

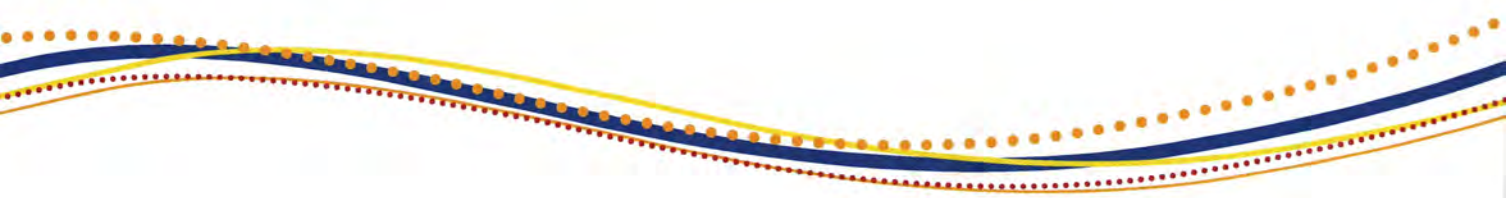
SOUTHERN CROSS UNIVERSITY
annual report











24 April 2009

The Hon. Verity Firth MP
Minister for Education and Training
Parliament House
SYDNEY NSW 2000

Dear Minister

The Council of Southern Cross University presents the report of proceedings of the University and the audited financial statements for the year ended 31 December 2008.

The report is provided in two parts and the financial statements (part b) have been prepared and approved in accordance with the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*.

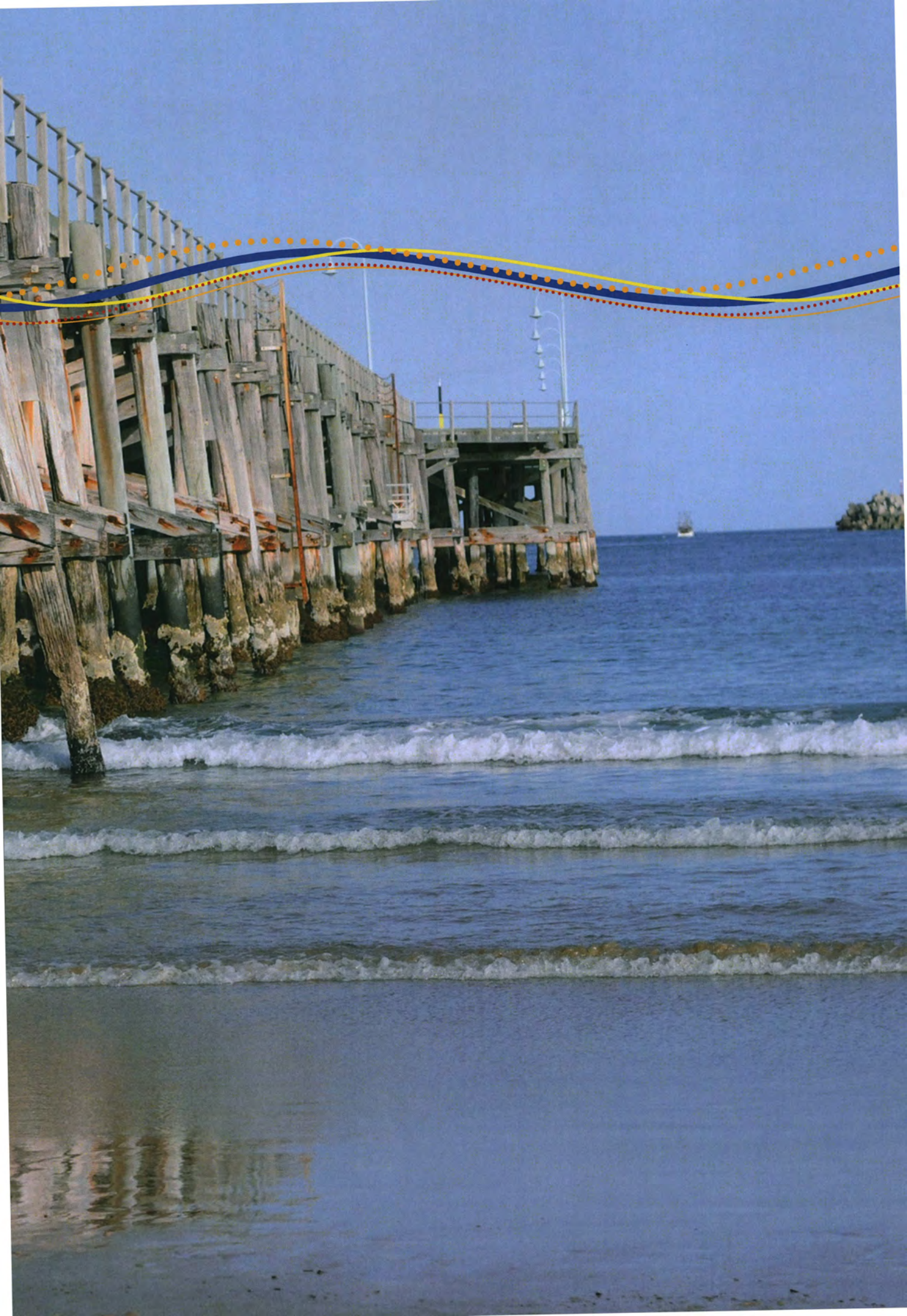
Yours sincerely



The Honourable John Dowd AO QC
Chancellor Southern Cross University



Professor Paul Clark
Vice-Chancellor
Southern Cross University





Contents

Part A (to be read in conjunction with Part B financial statements)

Message from the Chancellor	11
Message from the Vice-Chancellor	13
Continuing development	15
Major works	15
Maximising access	16
Campuses and sites	17
Flexible delivery	18
Sustainability	19
Corporate development	19
Alumni relations	20
Scholarships	21
Learning and teaching	22
Academic professional development	22
Academic staff achievements	22
Quality assurance	23
International activity	24
Library	25
Flexible delivery	26
Research	27
Research funding	27
Research highlights	28
Memorandums of understanding (MOUs)	29
Regional engagement	30
Office of Regional Engagement (ORE)	30
External relationships	30
Internal development	31
Additional activities	31
Faculty achievements	33
Faculty of Business and Law	33
Faculty of Arts and Sciences	36



Management functions and structure	41
Council report	41
Organisational development	41
Council performance review	41
Boards and committees of Council	41
Academic Board	45
Principal officers	49
Report by the Executive Director and Vice-President (Corporate Services)	51
Management activities	51
Systems implementations	51
Student services and enrolment	51
Enrolments	51
Australian Universities Quality Agency (AUQA) report	51
Office of Sport and Cultural Activities (OSCA)	52
Customer relationship management (CRM)	52
Student accommodation Public Private Partnership project	52
New Way to Link Project	52
Leisure Centre projects	53
Other activities and services	53
Advances in communication technology	53
Promotion	54
Events	54
Media	55
Human resource services	56
Recruitment	56
Staff development	57
Occupational health and safety (OHS)	57
Risk management	58
Insurance	59
Facilities management and services	60
Environmental initiatives	60
Construction	60
Public access to University publications	61
Financial and resource management	61
Investment performance	62
Payment of accounts	64
Land disposal	64
Consultants	64



Southern Cross University Statement of Financial Performance	65
Statutory reporting	68
Privacy	68
<i>Freedom of Information Act (FOI)</i>	69
Equity and diversity	71
Equal employment opportunity	71
Equity and Diversity Plan (2008–2010)	71
Merit-based selection and flexible work practices	71
Online EEO training	72
Cultural diversity	72
Indigenous Employment Strategy	73
Development Program for Women	73
2009 planned activities	74
Trends in the representation of EEO target groups in %	76
Ethnic affairs	77
Appendix 1: <i>Freedom of Information Act 1989 (NSW)</i>	79
Appendix 2: Ethnic Affairs Priorities Statement	85
1. Program and service delivery	85
2. Staffing	88
3. Communication	89
4. Planning and evaluation	90
Index of compliance	92

Part B (to be read in conjunction with Part A of the report)

Report by members of the University Council	1
Financial reports	
Southern Cross University	7
Norsearch Limited	71
Australian Plant DNA Limited	101
Biobank Pty Ltd	129



Tables, diagrams and graphics

Table 1: SCU international enrolments 2006–2008	25
Table 2: Consultancies costing less than \$30,000	64
Table 3: Number and Full-Time Equivalence (FTE) of Staff 2004–2008	75
Table 4: Full-Time and Fractional Full-Time Staff (Persons) by Gender and Level	75
Table 5: Full-time and Fractional Full-time Staff (FTE) by Gender and Level (1999–2008)	76
Table 6: Trends in the Representation of EEO Target groups: Academic staff	76
Table 7: Trends in the Representation of EEO Target groups: General staff	77
Diagram 1: Organisational Structure	42
Diagram 2: Council, Boards and Committees	42
Graph 1: 2008 Revenue by Type	63
Graph 2: 2007–2008 Expenses \$million	63



Appendices

Appendix 1: Freedom of Information (FOI) Act	79
Appendix 2: Ethnic Affairs Priorities Statement	85





Message from the Chancellor

The Council and Executive of the University undertook and approved a mid-term review of the University's Strategic Plan 2005–2010, resulting in the retiring of a number of objectives and strategies which had been achieved, adding new ones and the creation of a richer set of measurable performance indicators.

Applying the strategic planning process, the University continued to strive for excellence in teaching and research to develop distinctive programs relevant to the needs of its regions in eastern Australia and its global location in the Asia Pacific region.

The University remained financially strong, and as a result of its conservative approach to investment was not exposed negatively to the global financial market.

National enrolment figures for the university sector for 2006–07 released by the Department of Education, Employment and Workplace Relations showed a 12.8 per cent increase for Southern Cross University in commencing Commonwealth students – the largest increase of all universities in New South Wales. In 2008 the University satisfied the conditions to receive its Commonwealth grant scheme funding.

The University Council held a number of community engagement functions throughout the year to help share its vision with key stakeholders throughout its regional footprint and to take soundings on issues of significance to its communities. In 2008 functions were held in Lismore, the Gold Coast, Coffs Harbour and Grafton.

The Southern Cross University Foundation chaired by Mr Marcus Blackmore, AM launched a \$25 million *Communities for the Future* fundraising campaign to help foster dynamic regional economies, new approaches to health care delivery and to promote Indigenous trauma and healing, with Mr Reg Mills, Director of Mills Transport as campaign chair.

In 2008 Southern Cross University appointed the Hon Justice Michael Kirby as its inaugural Distinguished Visiting Professor. The appointment, taking effect on Justice Kirby's retirement from the High Court, acknowledged his many achievements in the judiciary, as a human rights advocate and as an outstanding Australian.

Southern Cross University is also an active member of the Association of Commonwealth Universities, and hosted its 2008 Benchmarking Conference. Thirteen institutions from Australia, Botswana, Canada, Jamaica, South Africa and the United Kingdom discussed leadership and governance, e-learning and internationalisation.



The Honourable John Dowd AO QC
Chancellor Southern Cross University





Message from the Vice-Chancellor

Positioning Southern Cross University for the changing future of higher education in Australia was the dominant theme of 2008.

Construction is well underway on the foundation building of the University's new Gold Coast campus, partly funded by an allocation under the Commonwealth's Capital Development Pool Program. The campus, emerging on a 5.3 hectare, high profile site at the southern end of the Gold Coast is an important part of the University's expansion plans in a region experiencing strong growth yet under-served by the tertiary education sector. Our presence in this region has already been strengthened by the leasing and refurbishment of premises in Tweed Heads ahead of the introduction of new programs in 2009.

In total, infrastructure projects totalling \$46 million were either underway or in the planning stages in 2008 across our campuses, to enhance the University's teaching spaces, student accommodation, amenities and research capabilities.

In anticipation of students' increased expectations for flexibility in their study options, the University took the decision to introduce a new teaching calendar with three equal sessions from 2009, providing a framework for the acceleration of some degrees or the opportunity for students to spread their study load to accommodate work and other commitments.

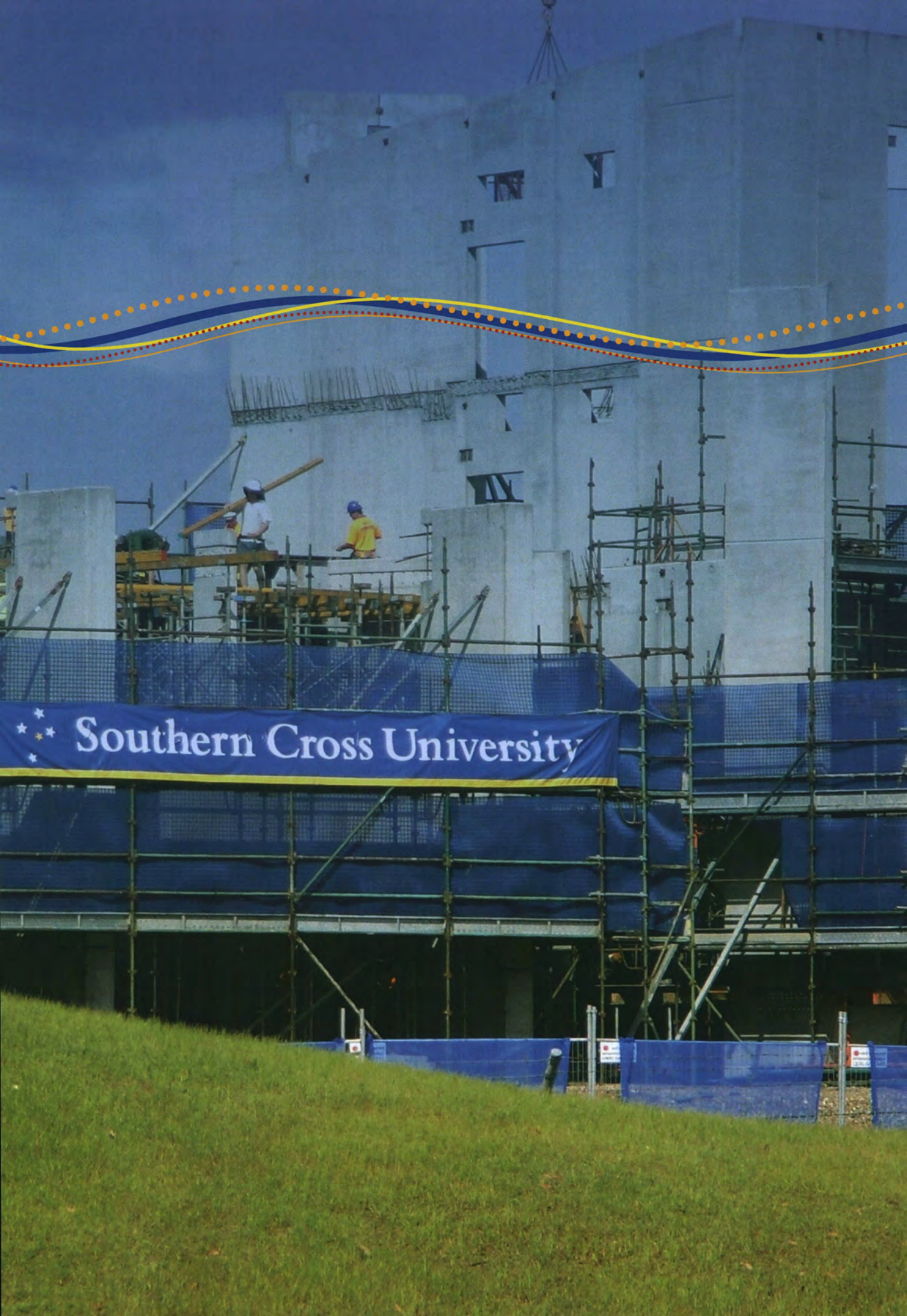
The University underwent its second AUQA Audit in 2008 reporting against the themes of the Student Experience and Internationalisation, resulting in some pleasing commendations. The University responded to recommendations arising from the Audit.

Southern Cross University was an active participant in eight Cooperative Research Centres (CRCs), receiving approximately \$11 million in research grants including \$552,000 in ARC Discovery Grants and \$617,000 in ARC Linkage Grants.

Southern Cross University participated in the Bradley Review of Higher Education in Australia, and by year's end had announced its intention to participate in a feasibility study into the establishment of a Commonwealth university for regional Australia, as proposed in the Review, further illustrating its agility and willingness to explore new opportunities in the interests of its students and the communities it serves.



Professor Paul Clark
Vice-Chancellor
Southern Cross University



★ ★ ★ Southern Cross University



Continuing development

Major works

Across our campuses, a program of building works was undertaken in 2008 to extend our operations and enhance existing facilities. The University commenced work on the new Gold Coast Campus foundation building on a site at the southern Gold Coast just over the New South Wales-Queensland border. Located within the Gold Coast Airport Development Park and within close proximity to North Kirra Beach, the \$20 million foundation building will open for 2010 intake. The architects for the project are Woodhead Architects and Glenzeil the building contractors. Designed as a four star green compliant building, features include stormwater irrigation and underground water storage tanks, swipe card activated air conditioning and lighting systems, and high performance window glazing to limit solar penetration. To expand capacity prior to the new Gold Coast campus opening, the University leased and fitted out premises in Caloola Drive, Tweed Heads for use as a teaching facility from the start of 2009.

At the Lismore Campus a new Student Centre was nearing completion at year's end. The new Centre designed by James Lyon Architects and built by Bennett Constructions features a one-stop shop for student related enquiries, interview and meeting room facilities and a contact centre for integrated customer relationship management activities.

Other building projects at Lismore campus included new clinical laboratories to accommodate an expansion of the allied health program, the creation of the new Geoscience Centre and the refurbishment of the gymnasium. At Coffs Harbour campus, construction commenced on the new Sport and Leisure Centre.



Maximising access

In 2008, more than 15,000 students accessed Southern Cross University courses studying on campus or by distance education, through collaborating institutions within Australia and offshore.

Teaching was conducted on both a semester and trimester basis. Business, tourism, psychology and law units were made available in the summer session during the end-of-year holiday break. Planning continued in 2008 for the introduction of the new teaching calendar for the 2009 academic year featuring three equal teaching sessions. Over time the new teaching calendar will enable some students to accelerate their degrees, and others to pace their studies to accommodate work and other commitments.

In 2008 The Department of Education, Employment and Workplace Relations national enrolment figures for 2006–07 were released, showing a 12.8 per cent increase in commencing Commonwealth funded students for Southern Cross University – the largest increase of all universities in New South Wales.

The University's Preparing for Success program, which provides an alternative pathway to university study, was offered across all three campuses and by distance education, an expansion which reflected the strong demand for this foundation program. The STAR Entry Scheme, offered to students at senior secondary schools across the University's feeder region, provided bonus points to Year 12 students to assist them to gain entry to university study. The feeder region spanned the greater Gold Coast and Darling Downs areas in Queensland, south to the NSW Central Coast and west to the NSW/ SA border.

In 2008 the Equity High Schools Outreach Program worked with students at Casino, Kyogle, and Richmond River High Schools and Nimbin and Woodenbong Central Schools in the Northern Rivers region and Nambucca Heads and Kempsey High Schools in the Coffs Harbour Region, building on relationships developed in the previous year. The program is designed to de-mystify the university experience and encourage school students to see university as a real option available to them. The program endeavours to overcome



real and perceived barriers to enrolling in university and provides support to students from equity groups including financially disadvantaged students, regional and remote students, Indigenous Australian students, students with a disability, and students from non-English speaking backgrounds. The project reached 170 students and resulted in 65 students visiting the University.

Campuses and sites

Southern Cross University operated three campuses on the Mid North and North Coast of New South Wales, and the Hotel School Sydney in partnership with Mulpha Australia.

Undergraduate degrees were delivered at the Brett St, Tweed Heads campus in business, convention and event management, secondary education, social science and sport management (surfing studies), with postgraduate degrees delivered via the Graduate College of Management across a range of business studies, including the DBA and MBA programs. The Lakeside facility at Caloola Drive, Tweed Heads was leased and fitted out for a 2009 student intake into a new

degree in Occupational Therapy, and to extend Early Childhood to this location in addition to Lismore and Coffs Harbour. It was determined that all undergraduate business, tourism and law degrees would be offered from 2010 at the new Gold Coast campus under construction at Cooolangatta Road, Bilinga.

The Lismore campus in Military Road, East Lismore housed the majority of the University's academic and research units. Specialist teaching facilities included environmental science laboratories, nursing and tactile therapy laboratories, exercise science facilities including a biomechanics laboratory, the law moot court, the natural and complementary medicine clinic and medicinal plant herbarium. A refurbished contemporary music teaching and performance space with high quality acoustic and recording facilities, Studio One29, was opened in 2008. Twelve teaching spaces across the Lismore campus were upgraded throughout with audiovisual and multimedia capabilities enabling audio podcast of tutorials to be recorded for later review by students.

The new Leisure Centre, under construction on the southern side of the Coffs Harbour



campus, will provide hard courts and gymnasium as well as a versatile, large covered space. Other facilities at Coffs Harbour include a specialised nursing laboratory, complete with simulated wards. Degrees were offered at Coffs Harbour in business, hotel and resort management, psychology, nursing, early childhood education, secondary education, arts, social sciences and information technology. The National Marine Science Centre, a corporate entity jointly owned by Southern Cross University and the University of New England, is located on the edge of the Solitary Islands and provided a base for undergraduate teaching and postgraduate research projects on conservation and sustainability of marine environments. Facilities include a flow-through seawater system that supplies laboratories, a tank farm, aquarium room and hatchery. The Centre has a survey research vessel, SCUBA support and a wide range of analytical and sampling equipment. Southern Cross University utilised a teaching space at the Port Macquarie Base Hospital, enabling local Nursing students to undertake their studies at that site.

The University offered its Bachelor of Business in Hotel Management through The Hotel School Sydney, a partnership

between Southern Cross University and Mulpha Australia whose portfolio includes the InterContinental Sydney, Hayman Island, Hyatt at Sanctuary Cove, Hilton Airport Melbourne and Bimbadgen Estate in the Hunter Valley NSW. The School is located adjacent to the five star InterContinental Hotel in the heart of Sydney's central business district.

Flexible delivery

In 2008, many of the University's undergraduate courses were offered by distance education or in mixed on-campus/ distance education mode, and full-time or part-time. To support students studying on-campus or by distance education, the University continued to develop its online environment. This portal – MySCU – provided students with access to extensive resources ranging from library search facilities and course timetables to online training and information about student support services. It also offered secure, personal access to online sites relevant to each student's area of study. Enhancements to the University's website continued throughout 2008 with particular emphasis on ease of access to course and unit information. Benchmarking undertaken with 38 other universities rated the SCU



website's 12 month availability at 99.91 per cent compared to the university average of 99.73 per cent.

Sustainability

In 2008 Southern Cross University significantly increased its commitment to sustainability.

In late September an Environmental Sustainability Officer was appointed to provide high level input in the setting of University policy goals in the field of environmental sustainability. Kirsty Howton manages environmental sustainability initiatives through collaboration with staff and students across all campuses of the University and with external stakeholders.

The University committed to the Sustainability Advantage Program in partnership with the NSW Department of Environment and Climate Change (DECC). University executive and senior management attended a management diagnostic session with DECC in October to provide evaluation of current sustainability practices and to identify priority areas for improvement. The program will progress the environmental sustainability agenda in 2009 with modules to include Vision, Commitment

and Planning; Resource Efficiency; and Staff Engagement.

A University-wide Sustainability major was introduced to the University's curriculum. The University engaged with the community in activities such as the coordination of a Climate Change Workshop with the Ethos Foundation; participation in Earth Hour and the Sustainable Living Expo at the Norco North Coast National Show; hosting the Second Regional Forum on Climate Change and Coastal Communities; launching the public Science Conversation Series; and conducting a course in Climate Change Adaptation Skills for Professionals.

Corporate development

Southern Cross University is engaged with key communities and its corporate development activities grew markedly in 2008.

One of the most significant developments was the work of the Southern Cross University Foundation and the Office of Development and Alumni Relations, to prepare for the \$24 million Communities for the Future Campaign.

During the next five years, the University will seek to raise \$24 million for key



priorities. Still in the start-up phase of the Campaign, \$826,000 was raised including significant gifts from Marcus Blackmore (Blackmore Foundation) and Mulpha Hotels as well as \$143,500 towards scholarships. The Campaign is spearheaded by a team of business and community leaders including Campaign Chair, Reg Mills (Mills Transport) and Aboriginal leader, Warren Mundine.

Overall, the University raised in excess of \$925,000 in 2008 from donations and sponsorships, with further multi-year commitments totalling more than \$1.3 million.

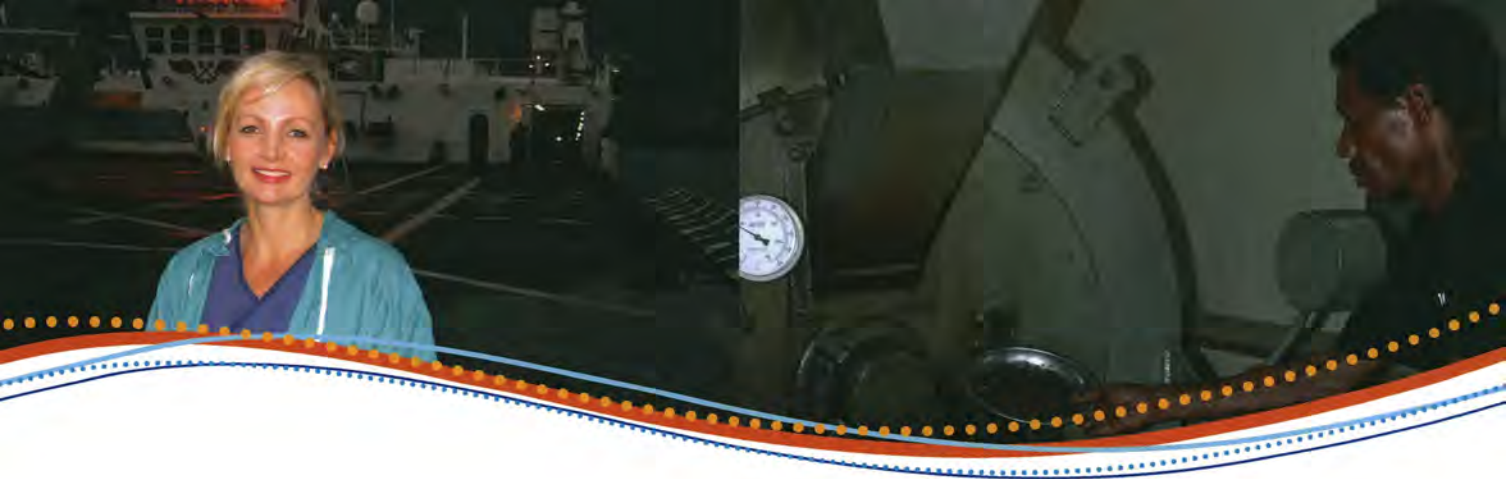
One of the special projects generously funded by donors was the work of the School of Environmental Science and Management with the East Timor Coffee Academy (ETICA). ETICA improved its coffee education program (one of only seven post-secondary organisations to receive national accreditation in 2008), set up a propagation nursery and the installation of an irrigation system. Further work was initiated with support from AusAID to introduce Gnibi College's trauma and healing program through a Diploma in Community Recovery course as a first step to helping the Timorese people recover from decades of civil war.

Alumni relations

Alumni relations also developed significantly in 2008. Master of Business Administration graduate and alumnus, Tim Trumper, joined the University Foundation Board. A leading executive in publishing and new media, Tim worked with new Alumni Relations Manager, Liz Terracini, to re-engage alumni in innovative ways. Alumni networks continued to grow with renewed interest in Sydney, Gold Coast and Asia.

The 2008 Outstanding Alumnus of the Year Award was presented to Master of Business Administration graduate, Donna Franklin. In addition to her daily work as nurse unit manager at Brisbane's Mater Children's Hospital Paediatric Intensive Care Unit, Donna is clinical coordinator for Operation Smile, a voluntary organisation which provides craniofacial surgery to children in under-developed countries.

The International Alumnus of the Year Award went to Master of International Sport Management graduate, Envic Galea. His Masters degree in International Sport Management is applied in his work as Director of Youth Development for the Malta Olympic Committee and General Secretary for the European Judo Union.



Chancellor John Dowd and Vice-Chancellor Paul Clark led an active engagement strategy with key business and community leaders in a range of forums:

- Council hosted four community events across the University's north coast footprint to share with local communities the University's vision and new directions and learn more about local interests and issues;
- Professor Clark launched the Business Leaders Forum, which aims to bring together business and University leaders to develop a business focused agenda supported by research and education;
- The University hosted donors, sponsors and partners at Transit 2008 to celebrate the work of final year visual arts students and the opening of new performance and recording space in Studio One29.

Scholarships

In 2008, 90 students were supported through the Rising Stars scholarships program (formerly the Vice-Chancellor's and Industry Scholarship scheme). The program continued to grow with the generous support of donors. Since it began in 1995,

almost 400 students have benefited from the program through scholarships ranging in value from \$2000 to \$12,600 per year.

The Rising Stars program has several aims: to reward academic excellence, offering scholarships to school leavers with outstanding university admission scores; to provide support for students who demonstrate a high potential for success at university and who have made valuable contributions to their community; and to provide educational opportunities for disadvantaged students who may not otherwise have the opportunity to pursue a university education.

Seven new Vice-Chancellor's scholarships were awarded in 2008 including the Vice-Chancellor's Bachelor of Psychology Scholarship, the first scholarship in the Rural Mental Health Scholarship Program which aims to support rural and regional students in their pursuit of psychology qualifications.

The program also supports scholarships for continuing and Honours students with 10 Honours students receiving up to \$5000 each to support their Honours studies.

In total more than \$360,000 was awarded to students through the Rising Stars scholarships program in 2008.



Learning and teaching

Academic professional development

GRADUATE CERTIFICATE IN HIGHER EDUCATION (LEARNING AND TEACHING)

The Graduate Certificate in Higher Education (Learning and Teaching), SCU's professional teaching qualification for academics, had its fifth intake. The course was run by the University's Teaching and Learning Centre and has grown from small beginnings, with around eight to 10 new enrolments in each of its first few years. By 2008 these numbers had more than doubled when 22 SCU staff members signed up for the course.

FOUNDATIONS OF UNIVERSITY TEACHING

The Annual Foundations of University Teaching was redesigned and now comprises four self-contained modules. The workplace project was expanded to enable participants to incorporate a wide range of professional development opportunities already available at the University.

TEACHING WITH TECHNOLOGY

In 2008 the Teaching and Learning Centre provided a series of practical seminars to showcase good practice in the use of technology in teaching at the University. The seminars were aligned with the new *Teaching with Technologies* website, featuring SCU staff and their creative, student-centred use of technologies in their teaching. These seminars were popular and well attended throughout the year.

Academic staff achievements

The following staff received Australian Learning and Teaching Council (ALTC) recognition in 2008.

ALTC CITATIONS FOR OUTSTANDING CONTRIBUTIONS TO STUDENT LEARNING:

Flexible Learning Development Service (FLDS)

For innovative courseware resources and services that engage, inspire and support academic staff, enhance educational content and enrich student learning outcomes.

