employers.

STRATEGIC DIRECTION

We have developed a Strategic Plan, approved by the Board, that includes initiatives across four time horizons. They are: Stabilise (control operating performance), Optimise (address organisation effectiveness), Innovate (implement medium-term strategic initiatives), and Transform (transformational change).

OUR KEY COMPETITIVE DIFFERENTIATORS AND ENABLERS ARE:

COMPETITIVE DIFFERENTIATORS

CAREER OUTCOMES	STUDENT ACQUISITION	TOTAL STUDENT EXPERIENCE	HIGH PERFORMANCE CULTURE	CAMPUS REVITALISATION	TECHNOLOGY	PARTNERSHIPS	KEY ENABLERS
PERSONALISED PROGRAMMING							
CULTURALLY CONNECTED							
LIFELONG STUDENT RELATIONSHIP							

DIRECTION AND KEY FOCUS AREAS

It is Melbourne Polytechnic's intention to undertake targeted initiatives throughout 2018 to position the Institute for growth and to:

- ▶ Align courses and programs to meet student and industry needs.
- ▶ Provide relevant career advice embedded into our student acquisition cycle.
- ▶ Offer a broad range of multi-language supports including, but not limited to, enrolment support, career counselling and learning support, marketing materials, website and apps, and campus signage. We will also celebrate the diversity of our students through Melbourne Polytechnic and student-led cultural appreciation events.
- ▶ Differentiate ourselves in the market by building highly relevant, customised and valued relationships with our past and graduating students.
- ▶ Provide a well-supported and excellent student experience.
- ▶ Enhance the performance focus and culture across the Institute through improved autonomy, performance reviews and accountability frameworks.
- ▶ Upgrade key student-facing services and amenities and introduce new services and amenities.
- ▶ Welcome local communities to engage with and find value in our campuses.
- ▶ Complete construction and open the Banyule Nillumbik and Whittlesea Tech schools..

STUDENT PROFILE – ANDREA MAYORGA

Andrea Mayorga has achieved a lot since she came to Australia from Colombia to study, most recently a top three finish in the Victorian International Education Awards for the VET International Student of the Year.

Education formed a large part of Andrea's life in Colombia, where she completed both a Bachelor and Master of Civil Engineering. With stellar grades, she found work and spent two years trying to combine the theory she learned at university with on-the-job practice.

"I realised that some of the theoretical knowledge learned in my previous studies was not clear in the practice," she said.

This was motivation enough for her to pack her suitcase and undertake the Advanced Diploma in Engineering Technology (Civil) at Melbourne Polytechnic.

"Studying in the engineering technology program has been a way to learn about the technical and practical processes and standards relating to engineering works."

Her other motivation, to learn English to a high level, has also been realised and it has broadened her professional opportunities.

"I have gained a very rich professional jargon in English, which is complementary to my engineering qualifications. Altogether, great language skills and a complete set of abilities in the technical-practical engineering field will help me to become the best civil engineer I can be, in order to participate in humanitarian engineering practices across the world."

Working in a variety of jobs that were unusual to her, such as waitress, bike rider, chef and florist, helped Andrea improve her multitasking, language and personal skills and understand Australian life through being part of its multicultural atmosphere. She used these experiences to inspire and support the community of international students through her role as leader of the Melbourne Polytechnic International Students' Association.

Andrea's professional career is in its infancy, but with her drive, education and commitment to humanitarian civil engineering projects, it is likely to be a prosperous and fulfilling one.



The Hon. Philip Dalidakis MLC presents the Victorian International Education Award to Andrea Mayorga.

CORPORATE GOVERNANCE

ESTABLISHMENT

In October 2014, the Northern Melbourne Institute of TAFE (NMIT) changed its name to Melbourne Polytechnic. This was part of a wider, strategic process to transform the Institute into a contemporary provider of high-quality education and student experiences. The term polytechnic aligns more closely with what we offer today and has greater recognition internationally – specifically across Europe and Asia. Our name reflects the broadening of the Institute’s operations to markets outside of northern metropolitan Melbourne.

2016	The Order to change the Constitution was gazetted on 12 May 2016 and came into operation on 1 July 2016. The Constitution is a 2016 Order.
2014	The Order to change the name from NMIT to Melbourne Polytechnic was gazetted and came into operation on 2 October 2014.
2013	The Order making the Constitution of NMIT was gazetted on 10 April 2013 and came into operation on 15 April 2013. The Constitution was a 2013 Order. NMIT was established as a body corporate on 1 January 2013 and the Board was established on 15 April 2013.
2012	NMIT celebrated its centenary year with a series of events commemorating its legacy as one of Melbourne’s longest continuing TAFE providers.
1996	Northern Metropolitan College of TAFE changed its name to Northern Melbourne Institute of TAFE and in 1999 the acronym NMIT was adopted.
1989	Northern Metropolitan College of TAFE was formed through the amalgamation of the Preston and Collingwood Colleges of TAFE.
1912	Collingwood Technical School opened at 35 Johnston Street. In 1970 it was renamed Collingwood Technical College and, later, Collingwood College of TAFE.

THE MINISTER

The Board is responsible to the Victorian Government for the overall strategy, governance and performance of Melbourne Polytechnic’s functions. The responsible Minister for Training and Skills during 2017 was the Hon. Gayle Tierney MLC.

THE BOARD

At 31 December 2017, the Melbourne Polytechnic Board had nine directors. Five directors were minister appointed (one of whom was the Chair), two were Board appointed, one was the staff elected representative and one was the Chief Executive Officer. The Board’s powers, duties and functions are outlined in the Melbourne Polytechnic Constitution.

The Committees helped the Board fulfil specific responsibilities that were set out in the Committee Charters, as delegated and approved by the Board.

In 2017 there were 11 Board meetings, four Circular Resolutions, an Annual Meeting and a Strategy Workshop.

BOARD DIRECTORS FOR THE YEAR ENDING 31 DECEMBER 2017

Jim Pasinis	Chair (commenced 20 Dec 2017) (Interim Chair 29 Nov 2017 – 19 Dec 2017) Minister Appointed Director
Fiona McNabb	Minister Appointed Director
Sandy Forbes	Minister Appointed Director
Arianne Rose	Minister Appointed Director
Joe Dicks	Minister Appointed Director
Professor Lee Astheimer	Board Appointed Director
Ian Munro	Board Appointed Director
Frances Coppolillo	Chief Executive Officer (commenced 20 Oct 2017) (Acting Chief Executive Officer 16 Sep 2017 – 19 Oct 2017)
Mel Riel	Staff Elected Director

BOARD DIRECTORS WHOSE APPOINTMENTS CEASED IN 2017

Bill Forwood	Board Chair Minister Appointed Director (ceased 27 Nov 2017)
Rob Wood	Chief Executive Officer (ceased 15 Sep 2017)

COMMITTEES

Four committees helped the Board fulfill its duties in 2017, they were:

- ▶ the Audit and Risk Committee;
- ▶ the Nomination and Remuneration Committee;
- ▶ the Business Review Committee; and
- ▶ the Academic Board.

Audit and Risk Committee

The Audit and Risk Committee oversees and advises the Board on accounting policies and financial reporting; matters relating to Melbourne Polytechnic's internal control framework; external and internal audit performance and processes; risk management and its implications for all audit activities; and the effectiveness of Melbourne Polytechnic's compliance framework.

The Audit and Risk Committee also reviewed the annual financial statements and made a recommendation to the Board to authorise the statements before they were released to Parliament by the Responsible Minister.

2017 Membership

Joe Dicks	1 Jan 2017 – 31 Dec 2017
Fiona McNabb	1 Jan 2017 – 31 Dec 2017
Ian Munro	1 Jan 2017 – 31 Dec 2017
Arianne Rose	1 Jan 2017 – 31 Dec 2017
Bill Forwood	1 Jan 2017 – 27 Nov 2017
Rob Wood	1 Jan 2017 – 31 Jul 2017

Nomination and Remuneration Committee

The Nomination and Remuneration Committee helps the Board fulfill its responsibilities relating to the recruitment and selection of nominee Board Directors and executive remuneration.

2017 Membership

Fiona McNabb	1 Jan 2017 – 31 Dec 2017
Jim Pasinis	1 Jan 2017 – 31 Dec 2017
Arianne Rose	1 Jan 2017 – 31 Dec 2017
Bill Forwood	1 Jan 2017 – 27 Nov 2017

Business Review Committee

The purpose of the Business Review Committee is to approve or recommend to the Board within delegations major nominated commercial projects and submissions and to oversee their effectiveness.

2017 Membership

Professor Lee Astheimer	1 Jan 2017 – 31 Dec 2017
Joe Dicks	1 Jan 2017 – 31 Dec 2017
Ian Munro	1 Jan 2017 – 31 Dec 2017
Mel Riel	1 Jan 2017 – 31 Dec 2017
Sandy Forbes	1 Jan 2017 – 31 Dec 2017
Bill Forwood	1 Jan 2017 – 27 Nov 2017
Rob Wood	1 Jan 2017 – 15 Sep 2017

Academic Board

The Academic Board assures the quality, integrity and academic standards of the core activities of learning, teaching and scholarship in the context of a polytechnic approach to contemporary work practices, educational innovation and applied research.

1 Jan 2017 – 31 Dec 2017

Frances Coppolillo	Chief Executive Officer/ Deputy Chief Executive Officer
Pauline Thambu	Head, Educational Quality
Diane Lewis	Head, Learning and Teaching
Cathy Frazer	Director, Student Experience
Marin Radobuljac	Academic Registrar
Dr Karina Davis	Director of College
Basil Papageorge	Head, School of Business, Innovation and Enterprise
Dr Sashi Sivathanan	Head, School of Engineering, Design and Construction
Dr Julian Hill	Head, School of Food, Plant and Animal Industries
Dr Audrey D'Souza	Head, School of Health and Education
Lindee Conway	Head, School of Foundation and Preparatory Studies
Dr Tim Weir	Head, School of Creative Arts
Dr Anne Rouse	External Member
Associate Professor Angela Carbone	External Member
Dr Greg Moore	External Member

1 Jan 2017 – 11 Dec 2017

Professor Lee Astheimer	Board Director
Sandy Forbes	Board Director
Jim Pasinis	Board Director

31 May 2017 – 31 Dec 2017

Dr Caroline Kennedy	HE academic staff
Craig Jones	VE teaching staff
Daniel Rozeck	Student Member (HE)

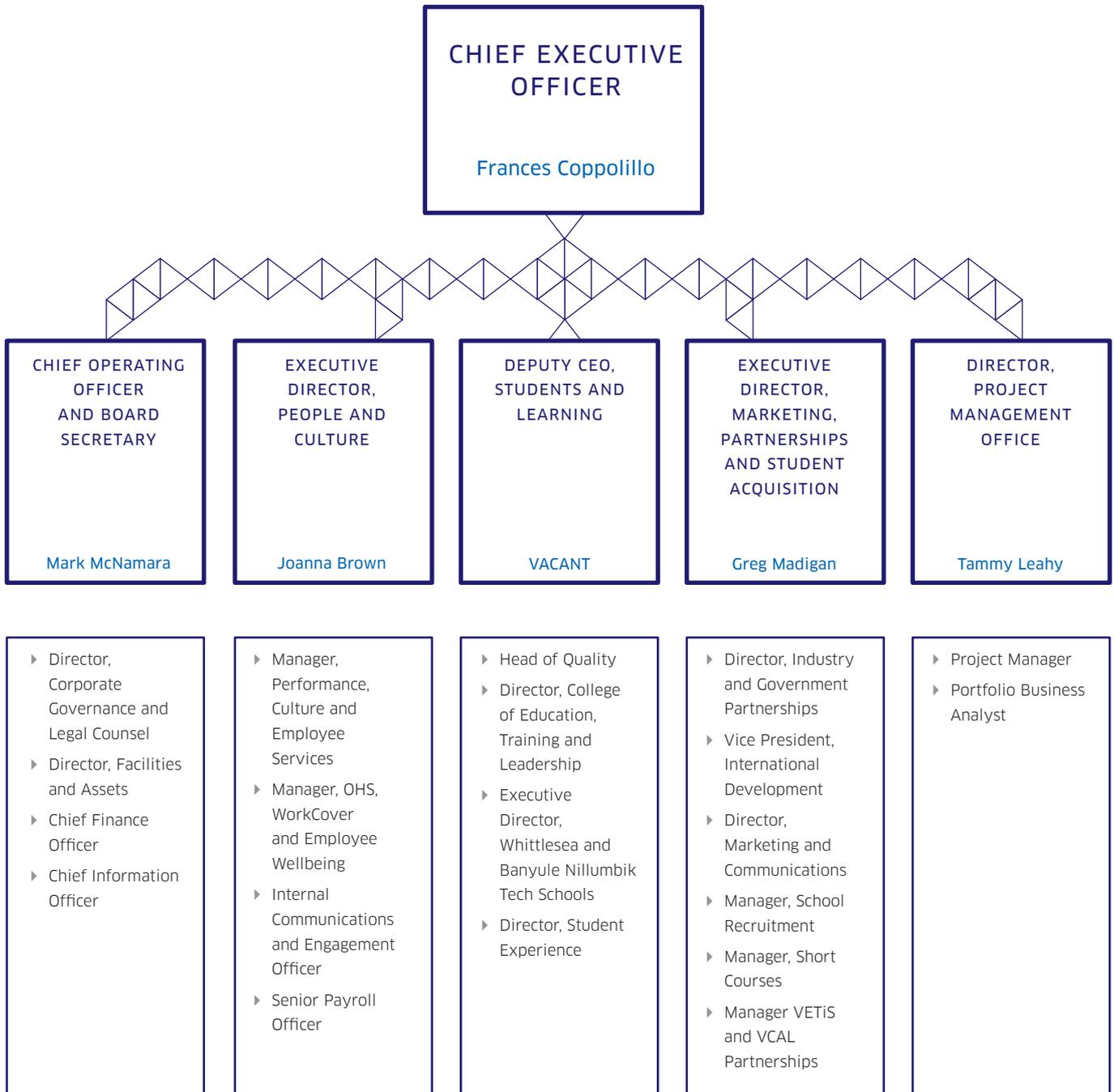
31 May 2017 – 11 Aug 2017

David Batten	Student Member (VE)
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1 Sep 2017 – 31 Dec 2017

Talie Helene	Student Member (VE)
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MELBOURNE POLYTECHNIC SENIOR MANAGEMENT STRUCTURE AT 31 DECEMBER 2017



GREENSBOROUGH CAMPUS REOPENING

On 28 February 2017, Vicki Ward MP, welcomed guests and precinct partners to our newly refurbished Greensborough campus as students started their first day of study.

The site is home to the Banyule Nillumbik Tech School, which will open in mid-2018. It is one of ten Tech schools using leading-edge technology, discovery and innovation to deliver advanced education and training across Victoria. The facility is an innovative learning centre for secondary school students and offers links to local industry.

A vision and a strategy have been developed for the Greensborough campus. They include three major themes: health and community services; business support; and science, technology, engineering and maths (STEM). Courses in health services, pathology, business, bookkeeping and English language will be offered.

We are thrilled to have several precinct partners located on the campus. Our partners complement and expand Melbourne Polytechnic's education offerings and make the campus a true multi-purpose precinct.

Our precinct partners are:

- ▶ Banyule Nillumbik Local Learning and Employment Network, which supports student education, training and employment.
- ▶ Careers Education Association Victoria, which supports students via career development services.
- ▶ Diamond Valley Learning Centre, which provides courses, pre-accredited training, and support to students.
- ▶ Melbourne Innovation Centre, which provides access to an internationally acclaimed business incubator, providing expertise, training, programs and networks to local business to help generate and grow sustainable enterprises, create employment opportunities and assist with economic development.