ALTC PRIORITY PROJECTS GRANT

Ms Lee Dunn and Assoc. Prof. Michelle Wallace (SCU partner institution)



Moderation for fair assessment in transnational learning and teaching
University of South Australia, Curtin University of Technology, Southern Cross University, Taylor's University College (Malaysia) \$219,102.

ALTC PERFORMING EXCELLENCE INITIATIVE

Assoc. Prof. Sharon Parry and Professor Bill MacGillivray, \$220,000

The following staff received recognition by the University for teaching and learning related activity.

SCU TEACHING EXCELLENCE AWARDS

Prof. Bill Boyd, Mr Murray Cullen, Dr Janie Conway-Herron, Prof. Peter Harrison

SCU CITATIONS FOR OUTSTANDING CONTRIBUTIONS TO STUDENT LEARNING:

Individual recipients: Ms Leigh Carriage, Dr Kath Fisher, Ms Meredith Kayess, Ms Thea Van De Mortel, Dr Kathryn Taffs and Ms Helen Walsh.

Five team applications were successful
– Assoc. Prof. Jan Davis, Ms Fiona Fell, Mr Gary Jolley and Mr John Smith from the School of Arts and Social Sciences; Mr Soenke Biermann, Assoc. Prof. Baden Offord, Dr Rob Garbutt and Dr Shelagh Morgan also

from the School of Arts and Social Sciences; Mrs Janine Petersen, Mr Paul Wardrop and Ms Melinda Russell from the School of Health and Human Sciences; Ms Leeann Whitehair, Ms Sandra Vidler, Ms Maree Parker and Mr Andrew Woods also from Health and Human Sciences; and Ms Leanne Baker, Mrs Julia Caldicott, Mrs Joanne Cooper, Ms Vashit Stival and Ms Maree Walo from the School of Tourism and Hospitality Management.

TEACHING AND LEARNING SMALL GRANTS SCHEME

Dr Rebecca Coyle and Mr Chris Morgan
Dr Judith Wilks, Mrs Tess Boyle, Dr Michele Leiminer

Quality assurance

Southern Cross University was the first university to be quality audited by the Australian Universities Quality Agency (AUQA) in Cycle 2 using revised audit principles and methodology.

The March/April 2008 audit focused on:

- Progress on Cycle 1 audit recommendations;
- Changes to quality systems and processes since Cycle 1;
- Academic standards and outcomes; and
- Two themes – Internationalisation and Student Experience.



The quality audit was based on a self-audit and a portfolio developed by the University. The University produced a portfolio of 15,000 words, with supporting documentation. The audit panel visited the University over three days to speak with staff, students and stakeholders to assess the accuracy of the claims made in the portfolio. A sub-group of the audit panel visited five of the University's offshore and collaborative arrangements, one in Australia and the others in China, Hong Kong and Singapore.

Following the release of the audit report in July 2008, the University prepared a detailed action and implementation plan for the recommendations from the report and will be visited again by AUQA in mid-2009 to assess progress. The report stated that AUQA believed the University satisfied the criteria in the National Protocols for Higher Education Approval Processes.

INTRODUCTION OF PLAGIARISM DETECTION SOFTWARE

A successful pilot was conducted in the use of the plagiarism detection software, *Turnitin*, during Semester 2, 2008 by the Teaching and Learning Centre. The pilot results will inform the implementation of *Turnitin* throughout SCU in 2009.

International activity

The number of international students steadily increased over the period 2006–2008 (see Table 1). The University's percentage growth compared favourably with the AEI 2007 international student statistics on enrolments and commencements within the higher education sector. These grew nationally by 3.8 per cent and 6.6 per cent respectively.

To ensure a balance between inbound and outbound students, inbound exchange numbers significantly reduced in 2007 with the strategic aim to more closely balance these university places with that of the University's partners.

During 2007 several new exchange partners were added to the University's existing list: FH Krems, Austria; Nalsar University, India; Trent University, Canada; Kyung Hee University, Korea; University of Arizona, USA and Washington and Jefferson College, USA. These additional institutions suited the needs of our students in both discipline areas and geographical locations. The most popular locations for our domestic students to take part in exchange programs remained Canada, America and the United Kingdom.

The commencement of a new position in the international marketing team based



at the Tweed Gold Coast campus late in 2008 will assist in international recruitment for the new Gold Coast campus; and has already contributed to a revised strategy for marketing to our onshore agents, particularly on the Gold Coast and in Brisbane. Agency agreements were checked for compliance with The National Code 2007.

In NSW and ACT, most universities accepted a trial for the Universities Admissions Centre's handling of offshore Higher School Certificate and equivalent applications to undergraduate programs at ACT and NSW universities. The effectiveness of this trial will be evaluated by institutions during 2009.

Table 1: SCU international enrolments 2006–2008

Southern Cross University enrolment figures for 2006, 2007 and 2008 across all campuses and collaborations, (Hotel School Sydney, SCBIT, ASTHM and VBS for 2006 and 2007)

	2006	2007	% increase 06–07	2008	% increase 07–08
Inbound exchange	63	53	–15.87%	54	1.89%
Study abroad	154	170	10.39%	172	1.18%
Full degree	958	1,188	24.01%	1,399	17.76%
Total	1,175	1,411	20.09%	1,625	15.17%
Outbound exchange	41	45	10%	50	11.11%

Library

CLIENT SATISFACTION SURVEY

The Library conducted its biennial Client Satisfaction Survey for two weeks in September. The survey is a nationally

benchmarked instrument, providing measurable feedback on communication, service quality, service delivery, facilities and equipment, and Library staff. The survey is benchmarked against 40 other Australian and New Zealand university libraries.



The 2008 results showed a continued improvement over the previous three surveys, placing SCU Library in the top 10 when benchmarked against other universities. Overall results indicated clients were generally satisfied with the services provided by the various campus libraries with a noteworthy 80.2 per cent satisfaction rating.

INSTITUTIONAL DIGITAL REPOSITORY

ePublications@SCU (<http://epubs.scu.edu.au/>) is a digital repository managed by Southern Cross University Library. Its goal is to capture and preserve the intellectual output of Southern Cross University authors and researchers, and to increase visibility and impact through open access to researchers around the world.

Library staff collected and uploaded various research outputs for the Research Quality Framework (RQF), working closely with the University's Graduate Research College (now known as the Division of Research). The repository was to play a key role in our RQF preparations and submissions. The repository work for RQF purposes was put on hold pending advice from the new Federal Government regarding a new research quality review process.

Throughout 2008, the open access repository was expanded to include a broader range of research and scholarly publications. Libraries at all the University's campuses are contributing staff and resources to this ongoing project.

The Library received funding in 2008 from the Department of Innovation, Industry, Science and Research (DIISR) through the Australian Scheme for Higher Education Repositories (ASHER) fund to support the development of the repository for RQF and open access purposes during 2008. Funding for 2009 has been confirmed to continue the work under the Excellence in Research for Australia (ERA) program.

Flexible delivery

The University continued its commitment to increasing flexible delivery of courses, through systematic support for resource development and support for teaching staff. The University's Flexible Learning Development Services (FLDS) played a central role in supporting academic staff use of digital technologies to enhance the flexibility of educational resources and course delivery and employed robust systems to ensure completion of on-time materials for the three session academic year.



In order to best promote FLDS as a central resource for coaching, encouraging and supporting teaching staff in their use of digital media, a customised level of service that facilitates ongoing, collaborative involvement with academic staff was employed.

Research

Southern Cross University continued to draw on regional issues to develop internationally significant research capabilities during 2008 with the Pro Vice-Chancellor and Vice President (Research), Professor Neal Ryan heading up the Division of Research. Formal research partnerships were established with other universities, research organisations and industries in Australia and overseas, and the University was an active participant in eight centres in the Cooperative Research Centre program:

- Tourism
- Grain Foods
- Contamination Assessment and remediation of the environment
- Desert knowledge
- Sugar industry innovation

- Forestry
- National plant biosecurity
- Rail.

The University is continuing to support new research areas such as tourism, education, and environmental science, providing infrastructure and resource support to develop these areas.

As a result of the growth in research during the past few years, Professor Ryan implemented a restructure of the Research Office, including a name change to better reflect its objectives, from the Graduate Research College to the Division of Research, with the creation of two units in the Division – Research Training Unit, administering HDR candidates; and Research and Commercial Services Unit, overseeing grant/contract administration, and business development.

Research funding

Research and Research Training income to Southern Cross University exceeded \$10 million in 2008. This included more than \$3.7 million from CRC projects; and \$1.5 million from the ARC for Discovery, LEIF and Linkage research projects.



Research highlights

SOUTHERN CROSS GEOSCIENCE (SCG)

The University established Southern Cross GeoScience, a leading international centre in environmental research. SCG was awarded a research grant from the Murray-Darling Basin Commission to undertake a risk assessment of acid sulphate soil materials in wetlands within the Murray Darling Basin.

The University secured a highly prestigious Queen Elizabeth II Fellowship. The Queen Elizabeth II Fellowship was awarded to the University to support a research project by Dr Andrew Rose to develop a new approach to explain the behaviour of chemical reactions in soils, sediments and waters.

Dr Rose, originally from the Lismore region, had worked with the University of New South Wales and had selected Southern Cross University to undertake this new research project in Southern Cross Geoscience.

The project is about developing a new paradigm for understanding the chemistry of what happens in soils, sediments and waters and is aimed at deriving a better understanding of the fundamental behaviour of natural environments.

Dr Rose's research, as well as advancing the research activities of Southern Cross Geoscience, promises to provide a new understanding of the chemistry that will be needed to answer some of the most pressing environmental problems.

BIOENERGY RESEARCH INSTITUTE (BERI)

The University established the BioEnergy Research Institute (BERI) to research and develop biomass and matched conversion technologies. BERI targets non-food crops that will grow with a reduced reliance on water and other inputs.

BERI concentrates on the development of 'second generation' sources of biofuels using non-food crops, such as eucalypts and native grasses which will have a much lower carbon footprint. The added benefit of using these plants is that they can be grown as annual crops in marginal areas which are becoming increasingly unsuitable for traditional food crops or grazing.

BERI collaborates with research centres funded by the United States Department of Energy, which is supporting a \$600 million biofuels research program. This is a major step in the development of a national centre and puts the University



in a good position to help coordinate Australia's effort to develop technologies from biomass.

WHALE RESEARCH

Southern Cross University's Whale Research Centre received new funding through the Australian Marine Mammal Centre to complete the development of a new *Fluke Matcher* computer system. Photo-identification is an invaluable tool in determining humpback whale population structure, migration patterns, interchange with other populations and abundance estimates.

The system has the potential to provide enormous benefits in tracking the movement and linkages between and among feeding and breeding grounds in Australia and the South Pacific region. Southern Cross University's Whale Research Centre will use this revolutionary new *Fluke Matcher* system as part of a new, larger project to determine where in the Great Barrier Reef humpback whales go to mate and give birth.

MARINE PARK RESEARCH

The University began a collaborative project with the NSW Marine Parks Authority in a study on the Cape Byron Marine Park. This

collaborative research project between the University's School of Environmental Science and Management and the NSW Marine Parks Authority will undertake a large-scale systematic survey of fish and invertebrate communities from Ocean Shores to Ballina.

Memorandums of understanding (MOUs)

UNIVERSITY OF PAPUA NEW GUINEA

The University, through the Centre for Phytochemistry and Pharmacology established an MOU with the University of PNG, which is centred on collaborative research on the biodiversity of Papua New Guinea, and in particular the biological, chemical and medicinal properties of PNG biodiversity.

BRAZILIAN AGRICULTURAL RESEARCH CORPORATION

The University established an MOU with the Brazilian Agricultural Research Corporation. This MOU is to collaborate in the areas of agricultural and natural resources, and will involve the School of Environmental Science and Management and the Centre for Plant Conservation Genetics.



Regional engagement

Southern Cross University takes an active role in the intellectual, economic, environmental, social and cultural development of its regions and continued its commitment to regional economic prosperity, social and cultural wellbeing and environmental sustainability. The University actively engaged with business, regional agencies, communities, individuals and government at all levels towards this shared goal.

Office of Regional Engagement (ORE)

The development of an Operational Plan 2009–2011 for the University's Office of Regional Engagement (ORE) provided a framework to ensure initiatives grow the region's capacity to deal with change and demonstrate the University's corporate social responsibility to the region. This unit reports to the Pro Vice Chancellor (Research) in the Division of Research.

In 2008, the University's Regional Engagement agenda continued to address, and increase, robust engaged scholarship of value to the region. Regional partnerships provided input to the University's core business of teaching and learning and research in overt, practical ways.

External relationships

The University has MOUs with Lismore City Council, Ballina and Byron Shire Councils, Clarence Valley Council, Richmond Valley, Coffs Harbour City Council and Bellingen Councils. The Mid North Coast and Northern Rivers Regional Development Boards and the Northern Rivers Social Development Council also provide valuable connections. The University hosted the successful 2008 NSW LGSA Tourism Conference on the Lismore campus, as a result of collaboration with Lismore City, Richmond Valley and Kyogle Councils.

ORE staff conducted a series of workshops for newly elected local government councillors within the region. The ORE encouraged collaborations between councils in the area of event management; facilitated community meetings in Lismore, Nimbin and Coffs Harbour; and participated in regular meetings with the executive officers of regional agencies to investigate collaborative projects. These projects included youth orientated initiatives, seamless education opportunities with the Department of Education and Training, Technical and Further Education (TAFE) and the University of the Third Age (U3A); aged care services, and the Page electorate's 2020 Vision Summits in Lismore and Grafton.



An SCU Regional Partnerships Benchmarking Survey was undertaken to monitor the University's regional relationships to provide constructive feedback and inform future activity. The ORE provided submissions to a number of enquiries including the Higher Education Review; the House of Representatives Standing Committee for Infrastructure, Transport, Regional Development and Local Government; the New Regional Development Funding Program; and Regional Development Australia.

Internal development

The Office of Regional Engagement based at each campus – Lismore, Coffs Harbour and Tweed Gold Coast, worked with academic and administrative staff to integrate the design and delivery of internationally significant and regionally relevant teaching and learning and research. The ORE hosted regular meetings through the Internal Reference Group to locate and highlight individual and group achievements within the University. ORE provided comprehensive coverage of this activity through the regularly updated ORE website (<http://engagement.scu.edu.au>). An audit of current practice was also conducted to assist all units within the University with their engagement planning and management.

Additional activities

In 2008 ORE staff actively participated in activities dealing with student engagement, festivals and events on campus, university sustainability practice and School planning meetings. They represented the University at major initiatives including the National Landscapes project for cross border tourism, the Northern Rivers Creative Industries Consortium, the Arts Mid North Coast Creative Industries Research Project and the Northern Rivers Social Development Council annual conference.

Southern Cross University and its 20 partners in the Wilsons River Experience Walk historical project, based along the riverbank in Lismore, was rewarded with an honourable commendation at the 2008 B-HERT (Business-Higher Education Round Table) Awards for Outstanding Achievement.

A project was undertaken by the University's Flexible Learning Development Services (FLDS) to assist 'Kids in Community' (KIC). KIC is a non-profit organisation based in the Northern Rivers that recognises and rewards the positive efforts of young people in their communities. SCU has an existing strong relationship with this organisation as both the institution and the University's Centre for Children and Young People are platinum sponsors. The



KIC committee identified a need to update and strengthen the organisation's image in order to increase public visibility and attract further, much-needed sponsorship.

FLDS became involved and revitalised KIC with a fresh, contemporary look. The contribution forms part of an ongoing commitment to KIC, and was recognised by a Vice-Chancellor's Award for Excellence in 2008.

The ORE project management portfolio in 2008 included a research collaboration between the ORE and ASLaRC, Bridging the Gap: Scoping Study on the health care needs of older Aboriginal people which was funded by the Department of Health and Ageing, and commissioned by Yarrawarra Aged Care Ltd, demonstrating how University resources can work with community and regionally based agencies. Completion of the Coffs Arts and Cultural Trails project for Coffs Harbour City Council was another 2008 project in the ORE's portfolio.

The ORE team supported campus initiatives open to the public such as Library exhibitions; the Wisdom Series conducted by the School of Law and Justice; the Short Sharp Film Festival; and the Living Library as part of the multicultural Fusion Festival on the Coffs

Harbour campus. The ORE plans to develop greater opportunities to host a variety of attractive public events in 2009.

The University continued its membership of the Australian Universities Community Engagement Alliance (AUCEA). ORE staff attended the annual 2008 AUCEA Conference in the University of Sunshine Coast's Sippy Downs campus and Fraser Island. This provided them with an opportunity to share good practice ideas and issues with national and international participants. Regular meetings with colleagues at Queensland universities within the (Northern) AUCEA consortia stimulated plans for inter-varsity collaborations in 2009 and the preparation of academic papers on successful SCU engagement case studies.

Several initiatives were undertaken by the University Library at all three campuses. These included seminars and training programs for regional library professionals, and book launches featuring the works of local authors. Art and photographic exhibitions were also held, with the general public invited to attend. The School Access Program was extended to all regional high schools in the Lismore district, and the Living Library multicultural project was held at Coffs Harbour campus. The Library also



participated in the ORE Internal Reference Group regarding community engagement activities at the Tweed Gold Coast campus.

Faculty achievements

Faculty of Business and Law

GRADUATE COLLEGE OF MANAGEMENT (GCM)

- Professor Ian Eddie was appointed as the new Director of the Graduate College of Management in August 2008.
- New specialisations were introduced into the Master of Business Administration (MBA) to meet industry demand in the areas of Implementation Management, Corporate Sustainability, and Technology Management.
- The GCM and Manukau Institute of Technology, New Zealand celebrated 10 successful years of working together to deliver postgraduate business education in New Zealand.
- The Doctor of Business Administration (DBA) received Category A approval from the Malaysian Qualification Agency and Malaysian Ministry of Higher Education, a prestigious rating usually reserved for PhDs.

- The GCM presented two Business Insights seminars and networking functions at the Tweed Gold Coast campus. This successful engagement with the Tweed Gold Coast business community will continue into 2009.
- 2008 recruitment activities resulted in a 27 per cent increase in the number of new student applications for Trimester A 2009.
- Dr Michael Charles led a team of researchers in projects for the Rail CRC including Environmental Regulation, Climate Change and Supply Chain Management.

SCHOOL OF LAW AND JUSTICE

- Lecturer Helen Walsh, was awarded a Vice-Chancellor's Citation for Outstanding Contribution to Student Learning.
- The School co-hosted the conference, *It's Academic* in conjunction with the *Education and the Law* Summer School unit.
- SCU Law Review, *The Art of Judging*, was launched firstly in Sydney in November by the University's Chancellor, the Honorable John Dowd AO QC, with guests including Sir Anthony Mason, Sir Laurence



Street, Justice Keith Mason, Justice Annabelle Bennett, Justice Ipp and partners from major Sydney law firms; and then at Byron Bay on 6 December by Baroness Ruth Deech, former Principal of St Anne's College, Oxford University.

- Justice Michael Kirby accepted the Vice-Chancellor's invitation to be the inaugural Distinguished Visiting Professor upon his retirement from the Bench.
- Lecturer Andy Gibson and alumnus Mel Mallam obtained an external research grant from the Commonwealth Government for Australian Sports Anti-Doping Authority (ASADA) to research viable tribunal solutions in managing alleged anti-doping rule violations and alleged illicit drug breaches.
- Jennifer Nielsen and Anne Schillmoller were awarded the Vice-Chancellor's Fellowship to conduct research on converged delivery.
- Law student, Ben Coyne represented Australia at the prestigious Louis M. Brown Client Counselling Competition in April in India.
- The Michael Kirby Lecture Series 2008 was held in March. The keynote

speaker was Ms Pamela Tate SC, Solicitor-General for the State of Victoria. Her address discussed human rights in Australia, specifically *'What Would a Federal Charter of Rights Look Like?'*.

SCHOOL OF TOURISM AND HOSPITALITY MANAGEMENT (SHTM)

- The School's academic profile was strengthened with the appointments of Drs Dianne Dredge and Kevin Markwell as associate professors, Professor Kerry Brown as the Mulpha Chair in Tourism Asset Management and Dr Michelle Whitford as a lecturer in convention and event management.
- The School hosted more than 30 industry organisations and 300 students at the annual Careers Day 2008.
- Head of School, Professor John Jenkins, chaired the Scientific Paper Review Committee of the 6th Asia-Pacific (APacCHRIE) Conference and THE-ICE International Panel of Experts Forum at the Sheraton Perth, Western Australia.



- The School appointed Adjunct Professor Neil Leiper and Adjunct Fellows Ian Oelrichs and Steve Toneguzzo.
- Dr Keith Hollinshead, visiting Professor from the University of Bedfordshire, delivered two seminars to academic staff and PhD candidates on Indigenous Tourism and Qualitative Research.
- The School established a project to develop education plans for international collaborations with the aim of attracting Chinese students. Project leader and lecturer, Johan Edelheim, toured a number of Chinese universities and Wendy Wang, lecturer in hospitality at Jiangsi Institute of Education spent two months with the STHM.
- The School received the Silver Award for Tourism Education and Training at the 2008 NSW Tourism Awards.
- Four PhD candidates submitted their theses during 2008.
- The School became the first in the University to undertake a whole-of-school review.

- In June 2008 the School's Administrative team received the Vice Chancellor's General Staff Award for outstanding performance.

SCHOOL OF COMMERCE AND MANAGEMENT

- The School achieved more than 70 refereed publications by staff during 2008.
- Almost \$500,000 in competitive research grant funding was secured, primarily from projects associated with the Rail CRC. Applied research funds were also secured for a range of projects including an ICT capability audit undertaken with Gold Coast City Council.
- The School again hosted the annual AusWeb conference, Australia's premier Web conference, which is now the second longest running Web conference in the world.
- Further progress was made to embed flexible delivery options into the School's programs and improve online delivery using platforms such as Elluminate. School staff continued to trial a range of emerging online delivery options.
- School staff supervised around 35 PhD, DBA and Masters students.



- PhD student, Meg O'Reilly, was awarded the Chancellor's Medal in recognition of the high quality of her thesis, *Planting the seeds of change and growing the fruits of trans-disciplinary educational design*.
- An expert panel of industry and external academics conducted a major review of Information Technology (IT) programs within the School. The resulting new course design will ensure the University's IT programs continue to be relevant to the needs of industry and students.
- Domestic and international collaborations continued to develop, resulting in increased student numbers from partnerships in Papua New Guinea, Singapore, Hong Kong, Shanghai, Tianjin and the Sydney College of Business and IT. Partnership arrangements with Chinese institutions in Dalian, Nanjing and Qingdao have also supported significant increases in international student numbers.
- Relationships with TAFE in both NSW and Qld were enhanced with the continued development of educational pathways and collaborative course development.

Faculty of Arts and Sciences

SCHOOL OF HEALTH AND HUMAN SCIENCES

- The School developed three new Allied Health courses. The Bachelor of Occupational Therapy will commence at Tweed Gold Coast campus in 2009.
- In collaboration with the College of Nursing, the School offered five new specialist nursing streams within the Master of Clinical Science in 2008 and developed a further four streams for commencement in 2009.
- New clinical laboratories were constructed at Lismore campus, and plans were confirmed for the establishment of a multi purpose/ professional clinical facility at Lismore with the development of infrastructure also at Coffs Harbour campus and Port Macquarie Hospital.
- Collaborative nursing relationships were established with both the North Coast Area Health Service and the Gold Coast Health District. The School is also engaged with the Social Development Agency, the Cancer Council of NSW, the Natural



Childbirth Education Centre and with other Australian universities. Discussions on varying topics were held with the University Departments of Rural Health in Lismore and Broken Hill, the University of NSW Medical School, the University of Sydney, UTS and Griffith University.

- Closer working relationships were established with both the North Coast Institute of TAFE and the Gold Coast Institute of TAFE.
- Research achievements included the University's National Health and Medical Research Council (NH&MRC) research grant, won by Professor Stephen Myers, and the work of Professor Colleen Cartwright with the Department of Ageing, Disability and Home Care (DADHC) as well as other organisations in the area of aged care services.

SCHOOL OF ENVIRONMENTAL SCIENCE AND MANAGEMENT

- PhD graduate Nicole Patten was awarded a Chancellor's medal for her outstanding thesis. More than 100 postgraduate research students were enrolled and the School received research funding in excess of \$4 million.
- The School remained active in regional engagement with a series of successful *Science Conversations* in Lismore and Byron Bay, through the Sustainable Living Expo in Lismore, and the Northern Rivers Science and Engineering Challenge.
- Members of staff supported international development assistance programs in the Cook Islands, Indonesia, Timor-Leste, Vanuatu, the Maldives and the Philippines.
- The School continued to provide environmental services to the private sector and to local, state and national government agencies through the Environmental Analysis Laboratory and also through commercial consultancies involving baseline environmental monitoring, fish surveys,



river monitoring, decision support systems, and providing expert testimony.

- School staff sat on a variety of advisory bodies including the Australian Threatened Species Scientific Committee, the Expert Independent Advisory Panel to the Victorian Minister for Sustainability, the National Marine Mammal Advisory Committee, the Convention on Biological Diversity Advisory Committee and the Technical Advisory Panel for the Moreton Bay Water Resource Plan.

GNIBI COLLEGE OF INDIGENOUS AUSTRALIAN PEOPLES

- Gnibi established the Centre for Collaborative Indigenous Research, Learning and Educare (CIRCLE) which focuses on working with governments, NGOs and Indigenous communities around issues of community recovery and individual healing from the effects of trauma. CIRCLE is under the guidance and leadership of Professor Judy Atkinson.

- The Graduate Certificate in Working with Indigenous Communities and the Diploma of Community Recovery, were developed to address education and training needs identified through extensive consultation with Indigenous communities, NGOs and government organisations.
- A cohort of students in Timor-Leste commenced the Diploma of Community Recovery in 2008. This international work is an exciting and challenging new direction for Gnibi.

THE SCHOOL OF ARTS AND SOCIAL SCIENCES

- The School continued its participation in local festivals such as the Byron Bay Writers Festival, the Northern Rivers Performing Arts and the FEHVA Festival – The Festival for Art Lovers and Artists, enhancing the connections between the School and the broader artistic communities in the North Coast region.
- In November, the School's new fully refurbished music performance space, Studio One29, was officially



opened. It was designed so that SCU students have access to the latest industry standard technology for both performances and production.

- The *Activating Human Rights and Peace* international conference took place in July, drawing more than 300 delegates from more than 24 countries with an opening keynote address by Justice Michael Kirby.
- 2008 saw the successful launch and favourable review of *Re-placement*, a national anthology of writing from universities, edited by Dr Janie Conway-Herron, Dr Moya Costello and Dr Victor Marsh, with representation by five postgraduate and Honours students from Southern Cross University.
- Associate Professor Baden Offord was a Visiting Fellow at the prestigious Kinsey Institute at Indiana University and a Visiting Fellow at the Australian Research Centre for Sexuality, Health and Society, La Trobe University.
- Associate Professor Karen Brooks released her scholarly book, *Consuming Innocence: Popular*

Culture and our Children which was given outstanding reviews in both the popular and academic press.

SCHOOL OF EDUCATION

- The School successfully launched the Bachelor of Education (Early Childhood) at Coffs Harbour campus. The course prepares graduates to work in a range of early childhood settings from birth–8 years.
- Dr Karen Martin received the National NAIDOC Award for Scholar of the Year in Canberra in July, recognising her contribution to Indigenous history and culture through her achievements in research and scholarship.
- Professor Martin Hayden undertook consultancy work for UNICEF in Laos and won a Commonwealth Endeavour Executive Award to continue his research work in recent policy developments in higher education in Vietnam.
- Professional development workshops were held on all three campuses for staff and teachers in the region to provide support and integrate new technologies and skills.



UNIVERSITY



Management functions and structure

Council report

The University Council Report and Financial Report are contained within Part B of this Annual Report.

Organisational development

Council performance review

In August 2007, an external consultant was engaged to evaluate the performance of Council against 31 recommended action items arising out of an earlier Council Evaluation, conducted via a 2005 survey of members and associated workshop.

This 2007 evaluation concluded that, overall, “the performance of the University Council has improved since the 2005 evaluation. Changes in Council’s composition and Council meeting procedures have been the key drivers of change. However, there are still further changes that can be made to enhance the performance of the Council”.

During 2008 the University Council progressively acted upon the 38 recommendations proposed in the consultant’s report, overseen by the Governance Committee.

Boards and committees of Council

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



Organisational structure



Diagram 1

University Council



Diagram 2



Committees of Council

CHANCELLOR'S COMMITTEE

This executive committee of Council meets between Council meetings to deal with matters of an urgent nature. The Minutes of Chancellor's Committee meetings are forwarded to the next Council meeting. The Chancellor's Committee met four times in 2008.

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

Deputy Chancellor: Dr D.V. Cody

Vice-Chancellor: Professor P.E. Clark

Chair, Academic Board: Professor J. Jackson

AUDIT COMMITTEE

This Committee has the primary objective of assisting Council in fulfilling its responsibilities relating to the accounting and reporting practices of Southern Cross University. The Audit Committee met six times in 2008.

Ms M.R. Sweeny (Chair)

Four/five external members of Council:

The Hon. J. Dowd AO QC (Chancellor)

Mr W. Grimshaw AM

Mr N. Newell

Mr J.B. Shanahan

Mr T.S. Wilson.

APPEALS COMMITTEE OF COUNCIL

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

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

Dr D.V. Cody (Deputy Chancellor) (Chair)

Ms M.R. Sweeny

Assoc. Prof. S. Parry

Mr N. Newell

and the student member of Council

FINANCE COMMITTEE

This Committee was established to oversee the capital, financial and budgetary arrangements of the University. The Finance Committee met six times in 2008.

Mr J. Shanahan (Chair)

Dr D.V. Cody (Deputy Chancellor)

Professor P.E. Clark (Vice-Chancellor)

Mr R. Dowell

Mr W.A. Grimshaw AM

Professor J. Jackson (Chair, Academic Board)

Mr P. Lewis

Ms M.R. Sweeny

Ms J. Saffin MP



GOVERNANCE COMMITTEE

The Committee was established to assist the University Council in fulfilling its responsibilities in relation to overall governance of the University including its compliance with the National Governance Protocols.

Mr T.S. Wilson (Chair)

Ms I. Harrington

Mr N. Newell

Mr W.A. Grimshaw AM

Mr M. Marshall

HONORARY AWARDS COMMITTEE

This Committee advises, and makes recommendations as appropriate, on matters concerning the conferring and awarding of honorary degrees and honorary titles. The Committee met once in 2008.

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

Dr D.V. Cody (Deputy Chancellor)

Professor P.E. Clark (Vice-Chancellor)

Professor J. Jackson (Chair, Academic Board)

Professor W. MacGillivray (Deputy Vice-Chancellor)

Associate Professor S. Parry

Ms J. Saffin

REMUNERATION COMMITTEE

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

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

Dr D.V. Cody (Deputy Chancellor)

Mr T. Wilson (one external member of Council)

RISK MANAGEMENT COMMITTEE

This Committee is to ensure that the University and its controlled entities have an effective risk management system; have identified the principal strategic, operational and financial risks to which they are exposed; and that systems are in place to facilitate the effective monitoring and management of the principal risks and that timely and accurate information is presented to Council.

Dr D.V. Cody (Chair)

Ms I. Harrington

Associate Professor S. Parry

Mr M. Marshall and Mr P. Cordery (two members of the University management)



Other committees

Three other committees and the Tender Board also deal with University business and report through the Vice-Chancellor.

VICE-CHANCELLOR'S EXECUTIVE COMMITTEE

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

OCCUPATIONAL HEALTH AND SAFETY COMMITTEE

This Committee investigates, discusses and makes recommendations on occupational health and safety issues and meets monthly.

ART ACQUISITION COMMITTEE

The Art Acquisition Committee deals with all art acquisitions made by the University.

TENDER BOARD

This Board meets weekly to ensure that the University's policies and procedures for the acquisition of goods and services, tendering and quotations, involving amounts in excess of \$50,000, are properly applied.

ACADEMIC BOARD

The Academic Board is constituted under the Southern Cross University Act 1993 and By-laws of the University. Its primary functions are to advise the University

Council and the Vice-Chancellor on all academic matters, including the formulation of policies and advice on the academic structure and academic development of the University and any matter relating to the University's teaching, learning, research or other academic activity. The Academic Board met six times in 2008.

Chair

Professor J. Jackson BCom, LLB(UNSW), LLM(Hons)(Syd), GradDipEd(Tert)DDIAE, PhD(Syd)

Deputy Chair

A. Wessell BA(Hons)(UNSW), PhD(UNSW)
A. Coco DipT, BA(Hons)(UQ), PhD(UQ), CELTA (from January 2008)

MEMBERS

B. Arnall MEc(NE), DipFinMangt(NE), DBA(SCU) (up to March 2008)
Professor V.J. Atkinson BA(Canb), PhD(QUT)
P. Bakker BCom(SAfrica), MBus(SCU), CA
Professor W.E. Boyd BSc(Hons)(StAnd), MEdLead(Macq), PhD(Glas), DSc(St.And)
L. Bradbury (March 2008)
Professor P.E. Clark BSc(Hons), PhD(Exe), DipEd(Tert)(Monash), FAIP, FIICA
S. Darab BA(Hons)(UoN), PhD(UoN) (up to March 2008)



Associate Professor A. Davie DipT(WIE),
BPE(WAust), GradDipSptSc(CCHS),
MSc(Melb), PhD(Syd) (up to June 2008)

Associate Professor J.A. Davis

DipPEd(Melb), GradDip(FineArt)(PIT),
MA(FineArts) (up to March 2008)

Professor I. Eddie PhD(NE) (from August
2008)

J. Edelheim GradDipHosp&TourMgt, MBA,
PhD(Macq)

Associate Professor A. Ellis MSc, PhD(Syd),
GradDipExt(HAC), GradDipEdStud(MCAE),
GradDipDistEd(SACAE), BA, DipEd,
DipContEd(NE)

Professor M. Evans BEc, MBA, PhD(Adel)

T. Farrell (from October 2008)

W. Gilleard BAppSc(UTS),

MSc(Hons)(UOW), PhD(Syd) (from June
2008)

N. Gitu (up to March 2008)

Professor J.M. Graham

DipOT(NSW Coll Occ Ther), MSc(Brad)

Professor B. Chen Goh LLB(Hons)(Malaya),
LLM(CAMB), SJD(BOND)

A. Graham BEd(Catholic College – Syd),
DipT(Catholic Teachers College – Syd),
MEd (UNENR), PhD(SCU)

J. Griffiths BA(Qld), GradDipCounselling(BC
AE), MNA(UNSW), PhD(Flinders)

Professor M. Hannan BA, DipMusComp,
PhD(Syd)

R. Harris LLB(ANU), DipEd(Syd), LLM(QUT),
BA(ANU)

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

Professor J. Jenkins BA(Hons), PhD(NE)

Associate Professor S. Kelly BAdmin(Griff),
MBus(SCU), PhD(SCU) (from March 2008)

V. King BA(Melb), BHA(UNSW),

MNA(UNSW) (up to August 2008)

M. Lambert (up to June 2008)

L. Lane DipA(Preston), MA(SCU) (from
March 2008)

Professor W. MacGillivray BSci(Hons)(Qld),
PhD(Qld)

A. Malipu (from June 2008)

M.H. Marshall BA(CCAE), MBA(CQU), CPA

C. Miller

A. Mitchell BA(Qld), DipEd(Qld), MEd(NE),
PhD(SCU) (from March 2008)

Associate Professor S. Parry BBSc, DipEd,
PhD(LaT)

S. Provost BScPsych(Hons), PhD,
GradCertHEd(UNSW)

C. Rallings BCom(Wollongong)

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

D. Stewart BA(LibSc)(KCAE),
GradCertBA(SCU)

Associate Professor R.P. Weatherby

BPharm(Hons), MSc, PhD(Syd)

K. Walker (up to October 2008)



Associate Professor M. Wallace
BA(Hons)(Syd), DipEd(WillBalmColl),
MEd(NE), PhD(Deakin)
H. Wohlmuth BSc(Macq), PhD(SCU)
G. Woods GradDipEd, BAppSc(SCU)

SUMMARY OF MAJOR ACTIVITIES IN 2008

New Course Approvals

- Diploma of Community Recovery (and Certificate)
- Bachelor of Ageing in the Community (and Associate Degree, Diploma and Certificate)
- Bachelor of Occupational Therapy
- Graduate Certificate in Working with Indigenous Communities
- Graduate Certificate in Recruitment, Placement & Career Development
- Master of Clinical Science (and Graduate Certificate and Graduate Diploma)
- Master of Marine Science and Management

Course Removals

- Master of Professional Accounting, Master of Supply Chain Management (Double Degree)

Approval of University Wide Major

- Sport Management

Course Reviews and Re-accreditations

- Bachelor of Applied Science (Forestry), Bachelor of Applied Science (Forestry) with Honours, Graduate Diploma of Forestry and the Master of Forest Management
- Bachelor of Technology Education and Bachelor of Technology Education with Honours
- Graduate Diploma of Education
- Associate Degree in Law (Paralegal Studies); Bachelor of Legal and Justice Studies and Graduate Diploma in Law
- Master of International Sport Management
- Bachelor of Environmental Science (Honours), Bachelor of Marine Science and Management (Honours) and Bachelor of Applied Science Forestry (Honours)

Major Policy Amendments and Revisions

Student Assessment, Course Review and Graduate Attributes Chapter of Academic Policy.

Academic Board Elections

At its first meeting in 2008 Academic Board elected Dr Angela Coco to the position of Deputy Chair of Academic Board for the two year term to the first meeting of 2010.



At its final meeting of 2008 the Board elected Professor Jim Jackson as the Chair of Academic Board for a two year term until the last meeting of 2010.

The Board also implemented the recommendations of the 2007 Review of the Rules and Standing Orders of Academic Board and its Committees.

Committees of Academic Board

ACADEMIC BOARD APPEALS COMMITTEE

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

BOARDS OF ASSESSORS

These Boards operate at a School level for semester assessment and across the University for trimester and Asian semester assessment. They meet to determine grades, monitor student progress and ensure quality in assessment processes.

LEARNING AND TEACHING ADVISORY COMMITTEE

This sub-committee of Academic Board has responsibility for advising on matters related

to planning, management and development in teaching and learning at the University.

PROGRAMS COMMITTEE OF ACADEMIC BOARD

Programs Committee is a source of advice and reference to Schools and Faculties in course and unit planning, development and review. The Committee ensures that course submissions, unit statements and course reviews conform to the requirements of, and meet the standards established by, the Academic Board.

RESEARCH AND RESEARCH TRAINING ADVISORY COMMITTEE

This sub-committee of the Academic Board and is the principal advisory committee of the Academic Board on issues of research across the University.

SCHOOL BOARDS

School Boards are sub-committees of Academic Board. School Boards ensure that course submissions, unit statements and course reviews conform to the requirements of, and meet the standards established by, the Academic Board.

STRATEGIC STANDING COMMITTEE OF ACADEMIC BOARD

This Committee, formerly known as the Executive Committee, provides advice and recommendations to the Academic Board



on all matters of academic policy, planning, development and quality. The Committee also identifies emerging academic issues.

Principal officers

Council members

The Hon. John Robert Arthur Dowd AO QC
 Professor Paul Ernest Clark
 Professor Jim Jackson
 Warren Albert Grimshaw AM
 Irene Harrington
 Trevor Stanley Wilson
 Neville Newell
 John B. Shanahan
 Margot Ruth Sweeny
 Dr David Vincent Cody
 Susanna Christie
 Associate Professor Sharon Parry
 Toni Ledgerwood
 Peter Lewis
 Janelle Saffin MP
 Ronald Dowell
 Glenn Davey

EXECUTIVE OFFICERS

Vice-Chancellor

Professor Paul Ernest Clark BSc(Hons),
 PhD(Exe), DipEd(Tert)(Monash), FAIP, FIICA

Deputy Vice-Chancellor

Professor William MacGillivray BSc,
 PhD(Qld)

Pro Vice-Chancellor (Research)

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

Executive Dean, Faculty of Arts and Sciences

Professor Jennifer Margaret Graham
 DipOT(NSWCollOccTher), MSc(Brad)

Executive Dean, Faculty of Business and Law

Professor Mike Evans BEc, MBA,
 PhD(Adel), FCPA

Executive Director (Corporate Services) and Council Secretary

Malcolm Hugh Marshall BA(CCAE),
 MBA(CQU), CPA

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





Report by the Executive Director and Vice-President (Corporate Services)

Management activities

Systems implementations

The University continued implementation of the:

- Aurion human resource/payroll system
- Student Management System project to upgrade Student One, and the
- Customer Relationship Management system including a post-implementation review.

These three system implementations have acted as a catalyst to significantly upgrade and modernise associated business processes.

Student services and enrolment

Enrolments

The University's total enrolment in 2008 was 15,560 students (9,392.6 equivalent full-time student load). The University had 6,655.2 EFTSL studying on-campus and 2,737.4 EFTSL studying by distance education. In terms of its enrolment target for Commonwealth supported places, the University was under-enrolled by less than one per cent for 2008.

Australian Universities Quality Agency (AUQA) report

Student Services received a commendation for ensuring strategic, thoughtful and effective service provision. The report noted that Student Services takes a comprehensive approach to the provision of assistance, using a *Student Experience Lifecycle* model to identify and plan improvements and additions to services.



Office of Sport and Cultural Activities (OSCA)

Activities coordinated by OSCA included the new Orientation Week Link program (OWL week) held in Week Four of semester to showcase student support services which formed part of an AUQA commendation on student retention.

OSCA took on responsibility for student clubs and societies following the collapse of the Student Representative Council (SRC). New clubs to be affiliated included the Bible Club, the Basketball Club, the Organ Club, the Mountain Bike Club and the Nursing School Club.

The establishment of OSCA was a direct response by the University to the introduction of Voluntary Student Unionism. The AUQA report commended the University for its commitment to supporting essential services.

Customer relationship management (CRM)

The CRM project was completed in September. A post implementation review was conducted recommending various corrective improvements including finalising the strategic direction, promoting

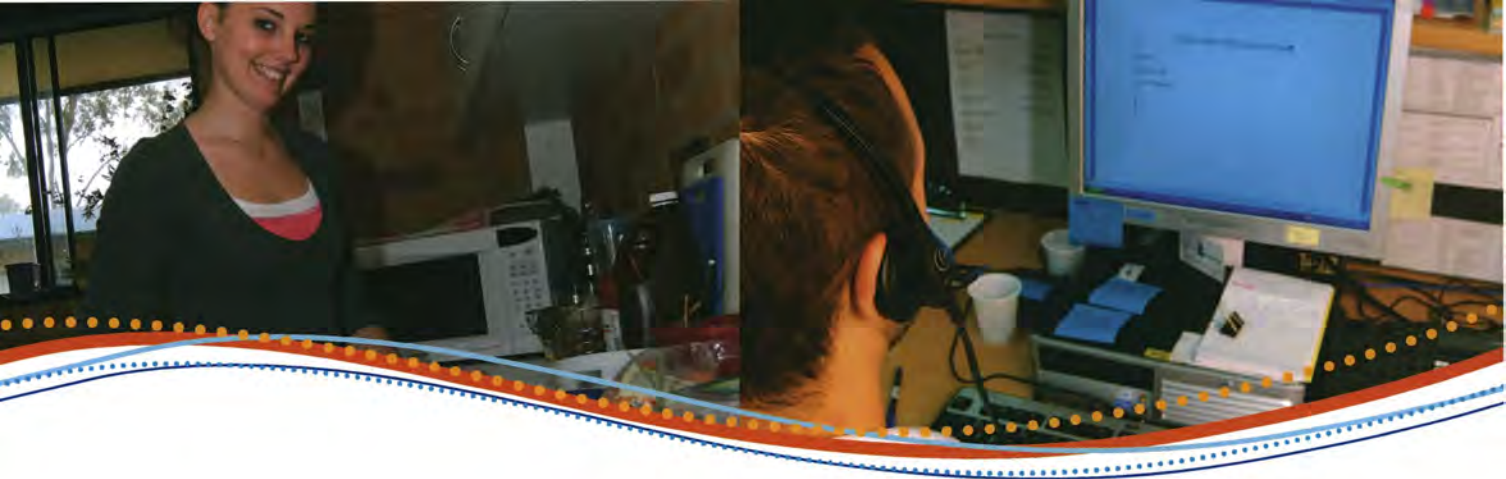
usage and best practice, enhancing system useability, and to specify and commit staff resources on an ongoing basis. The University is committed to further enhancing CRM usage given the benefits of improved enquiry responsiveness and customer service.

Student accommodation Public Private Partnership project

The student accommodation project continued and reached preferred respondent stage. Campus Living Villages (CLV) was appointed as preferred respondent on 10 October. Negotiations are continuing and final outcomes are expected in 2009 including the transfer of College management responsibility to CLV.

New Way to Link project

The New Way to Link project was conducted to identify students withdrawing from their courses and offer them an opportunity to reconnect with the University. The project specifically surveyed DEEWR Equity Target Group students. Student Services will continue to survey withdrawing students each teaching period in order to continue offering this support to



withdrawing students. The data collected can be utilised to help ensure the support services currently offered to students are adequate and appropriate to assist in reducing attrition rates.

Leisure Centre projects

The gymnasium at Lismore Campus underwent a conversion and redevelopment, commencing in mid-July. Construction is expected to be completed early February 2009 in readiness for Orientation Week 2009.

The University received approval to construct a pool at the Lismore Campus. It is expected the pool will be completed in late 2009.

Other activities and services

Work commenced on the new Gold Coast Hub project to ensure a fully integrated one-stop-shop for students will operate from the new Gold Coast campus foundation building. The project is based on a business model consolidating common administrative functions and systems to improve efficiency, services, and to reduce duplication.

Advances in communication technology

Enhancements to the University's website continued with particular emphasis on ease of access to course and unit information. Benchmarking undertaken with 38 other universities rated the SCU website's 12 month availability at 99.91 per cent compared to the university average of 99.73 per cent.

Twelve teaching spaces across the Lismore campus were upgraded with audio visual and multimedia capabilities enabling audio podcast of tutorials to be recorded for later review by students. The upgrades also relieved pressure on timetabling due to the increase of teaching spaces equipped with technology in high demand.

The new integrated Human Resource and Payroll system (HRIS) Aurion was successfully implemented in October. The system provides a Self Service (ESS) module enabling staff to access their own HR and payroll information via internet.

A significant upgrade of the University Student Management System was expected to go live in July 2009. The upgrade of the system is not only a



complete technical upgrade but will also change and improve the way in which staff and student are able to access information. The project has enabled a considerable amount of business process reviews to be undertaken that will result in increased efficiencies.

Benchmarking activities continued with both Educause and Council of Australian University Directors of Information Technology (CAUDIT).

Promotion

A range of promotional activity was undertaken by the University including presentations to secondary schools; senior schools days for students at Tweed Gold Coast, Lismore and the Coffs Coast; tertiary education expos and campus tours conducted by student ambassadors.

Significant marketing campaigns were undertaken in support of the 2008 mid-year and 2009 semester one intakes, featuring electronic and print advertising, internet, cinema and outdoor advertising.

Marketing publications produced throughout the year included the undergraduate and postgraduate study

guides, course brochures and various prospective student information materials.

Events

Activities to increase awareness of the University's expansion at the Gold Coast included acquiring naming rights to the Gold Coast Marathon 10 km Run and supporting the Kokoda Challenge Youth Program. The University showcased the works of graduating visual arts, contemporary music and media students in TRANSIT08, with several hundred people attending the Undergraduate Art exhibition at the Lismore campus in November. The University was the education partner of the Northern Rivers Performing Arts, and supported the Byron Bay Writers Festival, Byron Bay Film Festival, and Lighten' Up Festival in Lismore. The inaugural Southern Cross University Sustainable Living Expo was held in conjunction with the North Coast National Show.

In 2008 the University again supported the North Coast Area Health Service's Reduce Risk Increase Student Knowledge (RRISK) initiative at Lismore, Coffs Harbour, Port Macquarie and Tweed Heads.



Media

Southern Cross University's profile continues to grow with increasing coverage of research, teaching and community activities in regional, national and international media.

In 2008 there were 3,728 mentions in print, broadcast and online media, recorded through the Media Monitoring service. This represented an increase of 16 per cent on media coverage in 2007. The most significant areas of increase were in the Tweed Gold Coast region, with an increase of 21.4 per cent, and in Brisbane, with an increase of 47.8 per cent. This increase reflected the University's growing presence in this region and interest in the planned establishment of the new Gold Coast campus.

Research activities conducted by Southern Cross University continued to attract interest from regional, state and national media. Highlights included widespread national and regional coverage of a research project into carbon sequestration by Professor Leigh Sullivan and Associate Professor Jeff Parr. Other research activities in areas such as breeding sea anemones in captivity, acid-sulphate soils, whales and dolphins, lifestyle medicine, the use of wild rice as an alternative food

source, natural medicine and tourism also attracted strong media attention.

Southern Cross University academics provided expert comment on a diverse range of topics from health and the environment to small business. Associate Professor Karen Brooks provided ongoing comment on a variety of topics related to popular culture, resulting in national broadcast and print coverage. A number of academics had weekly and fortnightly segments on radio and in print media, particularly in the Mid North and North Coast regions. These covered topics including psychology, sport and business.

The University's sponsorship of and participation in community events, including the Southern Cross University Sustainable Living Expo at the Norco North Coast National in Lismore, continued to attract coverage in regional media. Public lectures and conferences, held in various locations throughout the region, also drew media attention.

Southern Cross University's quarterly printed publication *what'snew@scu* was expanded to eight pages in 2008. The publication is distributed throughout the Mid North, North Coast, Tweed and Gold Coast regions, as well as to SCU Alumni.



Discover SCU, the University's monthly e-newsletter, was distributed via email to all staff and students in addition to around 4000 individual subscribers.

Human resource services

A major focus within Human Resource (HR) Services was the continued implementation of the Integrated Workforce Strategy project. The project was funded by a \$1.3 million grant from the Commonwealth Government under the Workplace Productivity Programme. A number of project objectives were successfully rolled out including the new Aurion HR Information System. Aurion's employee self-service module was also implemented, enabling employees to view payslips, apply for leave and update their personal details online.

The SCU Staff Survey was conducted in May and June 2008 with a 58 per cent response rate across the three campuses. The survey, conducted by the Voice Project group from Macquarie University, benchmarked SCU's results against 16 Australian universities. Survey results were provided to staff and planning commenced to take action to improve areas of staff engagement and satisfaction identified in the survey.

Development of SCU's Strategic Workforce Plan continued with HR Services analysing and compiling the individual workforce plans of the nine academic schools.

A new online staff induction program was launched, providing a comprehensive overview of policies, procedures and other relevant information essential for new employees.

The SCU Enterprise Bargaining Agreement 2005 reached its nominal expiry date of 10 November 2008 and negotiations with the CPSU and NTEU for a new agreement commenced in August.

Recruitment

A total of 115 job vacancies were advertised in 2008 comprising 50 academic staff vacancies and 65 general staff vacancies. A number of senior appointments were made including Head of School, Environmental Science and Management; Head, Planning, Quality and Review; Executive Officer for the Vice-Chancellor and Deputy Vice-Chancellor; Professor of Accounting in the School of Commerce and Management; and Head, Graduate College of Management.



Staff development

The strong focus on the University's Management Development Strategy continued. The Team Leader program for front-line supervisors, and the Women in Leadership networking forum were again conducted in 2008. Planning also commenced for a management development program for future heads of work units.

Further developments occurred during 2008 to foster a culture focused on performance management. Tailored training programs in Performance Management Development and Review (PMDR) were conducted and PMDR guidelines for supervisors were developed. Performance review completions were closely monitored with high completion rates reported for both academic and general staff.

Twelve academic employees were granted Special Studies Leave or Internal Release. The University's investment in this program was approximately \$600,000 compared with \$750,000 for 2007. The average number of weeks used for Special Studies Leave was 24.6.

HR Services continued to respond to requests from the University's managers for tailored Organisation Development

processes in response to particular issues within teams.

As well as conducting the second annual workshop for Course Coordinators, HR Services facilitated a needs analysis session for Unit Assessors.

Occupational health and safety (OHS)

Newly elected members of the Lismore and Tweed Gold Coast OHS Committee undertook the compulsory four day OHS Consultation Course. The training familiarises committee members with the principles of workplace OHS consultation and its role as part of the University's OHS Management System.

An internal audit of the University's OHS Management System commenced in May. Approximately one third of the University was audited by year's end including high risk areas such as the School of Environmental Science and Management, Centre for Plant Conservation Genetics, Centre for Phytochemistry and Pharmacology and the Environmental Analysis Laboratory. Completion of the audit is expected by July 2009, with a detailed report going to the University's Executive.



A total of 15 Workers Compensation claims were received in 2008. This figure does not include 'journey' claims. In February, a survey of statistical information on Workers Compensation for the NSW/ACT University sector was undertaken. Universities that participated were ANU, UNSW, University of Newcastle, UNE, University of Wollongong, and SCU. From the participants surveyed, SCU's compensable injury rate was close to the combined average, but the actual cost per claim was 25 per cent lower than the combined average, and lost time per claim was 64 per cent lower than the combined average. This result demonstrated the University's commitment to the effective management of workplace injury and the safe and speedy return to pre-injury fitness and duties of injured staff.

An expanded Employee Wellness Program was implemented during the year following a survey of employees. The aim of the Wellness Program is to give employees the encouragement and opportunity to enhance their personal health and wellness. While the average rate of paid sick leave has remained steady, SCU's figure is considerably lower than the sector average. The new program included an increase in the Wellness Voucher contribution, an

expanded list of service providers, and the introduction of new services such as the *Stress Less* seminar series.

Risk management

The approach to risk management at Southern Cross University is based on the Australian/New Zealand Standard for Risk Management (AS/NZS 4360) which is widely regarded as defining world's best practice.

The University Council's Risk Management Committee ensures the effective governance of the issue, including the oversight of the University's risk management policy and procedures.

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

The key strategic risks faced by the University have been identified and analysed and, in accordance with the standard, action plans for the mitigation of unacceptably high risks have been developed. A review of the University's Strategic Risk Profile commenced in 2008.

A Risk Management Report is provided, via the Risk Management Committee, to the



University Council for each of its meetings. This report provides a summary of all strategic risks of the University and their current rating. It also contains an extract of the risks rated as High or above.

At the end of 2008, the highest rated risks faced by the University related to quality of student intake; demand for programs; academic fraud; rates of attrition; loss of or damage to a major capital asset; failure of IT systems and security, and IT business continuity issues.

The extension of the Risk Management process to include Operational Risk Management Plans for academic and administrative units of the University commenced during 2008 and will be further facilitated during the coming year by the launch of a web-based risk register developed by the University's Information Technology department.

A number of Fraud and Corruption Risk Prevention workshops, attended by a cross-section of managers, were conducted during the year.

A Business Continuity Management Policy and Procedure was developed and the process of Business Continuity Planning across the University commenced.

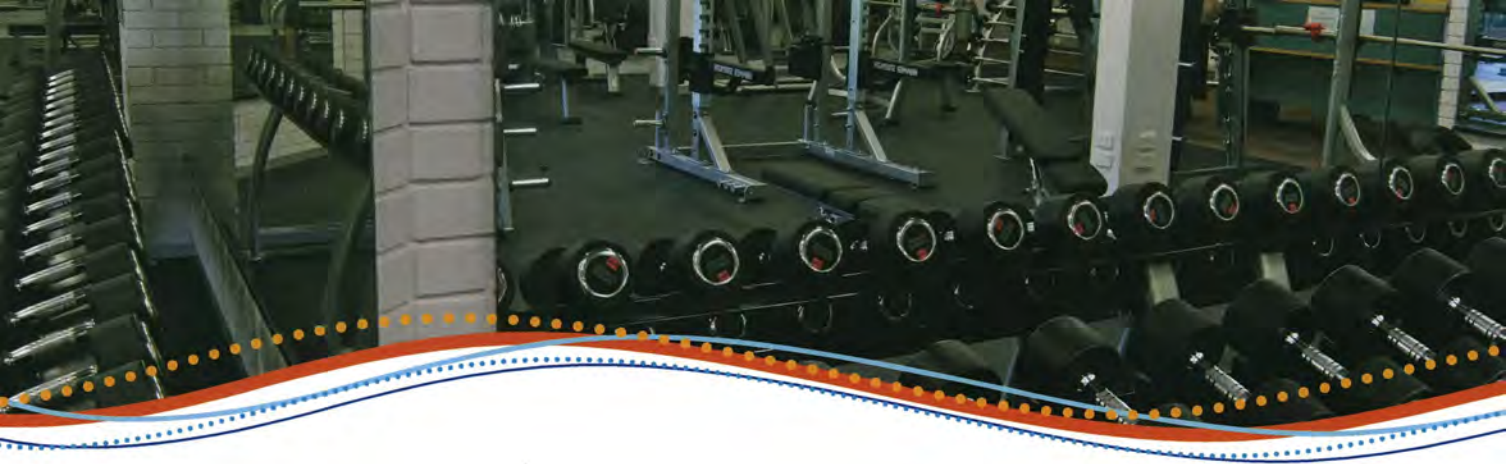
Insurance

In 2008 the University effected the following forms of insurance cover.

- Industrial Special Risk (Property)
- General and Products Liability (including Casual Hirers)
- Professional Indemnity
- Directors and Officers
- Medical Malpractice
- Clinical Trials
- Motor Vehicle
- Corporate Travel
- Marine Hull
- Workers' Compensation (administered by Human Resource Services)

Premiums for the University's core insurance protections have remained relatively stable for the 2008/09 protection period while those for ancillary classes, including Motor Vehicles and Corporate Travel, have incurred some increases mainly due to a larger number of claims in those classes.

A major claim resulting from a hail storm that hit the Lismore campus in October 2007 and left numerous University cars damaged has been the main cause of the increase in that policy's premium.



Generally speaking, the University's claims record remains very good but risk management issues and the structure of the insurance portfolio continue to be priority areas for consideration into the future.

Facilities management and services

Environmental initiatives

The University conducted a very successful community field day involving Rotary Clubs and members of the general public at which several hundred rainforest and native tree species were planted in strategic places throughout the Lismore campus.

Recycling efforts have been increased in line with the establishment of a dedicated Recycling Officer.

Investigations are underway for the installation of individual water and electrical energy metering to each building to increase monitoring of usage.

Construction

COFFS HARBOUR

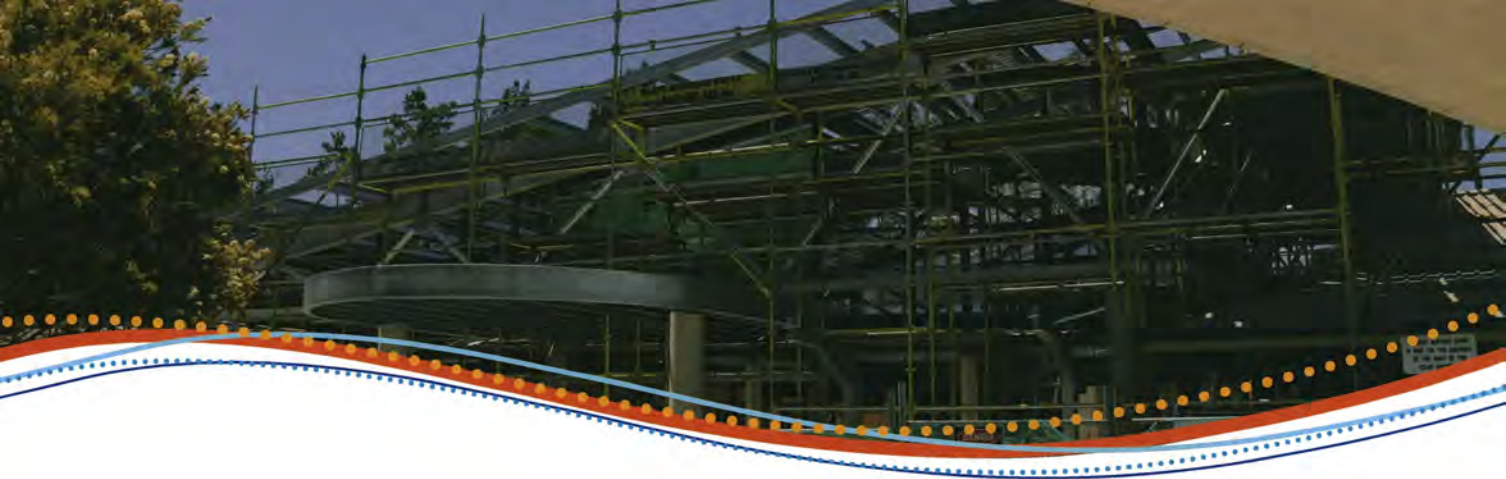
Construction commenced on the student leisure centre containing a basketball court, gym and other facilities with completion expected in 2009. Planning is underway for the development of an additional office and teaching space of approximately 2,000m².

GOLD COAST CAMPUS

Construction commenced of the foundation building for the Gold Coast Campus consisting of 4,420m² and containing general office and teaching accommodation with completion expected October 2009. Planning is underway for a second building of 13,600m² with construction to commence mid 2009.

LISMORE

Development approval was gained for the construction of a swimming pool adjoining the Campus Central building. Construction will commence early 2009 with completion in 2009. Planning is underway for the construction of a major extension to P Block to house a multipurpose Health Clinic.



Public access to University publications

Copies of official University documents, publications and other correspondence are held in a number of locations. These include Central File, the University Library, the Vice-Chancellor's Office and the Office of the Executive Director and Vice-President (Corporate Services).

The agenda and minutes of Council, Academic Board, Divisional Boards and other boards and committees of the University are the major sources of information relating to the policies, procedures and operations of the institution and these are available from the Executive Director and Vice-President (Corporate Services).

The Human Resource Services directorate maintains personal files of staff.

All the above documents are subject to the relevant legislation, policies and/or procedures on retention periods, disposal schedules or archiving.

A number of promotional publications and administrative papers, including the University's Annual report are also available on the University's website at www.scu.edu.au/publications.

Financial and resource management

Southern Cross University and its controlled entities (the Economic Entity) is comprised of the following.

- Southern Cross University
- Norsearch Limited
- Australian Plant DNA Bank Limited
- Biobank Pty Limited

The Financial Statements (See Part B) include the audited financial statements for the economic entity and each of the controlled entities.

Southern Cross University and its controlled entities reported a consolidated net operating surplus of \$14.074 million for the year ending 31 December 2008 (2007 \$16.126 million), the University reported a net operating surplus of \$14.334 million (2007 \$16.549 million).