Vicki Ward MP is pictured in Greensborough's new pathology training facilities with two of our students.

CARAVAN INDUSTRY ASSOCIATION OF VICTORIA

In April 2017, Melbourne Polytechnic committed to working with the Caravan Industry Association of Victoria (CIAV) to build capability across the caravan industry.

The caravan industry directly employs more than 5,150 people in Victoria and many of these workers have no formal qualifications. To address this, the CIAV identified areas where existing workers could enrol with Melbourne Polytechnic to achieve industry qualifications. Entry-level recruits will also be trained to meet growing employment demands.

Our aim is to create a Skills Centre of Excellence in Melbourne at our Epping Campus. We will support the growth of the caravan industry by offering certificate programs in Recreational Vehicle Manufacturing, Service and Repair, and Accessories Retailing.

We look forward to continuing our relationship with the CIAV and delivering excellent outcomes for employers, employees and the caravan industry alike.



(L-R) Robert Lucas, CEO, Caravan Industry Association of Victoria (CIAV), Robert Cataldo, Managing Director, Nova Caravans, Rob Wood, former CEO Melbourne Polytechnic

STUDENT PROFILE – AMELIA MARKS

In 2017, Amelia Marks, graduate of our Advanced Diploma of Jewellery and Object Design, won the Design Institute of Australia's Graduate of the Year (AGOTYA) in the Object and Jewellery category.

A panel of industry experts adjudicated the 2017 AGOTYA Awards and winners have the opportunity to gain mentorships, prize money and acknowledgement from the design community.

The 'backyard' inspiration of Amelia's submission really captured the judges' attention, and they commented on the "intricacy of each of Amelia's pieces, particularly Prickly Pear and Freshly Cut as miniatures of their real life form, but also with a creative aspect". They noted that they were "uniquely detailed and executed for the scale".

Amelia completed the Advanced Diploma of Jewellery and Object Design full-time, with class flexibility allowing her to work around her family's busy schedule. She also caught the eye of her teachers, who quickly identified her as a student with great potential.

"We have very high expectations of our students and encourage them to do their best, and Amelia really rose to the challenge," said Lynley Traeger, one of the passionate teachers in the Melbourne Polytechnic Jewellery program.

Amelia, who graduated in 2016, was approached by Bini Gallery in Fitzroy to stock her pieces, and also won the Arbor Mentorship Award, which was testament to her skill and craftsmanship. She has also worked on a jewellery range with Ellinor Mazza, Director of Arbor in Brunswick.



TECH SCHOOLS REPORT

The Whittlesea and Banyule Nillumbik Tech Schools were developed in partnership with 32 local secondary schools, local government and industry. Due to open in mid-2018, the schools are based at Melbourne Polytechnic's Greensborough and Epping campuses. They will provide tech-enabled hubs for young people to design, create, experiment and grow.

In developing our Tech Schools we focused on people first, creating opportunities to learn together. We prototyped learning programs, hosted industry bus tours, and held our first Schools Maker Faire. Our programs were co-designed and tested by Student Ambassador and Teacher Ambassador groups.

Our partnerships with industry are many and flourishing, including the exploration of Artificial Intelligence and cognitive services in the development of Chatbots with Microsoft, the development of a biotech pilot program with CSL Behring, and the students' Ambassador Leadership day with Carlton Football Club. The support of partners from the Banyule Nillumbik and Whittlesea Local Learning and Employment Networks (LLENs), RMIT, and La Trobe University added to the development of a comprehensive network.

The Tech School facilities are unlike any others in the region and will be exciting additions to the campuses and communities they serve. We look forward to the developments of the coming year as the young people of Melbourne's north realise the opportunities this initiative provides.

BANYULE NILLUMBIK TECH SCHOOL



WHITTLESEA TECH SCHOOL



Top: Banyule Nillumbik Tech School: Architect's impression.

Middle: Alex and Sofia from Viewbank College walked through the Banyule Nillumbik Tech School with the help of virtual reality headsets at the Banyule Nillumbik Tech School Sod Turning Event, 17 August 2017.

Left: Whittlesea Tech School: Architect's impression.

AWARDS

SCHOOL OF CREATIVE ARTS

2017 DESIGN INSTITUTE OF AUSTRALIA VIC/TAS JEWELLERY AND OBJECT DESIGN

Amelia Marks	Winner - Graduate of the Year
Ha Than	Runner-up - Graduate of the Year

2017 AUSTRALIAN INSTITUTE OF PROFESSIONAL PHOTOGRAPHERS (AIPP) VICTORIAN AWARDS

Allison Harper	Winner - AIPP 2017 Victorian Emerging Photographer of the Year
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ADVANCED DIPLOMA OF CREATIVE PRODUCT DESIGN - FLUX END OF YEAR EXHIBITION 2017

Anna Hanzl	Illustrators Australia Industry Award for Best Body of Work on Show
Danny Maybir	Deans Art Industry Award for Best Individual Work

AUSTRALASIAN GYNAECOLOGICAL ENDOSCOPY AND SURGERY (AGES) SOCIETY ART PRIZE 2017

Carrie Pitcher	Winner
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COLLECTIVE GRADUATE JEWELLERY EXHIBITION

Dyani Kelly	Winner - O'Neil's Affiliated Award for Design
Cathleen Hazleden-Butler	Winner - Metal Mentorship Award
Robyn Clarke	Winner - APECS Award for Most Creative use of Casting
Leon Jackson	Winner - Gold and Silversmiths Guild Award for Best Hand Skills
Renee Hope	Winner - Australian Jeweller's Supplies Award
Jacqueline Williams	Winner - John Lazos and Associates Award for Most Creative use of Historical Technique
Emma Couch	Winner - in.cube8r Gallery Award
Bernadette Taylor	Winner - Arbor Gallery Mentorship Award
Kiara Kurz-Feyl	Winner - Koodak Jewellers Supplies Award
George Steendam	Winner - LTH Award for Best Design
Claire Raimondo	Winner - NMH Metalworks Silversmithing Award
Jeremy Hoglin	Winner - John Lazos and Associates Award for Most Outstanding First-Year Diploma Student

DIPLOMA OF VISUAL ARTS (ILLUSTRATION) - ILLUSTRE END OF YEAR EXHIBITION 2017

Leah Hume	Books Illustrated Industry Award for Best Traditional Illustration
Romy van Handley	Eckersley's Industry Award for Best Traditional Media
Ethan Gunn-Quagliotto	WACOM Industry Award for Best Digital Work
Sophie Smart	Image Science Industry Award for Best Digital Work Hardie Grant Egmont Industry Award for Best Children's Book Illustration
Jonathan Bones	Deans Art Industry Award for Best Cutting-Edge Illustration
Brooke Murray	Jack Winter Group Industry Award for Best Individual Work
Georgia White	Illustrators Australia Industry Award for Best Body of Work

EPOCH EXHIBITION

Melissa Alvaro	Adam and Stathi Kotzapavidis Memorial Award Deans Art Industry Award for Outstanding Student
Nehad Bekhit	Adam and Stathi Kotzapavidis Memorial Award
Judy Qian Zhu	Deans Art Industry Award for Best Painting Concept
Melissa Horsfall	Deans Art Industry Encouragement Award
Gayle Belling	Visual Arts Department Encouragement Award

SCHOOL OF CREATIVE ARTS continued

FIRST IMPRESSIONS EXHIBITION

Julia Novella	Outstanding Achievement Award
Darcy Ridgway	Outstanding Achievement Award
Dylan Maestrale	Outstanding Achievement Award
Brooke Murray	Outstanding Achievement Award
Daniel Maybir	Printmaking Excellence Award

GEMMOLOGICAL ASSOCIATION OF AUSTRALIA (GAA)

Kelly Safarewicz	Winner - GAA Scholarship
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INAUGURAL PROVOCARE ART PRIZE - PHOTOGRAPHY EXHIBITION

Charlie Barker	Student Award
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THE PUSH

Chitra Ridwan	Music Industry Pathways Program Award
Natasha Koch	Music Industry Pathways Program Award

UNFOLD EXHIBITION

Antonietta Martin	Outstanding Achievement Award
Helen Syngaris	Outstanding Achievement Award
Gabrielle Nunan	Achievement Award
Isabelle McKenna	Achievement Award
Samuel Bruere	Achievement Award Winner - Illustrators Australia Best Illustration Award
Allan Cross	Encouragement Award
Connie Pennisi	Encouragement Award

WOMEN'S INTERNATIONAL JAZZ FESTIVAL

Julia Bebenek	Winner - Recording Prize
Katrina Owen	Winner - Recording Prize
Elisabeth Ferris	Winner - Recording Prize

WORLDSKILLS MELBOURNE EAST REGIONAL COMPETITION

Leah Straughair	Gold Medal - Jewellery
Ryan Kitchen	Silver Medal - Jewellery
Michael Kilner	Bronze Medal - Jewellery

STAFF AWARDS

AUSTRALIAN INSTITUTE OF PROFESSIONAL PHOTOGRAPHY (AIPP) AWARDS 2017

Keren Dobia	Winner - Australian Professional Photographer of the Year Winner - Australian Professional Portrait Photographer of the Year
Steve Scalone	Winner - Australian Photography Book of the Year

HIGHER EDUCATION AND SKILLS GROUP (HESG) ISS INSTITUTE FELLOWSHIPS

Anna Caione	2017 Italian Australian Foundation Fellowship
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INTERNATIONAL KOSCIUSZKO BICENTENARY COMPETITION

Martin Koszolko	Music Category Award PhD for project titled The Impact of Remote Music Collaboration Software on Collaborative Music Production
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OAK HILL GALLERY, ANNUAL TRUE ROOTS PRINTMAKING EXHIBITION

Jodi Heffernan	Printmaking Prize
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SCHOOL OF ENGINEERING, DESIGN AND CONSTRUCTION

ASSOCIATION OF WALL AND CEILING INDUSTRIES (AWCI) VICTORIA AWARDS OF EXCELLENCE 2017

Dylan Bray AWCI Apprentice Challenge Award

CIVIL CONTRACTORS FEDERATION EXCELLENCE IN TRAINING AWARDS

Adrian Bullock Winner - 2017 Outstanding Diploma of Civil Engineering Student of the Year

VICTORIAN TRAINING AWARDS

Andrea Mayorga Finalist - Victorian International Student of the Year - VET

WORLDSKILLS MELBOURNE EAST REGIONAL COMPETITION

Diego Calderon Gold Medal - Bricklaying

Alexander Deakes Gold Medal - Cabinet Making

STAFF AWARDS

ARCHITEAM AWARDS 2017

Nicholas Agius Small Project Medal

Md Aftabuzzaman VET Practitioner Scholarship
Certified DACUM Facilitator Award

DEPARTMENT OF EDUCATION AND TRAINING ISS INSTITUTE FELLOWSHIPS

Md Aftabuzzaman ISS Institute Fellowship to attend the 26th National Vocational Education and Training Research Conference

Adil Abbas ISS Institute Fellowship

SCHOOL OF FOOD, PLANT AND ANIMAL INDUSTRIES

MELBOURNE INTERNATIONAL FLOWER AND GARDEN SHOW 2017

Lauren Cassy Intermediate Certificate of Merit - Student Floral Design Competition

Samantha Hodgson Intermediate Certificate of Merit - Student Floral Design Competition

Trinh Tran Advanced Certificate of Merit - Student Floral Design Competition

David Hirst Advanced Certificate of Merit - Student Floral Design Competition

Emma Gallagher Advanced Certificate of Merit - Student Floral Design Competition

Zeljko Horvatin Encouragement Award - Avenue of Achievable Gardens Award

Anthony Coyle Winner, Green Ribbon - Avenue of Achievable Gardens Award

Paul Morland Winner, Green Ribbon - Avenue of Achievable Gardens Award

Andrew Yates First Prize - Hanging Baskets Competition

Caitlin Findley Second Prize - Hanging Baskets Competition

Tina Adamson Third Prize - Hanging Baskets Competition

Kahlia Kontoolas Best Exhibit - Hanging Baskets

SECOND-YEAR DIPLOMA OF HORTICULTURAL SCIENCE SCHOLARSHIP - SPONSORED BY FRAGOLA EDGE PTY LTD

Dominic McKenzie Awarded a Scholarship valued at \$3,950

Elinor Beard Awarded a Scholarship valued at \$3,950

Matthew Coletti Awarded a Scholarship valued at \$3,950

Adam Joseph Awarded a Scholarship valued at \$3,950

SCHOOL OF FOUNDATION AND PREPARATORY STUDIES

STAFF AWARD

2017 HESTA COMMUNITY SECTOR AWARDS

Nandini Biskunda Nominated for HESTA Community Sector

SERVICE RECOGNITION

As an organisation focused on developing the capabilities of students, communities and industry, the work of our staff is at the heart of our purpose. From the development and support of the Institute's operations, to the inspiring teachers who help our students to excel, we are fortunate to have incredible people working with us at Melbourne Polytechnic.

In 2017, some of our staff reached the impressive milestone of 30 years of service. We offer heartfelt thanks to these staff members. They have made a commitment to our Institute and the impact of their longstanding tenure is reflected in Melbourne Polytechnic's strong foundations.

30 YEARS OF SERVICE

Frances Coppolillo, Alex Dobric, Dennis McCall, Josephine Penzo and Doug Sharp.

ALEX DOBRIC

Alex Dobric, who teaches in Furniture and Trades, started working at the Collingwood Institute of TAFE in 1987 after five years of secondary school teaching.

Reflecting on the length of his tenure, Alex spoke of a recent apprentice sign-up event at which the father of an apprentice recalled that Alex had taught him at trade school. The father was thrilled that his son was also to be taught by Alex at Melbourne Polytechnic.



Alex with one of his apprentices, Alexander Deakes, who won a Gold Medal for Cabinet Making at the WorldSkills Melbourne East Regional Competition in November 2017.

DOUG SHARP

Since commencing in July 1987, Doug Sharp has worked at four different campuses, Parkville, Epping, Greensborough and Fairfield, as well as Ararat, Yan Yean and Eden Park farms.

Doug has been instrumental in developing a range of programs and initiatives. He implemented our first Arboriculture program, which now runs five days a week; transitioned the Nursery from Parkville to Fairfield, including the renovations, licensing and operation of the Yarra Edge Nursery Café; and gained Federal funding for water harvesting at Fairfield. Doug has also presented at conferences in Australia, New Zealand, the UK and the USA.

Doug says he is most thankful for the colleagues he has worked alongside and the associations and friends he has made all over the world.



Doug Sharp and Frances Coppolillo, Melbourne Polytechnic CEO.

INTERNATIONAL EDUCATION

REPUTATION

Melbourne Polytechnic is a growing brand that continues to develop its reputation as a highly regarded institution operating ethically and responsibly in the international education environment. Our continued high-level involvement in international education enhances our reputation and contributes to the wider Australian education sector, supporting Victorian and Australian Government initiatives wherever possible. Many international institutions and industries actively seek partnerships with Melbourne Polytechnic. We continue to engage with Victorian TAFE International as the lead professional development body in the field and the voice of Victorian TAFEs with government.

GROWTH AND ACHIEVEMENTS

Despite Australia's share of the transnational education market declining in recent years due to fierce international competition, Melbourne Polytechnic continues to show resilience in student numbers and revenue, and establishing new models in new markets. The number of International students at local Melbourne Polytechnic campuses increased significantly in 2017 and revenue was boosted by more than 30 per cent.