The 2008 financial performance was heavily influenced by a number of non-recurrent grants totalling \$7.196 million. The adjusted consolidated result is \$6.811million (2007 adjusted consolidated result \$5.938 million) which continues to reflect the strength of underlying operations and positive progress against the key objectives of the Strategic Plan.



Total consolidated revenue from continuing operations (excluding deferred superannuation) was \$155.218 million, reflecting an increase of 9.8 per cent on 2007. The majority of the increase in revenue and flow-on to operating surplus arose from Commonwealth Grants, student fees and charges and investment returns (see Graph 1). Commonwealth Grants included the Better Universities Funding program, Commonwealth Scholarships and the Learning and Teaching Performance Funds.

The University achieved a result of being marginally below the CGS enrolment target of 5,818 EFTSL by 37 EFTSL or 0.6 per cent. Commonwealth government funding remains an important revenue stream, representing 46 per cent of revenue. Fees and charges increased by 19 per cent on 2007 largely due to increased international tuition fees. Investment Revenue increased by 76 per cent due to higher interest rates available.

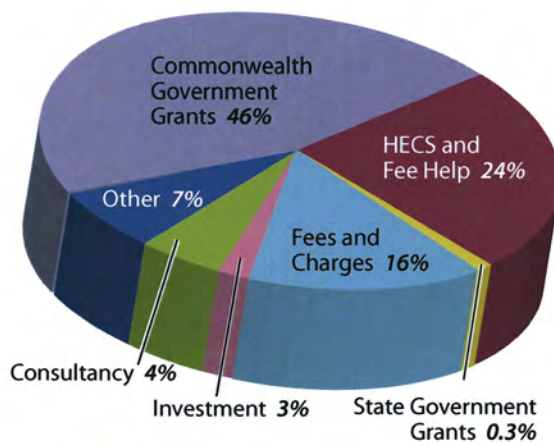
Consolidated expenses from continuing operations (excluding deferred superannuation) ordinary activities increased by 13 per cent on 2007. Graph 2 provides an analysis of expenditure by type. Salary costs represent the most significant item and increased by 12 per cent. There were

two enterprise bargaining increases of two per cent on 1 January 2008 and four per cent on 1 October 2008, plus incremental increases and an increased number of staff.

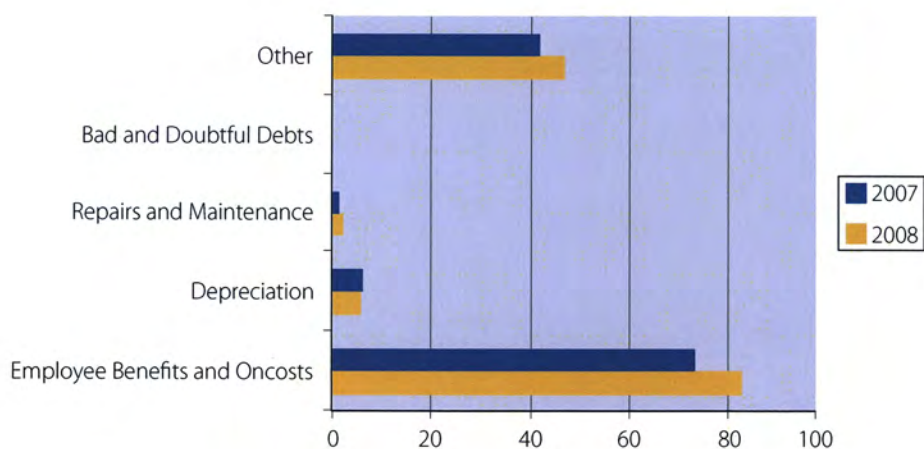
Other expenditure increased by 15 per cent. The largest increases were in fees for service, legal costs, property and facilities costs and travel expenditure. These increases were in line with the implementation of strategic initiatives and increased operating activity in specific areas.

Investment performance

In 2008, Southern Cross University invested in interest bearing deposits and on-call bank deposits with various financial institutions including National Australia Bank, Suncorp-Metway, Bankwest, Bank of Queensland, Illawarra Mutual Building Society and Summerland Credit Union. In 2008, the average return on investment for Southern Cross University was 7.32 per cent, which was slightly above the TCorp Cash Hourglass Facility return of 7.22 per cent. As investments are held as interest bearing deposits and on-call bank deposits, the only impact of economic events has been on the future earning potential due to lower interest rates with no impact on the invested values.



Graph 1: 2008 Revenue by Type



Graph 2: 2007–2008 Expenses \$million



Payment of accounts

Due to timely payment of accounts, no interest was incurred during 2008.

Land disposal

One portion of land was sold during the year for the value of \$0.356m. The land was sold to enable the construction of electricity supply infrastructure and the proceeds were utilised to fund capital projects. Documents relating to the disposal can be obtained under the Freedom of information Act.

Consultants

The University engaged a range of consultants to provide recommendations or high level specialist or professional advice to assist in decision making by management. Table 2 lists the consultants used by the University and the fees paid for their services during the year ended 31 December 2008. Consultancies costing greater than \$30,000 – nil.

Table 2: Consultancies costing less than \$30,000

Consultant	No	\$
Management and Marketing	20	112,470
Organisational Review	9	71,094
Information Technology	6	91,096
Environmental	6	49,218
Training	4	13,455
Building and Engineering	3	23,530
Total consultancies costing less than \$30,000	48	360,863



Southern Cross University Statement of Financial Performance

2008–2009 Budget	Actual 2008 \$'000	Budget 2008 \$'000	Budget 2009 \$'000
Southern Cross University Income Statement			
Revenue from continuing operations			
Australian Government financial assistance			
Australian Government grants	70,445	62,080	62,646
HECS-HELP – Australian Government payments	27,837	27,442	32,074
FEE-HELP	5,263	4,138	5,268
State and local Government financial assistance	523	—	—
HECS-HELP – Student Payments	3,465	3,810	3,562
Fees and charges	24,351	18,267	27,558
Investment revenue	4,839	1,315	3,450
Royalties, trademarks and licences	6	—	—
Consultancy and contracts	6,803	6,369	7,249
Other revenue	10,750	9,761	5,717
Total revenue from continuing operations	154,282	133,182	147,523
Investments accounted for using the equity method	936	—	—
Total income from continuing operations before deferred Government superannuation contributions	155,218	133,182	147,523
Deferred Government Superannuation Contributions	28,892	—	—
Total revenue and income from continuing operations	184,110	133,182	147,523
Expenses from continuing operations			
Employee related expenses	83,866	82,048	89,552
Depreciation and amortisation	5,687	5,973	6,200
Repairs and maintenance	3,003	2,500	4,200
Impairment of assets	353	—	—
Losses on disposal of assets	142	—	—
Other expenses	48,093	42,661	47,571
Total expenses from continuing operations before Deferred Employee Benefits for Superannuation	141,144	133,182	147,523
Deferred Employee Benefits for Superannuation	28,892	—	—
Total expenses from continuing operations	170,036	133,182	147,523
Operating result from continuing operations	14,074	—	—
Operating result attributed to members of Southern Cross University	14,074	—	—



2008–2009 Budget	Actual 2008 \$'000	Budget 2008 \$'000	Budget 2009 \$'000
Southern Cross University Balance Sheet			
ASSETS			
Current assets			
Cash and cash equivalents	67,188	30,703	41,888
Receivables	6,819	8,000	7,200
Inventories	33	—	—
Other non-financial assets	1,885	1,700	1,800
Total current assets	75,925	40,403	50,888
Non-current assets			
Receivables	40,764	12,000	49,100
Investments accounted for using the equity method	7,146	7,100	7,300
Property, plant and equipment	149,197	164,541	179,800
Total non-current assets	197,107	183,641	236,200
Total assets	273,032	224,044	287,088
LIABILITIES			
Current liabilities			
Trade and other payables	11,898	7,500	15,571
Provisions	15,705	15,000	17,000
Other liabilities	6,497	6,000	6,800
Total current liabilities	34,100	28,500	39,371
Non-current liabilities			
Trade and other payables	5	—	—
Provisions	42,310	13,000	51,100
Total non-current liabilities	42,315	13,000	51,100
Total liabilities	76,415	41,500	90,471
Net assets	196,617	182,544	196,617
EQUITY			
Parent entity interest			
Retained surplus	196,617	182,544	196,617
Parent entity interest	196,617	182,544	196,617
Total equity	196,617	182,544	196,617



2008-2009 Budget	Actual 2008 \$'000	Budget 2008 \$'000	Budget 2009 \$'000
Southern Cross University Cash Flow Statement			
Cash flows from operating activities			
Australian Government			
CGS and Other DEEWR Grants	53,830	53,000	53,617
Higher Education Loan Programmes	35,577	28,500	37,342
Scholarships	3,213	3,200	3,346
DEEWR Research	5,649	5,400	5,485
Better Universities Renewal funding	5,169	—	—
ARC grants – Discovery	552	550	624
ARC grants – Linkages	617	520	582
ARC grants – Networks and Centres	—	1,130	—
OS-Help Loan	24	—	150
Other Australian Government Grants	1,806	—	—
State Government Grants received	764	900	700
HECS-HELP – Student payments	3,465	3,800	3,562
Receipts from student fees and other customers	22,274	19,500	19,556
Joint venture partnership distributions received	860	700	750
Interest received	5,017	1,200	3
Student Accommodation	2,152	2,200	2,734
Other Operating Receipts	17,033	15,000	16,700
Payments to employees	(64,758)	(62,000)	(71,356)
Salary related costs	(11,439)	(16,300)	(18,196)
Payments to suppliers (inclusive of goods and services tax)	(51,535)	(51,981)	(49,399)
Net cash provided by / (used in) operating activities	30,270	5,319	6,200
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment	1,468	1,900	1,500
Payments for property, plant and equipment	(11,932)	(23,800)	(33,000)
Net cash provided by / (used in) investing activities	(10,464)	(21,900)	(31,500)
Cash flows from financing activities			
Receipts from advances repaid	98	—	—
Net cash provided by / (used in) financing activities	98	—	—
Net increase (decrease) in cash and cash equivalents	19,904	(16,581)	(25,300)
Cash and cash equivalents at the beginning of the financial year	47,284	47,284	67,188
Effects of exchange rate changes on cash and cash equivalents	—	—	—
Cash and cash equivalents at the end of the financial year	67,188	30,703	41,888



Statutory reporting

Privacy

Section 33(3) of the *Privacy and Personal Information Protection Act 1998* (NSW) ("the Act") requires the University to report on the actions it has taken to comply with the Act and to provide statistical details of any review conducted by or on its behalf.

The University's Privacy Management Plan ("the Plan") was developed by the University in 2001 and sets out the policies, procedures and practices to ensure compliance by the University with the requirements of the Act.

The Plan provides details on how the policies and procedures in relation to privacy and the protection of personal information are to be disseminated throughout the University. The Plan also provides details of the procedures adopted by the University to deal with applications of internal review of complaints regarding privacy matters. The Plan is currently under review.

The steps the University has taken to comply with the Act include:

- Adding privacy notices to electronic and hard-copy forms used to collect personal information
- Adding privacy statements to the University's websites
- Including consideration of privacy issues in the development of University policies, resolutions, rules and procedures
- Adding warnings against the unauthorised disclosure of personal information to login screens of corporate computer systems
- Administering an awareness and training program on privacy legislation and related matters
- Maintaining a privacy website with links to the Privacy Management Plan and other sources of information
- Providing accurate and timely advice on privacy matters to members of the University community.



Freedom of Information Act (FOI)

During 2008, there was one internal review completed under Part 5 of the Act.

Freedom of Information ("FOI")

Under the *Freedom of Information Act 1989* (NSW) ("FOI Act") the University is required to include in its Annual Report information on the processing of Freedom of Information requests received by the University. Tables providing the FOI statistics for 2007 and 2008 are attached as Appendix 1.

Procedures are in place to enable anyone wishing to obtain information to do so and

the emphasis is on the facilitation of access to documentation wherever possible as much information regarding the University's affairs is publicly available or accessible through administrative mechanisms.

A Summary of Affairs identifying policy documents and the contact details for requesting access to the University's documents is published in the Government Gazette.

In 2008, the University received no applications for access to documents under the FOI Act. No internal or external reviews were conducted for 2008.





Equity and diversity

Equal employment opportunity

The University continued to maintain numbers of Indigenous Australian staff that were significantly above the benchmarks of other NSW universities. Indigenous Australian staff represented 4.1 per cent of general staff and 4.2 per cent of academic staff. In 2008 additional resources were applied to assist in achieving the objectives of the University's Indigenous Employment Strategy 2005–2008. The representation of academic staff from non-English speaking backgrounds was nine per cent during 2008 while general staff from non-English speaking backgrounds was five per cent. Women comprised 65 per cent of general staff and 51 per cent of academic staff. Women held 34 per cent of senior positions within the University which had increased from 28 per cent in 2007. In 2008, six per cent of general staff and seven per cent of academic staff reported disabilities.

Equity and Diversity Plan (2008–2010)

In alignment with its Strategic Plan 2005-2010, the University implemented the Equity and Diversity Plan (2008-2010) in 2008. The plan contained specific goals, strategies, performance indicators and completion dates to respond to key equity and diversity matters at SCU. The development and implementation of the University's Equity and Diversity Plan 2008-2010 has been a significant step in addressing issues of equal opportunity and diversity across the University.

Merit-based selection and flexible work practices

The University has Flexible Work Practices that allow for opportunities such as job sharing, part-year employment, part-time leave without pay and temporary transfer to fractional/part-time employment. The University has clear guidelines on merit-based selection, including a requirement for gender balance on its selection panels. The Recruitment and Appointment Policy requires that all staff participating on staff selection panels must have completed training in staff selection and interviewing. This training includes anti-discrimination and cultural diversity segments, with an emphasis on the principles of merit selection and highlighting the value of a culturally diverse workplace.



Online EEO training

The Equal Employment Opportunity Online training program provided comprehensive information on discrimination and harassment issues in a flexible delivery mode, and is available to all staff via the University website. The online training program is a compulsory part of induction for all staff.

Cultural diversity

Cultural Diversity Training workshops were held for academic and general staff in 2008. The training was focused on providing staff with a broad knowledge of diversity issues and facilitating discussion around strategies for increasing sensitivity and awareness of diversity issues within the University's programs and activities, thereby creating inclusive and culturally safe work environments.

The University continued to promote staff and student awareness of equal opportunity and diversity through celebrations, workshops, promotional material and events.

Southern Cross University's Indigenous Events Coordinating Committee (SCUI ECC) organised several events throughout the year including Sorry Day and NAIDOC

Week. Sorry Day was marked by a public lecture by Dr Loretta Kelly and a talking circle at the Lismore Campus, plus events at the Coffs Harbour and Tweed Gold Coast campuses. More than 1,200 people participated in week-long celebrations across the three campuses during NAIDOC Week. This included 14 workshops plus a kids' day for local pre-school, primary and high school students. Other events included a film night, performances, panel discussion and lunch for Elders.

Unity in Diversity: the coming together of cultures and communities was the theme of the 2008 Fusion Festival, organised by Southern Cross University's Fusion Committee. The festival celebrated the diverse and multicultural community of Southern Cross University. The week long program included a photographic competition and exhibition in the SCU Library with the theme of 'UNity in diVERSITY'. Other events included theology discussions over coffee and cake; music, song and dance from around the world. A public lecture titled *Voices for Hope: Story Telling and Human Rights* was also held followed by a Diversity Perspectives Forum about the value and importance of diversity in everyday life. Other events included an



international film night and an international cook-off competition with teams from five different countries.

Indigenous Employment Strategy

The Indigenous Employment Strategy Focus Group was established in 2008 to develop and implement Indigenous Cultural Awareness and Safety Training across the University. The first phase of the University wide training will be held in early 2009.

Development Program for Women

- *Promoting SCU Women Networking Forums:* More than 90 women staff members attended one of the lunchtime forums held during 2008. The forums provided an opportunity to listen to inspirational speakers, connect and network with colleagues, exchange ideas on topics of interest to women in the workplace, and to discuss development and support opportunities for women staff members.
- The *SCU Mentoring Program for Women* was established in 2008 specifically for academic and professional women staff members

with the aim of attracting, supporting and developing women staff members across the organisation. In its first semester, 20 women staff members were matched with mentors.

- A full day *Research Workshop for Women Staff* was held during 2008, facilitated by the Associate Dean of Research Studies and the Manager, Equity Services with 24 women academic staff and PhD students attending. The workshops are targeted at all women academic staff, but particularly those who are in the early stages of developing a research career. The workshops provided an opportunity for academic researchers to form peer networks and begin the process of framing a research plan.
- *Promotion Workshops for Women:* Academic Promotions Workshops have been held annually for women staff since 2004. The workshops provide women with the opportunity to learn more about the promotions process and to hear from other women academics and senior women staff about their experiences in pursuing or achieving promotion. In 2008 73 per cent of applications



for promotion were received from women members of staff. Of those women who applied for promotion in 2008, 78 per cent were successful.

2009 planned activities

- Continue to implement strategies from the University's Equity and Diversity Plan 2008–2010 including:
- Development of a Family, Work and Life Policy.
- Development of a Disability Employment Strategy, with appropriate policies and procedures, where necessary, for the employment of people with a disability.
- Equity and Diversity Contact Officers to be recruited and trained as points of contact and information on equity and diversity issues across the three campuses.
- Continue to promote staff and student awareness of equal opportunity and cultural diversity through cultural celebrations, workshops, promotional materials and events
- Implement Indigenous Cultural Awareness and Safety Training for staff across the University.
- Continue to collect and analyse equal employment information for patterns which impact on equal opportunity
- Continue to expand and enhance the University's Development Program for Women.



Table 3: Number and Full-Time Equivalence (FTE) of Staff 2004–2008

	Persons					FTE				
	2004	2005	2006	2007	2008	2004	2005	2006	2007	2008
Academic Staff										
Full-time	250	253	249	235	232	250	253	249	235	232
Fractional	31	36	46	57	57	19	22	28	34	36
Subtotal	281	289	295	292	289	269	275	277	269	268
General Staff										
Full-time	357	371	383	386	423	357	371	383	386	423
Fractional	99	109	120	136	133	62	66	76	84	88
Subtotal	456	480	503	522	556	419	437	459	470	511
All Staff										
Full-time	607	624	632	621	655	607	624	632	621	655
Fractional	130	145	166	193	190	81	88	104	117	124
TOTAL	737	769	798	814	845	688	712	736	738	779

Table 4: Full-time and Fractional Full-time Staff (Persons) by Gender and Level 1999–2008

YEAR	CLASSIFICATION																
	Above Snr Lect.		Senior Lecturer		Lecturer		Below Lecturer		Academic – Subtotal			General			TOTAL		
	F	M	F	M	F	M	F	M	F	M	Total	F	M	Total	F	M	Total
1999	7	37	21	46	37	63	30	20	95	166	261	241	140	381	336	306	642
2000	8	35	20	45	38	60	40	20	106	160	266	247	140	387	353	300	653
2001	9	36	17	45	50	57	31	24	107	162	269	240	157	397	347	319	666
2002	9	40	16	43	50	49	40	22	115	154	269	230	147	377	345	301	646
2003	10	41	19	40	50	55	35	21	114	157	271	254	154	408	368	311	679
2004	11	39	20	43	56	49	37	26	124	157	281	290	166	456	414	323	737
2005	15	45	12	48	60	46	43	20	130	159	289	308	172	480	438	331	769
2006	14	46	16	44	54	49	45	27	129	166	295	320	183	503	449	349	798
2007	16	48	21	49	53	37	42	26	132	160	292	340	182	522	472	342	814
2008	18	45	27	42	68	34	36	19	149	140	289	360	196	556	509	336	845



Table 5: Full-time and Fractional Full-time Staff (FTE) by Gender and Level 1999–2008

YEAR	CLASSIFICATION																
	Above Snr Lect.		Senior Lecturer		Lecturer		Below Lecturer		Academic – Subtotal			General			TOTAL		
	F	M	F	M	F	M	F	M	F	M	Total	F	M	Total	F	M	Total
1999	7	36	21	46	35	63	28	19	91	164	254	222	137	359	313	300	614
2000	8	35	20	45	36	59	35	19	99	159	258	227	136	363	326	295	620
2001	9	36	17	45	47	57	28	23	101	160	261	220	153	373	321	313	634
2002	9	40	16	43	47	49	37	22	109	154	262	208	144	352	317	298	614
2003	10	41	19	40	46	53	32	19	106	154	260	229	150	378	335	303	638
2004	11	39	20	43	51	48	33	24	115	154	269	258	161	419	373	316	688
2005	15	44	12	48	52	46	39	19	118	157	275	273	164	437	391	321	712
2006	14	45	16	44	49	48	39	23	118	160	277	285	174	459	403	333	736
2007	15	48	20	48	47	36	34	20	116	152	269	298	172	470	414	324	738
2008	17	45	27	42	60	32	31	15	135	133	268	323	189	511	457	322	779

Trends in the representation of EEO target groups in %

Table 6: Academic Staff

EEO Target Group	% of Total Staff ¹				
Academic Staff	Benchmark or Target	2005	2006	2007	2008
Women	50%	46%	44%	45%	51%
Aboriginal people and Torres Strait Islanders	2%	4%	3.7%	4.2%	4.2%
People whose first language was not English	19%	10%	6%	9%	9%
People with a disability	12%	6%	6%	7%	6%
People with a disability requiring work-related adjustment	7%	2%	1.5%	1.9%	2%

¹ Excludes casual staff



Table 7: General Staff

EEO Target Group	% of Total Staff ²				
	Benchmark or Target	2005	2006	2007	2008
General Staff					
Women	50%	64%	64%	65%	65%
Aboriginal people and Torres Strait Islanders	2%	5%	4.5%	4.1%	4.1%
People whose first language was not English	19%	4%	7%	5%	5%
People with a disability	12%	6%	6%	6%	6%
People with a disability requiring work-related adjustment	7%	0.4%	0.7%	0.4%	0.2%

² Excludes casual staff

Ethnic affairs

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

As reflected in its *Strategic Plan 2005–2010*, the University espouses a safe, inclusive and supportive learning community and

workplace where individuals are respected and diversity is encouraged.

The University's *Equity and Diversity Plan 2008–2010* contains goals and strategies which support and promote cultural diversity for staff and students across the University.

See Appendix 2: Ethnic Affairs Priorities Statement.

scu locations

	Tweed Gold Coast	Lismore	Coffs Harbour	Sydney
Distance from Brisbane	1.10 hrs drive (102 kms)	2.30 hrs drive (200 kms)	4.40 hrs drive (400 kms)	10.50 hrs drive (930 kms)
Distance from Sydney	9.45 hrs drive (830 kms)	8.40 hrs drive (736 kms)	6.10 hrs drive (532 kms)	-
Transport available	International air, interstate coach, intrastate rail and local bus services.	Interstate air, rail and coach services; local bus services.	International air, interstate coach, intrastate rail and local bus services.	Full services
Average monthly maximum temperatures*	21-28 degrees C	19-30 degrees C	19-27 degrees C	16-25 degrees C

**Source: Bureau of Meteorology, NRMA Travel Planner (all distances are approximate)*



APPENDIX 1: FREEDOM OF INFORMATION ACT 1989 (NSW)

SECTION A – NEW FOI APPLICATIONS

How many FOI applications were received, discontinued or completed?	NUMBER OF FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008
A1 New	0	0	2	0	2	0
A2 Brought forward	0	0	0	0	0	0
A3 Total to be processed	0	0	2	0	2	0
A4 Completed	0	0	2	0	2	0
A5 Discontinued	0	0	0	0	0	0
A6 Total processed	0	0	2	0	2	0
A7 Unfinished (carried forward)	0	0	0	0	0	0

SECTION B – DISCONTINUED APPLICATIONS

Why were FOI applications discontinued?	NUMBER OF DISCONTINUED FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	(previous year) 2007	(current year) 008	(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008
B1 Request transferred out to another agency (s.20)	0	0	0	0	0	0
B2 Applicant withdrew request	0	0	0	0	0	0
B3 Applicant failed to pay advance deposit (s.22)	0	0	0	0	0	0
B4 Applicant failed to amend a request that would have been an unreasonable diversion of resources to complete (s.25(1)(a1))	0	0	0	0	0	0
B5 Total discontinued	0	0	0	0	0	0

SECTION C – COMPLETED APPLICATIONS

What happened to completed FOI applications?	NUMBER OF COMPLETED FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008
C1 Granted or otherwise available in full	0	0	1	0	1	0
C2 Granted or otherwise available in part	0	0	0	0	0	0
C3 Refused	0	0	1	0	1	0
C4 No documents held	0	0	0	0	0	0
C5 Total completed	0	0	2	0	2	0

SECTION D – APPLICATIONS GRANTED OR OTHERWISE AVAILABLE IN FULL

How were the documents made available to the applicant?		NUMBER OF FOI APPLICATIONS (GRANTED OR OTHERWISE AVAILABLE IN FULL)					
		PERSONAL		OTHER		TOTAL	
All documents requested were:		(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008
D1	Provided to the applicant	0	0	1	0	1	0
D2	Provided to the applicant's medical Practitioner	0	0	0	0	0	0
D3	Available for inspection	0	0	0	0	0	0
D4	Available for purchase	0	0	0	0	0	0
D5	Library material	0	0	0	0	0	0
D6	Subject to deferred access	0	0	0	0	0	0
D7	Available by a combination of any of the reasons listed in D1–D6 above	0	0	0	0	0	0
D8	Total granted or otherwise available in full	0	0	1	0	1	0

SECTION E – APPLICATIONS GRANTED OR OTHERWISE AVAILABLE IN PART

How were the documents made available to the applicant?		NUMBER OF FOI APPLICATIONS (GRANTED OR OTHERWISE AVAILABLE IN PART)					
		PERSONAL		OTHER		TOTAL	
Documents made available were?		(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008
E1	Provided to the applicant	0	0	0	0	0	0
E2	Provided to the applicant's medical Practitioner	0	0	0	0	0	0
E3	Available for inspection	0	0	0	0	0	0
E4	Available for purchase	0	0	0	0	0	0
E5	Library material	0	0	0	0	0	0
E6	Subject to deferred access	0	0	0	0	0	0
E7	Available by a combination of any of the reasons listed in E1–E6 above	0	0	0	0	0	0
E8	Total granted or otherwise available in part	0	0	0	0	0	0

SECTION F – REFUSED FOI APPLICATIONS

Why was access to the document refused?		NUMBER OF REFUSED FOI APPLICATIONS					
		PERSONAL		OTHER		TOTAL	
Documents made available were?		(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008
F1	Exempt	0	0	1	0	1	0
F2	Deemed refused	0	0	0	0	0	0
F3	Total refused	0	0	1	0	1	0

SECTION G – EXEMPT DOCUMENTS

Why were the documents classified as exempt? (identify one reason only)		NUMBER OF FOI APPLICATIONS (REFUSED OR ACCESS GRANTED OR OTHERWISE AVAILABLE IN PART ONLY)					
		PERSONAL		OTHER		TOTAL	
		(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008
Restricted documents:							
G 1	Cabinet documents (Clause 1)	0	0	0	0	0	0
G2	Executive Council documents (Clause 2)	0	0	0	0	0	0
G3	Documents affecting law enforcement and public safety (Clause 4)	0	0	0	0	0	0
G4	Documents affecting counter terrorist measures (Clause 4A)	0	0	0	0	0	0
Documents requiring consultation:							
G5	Documents affecting inter-governmental relations (Clause 5)	0	0	0	0	0	0
G6	Documents affecting personal affairs (Clause 6)	0	0	1	0	1	0
G7	Documents affecting business affairs (Clause 7)	0	0	0	0	0	0
G8	Documents affecting the conduct of research (Clause 8)	0	0	0	0	0	0
Documents otherwise exempt:							
G9	Schedule 2 exempt agency	0	0	0	0	0	0
G10	Documents containing information confidential to Olympic Committees (Clause 22)	0	0	0	0	0	0
G11	Documents relating to threatened species, Aboriginal objects or Aboriginal places (Clause 23)	0	0	0	0	0	0
G12	Documents relating to threatened species conservation (Clause 24)	0	0	0	0	0	0
G13	Plans of management containing information of Aboriginal significance (Clause 25)	0	0	0	0	0	0
G14	Private documents in public library collections (Clause 19)	0	0	0	0	0	0
G15	Documents relating to judicial functions (Clause 11)	0	0	0	0	0	0
G16	Documents subject to contempt (Clause 17)	0	0	0	0	0	0
G17	Documents arising out of companies and securities legislation (Clause 18)	0	0	0	0	0	0
G18	Exempt documents under interstate FOI legislation (Clause 21)	0	0	0	0	0	0

cont. ...

SECTION G – EXEMPT DOCUMENTS (cont.)

Why were the documents classified as exempt? (identify one reason only)		NUMBER OF FOI APPLICATIONS (REFUSED OR ACCESS GRANTED OR OTHERWISE AVAILABLE IN PART ONLY)					
		PERSONAL		OTHER		TOTAL	
Restricted documents:		(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008
Documents otherwise exempt (cont.):							
G19	Documents subject to legal professional privilege (Clause 10)	0	0	0	0	0	0
G20	Documents containing confidential material (Clause 13)	0	0	0	0	0	0
G21	Documents subject to secrecy provisions (Clause 12)	0	0	0	0	0	0
G22	Documents affecting the economy of the State (Clause 14)	0	0	0	0	0	0
G23	Documents affecting financial or property Interests of the State or an agency (Clause 15)	0	0	0	0	0	0
G24	Documents concerning operations of agencies (Clause 16)	0	0	0	0	0	0
G25	Internal working documents (Clause 9)	0	0	0	0	0	0
G26	Other exemptions (eg. Clauses 20, 22A and 26)	0	0	0	0	0	0
G27	Total applications including exempt documents	0	0	1	0	1	0

SECTION H – MINISTERIAL CERTIFICATES (S.59)

How many Ministerial Certificates were issued?		NUMBER OF MINISTERIAL CERTIFICATES	
		(previous year) 2007	(current year) 2008
H1	Ministerial Certificates issued	0	0

SECTION I – FORMAL CONSULTATIONS

How many consultations were conducted?		NUMBER	
		(previous year) 2007	(current year) 2008
I1	Number of applications requiring formal consultation	1	0
I2	Number of persons formally consulted	2	0

SECTION J – AMENDMENT OF PERSONAL RECORDS

How many applications for amendment of personal records were agreed or refused?		NUMBER OF APPLICATIONS FOR AMENDMENT OF PERSONAL RECORDS	
		(previous year) 2007	(current year) 2008
J1	Agreed in full	0	0
J2	Agreed in part	0	0
J3	Refused	0	0
J4	Total	0	0

SECTION K – NOTATION OF PERSONAL RECORDS

How many applications for notation of personal records were made (s.46)?	NUMBER OF APPLICATIONS FOR NOTATION	
	(previous year)	(current year)
	2007	2008
K1 Applications for notation	0	0

SECTION L – FEES AND COSTS

How many fees were assessed and received for FOI applications processed (excluding applications transferred out)?	ASSESSED COSTS		FEES RECEIVED	
	(previous year)	(current year)	(previous year)	(current year)
	2007	2008	2007	2008
L1 All completed applications	\$60	\$0	\$60	\$0

SECTION M – FEE DISCOUNTS

How many waivers or discounts were allowed and why?	NUMBER OF FOI APPLICATIONS (WHERE FEES WERE WAIVED OR DISCOUNTED)					
	PERSONAL		OTHER		TOTAL	
	(previous year)	(current year)	(previous year)	(current year)	(previous year)	(current year)
	2007	2008	2007	2008	2007	2008
M1 Processing fees waived in full	0	0	0	0	0	0
M2 Public interest discounts	0	0	0	0	0	0
M3 Financial hardship discounts – pensioner or child	0	0	0	0	0	0
M4 Financial hardship discounts – non profit organisation	0	0	0	0	0	0
M5 Total	0	0	0	0	0	0

SECTION N – FEE REFUNDS

How many fee refunds were granted as a result of significant correction of personal records	NUMBER OF REFUNDS	
	(previous year)	(current year)
	2007	2008
N1 Number of fee refunds granted as a result of significant correction of personal records	0	0

SECTION O – DAYS TAKEN TO COMPLETE REQUEST

How long did it take to process completed applications? (Note: calendar days)	NUMBER OF COMPLETED FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	(previous year)	(current year)	(previous year)	(current year)	(previous year)	(current year)
	2007	2008	2007	2008	2007	2008
O1 0–21 days – statutory determination period	0	0	2	0	2	0
O2 22–35 days – extended statutory determination period for consultation or retrieval of archived records (s.59B)	0	0	0	0	0	0
O3 Over 21 days – deemed refusal where no extended determination period applies	0	0	0	0	0	0
O4 Over 35 days – deemed refusal where extended determination period applies	0	0	0	0	0	0
O5 Total	0	0	2	0	2	0

SECTION P – PROCESSING TIME: HOURS

How long did it take to process completed applications?		NUMBER OF COMPLETED FOI APPLICATIONS					
		PERSONAL		OTHER		TOTAL	
		(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008	(previous year) 2007	(current year) 2008
P1	0–10 hours	0	0	2	0	2	0
P2	11–20 hours	0	0	0	0	0	0
P3	21–40 hours	0	0	0	0	0	0
P4	Over 40 hours	0	0	0	0	0	0
P5	Total	0	0	2	0	2	0

SECTION Q – NUMBER OF REVIEWS

How many reviews were finalised?		NUMBER OF COMPLETED REVIEWS	
		(previous year) 2007	(current year) 2008
Q1	Internal reviews	1	0
Q2	Ombudsman reviews	0	0
Q3	ADT reviews	0	0

SECTION R – RESULTS OF INTERNAL REVIEWS

What were the results of internal reviews finalised?

Grounds on which internal review was requested		NUMBER OF INTERNAL REVIEWS					
		PERSONAL		OTHER		TOTAL	
		Original Agency Decision Upheld	Original Agency Decision Varied	Original Agency Decision Upheld	Original Agency Decision Varied	Original Agency Decision Upheld	Original Agency Decision Varied
R1	Access refused	0	0	0	1	0	1
R2	Access deferred	0	0	0	0	0	0
R3	Exempt mater deleted from documents	0	0	0	0	0	0
R4	Unreasonable charges	0	0	0	0	0	0
R5	Failure to consult third party	0	0	0	0	0	0
R6	Third party views disregarded	0	0	0	0	0	0
R7	Amendment of personal records	0	0	0	0	0	0
R8	Total	0	0	0	1	0	1

APPENDIX 2: ETHNIC AFFAIRS PRIORITIES STATEMENT

1. PROGRAM and SERVICE DELIVERY

OBJECTIVE 1.1

Ensure that curricula is inclusive and considerate of cultural diversity

The University has a strategic commitment which is reflected in its graduate attributes, to provide courses that equip students with a cultural awareness and global world view encompassing a cosmopolitan outlook as well as a local perspective on social and cultural issues, together with an informed respect for cultural and indigenous identity.

- In line with the University's policy on Learning, Teaching and Curriculum, the University designs all its courses to meet the learning needs of its diverse student body which includes but is not limited to international students, mature age students, school-leavers and a wide variety of ethnic, isolated and rural students. Additionally, in the delivery of courses, the University requires that consideration is given to the diverse range of backgrounds and learning needs of students.
- All University course reviews are required to indicate how cultural diversity is recognised and addressed within the course and units, including how the course exposes students to a variety of cultural perspectives.
- Regular cultural diversity training is provided for staff, incorporating the elements of cultural awareness, cultural sensitivity and cultural safety. The training includes a core component for all staff, with specific additional components for academic staff. This enables staff to gain a broader knowledge of diversity issues and subsequently, to discuss strategies for increasing sensitivity and awareness of diversity issues within the workplace and in the University's programs and activities. The goal is to create inclusive and culturally safe work environments.
- Students in the School of Education participate in the 'Beyond the Line' program which involves immersing students in regional and rural contexts that include a diverse cultural population of students.

OBJECTIVE 1.2

Provide information and support for students and access to language resources of staff.

- Student Peer Mentor programs are available to students in all on-campus and distance education courses across the University. A specific target group is students from non-English speaking backgrounds.
- A wide range of support services are available for students including counselling, medical and dental, childcare, chaplaincy, disability services, students loans and careers advice.
- The Office of Sport and Cultural Activities (OSCA) helps students to become fully engaged with university life by organising cultural events, social sports and clubs and societies.

- Staff from the School of Arts and Social Sciences and Centre for Peace and Social Justice (CPSJ) are undertaking a project titled “Enhancing a Culture of Equity: Understanding the Student Experience”. The project aims to gauge how well Southern Cross University’s culture supports students in equity groups, and explores ways to further develop SCU’s ‘equity culture’. This project will be completed mid-2009 and will culminate in a conference on equity culture in education.
- A list of languages spoken by staff is maintained, updated annually, and accessible to all staff via the University intranet. It is used as a resource to support students, via the Student Support Centre and Schools.
- The International Office offers language courses to staff, to assist in the development of language skills.
- The English Language Centre runs Intercultural Communication Sessions throughout the year with the University community including student volunteers and students from non-English speaking backgrounds.

OBJECTIVE 1.3

Social harmony – multiculturalism

- The University promotes staff and student awareness of equal opportunity and cultural diversity through cultural celebrations, workshops, promotional materials and events.
- The worship needs of students are accommodated with the provision of an appropriate multifaith space on campus. The University facilitates meetings and informal discussion groups which are held for students from different faith backgrounds. A multifaith advisory committee oversees the coordination and facilitation of Chaplaincy activities.
- The University Centre for Peace and Social Justice (CPSJ) is an interdisciplinary community of scholars, focusing on difference. Researchers in the Centre are committed to strengthening core values of diversity including tolerance, mutual respect and mutual recognition. The Centre publishes a newsletter, and presents research seminars which are publicised and available to staff, students and the community. Throughout the year the CPSJ holds regular lunchtime seminars open to staff, students and the public. These seminars focus on social justice and harmony, including issues and ideas that spring from the multicultural Australian and SCU context. In 2008, 10 two hour seminars were held, with 22 presenters speaking on topics such as the relationship of peace and social justice in multicultural and multi-faith Australia, and reconciliation between Japanese and Australian WWII veterans and families.

HIGHLIGHTS IN 2008

- Southern Cross University’s *Fusion Festival* celebrates the University’s diverse and multicultural community. The Fusion Festival was held from 8-12 September on its Lismore campus, with activities on 9 September on its Tweed Gold Coast campus. The theme for the 2008 festival was UNity in diVERSITY “the coming together of cultures and communities”. This theme promoted intercultural understanding and

communal harmony through interaction in various forms – from cultural to educational to social and sporting events. A highlight of the festival was the international “cook off” competition with teams from Australia, South America, China, South Korea and Team Japan cooking international food on Australian barbecues.

- During Fusion Week a public lecture was held titled “Voices for Hope: Story Telling and Human Rights” presented by Dr Janie Conway- Herron followed by a Diversity Perspectives Forum which included five speakers for an interdisciplinary conversation about the value and importance of diversity in everyday life.
- The Coffs Harbour Education Campus (CHEC) that includes Southern Cross University, TAFE and the Senior College celebrated its Multicultural Week in July with international food, movies, presentations and a concert featuring acts showcasing the local cultural community. For the first time this year the festival of activities included the innovative Living Library, in which the catalogue of ‘books’ is represented by *people* with a story to tell. This year’s ‘book catalogue’ was made up of staff and students from all three sectors of the CHEC. Within the Living Library, there were a variety of experiences and life stories, which were, in part, representative of the entire campus community. Some of the 13 living book titles included ‘Indigenous Young Person’, ‘Yogi and TAFE Teacher’, ‘Growing up in China’ and ‘The Man from Iran’. The highly successful event which was open to staff, students and the community attracted 60 readers and took place on a sunny winter’s day in CHEC’s Sacred Garden. Often used for prayer and meditation, the Garden naturally lent itself to the kind of conversational depth and understanding which are important elements of a successful Living Library experience.
- Harmony Day was celebrated across the three campuses with a range of activities including the sharing of food from across the world, music and dancing, posters and literature promoting and celebrating a culturally diverse society.
- From 1–4 July 2008 the Centre for Peace and Social Justice convened the Activating Human Rights and Peace 2008 conference in Byron Bay. This international conference provided a space for a concerted engagement with social harmony, multiculturalism and human rights. The conference included a range of outreach programs including a High School Essay and Poster competition and Speakers in the Park – regular soapbox talks in Railway Park in the main street of Byron Bay. Some high school and university students received conference scholarships to attend.
- On the afternoon of Thursday 13 November, the CPSJ organised events as part of the visit to Lismore of the CEO of the Community Relations Commission, Dr Stepan Kerkyasharian, AM, the Board of the CRC and CRC staff. The focus of the afternoon was a public lecture by Dr Kerkyasharian on the topic “Towards an inclusive community: Community Relations and Multiculturalism in NSW”. This event was attended by around 100 people including 25 year 11/12 students from Richmond River High School. After the lecture, an afternoon tea was held for the university and wider community to meet with the CRC commissioners and staff at the Fr Tony Glynn Australia-Japan Centre. The

CRC visit to SCU was organised with the assistance of the SCU Equity Office and Tony Glynn Australia-Japan Centre.

- In 2008 the CPSJ was contracted by Lismore City Council to conduct an evaluation of the 'National Living Library Strategy', a Living in Harmony Partnership Project between the Council and the department of Immigration and Citizenship. This evaluation, through the documentation of project outcomes and learnings, will assist the ongoing development of living libraries as an anti-racist and anti-discrimination strategy. The evaluation will be completed in January 2009.
- In October 2008 the CPSJ was asked by the Lismore Men and Family Centre to participate in the evaluation of an Area Assistance Scheme funded 'African Leadership' project. This project, which is ongoing to mid-2010, is designed to bring leaders from a range of communities in Lismore together to discuss culture and styles of leadership, with the specific aim of developing cross-cultural leadership skills for participating members from the Lismore-African community.
- During the year the Library held a number of exhibitions open to students, staff and the community celebrating the University's multicultural community.

2. STAFFING

OBJECTIVE 2.1

Provide ongoing training and education in cultural diversity to university staff.

- A Cultural Diversity Training Program, incorporating the elements of cultural awareness, cultural sensitivity and cultural safety workshops is provided for staff. In 2008 the workshops included a core component for all staff, with specific additional components for academic staff, allowing staff to gain a broader knowledge of diversity issues and discuss strategies for increasing sensitivity and awareness of diversity issues within the workplace and in the University's programs and activities and creating inclusive and culturally safe work environments.
- The University continues to ensure employment related policies and practices promote and support work and life balance, EEO and cultural diversity, safety and security principles.
- The Recruitment and Appointment Policy requires that all staff participating on staff selection panels must have completed training in staff selection and interviewing. This training includes anti-discrimination and cultural diversity segments, with an emphasis on the principles of merit selection and highlighting the value of a culturally diverse workplace.
- Position descriptions for staff include selection criteria – "A commitment to staff and student equity and cultural diversity within the workplace" (general staff positions) and "an awareness of equal opportunity and the principles of equity and access as they pertain to staff and students" (academic positions).
- EO Online anti-discrimination training modules are provided for completion as part of Staff Selection and Interview Training, and completion requested for new and existing staff.

- The New Employees Guide (Induction manual) contains comprehensive staff equity information including EEO, Non-discriminatory language guidelines, and staff responsibilities for International Students.
- Staff selection panels may include a representative from Human Resources or Equity Services which is a resource that provides additional support in ensuring that staff selection is based on merit.
- All advertised vacancies express the University's commitment to equal opportunity, occupational health and safety and cultural diversity.
- The University provides Intranet based anti-discrimination training modules for all staff, plus an additional module for Managers.
- The University's Teaching and Learning Centre provides workshops and learning opportunities for staff focusing on teaching and learning methods for students from non-English speaking backgrounds.

OBJECTIVE 2.2

Ensure staffing profile is analysed and reported annually.

- The staffing profile of people from culturally diverse backgrounds was analysed and is reported in the University's 2008 Annual Report.

OBJECTIVE 2.3

Continue to promote a positive culture that is free from discrimination and harassment.

- The University provides intranet based anti-discrimination training modules for all staff, plus an additional module for Managers.
- The University celebrates and recognises cultural diversity and harmony by holding cultural celebrations and cultural awareness events during the year with staff, students and the community.

3. COMMUNICATION

OBJECTIVE 3.1

Communicate the University's objective to develop a culture of knowledge and respect for equity and cultural diversity.

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

- Cultural diversity resources and electronic links are available via the Equity website.
- All externally advertised staff vacancies express the University's commitment to cultural diversity.

4. PLANNING AND EVALUATION

OBJECTIVE 4.1

Incorporate cultural diversity into University plans.

- *The University's Strategic Plan 2005-2010 supports the University's commitment to equity and diversity:*
 1. A University Value reflected in its Strategic Plan 2005–2010, is: A safe, inclusive and supportive learning community and workplace where individuals are respected and diversity is encouraged.
 2. Improve our Indigenous and Equity Profiles and promote a culture of social inclusion.
 3. Graduate attribute: Cultural awareness – global world view encompassing a cosmopolitan outlook as well as local perspective on social and cultural issues, together with an informed respect for cultural and Indigenous identity.
- The University's Equity and Diversity Plan 2008–2010 includes objectives specifically targeted at providing an environment for staff and students that embraces and supports a knowledge of and respect for equity and cultural diversity.

PLAN FOR 2009

- Continue to implement the strategies and targets within the University's Equity and Diversity Plan 2008–2010 which strongly support and promote an inclusive culture for staff and students that embraces and supports a knowledge of, and respect for, equity and cultural diversity.
- Continuation of curricula that is inclusive and considerate of cultural diversity.
- Cultural Diversity Lecture in 2009 open to staff, students and the community.
- Provide Student Peer Mentoring to support students in the transition to University life across all the University's academic schools.
- Continue to celebrate and recognise cultural diversity by holding cultural celebrations during the year with staff, students and the community.
- Week long Fusion Festival activities to be held on Lismore, Coffs Harbour and Tweed Heads campuses bringing together students, staff and community members to consider cultural diversity and celebrate communal harmony.
- Continue to improve the University's Indigenous and Equity profiles (as per the University's Strategic Plan)
- Continue to promote a positive culture that is free of discrimination and harassment and recognises and values cultural diversity.

- As part of the University's Equity website a Cultural Diversity Annual Calender will be developed containing links to cultural community activities, locally and regionally.
- The Cultural Diversity Training Program, incorporating the elements of cultural awareness, cultural sensitivity and cultural safety will continue to be offered to staff across the University.
- The University will continue to promote a culture that is supportive of diversity in order to attract and retain staff from culturally and linguistically diverse backgrounds.
- Analyse and report on the staffing profile of people from culturally diverse backgrounds.
- Continue to build on successes in diversity initiatives and achievements and publicise these within the University and in the local community.
- Continue to monitor and review all University plans and policies to identify opportunities to embed relevant cultural diversity strategies and targets to progress the University's commitment to cultural diversity and evaluate progress made towards creating an environment that supports diversity.

Index of compliance

Part A

Access, p 16
Aims and objectives, pp 11 & 13
Budgets, pp 64-67
Committees, p 43
Consultants, p 64
Continuing development, pp 5, 51
Disclosure of controlled entities, p 61
Electronic service delivery, pp 18, 26, 53
Energy, p 60
Equal employment opportunity, p 71
Ethnic affairs, p 77
Financial and resource management, p 61
Freedom of information, p 69
Guarantee of service, (see Quality of assurance, p 23)
Human resources, p 56
Industrial relations policies and practices, p 56
Insurance activities, p 59
International activity, p 24
Investment performance, p 62
Land disposal, p 64
Letter of submission, p 3
Management and activities, pp 41, 51
Management and structure, p 41
Occupational health and safety, p 57
Organisational chart, p 42
Payment of accounts, p 64
Personnel policies and practices, pp 56, 71, 77
Privacy management plan, p 68
Promotion, p 54
Research and development, pp 11, 13, 51
Risk management, p 58
Senior officers, p 49
Staff numbers, pp 75-77
Statutory reporting, p 68
Waste, p 60
Women, p 73

Part B

Audited financial statements

Australian Plant DNA Bank Limited, p 101
Biobank Pty Ltd, p 129
Council report, p 1
Environmental regulation and performance, p 5
Evaluation of Council performance, p 4
Future developments, p 4
Insurance of officers, p 5
Legal proceedings on behalf of Southern Cross University, p 5
Meetings of members, p 2
Members of the University Council, p 1
Norsearch Limited, p 71
Principal activities, p 3
Report by members of the University Council, p 1
Significant changes in state of affairs, p 4
Statement by Members of the Council, p 8
Subsequent matters affecting operations, p 5
Summary review of operations, p 3

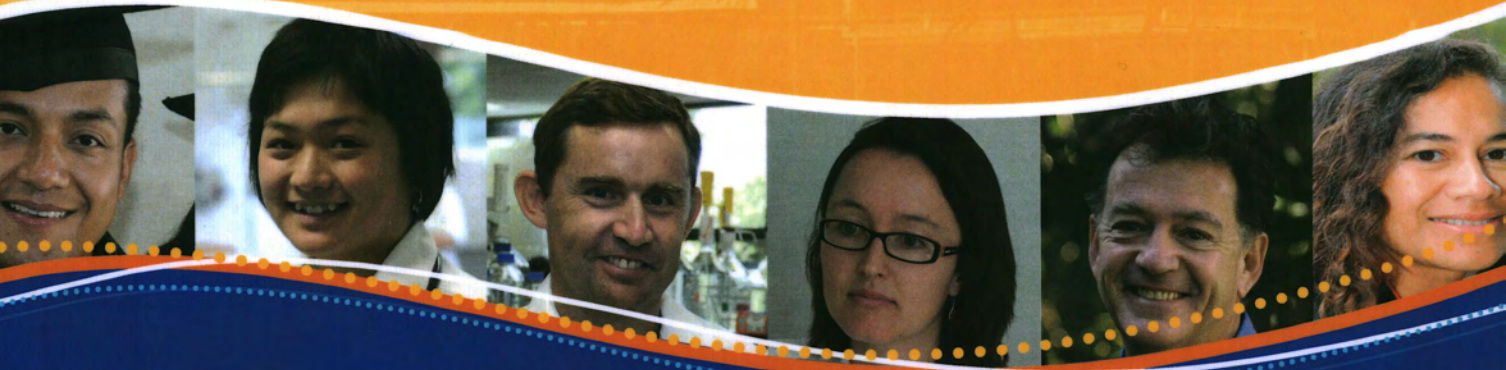
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SOUTHERN CROSS UNIVERSITY
annual report

Southern Cross University



Report by Members of the University Council

The Members of Southern Cross University present their report on the consolidated entity consisting of Southern Cross University and the entities it controlled during the year ended 31 December 2008.

Members of the University Council

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

Chancellor and Chair of Council

The Hon John Robert Arthur Dowd AO QC

Deputy Chancellor and Deputy Chair of Council

David Vincent Cody MB BS(Syd), PhD(SCU), FRACP, FCSANZ, FACC, FAHA, FAFRM

Vice-Chancellor

Professor Paul Ernest Clark BSc(Hons), PhD(Exe), DipEd(Tert)(Monash), FAIP, FIICA

Other members

Warren Albert Grimshaw AM, BBus(NSWIT), ASTC

Glenn Davey

Ronald J. Dowell GradDipOD(RMIT), MBus(VUT)

Irene Harrington

Peter Lewis BTch, Bed, MMgmt(UTS), MAICD

Neville Newell

Associate Professor Sharon Parry BBSoc, DipEd, PhD(LaT)

Janelle Anne Saffin MP DipT(NRCAE), BLegS(Macq)

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

Margot Ruth Sweeny BBus(NRCAE), MEc(NE), CPA, ACS, SIA(AFF)

Trevor Stanley Wilson BSc(Griff)

Susan Christie

Toni Ledgerwood

Chair of Academic Board

Professor Jim Jackson BCom, LLB(UNSW), LLM(Hons)(Syd), GradDipEd(Tertiary)(DDIAE), PhD(Syd)

Council Secretary

Malcolm Hugh Marshall BA(CCAE), MBA(CQU), CPA

Meetings of members

The numbers of meetings of the members of Southern Cross University Council and of each Council Committee held during the year ended 31 December 2008, and the numbers of meetings attended by each member are given in the tables below:

Members	Council		Meetings of Committees					
	Meetings		Chancellor's		Audit		Finance	
	A	B	A	B	A	B	A	B
J R Dowd AO QC	6	6	4	4	1	6		
P E Clark	6	6	4	4			5	6
D V Cody	5	6	4	4			5	6
S Christie	2	6						
G Davey	3	6						
R J Dowell	5	6					5	6
W A Grimshaw AM	4	6			2	6	2	6
I Harrington	3	6						
J Jackson	5	6	4	4			6	6
T Ledgerwood	6	6						
P Lewis	6	6					4	6
N Newell	5	6			6	6		
S Parry	5	6						
J A Saffin	3	6					1	6
J B Shanahan	6	6			6	6	6	6
M R Sweeny	4	6			5	6	5	6
T S Wilson	6	6			4	6		

A = Number of meetings attended

B = Number of meetings held during the time the member held office or was a member of the committee during this year.

Members	Meetings of Committees continued									
	Governance		Honorary Awards		Nominations		Remuneration		Risk Management	
	A	B	A	B	A	B	A	B	A	B
J R Dowd AO QC			1	1	0	0	1	1		
P E Clark			1	1	0	0				
D V Cody			1	1	0	0	1	1	3	3
W MacGillivray			1	1						
S Christie										
G Davey										
R J Dowell										
W A Grimshaw AM	2	4								
I Harrington	0	4							0	3
J Jackson			1	1						
T Ledgerwood										
P Lewis					0	0				
N Newell	4	4								
S Parry			1	1					3	3
J A Saffin			0	1	0	0				
J B Shanahan										
M R Sweeny										
T S Wilson	4	4					1	1		
M Marshall	3	4								

A = Number of meetings attended

B = Number of meetings held during the time the member held office or was a member of the committee during this year.

Principal activities

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

- The provision of educational facilities of university standard, having particular regard to the needs of the North Coast region of the State
- The preservation, extension and dissemination of knowledge through scholarship, research, creative works, consultancy and internal and external teaching
- The conferring of the Degrees of Bachelor, Master, and Doctor, and the awarding of diplomas, certificates and awards.

Review of operations

Southern Cross University and its controlled entities reported a consolidated net operating surplus of \$14.07 million for the year ending 31 December 2008 (2007 operating surplus of \$16.126 million).

The University reported a net operating surplus of \$14.3 million for the year ending 31 December 2008 (2007 operating surplus of \$16.648 million).

Financial performance was heavily influenced by a number of non-recurrent capital grants totalling \$7.196 million, however the underlying result from core activities remains strong

and reflects consistent progress against the key objectives of the Strategic Plan 2005-2010. The University was marginally below the CGS load for student enrolments in the 2008 year by 0.6% which whilst below the 2007 result of 1.9% above load compared favourably to many other regional providers.

The University achieved strong performance in key measures, including graduate satisfaction, student demand for its courses and research income. Its growing reputation for quality teaching was further acknowledged with a further allocation from the Learning and Teaching Performance Fund. The University set a course for future growth with a decision to expand at the southern Gold Coast with construction work commencing in 2008.

Significant capital projects are underway including enhancements to the student facilities in both Lismore and Coffs Harbour, teaching and research laboratories and our new campus at the Gold Coast. These projects have been enabled by funding from various federal sources including the Capital Development Pool, Voluntary Student Unionism Transition and Better Universities Renewal Funding which supplement the Universities capital expenditure.

Southern Cross University continued to enhance its program of regional engagement. This included the signing of key agreements with individual local governments and the Northern Rivers Regional Development Board to foster mutual cooperation, sharing of knowledge and support. The University Council held a number of community events during the year.

Evaluation of Council performance

The performance of the University Council is evaluated periodically and any findings or recommendations are implemented. In mid-2007, an external review of Council's performance was undertaken. The recommendations contained in the Review Report have been implemented.

Significant changes in state of affairs

No significant changes were actioned during the year.

Subsequent matters affecting operations

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

Future developments

Disclosure of information regarding likely developments, future prospects and business strategies of the operations of the University in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the University. Accordingly, this information has not been disclosed in this report.

Environmental regulation and performance

The University's operations are not regulated by any significant environment regulation under a law of the Commonwealth or a State or Territory. However the University has appointed and Environmental Sustainability Officer and is exploring avenues to benchmark and report on activities to enhance the sustainability of our operations.


Insurance of officers

Southern Cross University has insured all of the Council Members previously listed against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in their capacity as a Council member or director of a controlled entity, other than conduct involving a wilful breach of duty in relation to the University or a controlled entity.

Legal proceedings on behalf of Southern Cross University

Litigation is in progress against the University, relating to a dispute for wrongful termination of an agreement and damages are being sought. Particulars regarding this matter have not been disclosed on the grounds that it may prejudice the outcome of the litigation.

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



The Honourable John Dowd AO QC
Chancellor
Southern Cross University
17 April 2009

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SOUTHERN CROSS UNIVERSITY

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008


Statement by Members of the Council

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

1. The attached is a general purpose financial report and presents a true and fair view of the University's and Consolidated Entity's financial position as at 31 December 2008 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date;
2. The financial reports have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, Public Finance and Audit Regulation 2005 and the Commonwealth Guidelines for the Preparation of Annual Financial Reports for the 2008 Reporting Period by Australian Higher Education Providers;
3. The financial reports have been prepared in accordance with Australian Accounting Standards (including the AASB Interpretations);
4. We are not aware of any circumstances which would render any particulars included in the financial reports to be misleading or inaccurate;
5. At the time of this certificate there are reasonable grounds to believe that the University and Consolidated Entity will be able to pay their debts as and when they become due and payable;
6. The amount of Commonwealth financial assistance expended during the reporting period was for the purposes for which it was provided.



J.R. Dowd
Chancellor



P. Clark
Vice-Chancellor

17th April 2009



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Southern Cross University and controlled entities

To Members of the New South Wales Parliament

I have audited the accompanying financial report of Southern Cross University (the University), and the University and controlled entities (the consolidated entity), which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The consolidated entity comprises the University and the entities it controlled at the year's end or from time to time during the financial year.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the University and the consolidated entity as of 31 December 2008, and of their financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005
- complies with the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2008 Reporting Period', issued by the Australian Government Department of Education, Employment and Workplace Relations, pursuant to the *Higher Education Support Act 2003*, the *Higher Education Funding Act 1988* and the *Australian Research Council Act 2001*.

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

Council's Responsibility for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

My opinion does *not* provide assurance:

- about the future viability of the University or the consolidated entity,
- that they have carried out their activities effectively, efficiently and economically, or
- about the effectiveness of their internal controls.

Independence

In conducting this audit, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

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

S Bond .