INTERNATIONAL STUDENTS STUDYING OUTSIDE AUSTRALIA

Melbourne Polytechnic manages the delivery of programs outside Australia with 16 partner institutions. In 2017, most students were based in China and Hong Kong and new projects were developed in Korea, Indonesia and Sri Lanka. All nationally accredited programs are managed with a strong compliance focus and ongoing investments in teacher training, resourcing and capacity building.

The International Office maintained and logged all agreements with foreign institutions to ensure compliance with ASQA VET Quality Framework requirements.

The establishment of the independent institute Fuzhou Melbourne Polytechnic in Fujian Province, China, resulted in more than 200 new students across four majors and will lead to significant and sustainable export revenues and jobs for Victorians. The Chinese Ministry of Education agreed to allow overall Melbourne Polytechnic enrolments to grow to up to 2,000 students at any one time. The campus will be tightly managed with senior Melbourne Polytechnic staff representation, student visits and quality Australian trainers.

The first cohort of students in Hong Kong graduated with the Bachelor of Hospitality Management in December 2017.



OTHER ACHIEVEMENTS

Government-funded study tours took place in Sri Lanka, Thailand, China, Hong Kong, Korea and Japan in 2017, with groups visiting transnational partners and building significant rapport and goodwill. In response, students from four international partners attended study tours at Melbourne Polytechnic.

The DFAT-funded aid project in Mongolia concluded successfully after 2.5 years of positive engagement and development. In addition, Melbourne Polytechnic won a new Australia Awards tender for teacher training in Sri Lanka that was successfully delivered by mid-2017.

Indonesia remains a major strategic focus and the development of existing opportunities in Sri Lanka, Korea and India will underpin an exciting period of growth in 2018.

INTERNATIONAL STUDENTS STUDYING IN AUSTRALIA

The inbound market grew solidly, with approximately 860 equivalent full-time study load (EFTSL) students, made up of 347 VET students, 428 Higher Education students, and 85 ELICOS students.

Students were from 64 countries including Pakistan, India, Vietnam, Sri Lanka, Colombia, Mauritius, Nepal, China, Brazil, and the United Kingdom. Successfully recruiting students from this broad range of countries helps mitigate the risk associated with over-reliance on enrolments from a small number of countries.

For 2018, the promotion of seamless pathways between VET and Higher Education programs, an expanded range of CRICOS registered VET and Higher Education courses, and more internships will benefit international student recruitment.



2017 HIGHLIGHTS

Melbourne Polytechnic consists of six Schools:

- ▶ Business, Innovation and Entrepreneurship
- ▶ Engineering, Design and Construction
- ▶ Food, Plant and Animal Industries
- ▶ Creative Arts
- ▶ Foundation and Preparatory Studies
- ▶ Health and Education

SCHOOL OF BUSINESS, INNOVATION AND ENTREPRENEURSHIP

The School of Business, Innovation and Entrepreneurship offers Vocational and Higher Education programs ranging from Certificates through to Master's qualifications across three departments: Business, Hospitality and Work Education.

The Department of Hospitality offers programs in Hospitality, Bakery, Patisserie, Cookery and Events. The Business department offers programs in Finance and Accounting, Business and Management, Real Estate and Legal Services. The Department of Work Education offers a specialised suite of programs to students with intellectual disabilities.

HIGHLIGHTS

- ▶ The first cohort of the Bachelor of Hospitality Management delivered in Hong Kong graduated in December 2017.
- ▶ In partnership with Mentor Education, we launched new qualifications in Financial Planning and Finance and Mortgage Broking.
- ▶ Melbourne Polytechnic was the first training provider in Victoria to deliver PEXA (an online e-conveyancing platform) training through the Diploma of Conveyancing.
- ▶ The first cohort of students enrolled at Fuzhou Melbourne Polytechnic in September 2017, in Fuzhou, China.

SCHOOL OF CREATIVE ARTS

The School of Creative Arts consists of Visual and Performing Arts. Within these two departments are creative disciplines including Music Performance, Illustration, Theatre Studies, Graphic Design, Screen and Media, Writing, Editing and Publishing, Photo Imaging, Sound Production, Hairdressing, Specialist Make-Up for Theatre, Jewellery, and Costume Design.

We position our students to thrive in their careers by developing our programs to meet not only their needs, but also the needs of industry. A career in the creative arts is challenging and we aim to provide our students with the best possible start by building programs that focus on real world outcomes.

HIGHLIGHTS

- ▶ Several staff members were recognised by industry bodies for their work (see pages 15 and 16).
- ▶ The 2017 Graduate Jewellery Exhibition Collective showed the exquisite work of 30 Advanced Diploma of Jewellery and Object Design graduates at the Northcote Town Hall. 500 people, including high-profile industry specialists, attended the opening event.
- ▶ The 2017 Mobility Study Tour to Japan provided an opportunity for Jewellery and Photo Imaging students to travel internationally.
- ▶ The Bachelor of Music student-led trio, Lijuka, was invited to perform at the Melbourne Women's International Jazz Festival and won a recording prize with Rolling Stock Recording Rooms.

SCHOOL OF ENGINEERING, DESIGN AND CONSTRUCTION

This School specialises in the design and delivery of programs for the Engineering, Design and Construction, and IT industries. Programs are undertaken by local, interstate and international students and include Apprenticeship, Diploma, Advanced Diploma and Bachelor courses.

HIGHLIGHTS

- ▶ Melbourne Polytechnic won a \$148,000 contract to develop a Certificate IV course in Energy Management and Control.
- ▶ For the third year in a row, a Melbourne Polytechnic student won the Civil Contractors Diploma student of the year award. Congratulations to 2017 winner, Adrian Bullock.
- ▶ We finalised a contract to provide the Advanced Diploma of Engineering with a pathway to the Bachelor of Engineering Technology (Civil) to a Bangladeshi project.
- ▶ A Licensed Electrical Assessment (LEA) centre was built at Heidelberg.

SCHOOL OF FOOD, PLANT AND ANIMAL INDUSTRIES

This School offers training in agriculture, horticulture, animal and equine studies, and civil construction to improve the economic, environmental and social outcomes of rural and urban communities. Our education programs are industry oriented and focused on skills development across a range of Vocational and Higher Education programs (certificates to degrees).

HIGHLIGHTS

- ▶ Our connection with the Melbourne Market, which is the largest warehousing complex in Australia, resulted in the development of the world's first Certificate II and III courses for the fresh produce and greengrocery sectors.
- ▶ The Melbourne Racing Club Melbourne Polytechnic Women in Racing partnership continued to establish itself as the premier training program for female trackriders.
- ▶ A partnership with Yarra Valley Water resulted in the Yan Yean farm receiving irrigation for the first time.
- ▶ Enrolments grew by more than 10 per cent in 2017.
- ▶ There were substantial gains in productivity and profitability of all farms, including beef and sheep production at Yan Yean and olive oil and wine from Ararat. These farms allow the School's training programs to support industry needs.

SCHOOL OF FOUNDATION AND PREPARATORY STUDIES

This School brings together teaching and support programs to enable students to gain the confidence and skills to engage in meaningful further study, or to be ready for work. The School aims to be open, welcoming and rigorous in its approach to teaching and places the needs of students at the centre of planning and delivery.

HIGHLIGHTS

- ▶ Melbourne Polytechnic successfully tendered for the Adult Migrant English Program and Skills for Employment and Education Program. Our team and our teacher capability was subsequently expanded.
- ▶ Victorian Government funding was received for Reconnect, to support disengaged young people and adults. Along with our successful bid to deliver Prepare, Trial, Hire (PaTH) training to young people, this enabled us to form a Youth Programs Department to support young, disengaged learners.
- ▶ We increased Auslan delivery in Melbourne Polytechnic campus-based classrooms via video links to several Victorian regional cities.
- ▶ We expanded the Overseas Qualified Professional Program. It operates in Prahran and Preston and offers work experience and employment to migrants with qualifications gained overseas.

SCHOOL OF HEALTH AND EDUCATION

The vision of this School is to be the provider of choice for health and education, and it aims to deliver skills that contribute to the wellbeing of the entire community. The School offers courses in health, community services, early years education, training and assessment, and individual support. It delivers industry-focused, student-centric programs that set students up for positive starts to their careers.

HIGHLIGHTS

- ▶ Health courses were offered at Greensborough Campus and the latest Simulation Suites were used in all health programs.
- ▶ Courses were redeveloped to meet learner needs. For example, we streamlined the delivery of Community Services courses.
- ▶ We expanded the delivery of International Training and Assessment Courses.
- ▶ We undertook industry training for BaptCare and Calvary in 2017. This training will include Araluen in 2018.

ADULT MIGRANT ENGLISH PROGRAM

The Australian Government Department of Education and Training funds the Adult Migrant English Program (AMEP). AMEP provides up to 510 hours of foundation English language tuition to eligible migrants and humanitarian entrants from non-English speaking backgrounds. AMEP courses develop skills that support successful settlement in Australia and provide pathways to training, further study, and employment.

HIGHLIGHTS

- ▶ Melbourne Polytechnic expanded delivery of AMEP courses from one contract region to five contract regions within Victoria through a competitive tender process.
- ▶ We also expanded our network of established learn local and TAFE partners that deliver AMEP courses. Details of current network and AMEP delivery partners are available on our website www.melbourneamep.com.au/about/

FACILITIES AND ASSETS

The Facilities and Assets team is responsible for all assets and related services including buildings, utilities, grounds, infrastructure and the management of security, cleaning, sustainability and mobile equipment (excluding ICT, multimedia and telecommunication resources).

HIGHLIGHTS

- ▶ Completion of Greensborough Campus, which included an upgrade of the Pathology area.
- ▶ An office area was repurposed to create four new classrooms at the Broadmeadows Campus.
- ▶ LED lighting was installed throughout the Epping campus.
- ▶ Construction works were started for the Banyule Nillumbik Tech School (Greensborough campus) and the Whittlesea Tech School (Epping campus).

STUDENT ACQUISITION

The Student Acquisition team supports prospective students at seven campus enrolment centres, Skills and Jobs Centres and Student Connect (call centre). The team also responds to website enquiries and applications, and provides advice via webchat.

HIGHLIGHTS:

- ▶ In 2017, 2,247 more students started at Melbourne Polytechnic than in 2016. We served more than 5,000 customers at our Skills and Jobs Centres.
- ▶ More than 1,300 prospective students booked meetings with Education and Career Advisors via an online calendar.
- ▶ Cloud storage was implemented for all enrolment documents.

STUDENT EXPERIENCE

Student Experience delivers a range of services to support the Institute's capacity to recruit, engage, transition and retain students. Student Experience comprises Student Counselling and Disability Support, Student Life and Media (SLAM), the Koorie Services Centre, the Fitness Centre, Student Communications, Library Services, Student Feedback and an administrative team.

HIGHLIGHTS

- ▶ Winner of the Best International Student Event at the Council of International Students Australia (CISA) National Conference in 2017 for the Moodji day cultural event at Preston.
- ▶ 1,000 students came together for Harmony day to celebrate cultural diversity at Melbourne Polytechnic.
- ▶ Exceeded targets for student engagement with the Melbourne Polytechnic THRIVE APP.
- ▶ Achieved a three per cent increase in overall student satisfaction with Library Services as part of the InSync Library benchmarking survey.
- ▶ Continued growth of the library e-resource collection in line with sector trends.

WORKFORCE AND COMPLIANCE INFORMATION

ENVIRONMENTAL PERFORMANCE

In 2017 Melbourne Polytechnic:

- ▶ Reduced gas consumption by 226,027 megajoules by upgrading two boilers, installing an interlock system to prevent simultaneous heating and cooling, and shutting boilers down in summer.
- ▶ Rationalised bins across campuses, reduced collection frequency, and improved reporting systems.
- ▶ Piloted a waste and recycling education program that was trialled by Adult Migrant English Program (AMEP) students for six weeks.
- ▶ Installed additional bike racks at Preston Campus.

In 2018, Melbourne Polytechnic will develop a Sustainability Plan that will state future targets and actions aimed at reducing environmental impacts.

ENERGY USE

	2017	2016	2015
Total energy usage segmented by primary source (megajoules)	73,551,604	72,274,470	77,143,000
Greenhouse gas emissions associated with energy use, segmented by primary source and offsets (tonnes CO ₂ -e)	14,747	12,163	17,051
Percentage of electricity purchased as greenpower	0%	0%	0%
Units of energy used per FTE (megajoules)	71,340	106,455	102,268
Units of energy used per unit of office area (megajoules per m ²)	525	516	396

FTE: full-time equivalent

Total gross office area is 140,000 m² (excluding Ararat).

WASTE PRODUCTION

	2017			2016			2015		
	Organic*	Recycle	Waste	Organic*	Recycle	Waste	Organic*	Recycle	Waste
Total units of office waste disposed of by destination (kg per year)	N/A	111,550	599,280	N/A	62,710	649,760	N/A	96,200	392,080
Units of office waste disposed of per FTE by destination (kg per FTE)	N/A	108	869	NA	73	760	N/A	128	520
Recycling rate (% of total waste by weight)	16%			10%			17%		
Greenhouse gas emissions associated with waste disposal (tonnes CO ₂ -e)	718			844			470		

* Organic data is not available

Waste and recycling data is based on information provided by the waste services contractor.

FTE: full-time equivalent

PAPER USE

	2017			2016			2015		
Total units of A4 equivalent copy paper (reams)	9,608			8,887			9,253		
A4 equivalent copy paper used per FTE (reams per FTE)	9			10			12		
Percentage of recycled content copy paper purchased	0-49%	50-75%	76-100%	0-49%	50-75%	76-100%	0-49%	50-75%	76-100%
Reams	9,523	0	85	2,544	6,343	0	8,923	245	85

FTE: full-time equivalent

WATER CONSUMPTION

	2017	2016	2015
Total water consumption (kilolitres)	52,620	60,415	69,038
Total water consumption per FTE (kilolitres)	51	71	67
Units of metered water consumed in office per unit of office area (kilolitres per m ²)	0.37kl/m ²	0.43 kl/m ²	0.49KL/m ²

FTE: full-time equivalent

Total gross office area is 140,000 m² (excluding Ararat)

TRANSPORTATION

	2017			2016			2015		
	Petrol	Diesel	LPG	Petrol	Diesel	LPG	Petrol	Diesel	LPG
Total energy consumption fleet vehicle (megajoules)	1,578,000	1,162,000	100,000	1,509,000	1,292,000	118,000	1,310,000	1,153,000	109,000
Total vehicle travelled (km)	470,959	290,721	26,134	293,722	127,638	30,156	512,548	288,004	30,033
Greenhouse gas emissions (tonnes CO ₂ -e)	89	81	6	108	97	7	117	120	7
Total distance travelled by air (km)	N/A			N/A			N/A		
Percentage of employees using alternative forms of transport	N/A			N/A			22%		

GREENHOUSE GAS EMISSIONS

	2017	2016	2015
Total greenhouse gas emissions associated with energy use (tonnes CO ₂ -e)	15,422	12,163	17,051
Total greenhouse gas emissions associated with fleet vehicle (tonnes CO ₂ -e)	176	212	244
Total greenhouse gas emissions associated with air travel (tonnes CO ₂ -e)	N/A	N/A	N/A
Total greenhouse gas emissions associated with waste production (tonnes CO ₂ -e)	253	844	470
Greenhouse gas emissions offsets purchased (tonnes CO ₂ -e)	0	0	0

PROCUREMENT

Melbourne Polytechnic's Procurement Policy ensures that all procurement activity undertaken on behalf of Melbourne Polytechnic complies with sustainability principles and minimises the negative impacts and costs of operations.