Sally Bond, CA
Director, Financial Audit Services

17 April 2009
SYDNEY

Income Statement for the year ended 31 December 2008

	Notes	Consolidated 2008 \$'000	2007 \$'000	Parent entity 2008 \$'000	2007 \$'000
Revenue from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	70,445	65,432	70,445	65,432
HECS-HELP – Australian Government payments	2	27,837	26,835	27,837	26,835
FEE-HELP	2	5,263	4,690	5,263	4,690
State and local Government financial assistance	3	523	1,459	523	1,459
HECS-HELP – Student Payments		3,465	3,149	3,465	3,149
Fees and charges	4	24,351	20,501	24,168	20,385
Investment revenue	5	4,839	2,748	5,643	3,406
Royalties, trademarks and licences	6	6	23	6	23
Consultancy and contracts	7	6,803	6,602	6,803	6,602
Other revenue	8	10,750	9,133	10,115	8,324
Total revenue from continuing operations		154,282	140,572	154,268	140,305
Investments accounted for using the equity method	18	936	766	-	-
Total income from continuing operations before deferred Government superannuation contributions		155,218	141,338	154,268	140,305
Deferred Government Superannuation Contributions		28,892	(5,025)	28,892	(5,025)
Total revenue and income from continuing operations		184,110	136,313	183,160	135,280
Expenses from continuing operations					
Employee related expenses	9	83,866	75,056	83,180	74,207
Depreciation and amortisation	10	5,687	5,687	5,676	5,677
Repairs and maintenance	11	3,003	2,043	2,980	2,013
Impairment of assets	12	353	547	351	547
Losses on disposal of assets		142	133	142	132
Other expenses	13	48,093	41,746	47,605	41,180
Total expenses from continuing operations before Deferred Employee Benefits for Superannuation		141,144	125,212	139,934	123,756
Deferred Employee Benefits for Superannuation	9	28,892	(5,025)	28,892	(5,025)
Total expenses from continuing operations		170,036	120,187	168,826	118,731
Operating result before income tax		14,074	16,126	14,334	16,549
Income tax expense	14	-	-	-	-
Operating result from continuing operations		14,074	16,126	14,334	16,549
Operating result after income tax for the period		14,074	16,126	14,334	16,549
Operating result attributed to members of Southern Cross University		14,074	16,126	14,334	16,549

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

Balance Sheet as at 31 December 2008

	Notes	Consolidated 2008 \$'000	2007 \$'000	Parent entity 2008 \$'000	2007 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	15	67,188	47,284	66,415	46,067
Receivables	16	6,819	8,717	6,995	9,022
Inventories	17	33	17	-	-
Other non-financial assets	19	1,885	1,646	1,885	1,644
Total current assets		75,925	57,664	75,295	56,733
Non-current assets					
Receivables	16	40,764	11,816	40,764	11,816
Investments accounted for using the equity method	18	7,146	7,089	283	283
Property, plant and equipment	20	149,197	144,541	149,159	144,505
Total non-current assets		197,107	163,426	190,206	156,604
Total assets		273,032	221,090	265,501	213,337
LIABILITIES					
Current liabilities					
Trade and other payables	21	11,898	7,163	11,829	7,083
Provisions	22	15,705	13,437	15,659	13,413
Other liabilities	23	6,497	5,189	6,470	5,189
Total current liabilities		34,100	25,789	33,958	25,685
Non-current liabilities					
Trade and other payables	21	5	6	5	6
Provisions	22	42,310	12,752	42,310	12,752
Total non-current liabilities		42,315	12,758	42,315	12,758
Total liabilities		76,415	38,547	76,273	38,443
Net assets		196,617	182,543	189,228	174,894
EQUITY					
Parent entity interest					
Retained surplus	24	196,617	182,543	189,228	174,894
Parent entity interest		196,617	182,543	189,228	174,894
Total equity		196,617	182,543	189,228	174,894

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

Statement of changes in equity for the year ended 31 December 2008

		Consolidated 2008 \$'000	2007 \$'000	Parent entity 2008 \$'000	2007 \$'000
	Notes				
Total equity at the beginning of the year		182,543	166,417	174,894	158,694
Adjustment due to prior period error, net of tax, to:					
Retained surplus	24	-	-	-	(349)
Net income recognised directly in equity		-	-	-	(349)
Operating result for the period		14,074	16,126	14,334	16,549
Total recognised income and expense for the period		14,074	16,126	14,334	16,200
Total equity at the end of the year		196,617	182,543	189,228	174,894

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

Cash flow statement for the year ended 31 December 2008

	Notes	Consolidated 2008 \$'000	2007 \$'000	Parent entity 2008 \$'000	2007 \$'000
Cash flows from operating activities					
Australian Government					
CGS and Other DEEWR Grants	39.1	53,830	51,117	53,830	51,117
Higher Education Loan Programmes	39.2	35,577	28,969	35,577	28,969
Scholarships	39.3	3,213	2,454	3,213	2,454
DEEWR Research	39.4	5,649	5,501	5,649	5,501
Voluntary Student Unionism Transition	39.5	-	3,000	-	3,000
Better Universities Renewal funding	39.5	5,169	-	5,169	-
ARC grants - Discovery	39.6(a)	552	306	552	306
ARC grants - Linkages	39.6(b)	617	756	617	756
OS-Help Loan		24	(36)	24	(36)
Other Australian Government Grants		1,806	1,366	1,806	1,366
State Government Grants received		764	1,259	764	1,259
HECS-HELP – Student payments		3,465	3,149	3,465	3,149
Receipts from student fees and other customers		22,274	19,830	22,090	19,714
Joint venture partnership distributions received		860	778	860	753
Interest received		5,017	2,472	4,957	2,383
Student Accommodation		2,152	2,034	2,152	2,034
Other Operating Receipts		17,033	14,748	16,507	13,634
Payments to employees		(64,758)	(58,438)	(64,206)	(57,683)
Salary related costs		(11,439)	(15,252)	(16,062)	(10,087)
Payments to suppliers (inclusive of goods and services tax)		(51,535)	(42,367)	(46,250)	(46,713)
Net cash provided by / (used in) operating activities	35	30,270	21,646	30,714	21,876
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		1,468	1,254	1,468	1,241
Payments for property, plant and equipment		(11,932)	(3,728)	(11,932)	(3,686)
Net cash provided by / (used in) investing activities		(10,464)	(2,474)	(10,464)	(2,445)
Cash flows from financing activities					
Receipts from advances repaid		98	61	98	61
Net cash provided by / (used in) financing activities		98	61	98	61
Net increase (decrease) in cash and cash equivalents		19,904	19,233	20,348	19,492
Cash and cash equivalents at the beginning of the financial year		47,284	28,052	46,067	26,575
Cash and cash equivalents at the end of the financial year	15	67,188	47,284	66,415	46,067

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

Notes to the Financial Statements for the year ended 31 December 2008

Note	Contents of the notes to the financial statements
1	Summary of significant accounting policies
	Income
2	Australian Government financial assistance including HECS-HELP and other Australian Government loan programmes
3	State and Local Government financial assistance
4	Fees and charges
5	Investment income
6	Royalties, trademarks and licenses
7	Consultancy and contracts
8	Other revenue
	Expenses
9	Employee related expenses
10	Depreciation and amortisation
11	Repairs and maintenance
12	Impairment of assets
13	Other expenses
14	Income tax
	Assets
15	Cash and cash equivalents
16	Receivables
17	Inventories
18	Investments accounted for using the equity method
19	Other non-financial assets
20	Property, plant and equipment
	Liabilities
21	Trade and other payables
22	Provisions
23	Other liabilities
	Equity
24	Retained surplus
25	Monies held on behalf of third party
26	Key management personnel disclosures
27	Remuneration of auditors
28	Contingencies
29	Commitments
30	Related parties
31	Business combinations
32	Subsidiaries
33	Jointly controlled operations and assets
34	Events occurring after the balance sheet date
35	Reconciliation of operating result after income tax to net cash flows from operating activities
36	Correction of error
37	Financial risk management
38	Disaggregated information
39	Acquittal of Australian Government financial assistance

Notes to the Financial Statements for the year ended 31 December 2008

Note 1. Summary of Significant Accounting Policies

The principle accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The financial report includes separate financial statements for Southern Cross University as an individual entity and the consolidated entity consisting of Southern Cross University and its subsidiaries. Southern Cross University is a Higher Education Provider which has been established under the Southern Cross University Act 1993. The financial report was authorised for issue by the Members of the Council on 17th April 2009.

a) Basis of preparation

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with Australian Accounting Standards, AASB Interpretations, the Public Finance and Audit Act 1983, Public Finance and Audit Regulation 2005 and the requirements of the Department of Education, Employment and Workplace Relations.

Compliance with AIFRSs

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

Historical cost convention

These financial statements have been prepared on an accruals basis and are based on the historical cost convention

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying Southern Cross Universities accounting policies. These areas require a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements. Judgements, key assumptions and estimations that management have made regarding:

- Defined benefit superannuation positions
 - Provisions for employee entitlements
 - Depreciation
- are disclosed in the relevant notes to the financial report.

Going concern principle

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

b) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Southern Cross University ("parent entity") as at 31 December 2008 and the results of all subsidiaries for the year then ended. Southern Cross University and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

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

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

Notes to the Financial Statements for the year ended 31 December 2008

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

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

Minority interests in the results and equity of subsidiaries are shown separately in the consolidated income statement and balance sheet, respectively.

Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for in the parent entity financial statements using the cost method and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised in the parent entity's income statement, while in the consolidated financial statements they reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Joint ventures

Joint venture operations

The proportionate interests in the assets, liabilities and expenses of a joint venture operation have been incorporated in the financial statements under the appropriate headings. Details of the joint venture are set out in note 34.

Joint venture entities

The interest in a joint venture entity is accounted for in the consolidated financial statements using the equity method and is carried at cost by the parent entity. Under the equity method, the share of the profits or losses of the entity is recognised in the income statement, and the share of movements in reserves is recognised in reserves in the balance sheet. Details relating to the entity are set out in note 18.

Profits or losses on transactions establishing the joint venture entity and transactions with the joint venture are eliminated to the extent of the Group's ownership interest, until such time as they are realised by the joint venture entity on consumption or sale, unless they relate to an unrealised loss that provides evidence of the impairment of an asset transferred.

c) Student associations

The financial activities of student associations related to the functioning of the University or providing services to the student body have not been consolidated with or included in the financial statements of the institution as they are not considered to be controlled entities.

Notes to the Financial Statements for the year ended 31 December 2008

d) Foreign currency translation

Functional and presentation currency

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

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

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

e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

Government grants

The University treats operating grants received from Australian Government entities as income in the year of receipt, where the entity obtains control of the right to receive the grant, it is likely that economic benefits will flow to the entity and it can be reliably measured.

Student fees and charges

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

Human resources

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

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

Interest

Interest is recognised as it accrues using the effective interest method.

Lease income

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

Other Grants

Reciprocal grant income is recognised in the year to which it applies.

Notes to the Financial Statements for the year ended 31 December 2008

f) Income tax

Southern Cross University, Norsearch Limited and Australian Plant DNA Bank Limited are exempt from the payment of income tax, and accordingly, no provision for income tax liability or deferred tax asset has been included in the consolidated financial report.

The subsidiary Biobank Pty Ltd is subject to income tax.

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

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

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

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

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

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

g) Leases

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

The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. The University currently has no finance leases. All leases are classified as operating leases.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (note 30). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis, over the period of the lease.

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

h) Business combinations

The purchase method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, equity instruments issued or

Notes to the Financial Statements for the year ended 31 December 2008

liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the fair value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill (refer to note 1(r)). If the cost of acquisition is less than the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

i) Impairment of assets

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

j) Cash and cash equivalents

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

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

k) Trade receivables

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

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

The carrying amount of the asset is reduced through the use of an impairment expense account and the amount of the loss is recognised in the income statement within 'other expenses'. When a trade receivable is uncollectible, it is written off against the impairment expense account for trade receivables. Subsequent recoveries of amounts previously written off are credited against other expense in the income statement.

Notes to the Financial Statements for the year ended 31 December 2008

l) Inventories

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

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

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

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

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

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

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the income statement.

n) Investments and other financial assets

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

Financial assets at fair value through profit or loss

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

Loans and receivables

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

Held-to-maturity investments

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

Available-for-sale financial assets

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

Notes to the Financial Statements for the year ended 31 December 2008

Regular purchases and sales of financial assets are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

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

Subsequent measurement

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

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

Fair value

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

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired.

If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

o) Fair value estimation

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

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the group is the current bid price.

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

Notes to the Financial Statements for the year ended 31 December 2008

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

p) **Property, plant and equipment**

Land, buildings and infrastructure

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

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

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

Plant and equipment

Plant and equipment are measured at cost. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

Plant, equipment and vehicles with an acquisition cost of \$10,000 (2007:\$5000) or greater are capitalised and are recognised in the balance sheet at cost (being purchase price plus incidental costs directly attributable to the acquisition). Individual items of plant and equipment costing less than \$10,000 are treated as an expense in the year of acquisition.

Included in plant and equipment are assets previously capitalised between \$5,000 and \$10,000. Their gross value is \$3,848,998. The carrying value of these assets is now \$520,816 (not material).

Library collection

The library book collection is measured at cost. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

The University has a rare book collection, which has been capitalised but has not been depreciated due to the unique nature of the collection.

q) **Depreciation of non-current assets**

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

The annual rates for depreciation are:

	%p.a.
Buildings	1-13
Infrastructure	1-15
<i>Plant & equipment</i>	%p.a.
Research equipment	33.3
Vehicles	15
Computer equipment	33.3
Medical, audio visual equipment	15
General equipment	5-10
Library general collection	20

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

Notes to the Financial Statements for the year ended 31 December 2008

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

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the income statement.

r) Intangible assets

Research and development

Expenditure on research activities, is recognised in the income statement as an expense, when it is incurred.

Expenditure on development activities, relating to the design and testing of new or improved products, are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit, which varies from 3 to 5 years.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purposes of impairment testing. Each of those cash-generating units represents the Group's investment in each country of operation by each primary reporting segment.

Trademarks and licences

Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives, which vary from 3-5 years.

s) Unfunded superannuation

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as the Department of Education, Employment and Workplace Relations (DEEWR), the effects of the unfunded superannuation liabilities of the University and its controlled entities were recorded in the income statement and the balance sheet for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements.

The unfunded liabilities recorded in the Balance Sheet under Provisions have been determined by independent actuaries appointed by each defined benefit plan and relate to the assessment of the gross superannuation liabilities for the defined benefits scheme administered by the SAS Trustee Corporation for the year ended 31 December 2008. These schemes include the State Superannuation Scheme (SSS), the State Authorities Superannuation Scheme (SASS) and the State Authorities Non-Contributory Superannuation Scheme (SANCS).

The details of the actuarial assessment at 31 December 2008 are disclosed in note 22.

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

Notes to the Financial Statements for the year ended 31 December 2008

An arrangement exists between the Australian Government and the State Government to meet the unfunded liability for the University's beneficiaries of the State Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the State Grants (General Revenue) Amendment Act 1987, Higher Education Funding Act 1988 and subsequent amending legislation. Accordingly the unfunded liabilities have been recognised in the balance sheet under Provisions with a corresponding asset recognised under Receivables. The recognition of both the asset and the liability consequently does not affect the year end net asset position of the University and its controlled entities.

t) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within 45 days of recognition.

u) Borrowing costs

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

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's outstanding borrowings during the year.

v) Provisions

Provisions for legal claims and service warranties are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

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

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

w) Employee benefits

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable. Regardless of the expected timing of settlements, provisions made in respect of employee benefits (including annual leave) are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave expected to be settled after 12 months of the reporting date are discounted using market yields at the reporting date for national government bonds.

The discount rate used as at 31 December 2008 was 2.88% (2007:6.59%).

Notes to the Financial Statements for the year ended 31 December 2008

Long service leave

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

Retirement benefit obligations

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

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

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

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to income over the employees' expected average remaining working lives.

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

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

Termination Benefits

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

x) Rounding of amounts

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

Notes to the Financial Statements for the year ended 31 December 2008

y) Web site costs

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

z) Government grants

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

aa) Goods and services tax (GST)

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

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

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

ab) Comparative amounts

Where the presentation or reclassification of items in the financial report is amended, comparable amounts are reclassified unless reclassification is impracticable. When comparable amounts are reclassified, the University shall disclose:

- (a) the nature of the reclassification;
- (b) the amount of each item or class of items that is reclassified; and
- (c) the reason for the reclassification.

When it is impracticable to reclassify comparative amounts, the University shall disclose:

- (a) the reason for not reclassifying the amounts; and
- (b) the nature of the adjustments that would have been made, if the amounts had been reclassified.

Notes to the Financial Statements for the year ended 31 December 2008

ac) New Accounting Standards and Interpretations

The following new Accounting Standards have not been adopted and are not yet effective:

- AASB 3 Business Combinations (1 July 2008) as amended by AASB 2007-9 and (1 July 2009) as amended by AASB 2008-3 and AASB 2008-11;
- AASB 5 Non-current Assets Held for Sale and Discontinued Operations (1 July 2008) as amended by AASB 2007-9 and (1 January 2009) as amended by AASB 2007-3, AASB 2007-10 and AASB 2008-5 and (1 July 2009) as amended by AASB 2008-3, 2008-6 and 2008-13;
- AASB 8 Operating Segments (1 July 2008) as amended by AASB 2007-9 and (1 January 2009) as amended by 2007-3;
- AASB 101 Presentation of Financial Statements (1 July 2008) as amended by AASB 2007-9 and (1 January 2009) as amended by AASB 2007-6, AASB 2007-8, AASB 2007-10, AASB 2008-2 and AASB 2008-5 and (1 July 2009) as amended by AASB 2008-3;
- AASB 116 Property, Plant and Equipment (1 July 2008) as amended by AASB 2007-9 and (1 January 2009) as amended by AASB 2008-5 and AASB 2008-7 and (1 July 2009) as amended by AASB 2008-3;
- AASB 127 Consolidated and Separate Financial Statements (1 July 2008) as amended by AASB 2007-9 and (1 January 2009) as amended by AASB 2008-5 and AASB 2008-7 and (1 July 2009) as amended by AASB 2008-3;
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets (1 July 2008) as amended by AASB 2007-9 and (1 July 2009) as amended by AASB 2008-3;
- AASB 1004 Contributions (1 July 2008) as amended by AASB 2007-9;
- Revised AASB 1049 Whole of Government and General Government Sector Financial Reporting (1 July 2008) and (1 January 2009) as amended by AASB 2008-9;
- AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 (1 January 2009)
- AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 (1 January 2009)
- AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 (1 January 2009)
- AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31 (1 July 2008);
- AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101 (1 January 2009)
- AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and 127 (1 July 2009)
- AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project (1 January 2009);
- AASB 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (1 July 2009)
- AASB 2008-7 Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate (1 January 2009);
- AASB 2008-11 Amendments to Australian Accounting Standard – Business Combinations Among Not-for-Profit Entities [AASB 3] (1 July 2009);

It is considered that the impact of these new Standards and Interpretations in future periods will have no material impact on the financial statements of the entity.

Notes to the Financial Statements
for the year ended 31 December 2008

Notes	Consolidated		Parent entity	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Note 2. Australian Government financial assistance including HECS-HELP and FEE-HELP				
(a) Commonwealth Grants Scheme and Other Grants	39.1			
Commonwealth Grants Scheme #	48,254	43,986	48,254	43,986
Indigenous Support Programme	738	659	738	659
Equity Support Programme	301	311	301	311
Disability Support Programme	141	149	141	149
Workplace Reform Programme	644	608	644	608
Workplace Productivity Programme	459	782	459	782
Learning & Teaching Performance Fund	2,212	500	2,212	500
Capital Development Pool	-	4,122	-	4,122
Improving the Practical Component of Teacher Education Initiative	407	-	407	-
Transitional Cost Programme	674	-	674	-
Total Commonwealth Grant Scheme and Other Grants	53,830	51,117	53,830	51,117
(b) Higher Education Loan Programmes	39.2			
HECS-HELP	27,837	26,835	27,837	26,835
FEE-HELP	5,263	4,690	5,263	4,690
Total Higher Education Loan Programmes	33,100	31,525	33,100	31,525
(c) Scholarships	39.3			
Australian Postgraduate Awards	678	707	678	707
International Postgraduate Research Scholarship	159	172	159	172
Commonwealth Education Cost Scholarships	897	570	897	570
Commonwealth Accommodation Scholarships	1,388	1,005	1,388	1,005
Indigenous Access Scholarships	57	-	57	-
Indigenous Staff Scholarships	34	-	34	-
Total Scholarships	3,213	2,454	3,213	2,454
(d) DIISR – Research	39.4			
Institutional Grants Scheme	1,592	1,539	1,592	1,539
Research Training Scheme	3,442	3,413	3,442	3,413
Research Infrastructure Block Grants	348	399	348	399
Implementation Assistance Programme	67	33	67	33
Australian Scheme for Higher Education Repositories	166	85	166	85
Commercialisation Training Scheme	34	33	34	33
Total DIISR – Research Grants	5,649	5,502	5,649	5,502
(e) Voluntary Student Unionism	39.5			
VSU transition Fund	-	3,000	-	3,000
Total VSU	-	3,000	-	3,000

Notes to the Financial Statements
for the year ended 31 December 2008

	Notes	Consolidated 2008 \$'000	2007 \$'000	Parent entity 2008 \$'000	2007 \$'000
Note 2. Australian Government financial assistance including HECS-HELP and FEE-HELP (cont)					
(f) Better Universities Renewal Funding	39.5	5,169	-	5,169	-
Total BURF		5,169	-	5,169	-
(g) Australian Research Council	39.6				
(i) Discovery	39.6(a)				
Project		552	306	552	306
Total Discovery		552	306	552	306
(ii) Linkages	39.6(b)				
Projects		617	756	617	756
Total Linkages		617	756	617	756
# Includes the basic CGS grant amount, CGS – Regional Loading and CGS – Enabling Loading and HEFA transition Fund.					
(h) Other Australian Government financial assistance					
Department of Education, Employment and Workplace Relations (ITAS)		156	203	156	203
Australian Centre for International Agricultural Research		188	537	188	537
Other		1,071	1,557	1,071	1,557
Total other Australian Government financial assistance		1,415	2,297	1,415	2,297
Total Australian Government financial assistance		103,545	96,957	103,545	96,957
Reconciliation					
Australian Government grants [a + c + d + e + f + g + h]		70,445	65,432	70,445	65,432
HECS-HELP – Australian Government payments		27,837	26,835	27,837	26,835
Other Australian Government loan programmes [FEE-HELP]		5,263	4,690	5,263	4,690
Total Australian Government financial assistance		103,545	96,957	103,545	96,957

Notes to the Financial Statements for the year ended 31 December 2008

Notes	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Note 2. Australian Government financial assistance including HECS-HELP and FEE-HELP (cont)				
(i) Australian Government Grants received - cash basis				
CGS and Other DEEWR Grants	53,830	51,118	53,830	51,118
Higher Education Loan Programmes	35,577	28,969	35,577	28,969
Scholarships	3,213	2,453	3,213	2,453
DIISR Research	5,649	5,502	5,649	5,502
Voluntary Student Unionism	-	3,000	-	3,000
Better Universities Renewal Funding	5,169	-	5,169	-
ARC grants - Discovery	552	306	552	306
ARC grants - Linkages	617	756	617	756
Other Australian Government Grants	1,731	1,478	1,731	1,478
Total Australian Government Grants received - cash basis	106,338	93,582	106,338	93,582
OS-Help (Net)	24	(36)	24	(36)
Total Australian Government funding received - cash basis	106,362	93,546	106,362	93,546

Note 3. State and Local Government financial assistance

New South Wales State and Local Government	291	663	291	663
Queensland Government	137	707	137	707
Western Australian Government	3	-	3	-
Victorian Government	68	80	68	80
Tasmanian Government	-	4	-	4
South Australian Government	24	3	24	3
Northern Territory Government	-	2	-	2
Total State and Local Government financial assistance	523	1,459	523	1,459

Notes to the Financial Statements for the year ended 31 December 2008

Notes	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Note 4. Fees and charges				
Course fees and charges				
Fee-paying overseas students	17,429	13,435	17,429	13,435
Continuing education	13	17	13	17
Fee-paying domestic postgraduate students	2,807	2,876	2,807	2,876
Fee-paying domestic undergraduate students	726	960	726	960
Fee-paying domestic non-award students	180	233	180	233
Total course fees and charges	21,155	17,521	21,155	17,521
Other non-course fees and charges				
Amenities and service fees	80	75	80	75
Late fees	72	103	72	103
Rental charges	364	324	363	324
Student accommodation	2,152	2,034	2,152	2,034
Other fees and charges	528	444	346	328
Total other fees and charges	3,196	2,980	3,013	2,864
Total fees and charges	24,351	20,501	24,168	20,385
Note 5. Investment revenue and income				
Interest	4,839	2,748	4,783	2,653
Partnership distributions	-	-	860	753
Total investment revenue	4,839	2,748	5,643	3,406
Note 6. Royalties, trademarks and licences				
Royalties, trademarks & licences	6	23	6	23
Total royalties, trademarks and licences	6	23	6	23
Note 7. Consultancy and contracts				
Consultancy	849	618	849	618
Contract research	5,954	5,984	5,954	5,984
Total consultancy and contracts	6,803	6,602	6,803	6,602

Notes to the Financial Statements
for the year ended 31 December 2008

Notes	Consolidated		Parent entity	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Note 8. Other revenue and income				
Donations and bequests	265	251	265	251
Scholarships and prizes	517	167	517	167
Foreign exchange gains (net) (note (b))	29	-	29	-
Scientific testing	2,688	1,867	2,688	1,867
Sale of goods	24	35	23	34
Cost recoveries	4,522	3,820	4,522	3,820
Miscellaneous sales	1,250	1,557	833	1,179
Library sales	83	74	83	74
Printery sales	248	229	259	233
Conferences and workshops	640	490	506	172
Facilities hire	155	144	151	138
Immersion program	139	214	139	214
Other revenue	190	283	100	175
Total other revenue	10,750	9,132	10,115	8,324
Note 9. Employee related expenses				
Academic				
Salaries	30,915	28,365	30,915	28,365
Contribution to superannuation and pension schemes:				
Emerging cost	653	720	653	720
Funded	3,592	3,210	3,592	3,210
Payroll tax	2,182	2,033	2,182	2,033
Worker's compensation	218	237	218	237
Long service leave expense	1,465	952	1,465	952
Annual leave	341	638	341	638
Other	318	257	318	257
Total academic	39,684	36,412	39,684	36,412
Non-academic				
Salaries	33,843	30,324	33,291	29,569
Contribution to superannuation and pension schemes:				
Emerging cost	435	467	435	467
Funded	4,455	3,735	4,395	3,667
Payroll tax	2,395	2,174	2,350	2,121
Worker's compensation	239	252	235	247
Long service leave expense	1,816	831	1,810	851
Annual leave	465	401	449	413
Other	534	460	531	460
Total non-academic	44,182	38,644	43,496	37,795
Total employee related expenses	83,866	75,056	83,180	74,207
Deferred government employee benefits for superannuation	28,892	(5,025)	28,892	(5,025)
Total employee related expenses, including deferred government employee benefits for superannuation	112,758	70,031	112,072	69,182

Notes to the Financial Statements for the year ended 31 December 2008

Notes	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Note 10. Depreciation and amortisation				
Depreciation				
Buildings and infrastructure	3,679	3,660	3,679	3,660
Plant and equipment	1,474	1,407	1,463	1,397
Library collection	534	620	534	620
Total depreciation	5,687	5,687	5,676	5,677
Total depreciation and amortisation	5,687	5,687	5,676	5,677
Note 11. Repairs and maintenance				
Buildings and grounds	3,003	2,043	2,980	2,013
Total repairs and maintenance	3,003	2,043	2,980	2,013
Note 12. Impairment of Assets				
Bad and doubtful debts	353	547	351	547
Total impairment of assets	353	547	351	547
Note 13. Other expenses				
Scholarships, grants and prizes	4,728	4,261	4,727	4,261
Non-capitalised equipment	2,962	2,536	2,942	2,495
Equipment maintenance, rental and hire charges	563	621	551	581
Advertising, marketing and promotional expenses	3,061	2,078	3,048	2,075
Audit fees, bank charges, legal costs, insurance and taxes	2,449	1,409	2,409	1,373
Printing and stationery	1,033	1,028	1,030	1,020
Postage, freight and courier	610	642	611	636
Property and facility costs	3,334	3,058	3,129	2,950
Subscriptions to industry	492	379	490	379
Software purchases, licences, consultancy	2,020	1,835	2,013	1,817
Books, serials and library subscriptions	1,945	1,738	1,943	1,728
Operating lease rental expense - minimum lease payments	1,496	1,685	1,489	1,683
Telecommunications	1,048	1,176	1,044	1,169
Travel and related staff development and training	5,158	4,191	5,052	4,091
Write down of investments	100	100	100	100
Fees paid	8,705	8,582	8,689	8,372
Contributions to Collaborative Research Centres	815	750	815	750
Education providers	4,355	2,586	4,274	2,586
Laboratory consumables	681	555	681	555
Other expenses	2,538	2,536	2,568	2,559
Total other expenses	48,093	41,746	47,605	41,180

Notes to the Financial Statements for the year ended 31 December 2008

Notes	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000

Note 14 . Income tax

(a) Income tax expense

Current tax

Aggregate income tax expense

-	-	-	-
-	-	-	-

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

Operating result from continuing operations before income tax expense

Tax at the Australian tax rate of 30% (2007 30%)

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Write-off of deferred income tax asset as it is not probable that they will be recovered by future operations

Income tax expense

(4)	(3)	-	-
(1)	(1)	-	-
-	-	-	-
1	1	-	-
-	-	-	-

(c) Deferred tax assets

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1 are satisfied.

- operating losses

Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables, franking debits arising from payment of proposed dividends and any credits that may be prevented from distribution in subsequent years.

4	3	-	-
-	-	-	-

Note 15. Cash and cash equivalents

Cash at bank

Petty cash

Bank interest bearing and at call deposits

Total cash and cash equivalents

2,159	1,163	2,100	1,053
19	21	15	14
65,010	46,100	64,300	45,000
67,188	47,284	66,415	46,067

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

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

Balances as above

Balance per cash flow statement

67,188	47,284	66,415	46,067
67,188	47,284	66,415	46,067

(b) Cash at bank and on hand

These are at variable interest rates.

(c) Interest bearing deposits and deposits at call

The deposits are bearing interest rates between 4.90% and 7.35% (2007 - 6.25% and 7.42%).

These deposits have an average maturity of 94 days (2007:141 days)

Notes to the Financial Statements for the year ended 31 December 2008

Notes	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Note 16. Receivables				
Current				
Student fees	1,085	1,558	1,085	1,558
Trade debtors	5,743	5,230	5,922	5,541
Less: Provision for impaired receivables	(1,251)	(1,061)	(1,251)	(1,060)
	5,577	5,727	5,756	6,039
Other debtors	1,242	2,990	1,239	2,983
Total current receivables	6,819	8,717	6,995	9,022
Non-current				
Deferred government contribution for superannuation	40,161	11,269	40,161	11,269
Other debtors	214	120	214	120
Tweed Heads land	389	427	389	427
Total non-current receivables	40,764	11,816	40,764	11,816
Total receivables	47,583	20,533	47,759	20,838

(a) Impaired receivables

As at 31 December 2008 current receivables of the group with a nominal value of \$1,250,805 (2007: \$1,060,829) were impaired. The amount for the provision was \$1,250,805 (2007: \$1,060,829). The impaired receivables mainly relate to student fees not yet collected.

The ageing of these receivables is as follows:

0 to 3 months	33	28	33	27
3 to 6 months	78	222	78	222
Over 6 months	1,140	811	1,140	811
	1,251	1,061	1,251	1,060

As of 31 December, current receivables of \$584,364 (2007: \$1,160,598) were past due but not impaired.

The ageing of these receivables is as follows:

3 to 6 months	345	888	345	883
Over 6 months	239	272	239	272
	584	1,160	584	1,155

Movements in the provision for impaired receivables are as follows:

At 1 January	1,061	577	1,060	577
Provision for impairment recognised during the year	184	568	184	463
Receivables written off during the year as uncollectable	(169)	(84)	(168)	(84)
Unused amount reversed	175	-	175	104
	1,251	1,061	1,251	1,060

The creation and release of the provision for impaired receivables has been included in "Impairment of assets" in the income statement.

Notes to the Financial Statements for the year ended 31 December 2008

Notes	Consolidated 2008 \$'000	2007 \$'000	Parent entity 2008 \$'000	2007 \$'000
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Note 17. Inventories

Current
At cost

33	17	-	-
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Note 18. Investments accounted for using the equity method

Current

Investments in jointly controlled entities

7,146	7,069	283	283
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Total investments accounted for using the equity method

7,146	7,069	283	283
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(a) Shares in jointly controlled entities

The interest in jointly controlled entities is accounted for in the consolidated financial statements using the equity method of accounting and is carried at cost by the parent entity

Reconciliation

Balance at 1 January
Share of profit for the year
Dividends
Additions/disposals
Balance at 31 December

7,069	7,082	283	283
937	765	-	-
(860)	(752)	-	-
-	(26)	-	-
7,146	7,069	283	283

Jointly controlled entities

Name of Entity	Description	Ownership Interest 2008 %	2007 %
Australasian Institute of Hotel Management	Professional development services for participants in the hotel industry	43	43
National Marine Science Centre Pty Limited	Marine science research and education	50	50
Coffs Harbour Technology Park Limited	Real estate development	33	33
CRC for Sustainable Tourism Pty Ltd	Research and development to improve the sustainability of the tourism industry in Australia.	6.69	6.92
Puragrain Pty Limited	Create, develop and exploit intellectual property connected with the growing and processing of grain products	50	50
Grain Foods CRC Limited	Research and development in grain foods.	39.78	38.29
CRC Care Pty Ltd	Research and development in contamination assessment and remediation of the environment.	6.74	7.61
CRC Forestry Limited	Research and development in forestry management.	4	2.79

Notes to the Financial Statements for the year ended 31 December 2008

Notes	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Note 18. Investments accounted for using the equity method (cont)				
Summarised financial information in respect of jointly controlled entities is set out below.				
Financial Position				
Current assets	3,802	3,870	283	283
Non-current assets	7,039	6,941	-	-
Total assets	10,842	10,811	283	283
Current liabilities	1,536	2,048	-	-
Non-current liabilities	19	29	-	-
Total liabilities	1,555	2,077	-	-
Net assets	9,287	8,734	283	283
Share of jointly controlled entities' net assets				
Financial Performance				
Income	8,204	7,498	-	-
Expenses	(7,268)	(6,732)	-	-
Profit/(loss)	936	766	-	-
Share of jointly controlled entities' profit/(loss)	936	766	-	-

Note 19. Other non-financial assets

Current				
Prepayments	1,885	1,646	1,885	1,644
Total current other non-financial assets	1,885	1,646	1,885	1,644

Notes to the Financial Statements for the year ended 31 December 2008

Note 20. Property, plant and equipment

	Construction in progress	Land	Buildings	Plant and equipment	Library	Other plant and equipment*	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated							
At 1 January 2007							
- Cost	551	11,796	124,728	19,494	8,762	14,638	179,969
Accumulated depreciation	-	-	(10,562)	(13,392)	(7,133)	(896)	(31,983)
Net book amount	551	11,796	114,166	6,102	1,629	13,742	147,986
Year ended 31 December 2007							
Opening net book amount	551	11,796	114,166	6,102	1,629	13,742	147,986
Additions	787	-	372	2,925	360	84	4,528
Assets classified as held for sale and other disposals	-	-	-	(1,406)	-	-	(1,406)
Depreciation charge	-	-	(3,353)	(1,408)	(620)	(306)	(5,687)
Transfers	(805)	-	-	-	-	-	(805)
Write-offs	-	-	-	(75)	-	-	(75)
Closing net book amount	533	11,796	111,185	6,138	1,369	13,520	144,541
At 31 December 2007							
- Cost	533	11,796	125,100	19,881	9,122	14,722	181,154
Accumulated depreciation	-	-	(13,915)	(13,743)	(7,753)	(1,202)	(36,613)
Net book amount	533	11,796	111,185	6,138	1,369	13,520	144,541
	Construction in progress	Land	Buildings	Plant and equipment	Library	Other plant and equipment*	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated							
Year ended 31 December 2008							
Opening net book amount	533	11,796	111,185	6,138	1,369	13,520	144,541
Additions	8,135	-	16	3,394	341	60	11,946
Assets classified as held for sale and other disposals	-	(13)	(418)	(1,961)	-	-	(2,392)
Depreciation charge	-	-	(3,366)	(1,475)	(534)	(312)	(5,687)
Depreciation written back	-	-	57	731	-	-	788
Transfers	(1,344)	-	857	487	-	-	-
Write-offs	-	-	-	1	-	-	1
Closing net book amount	7,324	11,783	108,331	7,315	1,176	13,268	149,197
At 31 December 2008							
Cost	7,324	11,783	125,555	21,802	9,462	14,783	190,709
Accumulated depreciation	-	-	(17,224)	(14,487)	(8,286)	(1,515)	(41,512)
Net book amount	7,324	11,783	108,331	7,315	1,176	13,268	149,197

* Other Plant and Equipment includes infrastructure

Notes to the Financial Statements for the year ended 31 December 2008

Note 20. Property, plant and equipment (continued)

	Construction in progress	Land	Buildings	Plant and equipment	Library	Other plant and equipment*	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent entity							
At 1 January 2007							
Cost	551	11,796	124,728	18,394	8,762	14,637	178,868
Accumulated depreciation	-	-	(10,562)	(12,308)	(7,133)	(896)	(30,899)
Net book amount	551	11,796	114,166	6,086	1,629	13,741	147,969
Year ended 31 December 2007							
Opening net book amount	551	11,796	114,166	6,086	1,629	13,741	147,969
Additions	787	-	372	2,808	360	85	4,412
Disposals	-	-	-	(1,394)	-	-	(1,394)
Depreciation charge	-	-	(3,353)	(1,398)	(620)	(306)	(5,677)
Transfers	(805)	-	-	-	-	-	(805)
Closing net book amount	533	11,796	111,185	6,102	1,369	13,520	144,505
At 31 December 2007							
Cost	533	11,796	125,100	19,839	9,122	14,723	181,113
Accumulated depreciation	-	-	(13,915)	(13,737)	(7,753)	(1,203)	(36,608)
Net book amount	533	11,796	111,185	6,102	1,369	13,520	144,505
Parent entity							
Year ended 31 December 2008							
Opening net book amount	533	11,796	111,185	6,102	1,369	13,520	144,505
Additions	8,135	-	16	3,380	341	60	11,932
Disposals	-	(13)	(418)	(1,961)	-	-	(2,392)
Depreciation charge	-	-	(3,366)	(1,464)	(534)	(312)	(5,676)
Depreciation written back	-	-	57	732	-	-	789
Transfers	(1,344)	-	857	487	-	-	-
Write-offs	-	-	-	1	-	-	1
Closing net book amount	7,324	11,783	108,331	7,277	1,176	13,268	149,159
At 31 December 2008							
Cost	7,324	11,783	125,555	21,746	9,462	14,783	190,653
Accumulated depreciation	-	-	(17,224)	(14,469)	(8,286)	(1,515)	(41,494)
Net book amount	7,324	11,783	108,331	7,277	1,176	13,268	149,159

* Other Plant and Equipment includes infrastructure

(a) Valuations of land and buildings

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

(b) Non-current assets pledged as security

Refer to note 30 for information on non-current assets pledged as security by the parent entity and its controlled entities.

Notes to the Financial Statements for the year ended 31 December 2008

Notes	Consolidated 2008 \$'000	2007 \$'000	Parent entity 2008 \$'000	2007 \$'000
Note 21. Trade and other payables				
Current				
OS-HELP Liability to Australian Government	44	-	44	-
Payables and accrued expenses	11,854	7,163	11,785	7,083
Total current trade and other payables	11,898	7,163	11,829	7,083
Non-current				
Funds held in trust	5	6	5	6
Total non-current trade and other payables	5	6	5	6
Total trade and other payables	11,903	7,169	11,834	7,089

Note 22. Provisions

Current provisions expected to be settled within 12 months

Employee benefits				
Annual leave	4,589	3,966	4,543	3,957
Long service leave	1,433	956	1,418	941
Subtotal	6,002	4,922	5,961	4,898

Current provisions expected to be settled after more than 12 months

Employee benefits				
Annual leave	1,758	1,554	1,758	1,554
Long service leave	7,945	6,961	7,940	6,961
Subtotal	9,703	8,515	9,698	8,515
Total current provisions	15,705	13,437	15,659	13,413

Non-current

Employee benefits				
Long service leave	2,149	1,483	2,149	1,483
Deferred government benefits for superannuation	40,161	11,269	40,161	11,269
Total non-current provisions	42,310	12,752	42,310	12,752
Total provisions	58,015	26,189	57,969	26,165

(a) Movements in provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

Consolidated - 2008

	Provision Annual Leave	Provision LSL	Provision Superann.	Total \$'000
Carrying amount at start of year	5,520	9,400	11,269	26,190
Additional provisions recognised	6,327	9,219	40,161	55,707
Amounts used	-	1,154	-	1,154
Unused amounts reversed	(5,520)	(8,246)	(11,269)	(25,036)
Carrying amount at end of year	6,327	11,527	40,161	58,015

Notes to the Financial Statements for the year ended 31 December 2008

Note 22. Provisions (cont)

Deferred government benefits for superannuation

Actuarial gains and losses are recognised immediately in profit and loss in the year in which they occur.

General description of the type of plan

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

State Authorities Superannuation Scheme (SASS)

State Superannuation Scheme (SSS)

Police Superannuation Scheme (PSS)

State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership.

All the Schemes are closed to new members.

Reconciliation of the present value of the defined benefit obligation

	SASS Financial Year to 31 Dec 2008 A\$	SANCS Financial Year to 31 Dec 2008 A\$	SSS Financial Year to 31 Dec 2008 A\$	SASS Financial Year to 31 Dec 2007 A\$	SANCS Financial Year to 31 Dec 2007 A\$	SSS Financial Year to 31 Dec 2007 A\$
<i>Present value of partly funded defined benefit obligations at beginning of the year</i>	13,410,560	2,882,954	44,197,994	13,815,825	3,124,618	46,356,150
Current service cost	470,769	148,232	321,638	562,282	169,571	350,861
Interest cost	822,899	172,595	2,765,975	801,932	176,609	2,729,614
Contributions by Fund participants	225,386	-	386,963	258,973	-	471,453
Actuarial (gains)/losses	(456,966)	550,491	16,970,638	(414,567)	(202,855)	(3,977,558)
Benefits paid	(2,441,336)	(572,013)	(2,977,263)	(1,613,884)	(384,988)	(1,732,525)
<i>Present value of partly funded defined benefit obligations at end of the year</i>	12,031,312	3,182,259	61,665,945	13,410,560	2,882,955	44,197,995

Reconciliation of the fair value of Fund assets

	SASS Financial Year to 31 Dec 2008 A\$	SANCS Financial Year to 31 Dec 2008 A\$	SSS Financial Year to 31 Dec 2008 A\$	SASS Financial Year to 31 Dec 2007 A\$	SANCS Financial Year to 31 Dec 2007 A\$	SSS Financial Year to 31 Dec 2007 A\$
<i>Fair value of Fund assets at beginning of the year</i>	14,161,493	3,451,177	31,609,547	13,910,665	3,239,647	29,851,842
Expected return on Fund assets	1,043,512	303,995	2,385,803	1,022,496	279,891	2,202,470
Actuarial gains/(losses)	(3,704,554)	(892,751)	(7,348,531)	3,830	13	336,222
Employer contributions	453,757	208,119	425,329	579,413	316,614	480,085
Contributions by Fund participants	225,386	-	386,963	258,973	-	471,453
Benefits paid	(2,441,336)	(572,013)	(2,977,263)	(1,613,884)	(384,988)	(1,732,525)
<i>Fair value of Fund assets at end of the year</i>	9,738,258	2,498,527	24,481,848	14,161,493	3,451,177	31,609,547

Notes to the Financial Statements
for the year ended 31 December 2008

Note 22. Provisions (cont)

Reconciliation of the assets and liabilities recognised in the balance sheet

	SASS Financial Year to 31 Dec 2008 A\$	SANCS Financial Year to 31 Dec 2008 A\$	SSS Financial Year to 31 Dec 2008 A\$	SASS Financial Year to 31 Dec 2007 A\$	SANCS Financial Year to 31 Dec 2007 A\$	SSS Financial Year to 31 Dec 2007 A\$
Present value of partly funded defined benefit obligation at end of year	12,031,312	3,182,259	61,665,945	13,410,560	2,882,954	44,197,994
Fair value of Fund assets at end of year	(9,738,259)	(2,498,526)	(24,481,848)	(14,161,493)	(3,451,177)	(31,609,547)
<i>Subtotal</i>	<i>2,293,053</i>	<i>683,733</i>	<i>37,184,097</i>	<i>(750,933)</i>	<i>(568,223)</i>	<i>12,588,447</i>
<i>Net Liability/(Asset) recognised in balance sheet at end of year</i>	<i>2,293,053</i>	<i>683,733</i>	<i>37,184,097</i>	<i>(750,933)</i>	<i>(568,223)</i>	<i>12,588,447</i>

Expense recognised in income statement

	SASS Financial Year to 31 Dec 2008 A\$	SANCS Financial Year to 31 Dec 2008 A\$	SSS Financial Year to 31 Dec 2008 A\$	SASS Financial Year to 31 Dec 2007 A\$	SANCS Financial Year to 31 Dec 2007 A\$	SSS Financial Year to 31 Dec 2007 A\$
Components Recognised in Income						
Current service cost	470,769	148,232	321,638	562,282	169,571	350,861
Interest cost	822,899	172,595	2,765,975	801,932	176,609	2,729,614
Expected return on Fund assets (net expenses)	(1,043,512)	(303,995)	(2,385,803)	(1,022,496)	(279,891)	(2,202,470)
Actuarial losses/(gains) recognised in year	3,247,587	1,443,242	24,319,168	(418,397)	(202,869)	(4,313,780)
<i>Expense/(Income) recognised</i>	<i>3,497,743</i>	<i>1,460,074</i>	<i>25,020,978</i>	<i>(76,680)</i>	<i>(136,580)</i>	<i>(3,435,775)</i>

Amounts recognised in the statement of recognised income and expense

	SASS Financial Year to 31 Dec 2008 A\$	SANCS Financial Year to 31 Dec 2008 A\$	SSS Financial Year to 31 Dec 2008 A\$	SASS Financial Year to 31 Dec 2007 A\$	SANCS Financial Year to 31 Dec 2007 A\$	SSS Financial Year to 31 Dec 2007 A\$
Actuarial (gains)/losses	-	-	-	-	-	-
Adjustment for limit on net asset	-	-	-	-	-	-

Notes to the Financial Statements for the year ended 31 December 2008

Note 22. Provisions (cont)

Cumulative amount recognised in the statement of changes in equity (AASB 119 – paragraph 120A(i))

	SASS Financial Year to 31 Dec 2008 A\$	SANCS Financial Year to 31 Dec 2008 A\$	SSS Financial Year to 31 Dec 2008 A\$
Cumulative amount of actuarial (gains)/losses	-	-	-
Cumulative adjustment for limitation on net asset	-	-	-

Fund assets

The percentage invested in each asset class at the balance sheet date:

	31-Dec-08	31-Dec-07
Australian equities	29.0%	34.1%
Overseas equities	26.5%	26.2%
Australian fixed interest securities	8.3%	6.7%
Overseas fixed interest securities	6.9%	6.6%
Property	10.8%	10.0%
Cash	4.2%	7.1%
Other	14.3%	9.3%

Fair value of Fund assets

All Fund assets are invested by STC at arm's length through independent fund managers.

Expected rate of return on assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual Return on Fund Assets

	SASS Financial Year to 31 Dec 2008 A\$	SANCS Financial Year to 31 Dec 2008 A\$	SSS Financial Year to 31 Dec 2008 A\$	SASS Financial Year to 31 Dec 2007 A\$	SANCS Financial Year to 31 Dec 2007 A\$	SSS Financial Year to 31 Dec 2007 A\$
Actual return on Fund assets	(2,274,239)	(588,756)	(5,333,059)	1,054,485	279,904	2,301,531

Notes to the Financial Statements for the year ended 31 December 2008

Note 22. Provisions (cont)

Valuation method and principal actuarial assumptions at the balance sheet date

a) Valuation Method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b) Economic Assumptions

	31-Dec-08	31-Dec-07
Salary increase rate (excluding promotional increases)	3.5% pa	4.0% pa to June 2008; 3.5% pa thereafter
Rate of CPI Increase	2.5% pa	2.5% pa
Expected rate of return on assets backing current pension liabilities	8.3%	7.6%
Expected rate of return on assets backing other liabilities	7.3%	7.6%
Discount rate	4.09% pa	6.4% pa

c) Demographic Assumptions

The demographic assumptions at 31 December 2008 are those used in the 2006 triennial actuarial valuation. A selection of the most financially significant assumptions is shown below:

(i) SASS Contributors - the number of SASS contributors expected in any one year (out of 10,000 members), at the ages shown, to leave the Fund as a result of death, disability, resignation, retirement and redundancy. Promotional salary increase rates are also shown.

Number of members expected in any one year, out of 10,000 members at the age shown, to leave the Fund as a result of:

Age Nearest Birthday	Death	Total & Permanent Disability	Retirement	Resignation	Redundancy	Additional promotional salary increase rate %
Males						
30	4	8	-	280	150	2.9
40	6	10	-	150	150	1.8
50	11	30	-	112	150	0.0
60	30	-	1400	-	150	0.0
Females						
30	2	2	-	372	150	2.9
40	3	6	-	175	150	1.8
50	7	28	-	144	150	0.0
60	18	-	1500	-	150	0.0

Notes to the Financial Statements for the year ended 31 December 2008

Note 22. Provisions (cont)

(ii) SSS Contributors - the number of SSS contributors expected in any one year (out of 10,000 members), at the ages shown, to leave the Fund as a result of death, disability, resignation, retirement and preservation. Promotional salary increase rates are also shown.

Number of members expected in any one year, out of 10,000 at the age shown, to leave Fund as a result of:

Age Nearest Birthday	Death	Ill-Health Retirement	Retirement (R60 for females)	Cash resignation (R60 for Females)	Preservation (R60 for females)	Additional promotional salary increase rate %
Males						
30	4	42	-	178	95	2.9
40	6	54	-	80	140	1.8
50	11	144	-	20	50	0.0
60	30	-	6500	-	-	0.0
Females						
30	2	6	-	204	124	2.9
40	3	21	-	72	105	1.8
50	7	103	-	30	90	0.0
60	18	-	6300	-	-	0.0

Note: Different assumptions apply to females who have elected to retire at age 55 (R55 members)

(iii) SSS Commutation - the proportion of SSS members assumed to commute their pension to a lump sum in any one year.

Age	Retirement	Breakdown
Later of commencement or age 55	0.15	0.20
	Widow	Widower
55	0.2500	0.2500
65	0.5380	0.5800
75	0.4825	0.5160
85	0.3928	0.3728

(iv) SSS Pensioner Mortality - assumed mortality rates (In 2006/2007) for SSS pensioners (separately for normal retirement/spouses and invalidity)

Age	Retirement Pensioners and Spouses and Widows		Invalidity Pensioners	
	Male	Female	Male	Female
55	0.0025	0.0014	0.0081	0.0066
65	0.0070	0.0055	0.0112	0.0125
75	0.0194	0.0157	0.0505	0.0314
85	0.0945	0.0634	0.1134	0.1268

Notes to the Financial Statements for the year ended 31 December 2008

Note 22. Provisions (cont)

(v) SSS Pensioner Mortality Improvements - per annum assumed rates of mortality improvement for SSS pensioners

Age	Improvement rates - (for years post 2006)	
	Males	Females
55	0.0152	0.0113
65	0.0101	0.0065
75	0.0087	0.0068
85	0.0052	0.0080

Historical information

	SASS Financial Year to 31 Dec 2008 A\$	SANCS Financial Year to 31 Dec 2008 A\$	SSS Financial Year to 31 Dec 2008 A\$	SASS Financial Year to 31 Dec 2007 A\$	SANCS Financial Year to 31 Dec 2007 A\$	SSS Financial Year to 31 Dec 2007 A\$
Present value of defined benefit obligation	12,031,312	3,182,259	61,665,945	13,410,560	2,882,954	44,197,994
Fair value of Fund assets	(9,738,259)	(2,498,526)	(24,481,848)	(14,161,493)	(3,451,177)	(31,609,547)
(Surplus)/Deficit in Fund	2,293,053	683,733	37,184,097	(750,933)	(568,223)	12,588,447
Experience adjustments – Fund liabilities	(456,966)	550,491	16,970,638	(414,567)	(202,855)	(3,977,558)
Experience adjustments – Fund assets	3,704,554	892,751	7,348,531	(3,830)	(13)	(336,222)

Expected contributions

	SASS Financial Year to 31 Dec 2008 A\$	SANCS Financial Year to 31 Dec 2008 A\$	SSS Financial Year to 31 Dec 2008 A\$	SASS Financial Year to 31 Dec 2007 A\$	SANCS Financial Year to 31 Dec 2007 A\$	SSS Financial Year to 31 Dec 2007 A\$
Expected employer contributions to be paid in the next reporting period	-	1,121,745	-	-	1,253,121	-

Funding arrangements for employer contributions

(a) Surplus/deficit

The following is a summary of the 31 December 2008 financial position of the Fund calculated in accordance with AAS 25 "Financial Reporting by Superannuation Plans":

	SASS 31-Dec-08 A\$	SANCS 31-Dec-08 A\$	SSS 31-Dec-08 A\$	SASS 31-Dec-07 A\$	SANCS 31-Dec-07 A\$	SSS 31-Dec-07 A\$
Accrued benefits	11,029,432	2,782,956	41,072,019	13,330,462	2,861,026	39,852,200
Net market value of Fund assets	(9,738,259)	(2,498,526)	(24,481,848)	(14,161,493)	(3,451,177)	(31,609,547)
Net (surplus)/deficit	1,291,173	284,430	16,590,171	(831,031)	(590,151)	8,242,653

Notes to the Financial Statements for the year ended 31 December 2008

Note 22. Provisions (cont)

(b) Contribution recommendations

Recommended contribution rates for the entity are:

SASS	SANCS	SSS
multiple of member contributions	% member salary	multiple of member contributions
-	17.00	-

(c) Funding method

The method used to determine the employer contribution recommendations at the last actuarial review was the *Aggregate Funding* method. The method adopted affects the timing of the cost to the employer.

Under the Aggregate Funding method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

(d) Economic assumptions

The economic assumptions adopted for the last actuarial review of the Fund were:

Weighted-Average Assumptions	2008	2007
Expected rate of return on Fund assets backing current pension liabilities	7.7% pa	7.7% pa
Expected rate of return on Fund assets backing other liabilities	7.0% pa	7.0% pa
Expected salary increase rate	4.0% pa	4.0% pa
Expected rate of CPI increase	2.5% pa	2.5% pa

Aus121.2 Nature of asset/liability

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of Fund assets and the defined benefit obligation.

Notes to the Financial Statements for the year ended 31 December 2008

Note 22. Provisions (cont)

Unisuper

The Group also contributes to Unisuper Defined Benefit Division ("Unisuper", formerly known as Superannuation Scheme for Australian Universities (SSAU)).

Clause 34 of the Unisuper Trust Deed outlines the process Unisuper must undertake (including employer notifications and notice periods) in order to request additional contributions from employers if the Unisuper assets are considered by the Trustee to be insufficient to provide benefits payable under the Deed. At least four years notice that such a request may be made is required. If such a request was agreed by all employers then members have to also contribute additional contributions. If all employers did not agree to increase contributions the Trustee has to reduce benefits on a fair and equitable basis. The trustee notified employers during 2003 that such a request may be made in the future but it considered this was unlikely at that time.

Should the balance of the Unisuper Fund become a deficit, the Group is not liable to make any payments to Unisuper unless all universities (including Southern Cross University) who are the members of the Unisuper Fund unanimously agree to make additional contributions to the Fund. It is only on this basis that the Group would be liable for the agreed additional contribution. Management believe that an additional contribution will not be required in the foreseeable future.

Historically, surpluses in Unisuper have been used to improve members' benefits and have not affected the amount of participating employers' contributions.

As at 30 June 2008 the total assets of Unisuper were estimated to be \$323,000,000 (2007: \$1,683,000,000) in excess of vested benefits. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of CPI indexed pensions being provided by the Defined Benefit Division (DBD).

As at 30 June 2008 the total assets of Unisuper were estimated to be \$1,456,000,000 (2007: \$2,587,000,000) in excess of accrued benefits. The accrued benefits have been calculated as the present value of expected future benefit payments to members and CPI indexed pensioners which arise from membership of Unisuper up to the reporting date.

The next formal actuarial review of the DBD is scheduled for 31 December 2008, with the results expected to be reported in May 2009.

Notes to the Financial Statements for the year ended 31 December 2008

Notes	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000

Note 23. Other liabilities

Current

Australian Government unspent financial assistance	1,190	804	1,190	804
Student fees & other income in advance	5,307	4,385	5,280	4,385
Total current other liabilities	6,497	5,189	6,470	5,189
Total other liabilities	6,497	5,189	6,470	5,189

Note 24. Retained surplus

Retained surplus

Movements in retained surplus were as follows:

Retained surplus at 1 January	182,543	166,417	174,894	158,694
Adjustment due to prior period error	36	-	-	(349)
Operating result for the period	14,074	16,126	14,334	16,549
Retained surplus at 31 December	196,617	182,543	189,228	174,894

Note 25. Monies held on behalf of third parties

The following is a summary of the transactions in the monies held on behalf of third parties:

Cash at the beginning of the financial year	1,196	1,320	1,196	1,320
Add: Receipts	437	496	437	496
Less: Expenditure	(234)	(620)	(234)	(620)
Closing cash balance at the end of the financial year	1,399	1,196	1,399	1,196

The parent entity holds money on behalf of parties involved in the Coffs Harbour Education Campus (CHEC), Singapore Institute of Purchasing and Materials Management and Club Management Australia.

These monies are excluded from the financial report as the parent entity cannot use them for the achievement of its objectives.

Notes to the Financial Statements for the year ended 31 December 2008

Note 26. Key management personnel disclosures

(a) Names of responsible persons and executive officers

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

Responsible Persons

The Honourable Justice John Robert Arthur Dowd AO QC
Professor Paul Ernest Clark
Professor Jim Jackson
Warren Albert Grimshaw AM
Irene Caroline Harrington
Neville Newell
Trevor Stanley Wilson
David Vincent Cody OAM
Margot Ruth Sweeny
John B Shanahan
Janelle Saffin MP
Associate Professor Sharon Parry
Toni Ledgerwood
Susanna Christie
Peter Lewis
Ronald Dowell
Glenn Davey

Executive Officers

Professor Paul Clark
Professor William MacGillivray
Professor Neal Ryan
Professor Jenny Graham
Professor Mike Evans
Malcolm Marshall
Professor Peter Baverstock (retired Feb 2008)

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

(b) Other key management personnel

The executive officers listed above represent other key management personnel.

Notes to the Financial Statements
for the year ended 31 December 2008**Note 26. Key management personnel disclosures (cont)**

(c) Remuneration of Board Members

	Consolidated		Parent entity	
	2008	2007	2008	2007
	Number		Number	
Remuneration of Board Members				
Nil to \$14,999	12	22	12	22
\$15,000 to \$29,999	-	1	-	1
\$45,000 to \$59,999	-	1	-	1
\$60,000 to \$74,999	1	1	1	1
\$90,000 to \$104,999	1	1	1	1
\$120,000 to \$134,999	-	1	-	1
\$135,000 to \$149,999	1	1	1	1
\$165,000 to \$179,999	1	-	1	-
\$465,000 to \$479,999	1	-	1	-
\$480,000 to \$494,999	-	1	-	1
	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Board Member compensation				
Short-term employee benefits	828	802	828	802
Post-employment benefits	127	186	127	186
Termination benefits	-	7	-	7
	955	995	955	995

(d) Remuneration of executive officers

	Consolidated		Parent entity	
	2008	2007	2008	2007
	Number		Number	
Remuneration of executive officers				
Nil to \$14,999	-	1	-	1
\$45,000 to \$59,999	1	-	1	-
\$120,000 to \$134,999	-	1	-	1
\$190,000 to \$204,999	-	1	-	1
\$220,000 to \$234,999	-	1	-	1
\$235,000 to \$249,999	1	2	1	2
\$250,000 to \$264,999	-	2	-	2
\$270,000 to \$284,999	3	-	3	-
\$285,000 to \$299,999	-	1	-	1
\$385,000 to \$399,999	1	-	1	-
\$465,000 to \$479,999	1	-	1	-
\$480,000 to \$494,999	-	1	-	1
	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Executive officers compensation				
Short-term employee benefits	1,738	1,601	1,738	1,601
Post-employment benefits	252	453	252	453
Other long-term benefits	-	29	-	29
Termination benefits	13	229	13	229
	2,002	2,312	2,003	2,312

Notes to the Financial Statements for the year ended 31 December 2008

Notes	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Note 27. Remuneration of auditors				
During the year, the following fees were paid for services provided by the auditor of the parent entity, its related practices and non-related audit firms:				
Assurance services				
1. Audit services				
Fees paid to The Audit Office of New South Wales:				
Audit and review of financial reports and other audit work under the Corporations Act 2001				
	218	169	186	141
Total remuneration for audit services	218	169	186	141
2. Fees paid to internal audit service providers				
Fees paid to audit firms unrelated to the NSW Audit Office				
	86	90	86	90
Total remuneration for other assurance services	86	90	86	90
Total remuneration for assurance services	304	259	272	231
Non-audit services				
Fees paid to audit firms unrelated to the NSW Audit Office				
	19	12	19	12
Total remuneration for non-audit services	19	12	19	12

Note 28. Contingencies

Contingent liabilities

Litigation is in process against the University, relating to a dispute for wrongful termination of an agreement and damages are being sought. Particulars regarding this matter have not been disclosed on the grounds that it may prejudice the outcome of the litigation. (Ongoing since 2007)

Notes to the Financial Statements for the year ended 31 December 2008

Consolidated		Parent entity	
2008	2007	2008	2007
\$'000	\$'000	\$'000	\$'000

Note 29. Commitments

(a) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

Building Works

Payable:

Within one year

18,467	-	18,461	-
18,467	-	18,461	-

Property, Plant and Equipment

Payable:

Within one year

606	230	606	230
606	230	606	230

(b) Lease commitments

Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:

Within one year

2,359 1,652 2,358 1,645

Later than one year but not later than five years

3,290 1,639 3,290 1,638

Later than five years

15,843 - 15,843 -

21,492 3,291 21,491 3,283

Representing:

Cancellable operating leases

21,492 3,291 21,491 3,283

21,492 3,291 21,491 3,283

The entity leases various plant and equipment under cancellable leases.

From 2009 a lease at the Gold Coast Airport will be payable for a period of 39 years. This will be the location for the Gold Coast Campus of the University.

(c) Other expenditure commitments

Purchase orders placed with suppliers as at 31 December for goods and services (other than inventories) receivable within twelve months of year end

1,391 3,042 1,391 2,850

Joint venture commitments

Within one year

1,106 1,007 1,106 1,007

Later than one year but not later than five years

1,576 2,120 1,576 2,120

Later than five years

83 66 83 66

2,765 3,194 2,765 3,193

Notes to the Financial Statements for the year ended 31 December 2008

Note 30. Related parties

(a) Parent entities

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

(b) Subsidiaries

Interests in subsidiaries are set out in note 32.

(c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 26.

(d) Transactions with related parties

The following transactions occurred with related parties:

	Consolidated 2008 \$'000	2007 \$'000	Parent entity 2008 \$'000	2007 \$'000
<i>Revenue:</i>				
Phone and postage costs recovered	-	-	7	11
Other costs recovered	-	-	24	19
<i>Expenses:</i>				
Catering costs	-	-	126	-
Salary and related costs	-	-	154	196
Other costs paid	-	-	211	159

(e) Outstanding balances

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

Current receivables (sale of goods and services)

Subsidiaries	216	347	216	347
--------------	-----	-----	-----	-----

The balance outstanding will be settled in cash.

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

(f) Guarantees

There have been no guarantees given (2007:Nil)

(g) Terms and conditions

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

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

Notes to the Financial Statements for the year ended 31 December 2008

Note 31. Business combinations

(a) Summary of acquisition

On 1 January 2007, Norsearch Limited purchased three (3) business operations from Southern Cross University Union Ltd. The business assets purchased consisted of Licensed Bar, Gymnasium and Catering/Function equipment for a purchase price of \$97,141 (incl GST).

On 1 July 2007, Southern Cross University acquired the remaining 50% of Coffs Harbour Education Campus English Language Centre from TAFE NSW North Coast Institute for nil consideration. The joint venture was finalised and the CHEC English Language Centre became an operational activity of the University.

There were no acquisitions in 2008.

Details of the fair value of the assets and liabilities acquired and goodwill are as follows:

	2008 \$'000	2007 \$'000
Purchase consideration (refer to (b) below):		
Cash paid	-	97
Fair value of net identifiable assets acquired (refer to (c) below)	-	113
Discount on Acquisition (refer to (c) below)	-	16

(b) Purchase consideration

	Consolidated		Parent entity	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Outflow of cash to acquire business, net of cash acquired				
Cash consideration	-	97	-	-
Less: Balance acquired				
Cash	-	-	-	-
Outflow of cash	-	97	-	-

(c) Assets and liabilities acquired

The assets and liabilities arising from the acquisition are as follows:

	2008		2007	
	Acquiree's carrying amount \$'000	Fair value \$'000	Acquiree's carrying amount \$'000	Fair value \$'000
Plant and equipment	-	-	97	97
Inventory	-	-	16	16
Net Assets	-	-	113	113
Minority interests	-	-	-	-
Net identifiable assets acquired	-	-	113	113

The carrying amounts of assets and liabilities immediately before the combination are the same as above.