WORKFORCE STAFFING DETAILS AND COMPLIANCE

2017 FTE	Full-time		Part-time		Casual	
	Ongoing	Fixed Term	Ongoing	Fixed Term	Teacher	Other
PACCT Staff	247	45	41	12	0	36
Executive	24	0	0	0	0	0
Other	55	6	7	1	0	52
Teacher	215	42	53	15	180	0

2016 FTE	Full-time		Part-time		Casual	
	Ongoing	Fixed Term	Ongoing	Fixed Term	Teacher	Other
PACCT Staff	206	26	33	12	0	26
Executive	28	0	0	0	0	0
Other	61	7	8	3	0	50
Teacher	215	28	49	16	121	0

	Ongoing Employees				Fixed Term and Casual	
	Number (headcount)	Full-time (headcount)	Part-time (headcount)	FTE	FTE	
December 2017	693	541	152	642	389	
December 2016	649	519	130	600	289	

	December 2017			December 2016		
	Ongoing		Fixed-term and Casual	Ongoing		Fixed-term and Casual
	Number (headcount)	FTE	FTE	Number (headcount)	FTE	FTE
GENDER						
Male	322	311	152	313	298	119
Female	371	331	237	336	302	170
AGE						
Under 25	2	2	18	1	1	12
25-34	72	65	67	55	51	51
35-44	144	134	74	134	123	55
45-54	219	200	102	226	209	82
55-64	226	214	98	206	191	68
Over 64	30	27	30	27	25	21
CLASSIFICATION						
PACCT Staff	307	288	93	256	239	64
Executive	24	24	0	28	28	0
Teacher	295	268	237	291	264	165
Other	67	62	59	74	69	59

FTE: full-time equivalent

Figures have been rounded

Employees have been correctly classified

EMPLOYMENT AND CONDUCT PRINCIPLES

Melbourne Polytechnic's People and Culture policies and practices are underpinned by the public sector employment principles set out in Section 8 of the *Public Administration Act 2004*. Selection decisions are based on key selection criteria in position descriptions available to all applicants. Melbourne Polytechnic 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 include but are not limited to:

- ▶ Institute Code of Practice and Code of Conduct
- ▶ Equal Opportunity, Discrimination and Harassment Policy
- ▶ Employment Procedures
- ▶ Prevention of Workplace Bullying Policy and Procedures
- ▶ Prevention of Sexual Harassment Policy
- ▶ Policy and Procedures for Employee Grievances
- ▶ Recruitment and Selection Policy and Procedures.

GENERAL STATEMENT ON INDUSTRIAL RELATIONS

Quality relationships were maintained with all unions with coverage at Melbourne Polytechnic. The Institute has regular consultative arrangements in place with the unions to ensure any issues arising are dealt with appropriately. There were no days lost to industrial action taken in 2017.

OCCUPATIONAL HEALTH AND SAFETY

Melbourne Polytechnic is committed, so far as is practicable, to providing and maintaining a working environment that is safe and without risks to health. This commitment is based on the belief that all occupational injuries/illnesses can and must be prevented.

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

Noise Assessment testing was carried out in the Trade areas at Heidelberg Campus, the Farrier area at Epping Campus and the Landscaping area at Fairfield Campus.

Defibrillators were installed at each Campus including the farms at Ararat, Yan Yean and Eden Park. Four defibrillators were installed at Preston campus. They are located in the gym, the restaurant, the library and building W (due to the isolated location).

67 staff were provided with audiometric testing.

An online OHS induction was developed and issued to all staff for information and completion.

During 2017, OHS Training was provided as follows:

Number of staff	Training
46	First Aid
3	Cardiopulmonary Resuscitation
19	Warden Training
28	Psychological First Aid in the Workplace
9	OHS for Managers and Supervisors
15	Manual Handling and Ergonomics
9	Workplace Bullying Prevention
10	Mental Health Fitness

Statistics for reported hazards and incidents are below.

	2017	2016	2015
Total number employed as at the last pay in December	1,995	1,632	1,429
Total full-time equivalent as at the last pay in December	1,031	889	754
Number of hazards/incidents reported	58	53	47
Number of reported hazards/incidents for the year per 100 full-time equivalent staff members	5.6	6.0	6.2
Time lost (hours)	1,705	3,098	3,334
Number of claims accepted	14	10	12
Number of 'lost time' standard claims for the year per 100 full-time equivalent staff members	0.8	0.9	1.6

Melbourne Polytechnic's WorkCover premium for 2017/2018 was \$521,548 inclusive of GST. Our rating was 24 per cent better than the industry average.

Claims	2017	2016	2015
Average cost per claim for the year	\$22,849	\$62,455	\$52,648
Payments to date	\$92,398	\$167,750	\$85,577
Estimate of outstanding claim costs	\$228,183	\$659,173	\$417,082

SUMMARY OF 2017 CLAIM FIGURES

As at 2 October 2017, Melbourne Polytechnic changed its WorkCover Agent. Figures for 2017 were calculated by the new Agent differently from those produced by the previous Agent.

- ▶ No minor claims were made in 2017.
- ▶ Standard claims were allocated to the date they were received by the Agent and not by date of injury.
- ▶ All data was extracted as at 3 January 2018 and reflects costs on all claims up to 31 December 2017.
- ▶ Average Cost - Total Incurred is calculated by dividing the count of claims per calendar year by Total Incurred. Total Incurred is inclusive of Total Paid + Estimate less recoveries (if any).
- ▶ Average Cost Total Paid - divides count of claims per calendar by Total Paid only and does not include estimates.

ACKNOWLEDGEMENT OF THE COMMON FUNDING AGREEMENT

Melbourne Polytechnic acknowledges the financial support provided by the Victorian Government for services funded pursuant to the Common Funding Agreement between Melbourne Polytechnic and the Victorian Government.

APPLICATION OF THE FREEDOM OF INFORMATION (FOI) ACT 1982

It is Melbourne Polytechnic's policy to facilitate, subject to privacy and confidentiality provisions, access to information without recourse to the provisions of the FOI Act where appropriate.

The Director of Corporate Governance and General Counsel is responsible for ensuring compliance with the *Freedom of Information Act 1982* and the *Protected Disclosure Act 2012*.

FOI ACCESS ARRANGEMENTS

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

The Freedom of Information Officer
Governance Department
Melbourne Polytechnic
77 St Georges Road
Preston VIC 3072 AUSTRALIA

Requests can also be sent by email to:
foi@melbournepolytechnic.edu.au

FOI FEES AND ACCESS CHARGES

The application fee for an FOI request was \$27.90 until 30 June 2017 and \$28.40 from 1 July 2017.

Charges for access to documents were in accordance with the Freedom of Information (Access Charges) Regulations 2014.

FOI ACCESS CLAIMS 2017

There were five requests for access to documents received pursuant to the FOI Act during 2017.

COMPLIANCE WITH VICTORIAN PUBLIC SECTOR TRAVEL PRINCIPLES

Melbourne Polytechnic complies with the Victorian Public Sector Travel Principles through application of the Melbourne Polytechnic International and Domestic Travel Policy.

COMPLIANCE WITH THE PROTECTED DISCLOSURE ACT 2012

Melbourne Polytechnic supports individuals who make a protected disclosure under the *Protected Disclosure Act 2012* including the protection of persons from any detrimental action by officers, employees, contractors or the Institute itself.

Melbourne Polytechnic has not been advised by the Independent Broad-based Anti-corruption Commission (IBAC) that there were any disclosures made against Melbourne Polytechnic or any of its staff in 2017, nor have any disclosures been made to Melbourne Polytechnic Protected Disclosure Contacts.

Melbourne Polytechnic's Protected Disclosure Policy was approved in June 2016, updated in April 2017 and is due for review in 2018. The policy references the *Protected Disclosure Act 2012* and related internal policies. No disclosures have been made.

COMPLIANCE WITH THE CARERS RECOGNITION ACT 2012

The *Carers Recognition Act 2012* formally acknowledges the significant contribution that carers make to the Australian community. Melbourne Polytechnic considers the carers recognition principles as set out in the Act when developing relevant staff and student policies, procedures and provision of services.

These include:

- ▶ flexible working arrangements
- ▶ part-time work opportunities
- ▶ opportunities to purchase leave
- ▶ an Employee Assistance Program.

Students with carer responsibilities or those with a disability are also supported at Melbourne Polytechnic through:

- ▶ application of special consideration arrangements
- ▶ provision of reasonable accommodation to enable participation
- ▶ provision of additional supports such as access to counselling and disability support services.

COMPLIANCE WITH THE BUILDING ACT 1993

Melbourne Polytechnic ensured that all works requiring building approval had plans certified. Works in progress were inspected and occupancy permits issued by independent building surveyors engaged on a job-by-job basis. A registered building practitioner oversaw all works.

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

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

During 2017 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	3
Certificate of final inspection/occupancy issued	1

COMPLIANCE WITH THE VICTORIAN INDUSTRY PARTICIPATION POLICY (VIPP) ACT 2003

In 2017, Melbourne Polytechnic had two contracts to which the VIPP applied, both of which were in compliance with the Act.

COMPLIANCE WITH NATIONAL COMPETITION POLICY

Melbourne Polytechnic has developed a pricing and costing model that is consistent with the National Competition Policy, including the requirements of the policy statement 'Competitive Neutrality Policy Victoria', and any subsequent reforms.

VRQA CHILD SAFE STANDARDS

Melbourne Polytechnic has students aged under 18 years, childcare centres located on campus, and hosts visiting children and young people. Melbourne Polytechnic aims to establish and maintain a child safe organisation where children and young people feel safe, valued, respected, encouraged and empowered to reach their full potential. The Melbourne Polytechnic community is aware of the Victorian State mandatory reporting obligations and associated legislation and has policies and procedures that support compliance with the Child Safety Standards.

Melbourne Polytechnic is a TAFE Institute established under the *Education and Training Reform Act 2006*. It therefore complies with the Victorian Government Child Safe Standards as a Category 2 organisation pursuant to those standards.

ATTESTATION OF COMPLIANCE WITH THE MANDATORY REQUIREMENTS OF THE VICTORIAN GOVERNMENT RISK MANAGEMENT FRAMEWORK

I, Jim Pasinis, Board Chair, certify that Melbourne Polytechnic has complied with the mandatory requirements of the Victorian Government Risk Management Framework.



Jim Pasinis

Board Chairman
Melbourne Polytechnic

Date: 26 February 2018

FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION STATEMENT

I, Jim Pasinis, on behalf of the Board, certify that Melbourne Polytechnic has complied with the applicable Standing Directions of the Minister for Finance under the *Financial Management Act 1994* and Instructions.



Jim Pasinis

Board Chairman
Melbourne Polytechnic

Date: 26 February 2018

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2017 FINANCIAL STATEMENTS

MELBOURNE POLYTECHNIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

DECLARATION

FINANCIAL REPORT FOR YEAR ENDED 31 DECEMBER, 2017

**DECLARATION BY THE BOARD CHAIR
CHIEF EXECUTIVE OFFICER
AND CHIEF FINANCE OFFICER**

We certify that the attached Financial Statements for Melbourne Polytechnic have been prepared in accordance with Part 7 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 Operating Statement, 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 2017 and financial position of the Institute as at 31 December 2017.

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 they become due and payable.

The Board Chair and the Chief Executive Officer sign this declaration as delegates of, and in accordance with a resolution of, the Board of Melbourne Polytechnic.



Board Chair
Jim Pasinis

Date: 26 February 2018

Place: Preston, Victoria



Chief Executive Officer
Frances Coppolillo

Date: 26 February 2018

Place: Preston, Victoria



Chief Finance Officer
Claire Britchford

Date: 26 February 2018

Place: Preston, Victoria



Independent Auditor's Report

To the Board of Melbourne Polytechnic

Opinion	<p>I have audited the financial report of Melbourne Polytechnic (the institute) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 31 December 2017 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including a summary of significant accounting policies • declaration by the Board Chair, Chief Executive Officer and Chief Finance Officer. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the institute as at 31 December 2017 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the institute in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board's responsibilities for the financial report	<p>The Board of the institute is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the institute's ability to continue as a going concern, and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 institute's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the institute's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the institute to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
9 March 2018



Charlotte Jeffries
as delegate for the Auditor-General of Victoria

FINANCIAL STATEMENTS

COMPREHENSIVE OPERATING STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 \$'000	2016 \$'000
Income from transactions			
Government contributions	2.1	85,376	69,205
Sale of goods and services	2.2	75,590	59,113
Interest income		389	355
Other income		4,610	4,398
Total income from transactions		165,965	133,071
Expenses from transactions			
Employee expenses	3.1.1	92,872	84,071
Depreciation and amortisation	4.2	6,297	5,685
Supplies and services	3.2	54,230	31,928
Other operating expenses	3.3	10,399	14,056
Total expenses from transactions		163,798	135,740
Net result from transactions		2,167	(2,669)
Other economic flows included in net result			
Net gain/(loss) on disposal of non-financial assets		89	247
Other gains/(losses) from other economic flows	9.1	(2,102)	(27)
Total other economic flows included in net result		(2,013)	220
Net result		154	(2,449)
Other economic flows - other comprehensive income			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	9.2	76,148	-
Comprehensive result		76,302	(2,449)

The comprehensive operating statement comprises three components: 'net result from transactions'; 'other economic flows included in net result'; and 'other economic flows - other comprehensive income'. The sum of the former two represents the net result. The net result is equivalent to profit or loss derived in accordance with AASs.

The comprehensive operating statement should be read in conjunction with the notes to the financial statements.

BALANCE SHEET AS AT 31 DECEMBER 2017

	Note	2017 \$'000	2016 \$'000
Assets			
Financial assets			
Cash and deposits	6.1	32,399	30,494
Receivables	5.1	12,358	8,765
Total financial assets		44,757	39,259
Non-financial assets			
Inventories and biological assets		454	410
Non-current assets held for sale		-	400
Prepayments		1,676	913
Property, plant and equipment	4.1	374,297	295,719
Intangible assets		475	1,769
Total non-financial assets		376,902	299,211
Total assets		421,659	338,470
Liabilities			
Payables	5.2	18,010	15,020
Employee provisions	3.1.2	16,228	15,226
Other provisions		1,054	132
Government borrowings	6.2	17,643	17,820
Other liabilities		7,442	5,292
Total liabilities		60,377	53,490
Net assets		361,282	284,980
Equity			
Contributed capital		31,681	31,681
Accumulated surplus/(deficit)		40,613	40,459
Reserves	9.2	288,988	212,840
Net worth		361,282	284,980

Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets.

Current and non-current assets and liabilities are disclosed in the notes, where relevant. In general, non-current assets or liabilities are expected to be recovered or settled more than 12 months after the reporting period, except for the provisions of employee benefits, which are classified as current liabilities if the Institute does not have the unconditional right to defer the settlement of the liabilities within 12 months after the end of the reporting period.

The balance sheet should be read in conjunction with the notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

Notes	Physical asset revaluation surplus \$'000	Accumulated surplus \$'000	Contributions by owner \$'000	Total \$'000
At 1 January 2016	212,840	42,908	31,681	287,429
Net result for the year	-	(2,449)	-	(2,449)
Year ended 31 December 2016	212,840	40,459	31,681	284,980
Net result for the year	-	154	-	154
Other economic flows - other comprehensive income	76,148	-	-	76,148
Year ended 31 December 2017	288,988	40,613	31,681	361,282

The statement of changes in equity presents reconciliations of non-owner and owner changes in equity from opening balances at the beginning of the reporting period to the closing balances at the end of the reporting period. It also shows separately changes due to amounts recognised in the 'Comprehensive result' and amounts related to 'Transactions with owner in its capacity as owner'.

The statement of changes in equity should be read in conjunction with the notes to the financial statements.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

Note	2017 \$'000	2016 \$'000
Cash flows from operating activities		
Receipts		
Government contributions	84,343	69,205
User fees and charges received	86,125	69,483
Interest received	344	310
Total receipts	170,812	138,998
Payments		
Payments to suppliers and employees	(158,880)	(134,459)
Goods and services tax paid	(829)	(870)
Fringe benefits tax paid	(160)	(267)
Total payments	(159,869)	(135,596)
Net cash flows from/(used in) operating activities	6.1.1 10,943	3,402
Cash flows from investing activities		
Purchases of non-financial assets	(9,027)	(6,388)
Proceeds from sales of non-financial assets	129	1,061
Net cash provided by/(used in) investing activities	(8,898)	(5,327)
Cash flows from financing activities		
Proceeds from borrowings	97	6,820
Repayment of borrowings	(237)	-
Net cash flows from/(used in) financing activities	(140)	6,820
Net increase/(decrease) in cash and cash equivalents	1,905	4,895
Cash and cash equivalents at the beginning of the financial year	30,494	25,599
Cash and cash equivalents at the end of the financial year	6.1 32,399	30,494

Cash flows are classified according to whether or not they arise from operating, investing, or financing activities. This classification is consistent with requirements under AASB 107 Statement of Cash Flows.

The cash flow statement should be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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NOTE 1. ABOUT THIS REPORT

Melbourne Polytechnic is a statutory body corporate, established pursuant to an Act made by the Victorian Government under the *Education and Training Reform Act 2006* Section 3.1.12 4(a).

Its registered office and principal address is:

77 St Georges Road
Preston VIC 3072

1.1 BASIS OF PREPARATION

These financial statements are presented in Australian dollars, the functional and presentation currency of Melbourne Polytechnic, and have been prepared in accordance with the historical cost convention unless a different measurement basis is specifically disclosed in notes associated with the item measured on that different basis. Amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about financial information being presented. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

Judgements made by management in the application of Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates relate to:

- ▶ the fair value of land, buildings, infrastructure, plant and equipment (refer to note 7.2); and
- ▶ actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to note 3.1).

These financial statements cover Melbourne Polytechnic as an individual reporting entity. Melbourne Polytechnic had no controlled entities for the period ended 31 December 2017.

GOODS AND SERVICES TAX (GST)

Income and expenses are recognised net of the amount of associated GST. 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.

FUNDING RISK

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

Melbourne Polytechnic has substantial economic dependency on Government operating and capital contributions.

Melbourne Polytechnic manages funding risk by continuing to diversify and increased funding from commercial activities, both domestically and offshore.

There has been no significant change in Melbourne Polytechnic'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.

1.2 COMPLIANCE INFORMATION

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable AAS which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of the AASB 1049 Whole of Government and General Government Sector Financial Reporting.

For the purposes of preparing financial statements, Melbourne Polytechnic is classed as a not-for-profit entity. Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

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. Accounting policies applied are disclosed in sections where the related accounting balance or financial statement matter is disclosed.

NOTE 2. HOW WE EARNED OUR FUNDS

2.1 GOVERNMENT CONTRIBUTIONS

	2017	2016
	\$'000	\$'000
Grants and other transfers		
State Government - contestable	40,326	29,679
State Government - other contributions	33,276	34,116
Total Government contributions - operating	73,602	63,795
State Government - capital	11,774	5,410
Total Government contributions	85,376	69,205

Government contributions are recognised as revenue in the period when the following conditions are met: Melbourne Polytechnic obtains control of the contributions or the right to receive the contribution; the economic benefits comprising the contribution will flow to Melbourne Polytechnic; and the amount of the contribution can be measured reliably.

2.2 SALE OF GOODS AND SERVICES

	2017	2016
	\$'000	\$'000
Student fees and charges	13,916	14,171
Fee for service - Government	30,431	17,209
Fee for service - international operations - onshore	13,400	10,127
Fee for service - international operations - offshore	4,139	3,857
Fee for service - other	10,706	12,162
Other non-course fees and charges		
Sale of goods	2,998	1,587
Total fees and charges	75,590	59,113

STUDENT FEES AND CHARGES

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

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.

REVENUE FROM SALE OF GOODS

Revenue from sale of goods is recognised by Melbourne Polytechnic when:

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

NOTE 3. HOW WE EXPENDED OUR FUNDS

3.1 EMPLOYEE BENEFITS

3.1.1 EMPLOYEE BENEFITS IN THE COMPREHENSIVE OPERATING STATEMENT

	2017	2016
	\$'000	\$'000
Expense		
Salaries, wages, overtime and allowances	79,169	72,273
Superannuation	7,047	6,559
Payroll tax	4,119	3,762
Long service leave	1,091	(160)
Annual leave	695	177
Termination benefits	120	817
Other	631	643
Total employee benefits	92,872	84,071

Employee expenses include all costs related to employment, including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums. Superannuation disclosed above are employer contributions that are paid or payable during the reporting period.

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. Melbourne Polytechnic 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. Termination benefits listed above are net of movements in termination provisions and may differ from benefits actually paid in the current period.

3.1.2. EMPLOYEE BENEFITS IN THE BALANCE SHEET

	2017	2016
	\$'000	\$'000
Current provisions		
Employee benefits - Annual leave		
Unconditional and expected to wholly settle within 12 months	2,680	2,318
Unconditional and expected to wholly settle after 12 months	1,421	1,163
Employee benefits - Long service leave		
Unconditional and expected to wholly settle within 12 months	1,448	1,529
Unconditional and expected to wholly settle after 12 months	7,030	6,702
Provisions for on-costs		
Unconditional and expected to wholly settle within 12 months	846	822
Unconditional and expected to wholly settle after 12 months	1,309	1,219
Total current provisions for employee benefits	14,734	13,753
Non-current provisions		
Employee benefits	1,293	1,274
Employee benefits on-costs	201	199
Total non-current provisions	1,494	1,473
Total employee provisions	16,228	15,226

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

WAGES, SALARIES AND ANNUAL LEAVE

Liabilities for wages and salaries, including non-monetary benefits and annual leave are all recognised in the provision for employee benefits as 'current liabilities', because Melbourne Polytechnic does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries, annual leave and sick leave are measured at:

- ▶ undiscounted value - if Melbourne Polytechnic expects to wholly settle within 12 months; or
- ▶ present value - if Melbourne Polytechnic does not expect to wholly settle within 12 months.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even where Melbourne Polytechnic does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of the current LSL liability are measured at:

- ▶ nominal value (undiscounted value) – component that is expected to be wholly settled within 12 months; and
- ▶ present value (discounted value) – component that is not expected to be wholly settled within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value. Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest for which it is then recognised as an other economic flow. The discount rate applied is as advised by the Minister of Finance.

Provision for on-costs such as payroll tax, workers compensation and superannuation is recognised separately from the provision of employee benefits.

3.2 SUPPLIES AND SERVICES

	2017	2016
	\$'000	\$'000
Purchase of supplies and consumables	5,773	4,769
Contract and other services	5,123	4,672
Cost of goods sold/distributed (ancillary trading)	3,679	2,933
Building repairs and maintenance	2,701	2,159
Operating lease payments	4,778	3,568
Professional fees and charges	3,340	3,765
Third party training providers	18,119	5,601
Computer software and hardware expenses	10,717	4,461
Total supplies and services	54,230	31,928

Supplies and services are recognised as an expense in the reporting period in which they are incurred.

NON-CANCELLABLE OPERATING LEASE COMMITMENTS PAYABLE

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2017	2016
Payable:	\$'000	\$'000
Within one year	3,854	3,205
Later than one year but not later than five years	821	4,187
Total operating lease commitments	4,675	7,392

Operating lease payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement 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. The leased asset is not recognised in the balance sheet.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are received to enter into operating leases, the aggregate cost of incentives are recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

OTHER EXPENDITURE COMMITMENTS

Commitments for future services in existence at reporting date but not recognised as liabilities are as follows:

	2017	2016
	\$'000	\$'000
Within one year	164	1,579
Later than one year but not later than five years	334	4,549
Total other expenditure commitments	498	6,128

3.3 OTHER OPERATING EXPENSES

	2017	2016
	\$'000	\$'000
General expenses	1,928	4,288
Marketing and promotional expenses	4,297	4,363
Utilities	2,358	2,259
Staff development	696	560
Audit fees and services	43	42
Bad debts from transactions	249	-
Equipment below capitalisation threshold	828	2,544
Total other operating expenses	10,399	14,056

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and are recognised as and when they are incurred and reported in the financial year to which they relate.

Audit fees and services relate to remuneration to the Victorian Auditor General's office for the audit of the financial statements.

NOTE 4. THE ASSETS WE INVESTED IN

4.1 PROPERTY, PLANT AND EQUIPMENT

In accordance with government purpose classifications, Melbourne Polytechnic's property, plant and equipment are assets used for the purpose of education. Property, plant and equipment includes all operational assets.

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	179,552	108,471	-	-	179,552	108,471
Buildings	186,503	196,606	-	(16,554)	186,503	180,052
Construction in progress	3,082	2,794	-	-	3,082	2,794
Plant and equipment	26,940	23,035	(23,126)	(20,236)	3,814	2,799
Motor vehicles	2,421	2,387	(1,906)	(1,914)	515	473
Leasehold improvements	1,211	1,193	(548)	(219)	663	974
Library collections	4,984	4,879	(4,816)	(4,723)	168	156
Net carrying amount	404,693	339,365	(30,396)	(43,646)	374,297	295,719

INITIAL RECOGNITION

Items of property, plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition.

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

The cost of leasehold improvements is capitalised and depreciated over the shorter of the remaining terms of the leases or their estimated useful lives.

SUBSEQUENT MEASUREMENT

Property, plant and equipment are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised below by asset category.

Non-specialised land and non-specialised buildings are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

Specialised land and specialised buildings: the market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants.

For the majority of Melbourne Polytechnic's specialised buildings, the depreciated replacement cost method is used, adjusting for the associated depreciation.

The fair value of plant, equipment and vehicles is normally determined by reference to the asset's depreciated replacement cost.

REVALUATIONS OF NON-FINANCIAL PHYSICAL ASSETS

Non-current physical assets measured at fair value are revalued in accordance with Financial Reporting Directions (FRDs) issued by the Minister for Finance.

Refer to Note 7.2 for additional information on fair value determination of property, plant and equipment.

4.1.1 RECONCILIATION OF MOVEMENTS IN CARRYING AMOUNT OF PROPERTY, PLANT AND EQUIPMENT

Reconciliation of movements in carrying amount of property, plant and equipment as at 31 December 2017

	Land \$'000	Buildings \$'000	Construction in progress \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Leasehold improvements \$'000	Library collections \$'000	Total \$'000
Opening balance	108,471	180,052	2,794	2,799	473	974	156	295,719
Additions	-	-	5,657	1,811	267	18	104	7,857
Revaluations	70,706	5,442	-	-	-	-	-	76,148
Disposals	-	-	-	-	(27)	-	-	(27)
Transfer (to)/from asset categories	-	4,964	(5,369)	405	-	-	-	-
Transfer (to)/from disposal group held for sale	375	25	-	-	-	-	-	400
Depreciation	-	(3,980)	-	(1,201)	(198)	(329)	(92)	(5,800)
Impairment	-	-	-	-	-	-	-	-
Closing balance	179,552	186,503	3,082	3,814	515	663	168	374,297

Reconciliation of movements in carrying amount of property, plant and equipment as at 31 December 2016

	Land \$'000	Buildings \$'000	Construction in progress \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Leasehold improvements \$'000	Library collections \$'000	Total \$'000
Opening balance	108,471	184,080	-	3,704	476	-	193	296,924
Additions	-	-	2,794	288	206	1,193	27	4,508
Revaluations	-	-	-	-	-	-	-	-
Disposals	-	-	-	(18)	(29)	-	-	(47)
Transfer (to)/from asset categories	-	-	-	-	-	-	-	-
Transfer (to)/from disposal group held for sale	-	-	-	-	-	-	-	-
Depreciation	-	(4,028)	-	(1,175)	(180)	(219)	(64)	(5,666)
Impairment	-	-	-	-	-	-	-	-
Closing balance	108,471	180,052	2,794	2,799	473	974	156	295,719

4.1.2. CAPITAL COMMITMENTS

	2017 \$'000	2016 \$'000
Payable:		
Within one year	9,205	3,495
Total capital expenditure commitments	9,205	3,495

4.2 DEPRECIATION AND AMORTISATION

Depreciation and amortisation is provided on software, property, plant and equipment, and freehold buildings.

Depreciation and amortisation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method.

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

Class of assets	Useful Life
Buildings	50 years (2016: 50 years)
Plant and Equipment	5 - 20 years (2016: 5 - 20 years)
Motor Vehicles	4 - 13 years (2016: 4 - 13 years)
Leasehold Improvements	3 - 4 years (2016: 3 - 4 years)
Library Collections	5 years (2016: 5 years)
ICT Software	2.5 - 5 years (2016: 2.5 - 5 years)

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period and adjustments made where appropriate.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

The following is a summary of depreciation and amortisation for the period ended 31 December 2017:

	2017	2016
	\$'000	\$'000
Depreciation of non-financial assets		
Buildings	3,980	4,028
Plant and equipment	1,201	1,175
Motor vehicles	198	180
Library collections	92	64
Leasehold improvements	329	219
Total depreciation	5,800	5,666
Amortisation of non-financial physical and intangible assets		
Software	497	19
Total amortisation	497	19
Total depreciation and amortisation	6,297	5,685

NOTE 5. BALANCES FROM OPERATIONS

5.1 RECEIVABLES

	2017	2016
	\$'000	\$'000
Contractual		
Sale of goods and services	2,548	3,792
Provision for doubtful contractual receivables	(638)	(489)
Revenue receivable	10,161	5,152
Total contractual	12,071	8,455
Statutory		
GST input tax credit recoverable	287	310
Total receivables	12,358	8,765
Represented by		
Current receivables	12,358	8,765

Receivables consist of:

- ▶ statutory receivables, which include predominantly amounts owing from the Victorian Government and GST input tax credits recoverable; and
- ▶ contractual receivables, which include mainly debtors in relation to goods and services, loans to third parties, accrued investment income, and finance lease receivables.

Receivables other than sale of goods and services are stated exclusive of the amount of GST receivable. Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less an allowance for impairment.

DOUBTFUL DEBTS

Receivables are assessed for bad and doubtful debts on a regular basis. A provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 Impairment of Assets.

A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. The increase in the provision for the year is recognised in the net result.

AGEING ANALYSIS OF CONTRACTUAL RECEIVABLES

	Carrying amount \$'000	Not past due and not impaired \$'000	Past due but not impaired				Impaired financial assets \$'000
			Less than 1 month	1-3 months	3 months - 1 year	1-5 years	
			\$'000	\$'000	\$'000	\$'000	
2017							
Trade receivables	1,910	1,804	334	185	225	-	(638)
Revenue receivables	10,161	10,161	-	-	-	-	-
Total 2017	12,071	11,965	334	185	225	-	(638)
2016							
Trade receivables	3,303	3,017	146	629	-	-	(489)
Revenue receivables	5,152	5,152	-	-	-	-	-
Total 2016	8,455	8,169	146	629	-	-	(489)

Note: The disclosures above exclude statutory payables (e.g. amounts arising to Victorian Government and GST taxes payable).

The average credit period on sales of goods is 30 days. No interest is charged on receivables.

There are no financial assets that have their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

5.2 PAYABLES

	2017 \$'000	2016 \$'000
Contractual		
Supplies and services	17,973	14,974
Total contractual	17,973	14,974
Statutory		
FBT Payable	37	46
Total payables	18,010	15,020
Represented by		
Current payables	18,010	15,020

Payables consist of:

- ▶ contractual payables, such as accounts payable, and unearned income. Accounts payable represent liabilities for goods and services provided to Melbourne Polytechnic 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 those goods and services; and
- ▶ statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost.

Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

MATURITY ANALYSIS OF CONTRACTUAL PAYABLES

	Carrying amount \$'000	Nominal amount \$'000	Maturity dates				
			Less than 1 month	1-3 months	3 months - 1 year	1-5 years	5+ years
			\$'000	\$'000	\$'000	\$'000	\$'000
2017							
Supplies and services	17,973	17,973	12,559	5,414	-	-	-
Total 2017	17,973	17,973	12,559	5,414	-	-	-
2016							
Supplies and services	14,974	14,974	13,171	1,803	-	-	-
Total 2016	14,974	14,974	13,171	1,803	-	-	-

Note: The disclosures above exclude statutory payables (e.g. amounts arising to Victorian Government and GST taxes payable).

Note: The average credit period is 30 days. No interest is charged on the other payables. Terms and conditions of amounts payable to other government agencies vary according to a particular agreement with that agency.

NOTE 6. HOW WE FINANCED OUR OPERATIONS

6.1 CASH AND DEPOSITS

	2017	2016
	\$'000	\$'000
Cash at bank and on hand	28,399	30,494
Deposits at call with TCV	4,000	-
Total cash and deposits	32,399	30,494

Cash received by the Institute from the generation of income is generally paid into its bank accounts. Similarly, any expenditure, including those in the form of cheques drawn by the Institute for the payment of goods and services to its suppliers and creditors are made via Melbourne Polytechnic's bank accounts.

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

6.1.1 RECONCILIATION OF OPERATING RESULT TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2017	2016
	\$'000	\$'000
Net result for the year	154	(2,449)
Non-cash movements		
Depreciation and amortisation of non-financial assets	8,234	5,685
Net (gain)/loss on sale of non-financial assets	(89)	(247)
Movements in assets and liabilities		
Decrease/(increase) in receivables	(3,593)	(1,882)
Decrease/(increase) in inventories	(44)	10
Decrease/(increase) in other assets	(793)	217
Increase/(decrease) in payables	2,990	2,364
Increase/(decrease) in provisions	1,934	(186)
Increase/(decrease) in other liabilities	2,150	(110)
Net cash flows from/(used in) operating activities	10,943	3,402

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 are presented as operating cash flows.

6.2 GOVERNMENT BORROWINGS

	2017	2016
	\$'000	\$'000
Current		
Advances from Government	274	274
Non-Current		
Advances from Government	17,369	17,546
Total borrowings	17,643	17,820

Borrowings

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

The measurement basis subsequent to initial recognition depends on whether Melbourne Polytechnic has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost.

The classification depends on the nature and purpose of the interest bearing liabilities. Melbourne Polytechnic determines the classification of its interest bearing liabilities at initial recognition.

Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

MATURITY ANALYSIS OF CONTRACTUAL PAYABLES

	Carrying amount \$'000	Nominal amount \$'000	Maturity dates				
			Less than 1 month \$'000	1-3 months \$'000	3 months - 1 year \$'000	1-5 years \$'000	5+ years \$'000
2017							
Advances from Government	17,643	17,643	274	-	-	14,769	2,600
Total 2017	17,643	17,643	274	-	-	14,769	2,600
2016							
Advances from Government	17,820	17,820	274	-	-	16,916	630
Total 2016	17,820	17,820	274	-	-	16,916	630

NOTE 7. MANAGING RISKS AND UNCERTAINTIES

7.1 FINANCIAL INSTRUMENTS

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Categories of financial instruments

	2017 \$'000	2016 \$'000
Contractual financial assets		
Receivables and cash		
Cash and deposits	32,399	30,494
Trade receivables	1,910	3,303
Revenue receivable	10,161	5,152
Total contractual financial assets	44,470	38,949
Contractual financial liabilities		
Loans and payables and cash		
Supplies and services	17,973	14,974
Advances from Government	17,643	17,820
Total contractual financial liabilities	35,616	32,794

CATEGORIES OF FINANCIAL INSTRUMENTS

Receivables and cash are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, receivables are measured at amortised cost using the effective interest method (and for assets, less any impairment). Melbourne Polytechnic recognises the following assets in this category:

- ▶ cash and deposits; and
- ▶ receivables (excluding statutory receivables).

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest rate method. Melbourne Polytechnic recognises the following liabilities in this category:

- ▶ payables (excluding statutory payables); and
- ▶ borrowings (including finance lease liabilities).

IMPAIRMENT OF FINANCIAL ASSETS

At the end of each reporting period, Melbourne Polytechnic assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

The allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 Impairment of Assets.

7.2 FAIR VALUE DETERMINATION

This section sets out information on how Melbourne Polytechnic determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- ▶ land, buildings, plant and equipment, vehicles and leasehold improvements.

In addition, the fair values of other assets and liabilities that are carried at amortised cost also need to be determined for disclosure purposes.

Melbourne Polytechnic determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair value estimation

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- ▶ Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- ▶ Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- ▶ Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Melbourne Polytechnic determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. A summary of changes between levels can be found in table 7.2 (a).

FAIR VALUE DETERMINATION OF FINANCIAL ASSETS AND LIABILITIES

Melbourne Polytechnic currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full.

There is no reportable difference between the carrying amount and fair value for the year ended 31 December 2017.

(a) Fair value determination of non-financial assets

The Valuer-General Victoria is Melbourne Polytechnic's independent valuation agency.

Melbourne Polytechnic, in conjunction with the Valuer-General Victoria, monitors changes in the fair value of each asset through relevant data sources to determine whether revaluations are required. The recurring fair value measurements of non-financial physical assets, such as land and buildings, are based on level 2 observable inputs and level 3 unobservable inputs due to the nature and characteristics of the Institute's campus assets. There is little or no observable market evidence of the market selling price of campus assets as they are specialised assets with a community service obligation (CSO) applied.

Fair value measurement hierarchy

	Carrying amount as at 31 Dec 2017 \$'000	Fair value hierarchy		
		Level 1 Quoted prices \$'000	Level 2 Observable price inputs \$'000	Level 3 Unobservable inputs \$'000
2017				
Specialised land	179,552	-	6,631	172,921
Total land at fair value	179,552	-	6,631	172,921
Specialised buildings	148,944	-	1,609	147,335
Heritage buildings	37,559	-	660	36,899
Total buildings at fair value	186,503	-	2,269	184,234
Construction in progress	3,082	-	-	3,082
Plant and equipment	3,814	-	-	3,814
Vehicles	515	-	-	515
Leasehold improvements	663	-	-	663
Library collections	168	-	-	168
Total other assets at fair value	8,242	-	-	8,242

Fair value measurement hierarchy

	Carrying amount as at 31 Dec 2016 \$'000	Fair value hierarchy		
		Level 1 Quoted prices \$'000	Level 2 Observable price inputs \$'000	Level 3 Unobservable inputs \$'000
2016				
Specialised land	108,471	-	-	108,471
Total land at fair value	108,471	-	-	108,471
Specialised buildings	142,762	-	-	142,762
Heritage buildings	37,290	-	-	37,290
Total buildings at fair value	180,052	-	-	180,052
Construction in progress	2,794	-	-	2,794
Plant and equipment	2,799	-	-	2,799
Vehicles	473	-	-	473
Leasehold improvements	974	-	-	974
Library collections	156	-	-	156
Total other assets at fair value	7,196	-	-	7,196

Impairment

Non-financial assets, including items of software, property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired.

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

(b) Valuations of property, plant and equipment

Non-financial physical assets are measured at fair value on a cyclical basis, in accordance with Financial Reporting Direction (FRD) 103F Non-financial Physical Assets issued by the Minister for Finance. A full revaluation of education assets normally occurs every five years, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are generally used to conduct these scheduled revaluations with interim revaluations determined in accordance with the requirements of the FRD. Revaluation increases and decreases arise from differences between an asset's carrying value and the fair value. Consistent with all government education assets, an independent valuation of all land and buildings was performed by the Valuer-General Victoria with an effective date of 31 December 2017.

Specialised land is valued using the market approach and then adjusting for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

Under the market valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre has been applied to the subject asset.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as either Level 2 or Level 3 assets.

Specialised and heritage buildings are valued using the depreciated replacement cost method for all but some minor exceptions. This represents the highest and best use when the market approach is not suitable. The replacement costs assessment is based on replacement of the existing building with a modern equivalent standard, and where heritage buildings are involved, a cost loading to reflect the likely need to replace any destroyed buildings with closely similar (i.e. heritage) architecture, then adjusting for the associated depreciations. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings and heritage buildings are classified as either Level 2 or Level 3 in the fair value hierarchy.

Motor vehicles are valued using the depreciated replacement cost method. Melbourne Polytechnic acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by Melbourne Polytechnic who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Assets under construction are held at cost. The Institute transfers assets into and out of assets under construction when they are ready for use.

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method.

Library collections are held at cost. The process of acquisition, use and disposal is managed by Melbourne Polytechnic who set relevant depreciation rates during use to reflect the utilisation of its collections.

Leasehold improvements are held at fair value being depreciated cost. As there is no evidence of a reliable market-based fair value (or other relevant fair value indicators) for leasehold improvements, depreciated cost is the fair value for these types of assets. The valuation of leasehold improvements is based on significant unobservable inputs and accordingly is classified as Level 3 assets.

There were no changes in valuation techniques throughout the period to 31 December 2017.

For all assets measured at fair value, the current use is considered the highest and best use.

Reconciliation of level 3 fair value movements as at 31 December 2017

	Specialised land \$'000	Specialised buildings \$'000	Heritage buildings \$'000	Construction in progress \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Leasehold improvements \$'000	Library collections \$'000
Opening balance	108,471	142,762	37,290	2,794	2,799	473	974	156
Purchases, disposals and transfers	375	4,989	-	288	2,216	240	18	104
Transfers in (out) of Level 3	(6,631)	(1,609)	(660)	-	-	-	-	-
Depreciation	-	(3,980)	-	-	(1,201)	(198)	(329)	(92)
Revaluation	70,706	5,173	269	-	-	-	-	-
Closing balance	172,921	147,335	36,899	3,082	3,814	515	663	168

Reconciliation of Level 3 fair value as at 31 December 2016

	Specialised land \$'000	Specialised buildings \$'000	Heritage buildings \$'000	Construction in progress \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Leasehold improvements \$'000	Library collections \$'000
Opening balance	108,471	146,790	37,290	-	3,704	476	-	193
Purchases, disposals and transfers	-	-	-	2,794	270	177	1,193	27
Transfers in (out) of Level 3	-	-	-	-	-	-	-	-
Depreciation	-	(4,028)	-	-	(1,175)	(180)	(219)	(64)
Revaluation	-	-	-	-	-	-	-	-
Closing balance	108,471	142,762	37,290	2,794	2,799	473	974	156

Description of significant unobservable inputs to Level 3 valuations

2017 and 2016	Valuation technique	Significant unobservable inputs
Specialised land	Market approach	Community Service Obligation (CSO) adjustment
Specialised buildings	Depreciated replacement cost	Direct cost per square metre
Heritage buildings	Depreciated replacement cost	Direct cost per square metre
Construction in progress	Depreciated replacement cost	Useful life of the asset once it is ready for use
Plant and equipment	Depreciated replacement cost	Useful life plant and equipment
Motor vehicles	Depreciated replacement cost	Useful life of vehicles
Library collections	Depreciated replacement cost	Useful life of library books
Leasehold improvements	Depreciated replacement cost	Useful life of lease

NOTE 8. GOVERNANCE

8.1 RESPONSIBLE PERSONS

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding Responsible Persons and Executive Officers for the reporting period.

The persons who held the positions of Ministers and Accountable Officers in Melbourne Polytechnic are as follows:

Position	Name	Dates of appointment
Minister for Training and Skills	The Hon. Gayle Tierney MLC	1 January to 31 December 2017
Chief Executive Officer (Accountable Officer)	Rob Wood	1 January to 15 September 2017
Acting Chief Executive Officer (Accountable Officer)	Frances Coppolillo	16 September to 19 November 2017
Chief Executive Officer (Accountable Officer)	Frances Coppolillo	20 November to 31 December 2017
Board Chairman	Bill Forwood	1 January to 27 November 2017
Interim Board Chairman	Jim Pasinis	28 November to 19 December 2017
Board Chairman	Jim Pasinis	20 December to 31 December 2017
Board Director	Jim Pasinis	1 January to 27 November 2017
Board Director	Sandy Forbes	1 January to 31 December 2017
Board Director	Arianne Rose	1 January to 31 December 2017
Board Director	Fiona McNabb	1 January to 31 December 2017
Board Director	Joe Dicks	1 January to 31 December 2017
Board Director	Mel Riel	1 January to 31 December 2017
Board Director	Professor Lee Astheimer	1 January to 31 December 2017
Board Director	Ian Munro	1 January to 31 December 2017

Remuneration

Remuneration received or receivable by the Responsible Persons and Accountable Officer, excluding the responsible Minister during the reporting period was in the range:

	2017	2016
	No.	No.
Income range		
The number of Board members whose total remuneration from the Institute was within the specified income bands are as follows:		
\$20,000 - \$29,999	-	12
\$30,000 - \$39,999	8	-
\$50,000 - \$59,999	-	1
\$60,000 - \$69,999	1	1
Total numbers	9	14
Total remuneration (\$'000)	347	464

Remuneration received or receivable by the Accountable Officer in connection with the management of the Institute during the reporting period was in the range: \$320,000 - \$329,999 (\$320,000 - \$329,999 in 2016). It is noted that during this period there was an incoming and outgoing incumbent and such reflects the range of remuneration for the position.

8.2 REMUNERATION OF EXECUTIVES

The number of Executive Officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period is shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent Executive Officers over the reporting period. Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories. Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefits or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

	2017 \$'000
Remuneration ⁽ⁱ⁾	
Short-term employee benefits	4,605
Post-employment benefits	-
Other long-term benefits	2
Termination benefits	433
Total remuneration	5,040
Total number of executives	29
Total annualised employee equivalents ⁽ⁱⁱ⁾	26

⁽ⁱ⁾ Note that for the first year of implementation (2017), no comparatives will be required.

⁽ⁱⁱ⁾ Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period.

8.3 RELATED PARTIES

RELATED PARTIES OF MELBOURNE POLYTECHNIC INCLUDE:

- ▶ all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over); and
- ▶ all Cabinet Ministers and their close family members.

All related party transactions have been entered into on an arm's-length basis.

Key management personnel of Melbourne Polytechnic include the Minister for Training and Skills, the members of the Board, the Chief Executive Officer, and members of the Executive Committee. The compensation detailed below excludes the salary and benefits received by the Minister for Training and Skills. The Minister's remuneration and allowances are reported within the Department of Parliamentary Services' Financial Report.

COMPENSATION OF KEY MANAGEMENT PERSONNEL

	2017 \$'000
Remuneration ⁽ⁱ⁾	
Short-term employee benefits	1,954
Post-employment benefits	-
Other long-term benefits	-
Termination benefits	154
Total remuneration	2,108

⁽ⁱ⁾ Note that for the first year of implementation (2017), no comparatives will be required.

TRANSACTIONS AND BALANCES WITH KEY MANAGEMENT PERSONNEL AND OTHER RELATED PARTIES

Related party transactions where the transaction is of a typical citizen transaction or where the terms and conditions are on standard commercial terms and under \$100,000, are not disclosed.

RELATED PARTY TRANSACTIONS

	Transaction values for year ended		Balances outstanding as at	
	31 December		31 December	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Purchase of goods and services				
ICT and other services	4,063	2,109	-	1,353
Total	4,063	2,109	-	1,353

In 2016, Melbourne Polytechnic had entered into a software maintenance and licensing arrangement with US-based companies M-CAM Global Holdings LLC and M-CAM International LLC, to which Melbourne Polytechnic's employee Dr David E Martin was a related party. All interests were declared prior to the arrangements being entered into. On 18 September 2017, Dr Martin ceased to be an employee of Melbourne Polytechnic and therefore M-CAM Global Holdings LLC and M-CAM International LLC ceased to be a related party to Melbourne Polytechnic on the same date.

Other related transactions and loan requiring disclosure under the Directions of the Minister for Finance have been considered and there are no matters to report.

NOTE 9. OTHER DISCLOSURES

9.1 OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT

	2017	2016
	\$'000	\$'000
Other gains/(losses) from other economic flows		
Net gain/(loss) arising from revaluation of long service leave liability	(16)	(64)
Impairment of intangible assets	(1,937)	-
Unwinding of other provisions	(149)	37
Total other gains/(losses) from other economic flows	(2,102)	(27)

Net gain/(loss) from revaluation of long service leave liability and annual liability are changes arising due to changes in bond rates.

'Other economic flows' are changes arising from market remeasurements.

They include:

- ▶ revaluations and impairments of non-financial physical and intangible assets; and
- ▶ remeasurement arising from employee benefits disclosed above.

This classification is consistent with the whole of government reporting format and is allowed under AASB 101 Presentation of Financial Statements.

9.2 OTHER EQUITY RESERVES

PHYSICAL ASSET REVALUATION SURPLUS¹

	2017	2016
	\$'000	\$'000
Balance at 1 January	212,840	212,840
Revaluation increment on non-current asset	76,148	-
Balance at 31 December	288,988	212,840

¹ The physical asset revaluation surplus arises on the revaluation of land and buildings. The Valuer-General Victoria conducted a revaluation of Melbourne Polytechnic's land and buildings at 31 December 2017 that resulted in an increment.

9.3 EVENTS AFTER REPORTING DATE

No matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of Melbourne Polytechnic, the results of those operations or the state of affairs of Melbourne Polytechnic in subsequent financial years.

9.4 APPLICATION OF STANDARDS ISSUED BUT NOT YET EFFECTIVE

Certain new accounting standards and interpretations have been published that are not effective for the 31 December 2017 reporting period.

As at 31 December 2017 the following standards and interpretations had been issued but were not effective for the financial year ending 31 December 2017. The Institute has not and does not intend to adopt these standards early.

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 15 Revenue from Contracts with Customers	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1-Jan-19	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.
AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	Amends the measurement of trade receivables and the recognition of dividends. Trade receivables, that do not have a significant financing component, are to be measured at their transaction price, at initial recognition. Dividends are recognised in the profit and loss only when: ▶ the entity's right to receive payment of the dividend is established; ▶ it is probable that the economic benefits associated with the dividend will flow to the entity; and ▶ the amount can be measured reliably.	1-Jan-17, except amendments to AASB 9 (Dec 2009) and AASB 9 (Dec 2010) apply from 1-Jan-18	The assessment has indicated that there will be no significant impact for the public sector.

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 2015-8 Amendments to Australian Accounting Standards - Effective Date of AASB 15	This Standard defers the mandatory effective date of AASB 15 from 1 January 2017 to 1 January 2018.	1-Jan-18	This amending standard will defer the application period of AASB 15 for for-profit entities to the 2018/2019 reporting period in accordance with the transition requirements.
AASB 2016-3 Amendments to Australian Accounting Standards - Clarifications to AASB 15	This Standard amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. The amendments require: <ul style="list-style-type: none"> ▶ a promise to transfer to a customer a good or service that is 'distinct' to be recognised as a separate performance obligation; ▶ for items purchased online, the entity is a principal if it obtains control of the good or service prior to transferring to the customer; and ▶ for licences identified as being distinct from other goods or services in a contract, entities need to determine whether the licence transfers to the customer over time (right to use) or at a point in time (right to access). 	1-Jan-18	The assessment has indicated that there will be no significant impact for the public sector, other than the impact identified for AASB 15 above.
AASB 2016-7 Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for- Profit Entities	This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.	1-Jan-19	This amending standard will defer the application period of AASB 15 for not-for-profit entities to the 2019/2020 reporting period.
AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for- Profit Entities	This Standard amends AASB 9 and AASB 15 to include requirements to assist not-for-profit entities in applying the respective standards to particular transactions and events. The amendments: <ul style="list-style-type: none"> ▶ require non-contractual receivables arising from statutory requirements (i.e. taxes, rates and fines) to be initially measured and recognised in accordance with AASB 9 as if those receivables are financial instruments; and ▶ clarifies circumstances when a contract with a customer is within the scope of AASB 15. 	1-Jan-19	The assessment has indicated that there will be no significant impact for the public sector, other than the impacts identified for AASB 9 and AASB 15 above.
AASB 16 Leases	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet.	1-Jan-19	The assessment has indicated that as most operating leases will come on balance sheet, recognition of the right-of-use assets and lease liabilities will cause net debt to increase. Rather than expensing the lease payments, depreciation of right-of-use assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus. No change for lessors.
AASB 1058 Income of Not-for-Profit Entities	This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable the not-for-profit entity to further its objectives.	1-Jan-19	The assessment has indicated that revenue from capital grants that are provided under an enforceable agreement that have sufficiently specific obligations, will now be deferred and recognised as performance obligations are satisfied. As a result, the timing recognition of revenue will change.



Independent Auditor's Report

To the Board of Melbourne Polytechnic

Opinion	<p>I have audited the accompanying performance statement of Melbourne Polytechnic (the institute) which comprises the:</p> <ul style="list-style-type: none"> • performance statement for the year ended 31 December 2017, and • the management certification. <p>In my opinion, the performance statement of Melbourne Polytechnic in respect of the year ended 31 December 2017 presents fairly, in all material respects, in accordance with the key performance measures developed in the institute's annual statement of corporate intent.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. My responsibilities under the Act are further described in the <i>Auditor's responsibilities for the audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the institute in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Australia and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board's responsibilities for the performance statement	<p>The Board is responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Financial Management Act 1994</i> and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
Auditor's responsibilities for the audit of the performance statement	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.</p> <p>Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to</p>

influence the decisions of users taken on the basis of this performance statementperformance statement.

As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 institute's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
9 March 2018



Charlotte Jeffries
as delegate for the Auditor-General of Victoria

2017 PERFORMANCE STATEMENT

In our opinion, the performance of Melbourne Polytechnic in respect of the 2017 financial year is presented fairly in accordance with the key performance measures developed in the Annual Statement of Corporate Intent.

The performance indicators are determined by the Board in its Strategic Plan identifying 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.



Board Chair
Jim Pasinis

Date: 26 February 2018

Place: Preston, Victoria



Chief Executive Officer
Frances Coppolillo

Date: 26 February 2018

Place: Preston, Victoria



Chief Finance Officer
Claire Britchford

Date: 26 February 2018

Place: Preston, Victoria

PERFORMANCE

Indicator	Description and Methodology	2017		Explanation of variances	2016 Result
		Target	Actual		
Training revenue diversity	Breakdown of training revenue split by government-funded and fee for service. Training revenue split by: <ul style="list-style-type: none"> ▶ Victorian Training Guarantee (VTG) ▶ Fee for Service (FFS). 	VTG - 31.0% FFS - 69.0%	VTG - 35.7% FFS - 64.3%	Increases in Skills First subsidies resulted in higher VTG revenue than anticipated.	VTG - 34.4% FFS - 65.6%
Employment costs as a proportion of training revenue	Employment and third-party training delivery costs as a proportion of training revenue (VTG and FFS). Employment costs plus third-party training delivery costs/training revenue.	95.8%	98.3%	Indicator was in line with expectations and forecast.	97.4%
Training revenue per Teaching FTE	Training Revenue (excluding revenue delivered by third parties) per Teaching FTE. Training Revenue (excluding revenue delivered by third parties)/Teaching FTE.	\$212,533	\$189,027	Teaching FTE was higher than anticipated due to increases in enrolments and changes to delivery requirements associated with fee for service contracts.	\$198,008
Operating margin percentage	Operating margin percentage. EBIT (excluding Capital Contributions)/Total Revenue (excluding Capital Contributions).	-9.0%	-7.5%	Increased operating margin driven by increased enrolments and increased revenue associated with fee for service training contracts.	-6.2%*
Total Enrolment Targets	Variance in total annual enrolment.	VTG +10% FFS +15%	VTG +9.2% FFS +28.5%	VTG enrolments grew in line with expectations and fee for service growth was significantly higher due to the successful awarding of the AMEP/SEE contract.	VTG -11.6% FFS -16.2%
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation (excluding capital contributions).	-\$11.7m	-\$5.3m	EBITDA is higher due to higher than expected revenue.	-\$2.2m*

* 2016 has been restated to reflect the exclusion of capital contributions as per the definition.

INFORMATION ABOUT MELBOURNE POLYTECHNIC

The Melbourne Polytechnic website is a comprehensive source of information about courses, campuses, services and history. The website provides public access to the Institute's Annual Reports at www.melbournepolytechnic.edu.au/explore-melbourne-polytechnic/reports/

SUMMARY OF FINANCIAL RESULTS

Year	Operating Surplus (Deficit) \$'000	Accumulated Surplus (Deficit) \$'000
2017	154	40,613
2016	(2,449)	40,459
2015	(3,493)	42,908
2014	(20,540)	46,401
2013	(31,690)	66,941

CONSULTANCIES

Consultant	Purpose of Consultancy	Start Date	End Date	Total Approved Project Fee (excl. GST) \$	Actual 2017 Expenditure (excl. GST) \$	Future Expenditure (excl. GST) \$
GHD Pty Ltd	Environmental audits - Preston and Greensborough	Jan 2017	Dec 2017	19,766	19,766	-
Geo Pollution Management Pty Ltd	Environmental Site Assessment - Collingwood	Jan 2017	Mar 2017	11,025	11,025	-
HCI Professional Services Pty Ltd	Asset Management Consultancy	May 2017	Jun 2017	16,250	16,250	-
Marmalade Melbourne Pty Ltd	Develop five course campaigns for VTAC	Aug 2017	Sep 2017	15,000	15,000	-
ONTOIT Global	Greensborough Revitalisation Business Case	Dec 2017	Dec 2017	67,100	67,100	-
Sourcery Market Pty Ltd	Marketing Strategy Development	Mar 2017	Apr 2017	11,000	11,000	-

Note: During 2017 Melbourne Polytechnic did not engage any consultants less than \$10,000.

Details regarding consultancies over \$10,000 are made publicly available through the publication of this Annual Report on the Melbourne Polytechnic website www.melbournepolytechnic.edu.au/explore-melbourne-polytechnic/reports/

ADVERTISING

Details of 2017 advertising expenditure (campaigns with a media spend of \$100,000 or greater)

Campaign name	Campaign summary	Start date	End date	Advertising (Media) expenditure (excl. GST)	Creative and campaign development expenditure (excl. GST)	Research and evaluation expenditure (excl. GST)	Print and collateral expenditure (excl. GST)	Other campaign expenditure (excl. GST)	Total campaign expenditure (excl. GST)
Summer Campaign (2016/2017) Start of Year	Enrolment & Brand Campaign	1 Jan 2017	28 Feb 2017	\$380,200	\$11,000	-	-	-	\$391,200
Midyear Campaign	Enrolment & Brand Campaign	24 Apr 2017	23 Jul 2017	\$285,000	\$0	-	-	-	\$285,000
VTAC Campaign	Enrolment & Brand Campaign	1 Aug 2017	30 Sep 2017	\$239,400	\$101,500	-	-	-	\$340,900
Summer Campaign (2017/2018) End of Year	Enrolment & Brand Campaign	1 Oct 2017	31 Dec 2017	\$801,100	\$391,300	-	-	-	\$1,192,400

ADDITIONAL INFORMATION

Consistent with the requirements of the *Freedom of Information Act 1982* and the *Financial Management Act 1994*, information on the following items is available on request:

- ▶ Statement regarding declarations of pecuniary interests.
- ▶ Details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary.
- ▶ Details of publications produced by Melbourne Polytechnic about itself and how they can be obtained.
- ▶ Details of changes in prices, fees, charges, rates and levies charged by Melbourne Polytechnic.
- ▶ Details of any major external reviews carried out on Melbourne Polytechnic.
- ▶ Details of major research and development activities undertaken by Melbourne Polytechnic.

- ▶ Details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit.
- ▶ Details of major promotional, public relations and marketing activities undertaken by Melbourne Polytechnic to develop community awareness of the entity and its services.
- ▶ Details of assessments and measures undertaken to improve the occupational health and safety of employees.
- ▶ A general statement on industrial relations within Melbourne Polytechnic and details of time lost through industrial accidents and disputes.
- ▶ A list of major committees sponsored by Melbourne Polytechnic, the purposes of each committee, and the extent to which the purposes have been achieved.
- ▶ Details of all consultancies and contractors.

REQUESTS FOR ADDITIONAL INFORMATION

The Chief Operating Officer
Melbourne Polytechnic

77 St Georges Road
Preston VIC 3072
AUSTRALIA

+61 3 9269 1200

info@melbournepolytechnic.edu.au

COMPLIANCE WITH OTHER LEGISLATION AND SUBORDINATE INSTRUMENTS

Melbourne Polytechnic complies with all relevant legislation and subordinate instruments including, but not limited to, the following:

- ▶ *Education and Training Reform Act 2006 (ETRA)*
- ▶ The Constitution of Melbourne Polytechnic
- ▶ Directions of the Minister for Training and Skills (or predecessors)
- ▶ Victorian Government Department of Education and Training Commercial Guidelines
- ▶ Victorian Government Department of Education and Training Strategic Planning Guidelines
- ▶ *Public Administration Act 2004*
- ▶ *Financial Management Act 1994*
- ▶ *Freedom of Information Act 1982*
- ▶ *Building Act 1993*
- ▶ *Protected Disclosure Act 2012*
- ▶ *Victorian Industry Participation Policy Act 2003*

COMPULSORY NON-ACADEMIC FEES AND CHARGES STATEMENT AS AT 31 DECEMBER 2017

Melbourne Polytechnic imposes a compulsory non-academic fee known as the Student Services and Amenities Fee for the purposes of providing a range of free support services to students; on campus recreational activities through the Student Life and Media (SLAM) unit; and the maintenance of campus facilities for direct student use.

The 2017 Student Services and Amenities Fee was calculated on the basis of 40 cents per enrolled student contact hour in government-funded accredited courses, with a maximum fee of \$250 and a minimum fee of \$50. Certain concessions and exemptions applied. Courses delivered in the workplace or at community locations were charged a flat fee of \$50 per enrolment. The collection and expenditure of the amenities fee is subject to the provisions of the *Education and Training Reform Act 2006*.

The total income from compulsory non-academic fees collected by the Institute in 2017 was \$1,281,710.

The Institute used the income generated from the compulsory non-academic fee for salary and non-salary expenditures including, but not limited to: campus betterment activities, a range of support services, student events, access to a fitness centre and student communications.

No fees, subscriptions and charges were made directly available to student organisations in 2017. However SLAM staff, which included Student Engagement and Events officers, the SLAM team leader and a Student Communications Coordinator were employed by the Institute.

COMPULSORY NON-ACADEMIC FEES AND CHARGES STATEMENT AS AT 31 DECEMBER 2017 (continued)

The following engagement and support services were provided to students in 2017, funded by the amenities fee:

- ▶ 388 on campus events with attendance of over 19,000 students
- ▶ Access to library resources and collaborative study spaces
- ▶ Provision of online and face to face study support and tutoring services
- ▶ Counselling and Welfare support services
- ▶ Provision of the Melbourne Polytechnic THRIVE APP for students
- ▶ Orientation and Induction activities across all campuses
- ▶ Campus betterment including upgrades to student recreational and learning spaces.

	2017 \$	2016 \$
Income		
Compulsory Non-Academic Fees	1,281,710	1,279,632
Total Income	1,281,710	1,279,632
Expenditure		
Salaries		
Salaries	787,226	830,476
Salary On-costs	140,381	128,377
Total Salary Expenditure	927,607	958,853
Non-salaries		
Consumables	13,947	11,914
Subscriptions	61,185	65,997
Telephone	2,343	2,327
Equipment Purchases	29,213	13,707
Registration and Licensing	655	0
Software Licenses	28,089	0
Fees and Charges	1,253	153
Equipment Lease	0	1,268
Fitness Centre	106,350	95,000
Travel	5,250	5,549
Staff Development	226	187
Freight and Cartage	315	0
Advertising - Courses and Other	10,005	11,291
Orientation/Recreational Activities	65,618	67,458
Building Repairs and Maintenance	0	3,136
Minor Works	20,246	2,604
Uniforms	2,210	1,265
Hospitality	0	27
Security Services	1,773	64
Professional Fees	7,456	43,616
Total Non-salary Expenditure	356,134	325,563
Total Expenditure	1,283,741	1,284,416
Operating Result for the Year	(2,031)	(4,784)

DISCLOSURE INDEX

This Annual Report was prepared in accordance with the *Financial Management Act 1994* and the Directions of the Minister for Finance. The Disclosure Index shows compliance with the statutory requirements.

The financial report was authorised by the Board members on 26 February 2018.

Item No.	Source	SUMMARY OF REPORTING REQUIREMENT	Page
REPORT OF OPERATIONS			
CHARTER AND PURPOSE			
1	FRD 22H	Manner of establishment and the relevant Minister.	9
2	FRD 22H	Purpose, functions, powers and duties linked to a summary of activities, programs and achievements.	i, 4-21
3	FRD 22H	Nature and range of services provided including communities served.	i, 19-21
MANAGEMENT AND STRUCTURE			
4	FRD 22H	Organisational structure and chart, including responsibilities and details of the accountabilities of an entity's main activities.	11
5	FRD 22H	Names of Board and committee members.	9-10
FINANCIAL AND OTHER INFORMATION			
6	FRD 03A	Accounting for dividends.	N/A
7	FRD 07B	Early adoption of authoritative accounting pronouncements.	52-53
8	FRD 10A	Disclosure Index.	61-63
9	FRD 17B	Long service leave and annual leave for employees.	39-40
10	FRD 20A	Accounting for State motor vehicle lease arrangements prior to 1 February 2004.	N/A
11	FRD 22H	Operational and budgetary objectives, performance against objectives and achievements.	4-6, 57
12	FRD 22H	Occupational health and safety statement including performance indicators and performance against those indicators.	25
13	FRD 22H	Workforce data for current and previous reporting period including a statement on the application of employment and conduct principles and that employees have been correctly classified in the workforce data collections.	24-25
14	FRD 22H	Summary of the financial results, with comparative information for the preceding four reporting periods.	57
15	FRD 22H	Summary of significant changes in financial position.	6
16	FRD 22H	Key initiatives and projects, including significant changes in key initiatives and projects from previous years and expectations for the future.	4-7, 12, 14, 19
17	FRD 22H	Post-balance sheet date events likely to significantly affect subsequent reporting periods.	51
18	FRD 22H	Summary of application and operation of the <i>Freedom of Information Act 1982</i> .	26
19	FRD 22H	Discussion and analysis of operating results and financial results.	4-6
20	FRD 22H	Significant factors affecting performance.	4-6, 57
21	FRD 22H	Where a TAFE has a workforce inclusion policy, a measurable target and report on the progress towards the target should be included.	N/A
22	FRD 22H	Schedule of any government advertising campaign in excess of \$100,000 or greater (exclusive of GST).	58
23	FRD 22H	Statement of compliance with building and maintenance provisions of the <i>Building Act 1993</i> .	26
24	FRD 22H	Statement, where applicable, on the implementation and compliance with the National Competition Policy.	27
25	FRD 22H	Summary of application and operation of the <i>Protected Disclosure Act 2012</i> .	26
26	FRD 22H and FRD 24C	Summary of Environmental Performance including a report on office-based environmental impacts.	22-23

ITEM	SOURCE	SUMMARY OF REPORTING REQUIREMENT	PAGE
FINANCIAL AND OTHER INFORMATION CONT.			
27	FRD 22H	<p>Consultants:</p> <p>Report of Operations must include a statement disclosing each of the following:</p> <ol style="list-style-type: none"> 1. Total number of consultancies of \$10,000 or more (excluding GST); 2. Location (e.g. website) of where details of these consultancies over \$10,000 have been made publicly available; and 3. Total number of consultancies individually valued at less than \$10,000 and the total expenditure for the reporting period. <p>AND for each consultancy more than \$10,000, a schedule is to be published on the TAFE institute website listing:</p> <ul style="list-style-type: none"> ▶ Consultant engaged; ▶ Brief summary of project; ▶ Total project fees approved (excluding GST); ▶ Expenditure for reporting period (excluding GST); and ▶ Any future expenditure committed to the consultant for the project. 	58
28	FRD 22H	Statement, to the extent applicable, on the application and operation of the <i>Carers Recognition Act 2012</i> (Carers Act) and the actions that were taken during the year to comply with the Carers Act.	26
29	FRD 22H	List of other information available on request from the Accountable Officer, and which must be retained by the Accountable Officer.	58-59
30	FRD 22H	<p>An entity shall disclose the following in the report of operations:</p> <ol style="list-style-type: none"> a) Total entity ICT Business As Usual (BAU) expenditure for the full 12-month reporting period; and b) Total entity ICT Non-Business As Usual expenditure for the full 12-month reporting period; and provide a breakdown for: <ol style="list-style-type: none"> (i) Operational expenditure (OPEX); and (ii) Capital expenditure (CAPEX). 	6
31	FRD 25C	Victorian Industry Participation Policy Disclosures.	27
32	FRD 26B	Accounting for VicFleet motor vehicle lease arrangements on or after 1 February 2004.	N/A
33	FRD 29B	Workforce Data Disclosures on the public service employee workforce. Note: <i>TAFEs must report on a calendar year basis (i.e. not financial year basis).</i>	24-25
34	SD 3.7.1	The Responsible Body must ensure that the Agency applies the Victorian Government Risk Management Framework.	27
35	FRD 22H	An entity's report of operations shall contain general and financial information, including other relevant information, outlining and explaining an entity's operations and activities for the reporting period.	4-21
36	SD 5.2.1(a)	The Accountable Officer must implement and maintain a process to ensure the Agency's Annual Report is prepared in accordance with the FMA, these Directions, the Instructions, applicable Australian Accounting Standards and Financial Reporting Directions.	4, 27, 30, ii
37	SD 5.2.3	The report of operations must be signed and dated by the Responsible Body or a member of the Responsible Body.	4
38	CG 10 (clause 27)	Register of Major Commercial Activities and Report.	4-7, 12, 14, 19
39	CG 12 (clause 33)	TAFE Institute Controlled Entities.	37
FINANCIAL REPORT			
FINANCIAL STATEMENTS REQUIRED UNDER PART 7 OF THE FINANCIAL MANAGEMENT ACT 1994			
40	SD 5.2.2(b)	<p>The declaration required under Direction 5.2.2(a) must state that in the joint opinion of the signing persons:</p> <ul style="list-style-type: none"> ▶ The financial statements present fairly the financial transactions during the reporting period and the financial position at the end of that period; and ▶ The financial statements have been prepared in accordance with applicable requirements in the FMA, the Directions, the Financial Reporting Directions and Australian Accounting Standards. 	30

Item No.	Source	SUMMARY OF REPORTING REQUIREMENT	Page
OTHER REQUIREMENTS UNDER STANDING DIRECTION 4.2/FINANCIAL MANAGEMENT ACT 1994			
41	SD 5.2.2(a) and FMA s49	An Agency's financial statements must include a signed and dated declaration by: <ul style="list-style-type: none"> ▶ The Accountable Officer; ▶ Subject to Direction 5.2.2(c), the CFO; and ▶ For Agencies with a statutory board or equivalent governing body established by or under statute, a member of the Responsible Body. 	30
42	FRD 30D	Rounding of amounts	37
43	SD 3.2.1.1(c)	The Responsible Body must establish an Audit Committee to: <ul style="list-style-type: none"> ▶ Review annual financial statements and make a recommendation to the Responsible Body as to whether to authorise the statements before they are released to Parliament by the Responsible Minister. 	10
OTHER REQUIREMENTS AS PER FINANCIAL REPORTING DIRECTIONS IN NOTES TO THE FINANCIAL STATEMENTS			
44	FRD 11A	Disclosure of ex-gratia payments.	N/A
45	FRD 21C	Disclosures of Responsible Persons, Executive Officer and Other Personnel (Contractors with significant management responsibilities) in the Financial Report.	50
46	FRD 102A	Inventories.	34
47	FRD 103F	Non-financial physical assets.	41-42, 46-49
48	FRD 105B	Borrowing costs.	N/A
49	FRD 106A	Impairment of assets.	46-48
50	FRD 107B	Investment properties.	N/A
51	FRD 109A	Intangible assets.	34
52	FRD 110A	Cash flow statements.	35, 45
53	FRD 112D	Defined benefit superannuation obligations.	N/A
54	FRD 113A	Investment in subsidiaries, jointly controlled entities and associates.	N/A
55	FRD 114B	Financial instruments - general government entities and public non-financial corporations.	43-46
56	FRD 119A	Transfers through contributed capital.	35
57	FRD 120K	Accounting and reporting pronouncements applicable to the reporting period.	30, 36-52
COMPLIANCE WITH OTHER LEGISLATION, SUBORDINATE INSTRUMENTS AND POLICIES			
58	Legislation	The TAFE institute Annual Report must contain a statement that it complies with all relevant legislation, and subordinate instruments, (and which should be listed in the Report) including, but not limited to, the following: <ul style="list-style-type: none"> ▶ <i>Education and Training Reform Act 2006</i> (ETRA) ▶ TAFE institute constitution ▶ Directions of the Minister for Training and Skills (or predecessors) ▶ TAFE institute Commercial Guidelines ▶ TAFE institute Strategic Planning Guidelines ▶ <i>Public Administration Act 2004</i> ▶ <i>Financial Management Act 1994</i> ▶ <i>Freedom of Information Act 1982</i> ▶ <i>Building Act 1993</i> ▶ <i>Protected Disclosure Act 2012</i> ▶ <i>Victorian Industry Participation Policy Act 2003</i> 	59
59	ETRA s3.2.8	Statement about compulsory non-academic fees, subscriptions and charges payable in 2017.	59-60
60	Policy	Statement that the TAFE institute complies with the Victorian Public Sector Travel Principles.	26
61	Key Performance Indicators	Institutes to report against: <ul style="list-style-type: none"> ▶ KPIs set out in the annual Statement of Corporate Intent; and ▶ Employment costs as a proportion of training revenue; ▶ Training revenue per teaching FTE; ▶ Operating margin percentage; ▶ Training Revenue diversity. 	57
OVERSEAS OPERATIONS OF VICTORIAN TAFE INSTITUTES			
62	PAEC and VAGO (June 2003 Special Review item 3.110)	<ul style="list-style-type: none"> ▶ Financial and other information on initiatives taken or strategies relating to the institute's overseas operations. ▶ Nature of strategic and operational risks for overseas operations. ▶ Strategies established to manage such risks of overseas operations. ▶ Performance measures and targets formulated for overseas operations. ▶ The extent to which expected outcomes for overseas operations have been achieved. 	19

OUR COMMUNITY AND LOCAL INDUSTRY PARTNERS



GREENSBOROUGH CAMPUS MAP

MELBOURNE POLYTECHNIC

- A** LEVEL 2 & 3
- B** LEVEL 2
- D** Security Office
- E** Horticulture

- C** Wallaby Childcare

- F** Future Banyule Technical School
Scheduled for completion in 2018

bnllen

- A** - LEVEL 2

- MELBOURNE INNOVATION CENTRE
- B** - LEVEL 1

- AUSTRALIAN CENTRE FOR CAREER EDUCATION
- A** - LEVEL 2 & 3 EAST END

- DVLC
- A** - LEVEL 2

NOTE: This image actual signage at the Greensborough campus Dec 2017.
 Since production Banyule Technical School has become Banyule Nillumbik Tech School.

ABOUT THIS REPORT

The Melbourne Polytechnic Annual Report 2017 is a report to the Parliament of Victoria required under Section 45 of the *Financial Management Act 1994*. The Annual Report contains information about the operations of Melbourne Polytechnic during 2017, audited standard Financial and Performance Statements and other information required under Standing Directions of the Minister for Finance under the Act and the Financial Reporting Directions given under the Act.

In preparing this report, Melbourne Polytechnic followed the reporting guidelines issued by the Higher Education and Skills Group, Department of Education and Training, Victorian Government. This report is based on the model Annual Report issued with these guidelines, in accordance with the *Financial Management Act 1994*, Australian Accounting Standards, Statement of Accounting Concepts, authoritative pronouncements of the Australian Accounting Standards Board and other legislative requirements.

To view our Annual Reports online go to:

www.melbournepolytechnic.edu.au/explore-melbourne-polytechnic/reports/

This training may be delivered with Victorian and Commonwealth Government funding.
Information correct at March 2018 © MELBOURNE POLYTECHNIC ABN 50 230 165 243



MELBOURNE POLYTECHNIC

CAMPUSES, TRAINING CENTRES & SKILLS AND JOBS CENTRES

CAMPUSES

Collingwood

20 Otter Street
Collingwood VIC 3066

Epping

Corner Cooper Street and Dalton Road
Epping VIC 3076

Fairfield

Yarra Bend Road
Fairfield VIC 3078

Greensborough

61 Civic Drive
Greensborough VIC 3088

Heidelberg

Corner Waterdale Road and Bell Street
Heidelberg West VIC 3081

Prahran

144 High Street
Prahran VIC 3181

Preston

77 St Georges Road
Preston VIC 3072

INTERNATIONAL CAMPUS

Fuzhou Melbourne Polytechnic Campus
199 Xi Yuan Gong Road
Shangjie District, Minhou County, Fuzhou
Fujian Province, China

TRAINING CENTRES

Ararat Training Centre

Grano Street
Ararat VIC 3377

Growling Frog Vineyard

1910 Donnybrook Road
Yan Yean VIC 3755

Northern AMEP Centre

Corner Belfast and Blair Streets
Broadmeadows VIC 3047

Northern Lodge, Eden Park

Glen Robin Court
Eden Park VIC 3757

Northern Lodge, Yan Yean

2005 Plenty Road
Yan Yean VIC 3755

SKILLS AND JOBS CENTRES

Melbourne Polytechnic @ Northland Shopping Centre

2-50 Murray Road
Preston VIC 3072

Melbourne Polytechnic @ Westfield Plenty Valley

415 McDonalds Road
Mill Park VIC 3082

Melbourne Polytechnic @ Westfield Doncaster

619 Doncaster Road (Cnr Williamsons Road)
Doncaster VIC 3108

Melbourne Polytechnic @ Chapel Street

403 Chapel Street
South Yarra VIC 3141

www.melbournepolytechnic.edu.au