Notes to the Financial Statements for the year ended 31 December 2008

Note 32. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name of entity	Country of incorporation	Class of shares	Equity holding	
			2008 %	2007 %
Norsearch Limited	Australia	Limited by Guarantee	100%	100%
Australian Plant DNA Bank Limited	Australia	Limited by Guarantee	100%	100%
Biobank Pty Ltd	Australia	Ordinary	100%	100%

Note 33. Jointly controlled operations and assets

Joint venture operations and assets

Name of Entity	Principal Activity	Output Interest	
		2008 %	2007 %
Coffs Harbour Education Campus (CHEC)	A joint educational precinct	38	38
Australian Centre for Complimentary Medicine Education and Research (ACCMER)	Research, teaching and training in the field of complimentary medicine	50	50
Co-operative Research Centre for Sugar Industry Innovation through Biotechnology	Research and development in molecular biology and chemical engineering of sugarcane.	8.83	8.64
World Supply Research Institute	Centre for Professional Development in supply research	50	50
CPD for Club Management	Centre for Professional Development in club management	50	50

The consolidated entity's interest in non-current assets employed in the above joint venture operations are included in the consolidated balance sheet as part of cash and property, plant and equipment.

	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Current assets				
Cash and cash equivalents	125	155	125	155
Total current assets	125	155	125	155
Non-current assets				
Land and buildings	24,620	24,620	24,620	24,620
Less: Accumulated depreciation	(2,507)	(1,988)	(2,507)	(1,988)
	22,113	22,632	22,113	22,632
Plant and equipment – at cost	55	55	55	55
Less: Accumulated depreciation	(25)	(21)	(25)	(21)
	30	34	30	34
Total non-current assets	22,143	22,666	22,143	22,666
Total assets	22,268	22,821	22,268	22,821

For capital expenditure commitments relating to Southern Cross University refer to Note 29.

Notes to the Financial Statements for the year ended 31 December 2008

Note 34. Events occurring after balance sheet date

There were no events subsequent to balance date that would have a material financial effect on the financial report as presented.

Note 35. Reconciliation of operating result after income tax to net cash flows from operating activities

Notes	Consolidated		Parent entity	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Operating result for the period	14,074	16,126	14,334	16,549
Write-down investment to recoverable amount	100	100	100	100
Depreciation and amortisation	5,687	5,687	5,676	5,677
Net (gain) loss on sale of non-current assets	142	133	142	157
Advances repaid	-	-	-	-
Increase/(Decrease) in provisions	31,826	1,400	31,804	1,446
(Increase)/Decrease in inventories	(16)	(17)	-	-
(Increase)/Decrease in other assets	(239)	148	(241)	150
Increase/(Decrease) in other liabilities	1,308	(2,149)	1,281	(2,149)
(Increase)/Decrease in joint venture investments	(77)	12	-	-
(Increase)/Decrease in trade and other receivables	(27,269)	(846)	(27,127)	(1,165)
Increase/(Decrease) in trade and other payables	4,734	1,052	4,745	1,111
Net cash inflow (outflow) from operating activities	30,270	21,646	30,714	21,876

Notes to the Financial Statements for the year ended 31 December 2008

Note 36. Correction of error

Correction of error in recording of revenue in the previous financial year

The profit from a joint venture entity was incorrectly taken up in the parent entity accounts since AIFRS (prior to that it had been accounted for correctly). This has resulted in a writeback of \$349k to retained earnings in the parent entity. (Refer Note 24)

Income Statement Extract

	Actual Parent Entity \$'000	Correction Parent Entity \$'000	Corrected Actual Parent Entity \$'000
Revenue from Continuing Operations			
Investment Revenue	2,653	753	3,406
Total Revenue from continuing operations	139,552	753	140,305
Investments accounted for using the equity method	852	-852	-
Total income from continuing operations before deferred Government superannuation contributions	140,404	-99	140,305
Total revenue and income from continuing operations	135,379	-99	135,280
Operating Result before income tax	16,648	-99	16,549
Operating result from Continuing Operations	16,648	-99	16,549
Operating Result after income tax for the period	16,648	-99	16,549
Operating Result attributable to members of Southern Cross University	16,648	-99	16,549

Balance Sheet Extract

Non-Current Assets			
Investments accounted for using the equity method	731	-448	283
Total Non-Current Assets	157,052	-448	156,604
Total Assets	213,785	-448	213,337
Net Assets	175,342	-448	174,894
Equity			
Retained Surplus	175,342	-448	174,894
Parent Entity interest	175,342	-448	174,894
Total Equity	175,342	-448	174,894

Statement of Changes in Equity

Operating Result for the Period	16,648	-99	16,549
Total Recognised income and expense for the period	16,648	-99	16,549
Total Equity at the end of the year	175,342	-448	174,894

Notes to the Financial Statements for the year ended 31 December 2008

Note 37. Financial risk management

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

Risk management is carried out by Financial and Business Services. Guidelines exist to ensure that institutional risk is spread.

(a) Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices; The entities exposure to market risk is primarily through interest rate risk and a small amount of currency risk.

(i) Foreign exchange risk

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

(ii) Price risk

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

(iii) Cash flow and fair value interest rate risk

The Group aims to minimise risk through prudent financial management and diversification. Term deposits are spread across financial institutions for varying terms with a maximum percentage for each institution. Interest is paid on maturity.

(iv) Summarised sensitivity analysis

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

2008	Carrying amount	Interest Rate Risk -1%		Interest Rate Risk 1%		Foreign Exchange Risk -10%		Foreign Exchange Risk 10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets									
Cash and cash equivalents	67,188	(672)	(672)	672	672	-	-	-	-
Receivables	46,862	-	-	-	-	(42)	(42)	42	42
Financial liabilities									
Payables	3,332	-	-	-	-	-	-	-	-
Other financial liabilities	6,470	-	-	-	-	-	-	-	-
Net financial assets/(liabilities)	104,248	(672)	(672)	672	672	(42)	(42)	42	42

Notes to the Financial Statements
for the year ended 31 December 2008

Note 37. Financial risk management (cont)

2007	Carrying amount \$'000	Interest Rate Risk -1%		Interest Rate Risk 1%		Foreign Exchange Risk -10%		Foreign Exchange Risk 10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets									
Cash and cash equivalents	47,284	(472)	(472)	472	472	-	-	-	-
Receivables	19,849	-	-	-	-	(23)	(23)	23	23
Financial liabilities									
Payables	274	-	-	-	-	-	-	-	-
Other financial liabilities	5,189	-	-	-	-	-	-	-	-
Net financial assets/(liabilities)	55,459	(472)	(472)	472	472	(23)	(23)	23	23

Assumptions:

Foreign Exchange Risk is based on foreign currency receivables for 2008.

There has been no variation to the objectives, policies and processes for market risk since the prior period.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

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

Notes to the Financial Statements for the year ended 31 December 2008

Note 37. Financial risk management (cont)

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and continuously monitoring forecast and actual cash flows.

The interest bearing deposits and deposits at call have an average maturity of 94 days.

There has been no variation to the objectives, policies and processes for liquidity risk since the prior period.

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

2008	Average Interest Rate %	Variable Interest Rate \$	Less than 1 Year \$	1 to 5 Years \$	5+ Years \$	Non Interest \$	Total \$
Financial assets							
Cash and cash equivalents	6.53%	7,152	60,010			26	67,188
Receivables	-	-	-	-	-	46,862	46,862
Financial liabilities							
Payables	-	-	-	-	-	3,332	3,332
Other financial liabilities	-	-	-	-	-	6,470	6,470
Net financial assets/(liabilities)		7,152	60,010	-	-	56,690	123,852

2007	Average Interest Rate %	Variable Interest Rate \$	Less than 1 Year \$	1 to 5 Years \$	5+ Years \$	Non Interest \$	Total \$
Financial assets							
Cash and cash equivalents	7.14%	4,737	42,500			47	47,284
Receivables	-	-	-	-	-	19,849	19,849
Financial liabilities							
Payables	-	-	-	-	-	274	274
Other financial liabilities	-	-	-	-	-	5,189	5,189
Net financial assets/(liabilities)		4,737	42,500	-	-	25,359	72,596

Notes to the Financial Statements for the year ended 31 December 2008

Note 37. Financial risk management (cont)

(d) Fair value of financial assets and liabilities

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

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

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

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

	2008		2007	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	67,188	67,188	47,284	47,284
Receivables	46,862	46,862	19,849	19,849
	<u>114,050</u>	<u>114,050</u>	<u>67,132</u>	<u>67,132</u>
Financial liabilities				
Payables	3,332	3,332	274	274
Other financial liabilities	6,470	6,470	5,189	5,189
	<u>9,802</u>	<u>9,802</u>	<u>5,463</u>	<u>5,463</u>

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

Note 38. Disaggregated information

Geographical [Consolidated Entity]

	Revenue		Results		Assets	
	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australia	180,341	133,116	13,726	15,806	273,032	221,090
Asia	3,490	2,903	228	177	-	-
Unallocated	279	294	120	143	-	-
	<u>184,110</u>	<u>136,313</u>	<u>14,074</u>	<u>16,126</u>	<u>273,032</u>	<u>221,090</u>

Notes to the Financial Statements for the year ended 31 December 2008

Note 39. Acquittal of Australian Government financial assistance

39.1 DEEWR – CGS and Other DEEWR Grants

Parent entity ONLY

Notes	Commonwealth Grants Scheme#		Indigenous Support Programme		Equity Support Programme		Disability Support Programme		Workplace Reform Programme		Workplace Productivity Programme	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the programmes)	48,254	43,986	738	659	301	311	141	149	644	608	459	782
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	48,254	43,986	738	659	301	311	141	149	644	608	459	782
Surplus / (deficit) from the previous year	-	-	-	-	69	11	17	15	-	-	740	257
Total revenue including accrued revenue	48,254	43,986	738	659	370	322	158	164	644	608	1,199	1,039
Less expenses including accrued expenses	(48,254)	(43,986)	(659)	(659)	(273)	(253)	(91)	(147)	(644)	(608)	(1,118)	(299)
Surplus / (deficit) for reporting period	-	-	79	-	97	69	67	17	-	-	81	740

Includes the basic CGS grant amount, CGS-Regional Loading and CGS-Enabling Loading and HEFA Transition Fund.

Parent entity ONLY

Notes	Learning & Teaching Performance Fund		Capital Development Pool		Improving Practical Comp of Teach Ed		Transitional Cost Program		Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	2,212	500	-	4,122	407	-	674	-	53,830	51,117
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-
Revenue for the period	2,212	500	-	4,122	407	-	674	-	53,830	51,117
Surplus / (deficit) from the previous year	415	-	3,603	55	-	-	-	-	4,844	338
Total revenue including accrued revenue	2,627	500	3,603	4,177	407	-	674	-	58,674	51,455
Less expenses including accrued expenses	(1,018)	(85)	(3,603)	(574)	(407)	-	(674)	-	(56,741)	(48,611)
Surplus / (deficit) for reporting period	1,609	415	-	3,603	-	-	-	-	1,933	4,844

Notes to the Financial Statements for the year ended 31 December 2008

Note 39. Acquittal of Australian Government financial assistance (cont)

39.2 Higher Education Loan Programmes

Parent entity ONLY

Notes	HECS-HELP (Australian Government payments only)						OS-HELP	
	2008		2007		2008		2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	29,361	24,456	6,216	4,513	35,577	28,969	144	76
Net accrual adjustments	(1,524)	2,379	(953)	177	(2,477)	2,555	-	-
Revenue for the period	27,837	26,835	5,263	4,690	33,100	31,525	144	76
Surplus / (deficit) from the previous year	-	-	-	-	-	-	21	77
Total revenue including accrued revenue	27,837	26,835	5,263	4,690	33,100	31,525	165	153
Less expenses including accrued expenses	(27,837)	(26,835)	(5,263)	(4,690)	(33,100)	(31,525)	(121)	(132)
Surplus / (deficit) for reporting period	-	-	-	-	-	-	44	21

Notes to the Financial Statements for the year ended 31 December 2008

Note 39. Acquittal of Australian Government financial assistance (cont)

39.3 Scholarships

Parent entity ONLY

Notes	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships		Commonwealth Accommodation Scholarships	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	678	707	159	172	897	570	1,388	1,005
Net accrual adjustments	-	-	-	-	-	-	-	-
Revenue for the period	678	707	159	172	897	570	1,388	1,005
Surplus / (deficit) from the previous year	(78)	(86)	(60)	(86)	243	126	465	251
Total revenue including accrued revenue	600	621	99	86	1,140	696	1,853	1,256
Less expenses including accrued expenses	(586)	(699)	(133)	(146)	(569)	(453)	(1,109)	(791)
Surplus / (deficit) for reporting period	14	(78)	(34)	(60)	571	243	744	465

Parent entity ONLY

Notes	Indigenous Access Scholarships		Indigenous Staff Scholarships		Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	57	-	34	-	3,213	2,454
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	57	-	34	-	3,213	2,454
Surplus / (deficit) from the previous year	-	-	-	-	570	205
Total revenue including accrued revenue	57	-	34	-	3,783	2,659
Less expenses including accrued expenses	(49)	-	(26)	1	(2,472)	(2,069)
Surplus / (deficit) for reporting period	8	-	8	1	1,311	570

Notes to the Financial Statements
for the year ended 31 December 2008

Note 39. Acquittal of Australian Government financial assistance (cont)

39.4 DIISR Research

Parent entity ONLY

Notes	Institutional Grants Scheme		Research Training Scheme		Research Infrastructure Block Grants	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	1,592	1,539	3,442	3,413	348	399
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	2(d) 1,592	1,539	3,442	3,413	348	399
Surplus / (deficit) from the previous year	-	-	-	-	157	55
Total revenue including accrued revenue	1,592	1,539	3,442	3,413	505	454
Less expenses including accrued expenses	(1,312)	(1,539)	(3,442)	(3,413)	(179)	(297)
Surplus / (deficit) for reporting period	280	-	-	-	326	157

Parent entity ONLY

Notes	Implementation Assistance Programme		Australian Scheme for Higher Education Repositories		Commercialisation Training Scheme		Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	67	33	166	85	34	33	5,649	5,502
Net accrual adjustments	-	-	-	-	-	-	-	-
Revenue for the period	2(d) 67	33	166	85	34	33	5,649	5,502
Surplus / (deficit) from the previous year	-	-	18	-	-	-	175	55
Total revenue including accrued revenue	67	33	184	85	34	33	5,824	5,557
Less expenses including accrued expenses	(67)	(33)	(141)	(67)	(2)	(33)	(5,143)	(5,382)
Surplus / (deficit) for reporting period	-	-	43	18	32	-	681	175

Notes to the Financial Statements for the year ended 31 December 2008

Note 39. Acquittal of Australian Government financial assistance (cont)

39.5 Voluntary Student Unionism and Better Universities Renewal Funding

Parent entity ONLY

		VSU Transition Fund		Total	
	Notes	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)		-	3,000	-	3,000
Net accrual adjustments		-	-	-	-
Revenue for the period	2(e)	-	3,000	-	3,000
Surplus / (deficit) from the previous year		2,986	-	2,986	-
Total revenue including accrued revenue		2,986	3,000	2,986	3,000
Less expenses including accrued expenses		(1,491)	(14)	(1,491)	(14)
Surplus / (deficit) for reporting period		1,495	2,986	1,495	2,986

Notes	Better Universities Renewal Funding	
	2008 \$'000	2007 \$'000
	5,169	-
	-	-
2(f)	5,169	-
	-	-
	5,169	-
	(2,392)	-
	2,777	-

39.6 Australian Research Council Grants

Parent entity ONLY

(a) Discovery	Notes	Projects		Total	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)		552	306	552	306
Net accrual adjustments		-	-	-	-
Revenue for the period	2(g)(i)	552	306	552	306
Surplus / (deficit) from the previous year		(107)	127	(107)	127
Total revenue including accrued revenue		445	433	445	433
Less expenses including accrued expenses		(462)	(540)	(462)	(540)
Surplus for reporting period		(17)	(107)	(17)	(107)

Notes to the Financial Statements
for the year ended 31 December 2008

Note 39. Acquittal of Australian Government financial assistance (cont)

39.6 Australian Research Council Grants

Parent entity ONLY

(b) Linkages

Notes	Projects		Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	617	756	617	756
Net accrual adjustments	-	-	-	-
Revenue for the period	2(g)(ii) 617	756	617	756
Surplus / (deficit) from the previous year	-	-	-	-
Total revenue including accrued revenue	617	756	617	756
Less expenses including accrued expenses	(617)	(756)	(617)	(756)
Surplus / (deficit) for reporting period	-	-	-	-

End of Audited Financial Report

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NORSEARCH LIMITED

ABN 57 003 082 406

A CONTROLLED ENTITY OF
SOUTHERN CROSS UNIVERSITY

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Directors' report

The directors of the company present their report on the company for the year ended 31 December 2008.

Principal activities

The principal activities of the company during the financial year were:

- a) operation of an on campus catering service
- b) operation of a licensed bar and function area
- c) operation of a Gymnasium; and
- d) conference services.

Review of operations

The net operating result of the company was a loss of \$326,817 (2007:loss \$428,563) after providing \$11,037 (2007:\$10,662) for depreciation.

2007 was the first year of operation of the businesses listed in a) – c) above. These operations have been continually monitored throughout the year and in 2008/9 Southern Cross University (the parent entity) will conduct a review of all the company operations and processes via funding from a Federal Government Grant under the Workplace Productivity Programme.

Changes in state of affairs

There were no changes to the Company business operations during the financial year.

Taxation

The company is a non-profit organisation and has been granted exemption from the payment of income tax under Div 50-B of the Income Tax Assessment Act 1997(ITAA) and there continues to be no change to the company's tax exempt status.

Dividends

The company does not issue shares or debentures. No dividends were declared or payable by the company in the financial year.

Subsequent events

No matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Environmental regulations

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a State or Territory.

Proceedings on behalf of the company

No person has applied for leave of the Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Directors' report

Future Developments

Disclosure of information regarding likely developments, future prospects and business strategies of the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

Information about the directors

The Directors in office during or since the end of the financial year are:

Malcolm Marshall, BA(CCAE), MBA(CQU), CPA, FTIA
Executive Director (Corporate Services) Southern Cross University
Director since 1991

Jean Griffiths, BA(Qld), Grad Dip Counselling, (BCAE), MNA(UNSW)
Head of the School of Arts and Social Sciences at Southern Cross University
Director since 1996

Michael Carter, BBus(NRCAE) CPA
Director of Financial and Business Services at Southern Cross University
Appointed 26th February 2008

Carl Rallings, BCom(Wollongong)
Group Director of Student Services at Southern Cross University
Appointed 26th February 2008

Lionel Phelps AM, BA, MEd, DUNIV(NE), DUNIV(SC)
Resigned 5th March 2008.

Helen Hughes BA (UQ)
Appointed 26th February 2008, Resigned 2nd October 2008

The directors have been in office since the start of the financial year unless otherwise indicated.

Company Secretary

The following person held the position of company secretary since the start of the financial year

Kenneth G. Hudson DipTech(Comm)NSWIT, AssocDip Small BusMgt(NRCAE), CPA, FTIA is the Commercial and Taxation Services Manager, for Southern Cross University.
Appointed 9 February 2005.

Meetings of directors

The numbers of meetings of directors held during the period and the number of meetings attended by each director were as follows:

	Number eligible to attend	Number attended
Michael Carter	6	5
Jean Griffiths	7	5
Helen Hughes	5	4
Malcolm Marshall	7	6
Lionel Phelps	1	1
Carl Rallings	6	5

Directors' report

Directors' benefits

During or since the financial year, no director of the company has received or become entitled to receive a benefit, because of a contract that:

- (a) the director; or
- (b) a firm of which the director is a member; or
- (c) an entity in which the director has a substantial financial interest;
has made with the company, an entity controlled by the company or a related body corporate, other than:
 - (i) a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in the company, and
 - (ii) the fixed salary of a full time employee of the company, controlled entity or related body corporate.

During or since the financial year the parent entity has insured all of the directors previously listed against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

Indemnification of officers and auditors

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company or related corporate:

- (a) indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceeding; or
- (b) paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Auditors independence declaration

The auditors independence declaration for the year ended 31 December 2008 has been received and is included after the Directors declaration.

Signed in accordance with a resolution of directors made pursuant to S298(2) of the Corporations Act 2001.

On behalf of the Directors



Director



Director

Dated this 9th day of April 2009.

Directors' declaration

In accordance with a resolution of the directors of Norsearch Limited and pursuant to Section 41C (1B) and (1C) of the Public Finance and Audit Act 1983, we state:

- 1 The attached is a general purpose financial report and gives a true and fair view of the financial position as at 31 December 2008 and of their performance for the financial year ended on that date;
- 2 The financial report has been prepared in accordance with Australian Accounting Standards, the Public Finance and Audit Act 1983, Public Finance and Audit Regulation 2005, the Corporations Act 2001, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- 3 We are not aware of any circumstances which would render any particulars included in the financial report to be misleading or inaccurate; and,
- 4 At the date of this declaration, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed this 9th day of April, 2009 in accordance with a resolution of the directors, made pursuant to S295(5) of the Corporations Act 2001.

On behalf of the Directors.



Director



Director



GPO BOX 12
Sydney NSW 2001

To the Directors
Norsearch Limited

Auditor's Independence Declaration

As auditor for the audit of the financial report of Norsearch Limited for the year ended 31 December 2008, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and
- any applicable code of professional conduct in relation to the audit.

S Bond.

Sally Bond, CA
Director, Financial Audit services

3 April 2009
SYDNEY



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Norsearch Limited

To Members of the New South Wales Parliament and Members of Norsearch Limited

I have audited the accompanying financial report of Norsearch Limited (the company), which comprises the balance sheet as at 31 December 2008, the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Auditor's Opinion

In my opinion the financial report:

- is in accordance with the *Corporations Act 2001*, including:
 - giving a true and fair view of the company's financial position as at 31 December 2008 and its performance for the year ended on that date; and
 - complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

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

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the PF&A Act and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

My opinion does *not* provide assurance:

- about the future viability of the company,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards, *Corporations Act 2001* and other relevant ethical requirements. The PF&A Act further promotes independence by:

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

I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Norsesearch Limited on 3 April 2009, would be in the same terms if provided to the directors as at the date of this auditor's report.

S Bond .

Sally Bond
Director, Financial Audit Services

15 April 2009
SYDNEY

Income statement for the year ended 31 December 2008

	Notes	2008 \$	2007 \$
Revenue from continuing operations			
Sponsorship and promotion		43,032	5,500
Interest		55,631	94,934
Memberships & Subscriptions		132,977	119,047
Conference fees	3	441,925	553,477
Bar revenue		284,222	352,328
Service Fees		365,264	236,172
Other revenue		72,549	33,777
Total revenue from continuing operations		1,395,600	1,395,235
Expenses from continuing operations			
Employee benefits	4.1	839,685	849,157
Consultancy fees	4.2	15,000	19,783
Minor equipment purchases		20,719	43,094
Depreciation on plant and equipment	9	11,036	10,662
Travel, accommodation and hospitality		100,068	96,329
Finance costs		8,028	6,794
Company fees and legals		2,205	1,418
Audit fees	15	25,000	22,000
Write-down of property, plant and equipment	9	-	74,846
Cost of goods sold		503,080	517,478
Loss on disposal of property, plant and equipment	9	-	1,182
Equipment leasing costs		6,911	1,152
Other expenses		190,685	179,903
Total expenses from continuing operations		1,722,417	1,823,798
Loss from continuing operations		(326,817)	(428,563)
Loss for the year		(326,817)	(428,563)
Loss attributable to members of Norsearch Limited		(326,817)	(428,563)

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

Balance sheet as at 31 December 2008

	Notes	2008 \$	2007 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	756,108	1,190,149
Trade and other receivables	6	38,728	40,482
Inventories	7	33,830	16,709
Other non-financial assets	8	-	2,439
Total current assets		828,666	1,249,779
Non-current assets			
Property, plant and equipment	9	38,748	35,295
Total non-current assets		38,748	35,295
Total assets		867,414	1,285,074
LIABILITIES			
Current liabilities			
Trade and other payables	10	305,603	419,288
Provisions	11	46,030	23,188
Total current liabilities		351,633	442,476
Total liabilities		351,633	442,476
Net assets		515,781	842,598
Equity			
Retained profits	12	515,781	842,598
Total equity		515,781	842,598

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

Statement of changes in equity for the year ended 31 December 2008

	Notes	2008 \$	2007 \$
Total equity at the beginning of the financial year		842,598	1,271,161
Loss for the year		(326,817)	(428,563)
Total equity at the end of the financial year	12	515,781	842,598
Total recognised income and expense for the year is attributable to: Members of Norsearch Limited		(326,817)	(428,563)

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

Cash flow statement for the year ended 31 December 2008

	Notes	2008 \$	2007 \$
Cash flows from operating activities			
Conference and catering revenue		313,712	673,554
Consulting revenue		-	-
Bar revenue		284,222	352,328
Interest received		59,483	97,010
Other operating receipts		767,648	394,496
Payment of salaries and wages		(839,685)	(894,708)
Interest paid		-	(6,794)
Other operating payments		(1,004,932)	(765,521)
Net cash inflow /(outflow) from operating activities	21	(419,552)	(149,635)
Cash flows from investing activities			
Purchases plant and equipment		(14,489)	(105,732)
Net cash inflow /(outflow) from investing activities		(14,489)	(105,372)
Net increase/ (decrease) in cash and cash equivalents		(434,041)	(255,367)
Cash and cash equivalents at the beginning of the financial year		1,190,149	1,445,516
Cash and cash equivalents at the end of the financial year	5	756,108	1,190,149

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

Notes to the financial statements For the year ended 31 December 2008

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. Norsearch Limited is a not-for-profit company limited by guarantee, which is incorporated and domiciled in Australia. The company's principal activities are event management, licensed bar operations and fitness services. The financial report was authorised for issue by the directors on 9th April 2009.

a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards (including the AASB Interpretations), the Public Finance and Audit Act 1983, Public Finance and Audit Regulation 2005 and the Corporations Act 2001. The financial report is presented in Australian dollars.

Historical Cost Convention

These financial statements have been prepared on an accruals basis and are based on the historical cost convention.

Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. These areas require a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements. Judgements, key assumptions and estimations that management have made regarding:

- . Provisions for employee entitlements
- . Depreciation
- . Impairment of receivables

Are disclosed in the relevant notes to the financial report.

Going Concern Principle

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

b) Significant revenues & expenses

Where an item of revenue or expense from ordinary activities is of such a size, nature or incidence, that its disclosure is relevant in explaining the financial performance of the entity, its nature and amount have been disclosed separately in the notes.

c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

Government grants

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

Notes to the financial statements For the year ended 31 December 2008

Rendering of services

Revenue from the outcome of a transaction is recognised in the period in which the service can be estimated reliably and revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery to the customer.

Interest

Interest is recognised as it accrues using the effective interest method.

d) Income tax

Norsearch Limited is exempt from the payment of income tax and accordingly no provision for income tax liability has been included in the company's financial report.

e) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (note 16). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis, over the period of the lease.

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

f) Business Combinations

The purchase method of accounting is used to account for all acquisitions of assets (including business combinations) regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the company's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Notes to the financial statements For the year ended 31 December 2008

g) Impairment of assets

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

h) Cash and cash equivalents

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

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

i) Trade and other receivables

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

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

The carrying amount of the asset is reduced through the use of an impairment expense account and the amount of the loss is recognised in the income statement within 'other expenses'. When a trade receivable is uncollectible, it is written off against the impairment expense account for trade receivables. Subsequent recoveries of amounts previously written off are credited against other expense in the income statement.

j) Inventories

Inventories include goods and other property held for sale. These goods are stated at the lower of cost or net realisable value, on a first in first out basis (FIFO)

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

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

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

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

Notes to the financial statements

For the year ended 31 December 2008

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

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the income statement.

1) Investments and other financial assets

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

Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss on initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. The policy of management is to designate a financial asset if there exists the possibility it will be sold in the short term and the asset is subject to frequent changes in fair value. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the company provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in receivables in the balance sheet.

Held-to-maturity investments

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

Available-for-sale financial assets

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

Regular purchases and sales of investments are recognised on trade-date - the date on which the company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss is initially recognised at fair value and transaction costs are expensed in the income statement.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

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

Notes to the financial statements

For the year ended 31 December 2008

Subsequent Measurement

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

Fair Value

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

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

m) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the company is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The company uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet date.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

n) Property, Plant and Equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Notes to the financial statements

For the year ended 31 December 2008

o) Depreciation of non-current assets

Depreciation is calculated using the straight line method to allocate their costs, net of residuals, over their estimated useful lives to the entity.

The annual rates for depreciation are:

	%p.a.
Computer equipment	33.3
Gym Equipment	10
General equipment	10
Motor vehicle	15

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

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

p) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid on the creditors' payment terms.

q) Employee benefits

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled after 12 months of the reporting date are discounted using market yields at the reporting date on national bonds. The discount rate used as at 31 December 2008 was the 2.88% (2007:6.59%).

Long service leave

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

Retirement benefit obligations

All employees of the company are entitled to benefits on retirement, disability or death from the company's superannuation plan. The company has a defined benefit section and a defined contribution section within its plan.

The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from the company and the company's legal or constructive obligation is limited to these contributions.

The employees of the company are all members of the defined contribution section of the company's plan.

A liability or asset in respect of defined benefit superannuation plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

Notes to the financial statements For the year ended 31 December 2008

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

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

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to income over the employees' expected average remaining working lives.

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

Future taxes that are funded by the entity and are part of the provision of the existing benefit obligation (e.g. taxes on investment income and employer contributions) are taken into account in measuring the net liability or asset.

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

Termination Benefits

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

r) Goods and services tax

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

Receivables and payables in the balance sheet and commitments are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Tax Office is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Tax Office are classified as operating cash flows.

s) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to settle. The asset or liability is classified as current if it is expected to settle within the next 12 months, being the company's operational cycle. In the case of liabilities where the company does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

t) Comparative amounts

Where the presentation or reclassification of items in the financial report is amended, comparable amounts shall be reclassified unless reclassification is impracticable.

Notes to the financial statements For the year ended 31 December 2008

u) New Australian Accounting Standards issued but not effective

The following new Accounting Standards have not been adopted and are not yet effective:

- AASB 3 Business Combinations (1 July 2008) as amended by AASB 2007-9 and (1 July 2009) as amended by AASB 2008-3 and AASB 2008-11;
- AASB 8 Operating Segments (1 July 2008) as amended by AASB 2007-9 and (1 January 2009) as amended by 2007-3;
- AASB 101 Presentation of Financial Statements (1 July 2008) as amended by AASB 2007-9 and (1 January 2009) as amended by AASB 2007-6, AASB 2007-8, AASB 2007-10, AASB 2008-2 and AASB 2008-5 and (1 July 2009) as amended by AASB 2008-3;
- AASB 116 Property, Plant and Equipment (1 July 2008) as amended by AASB 2007-9 and (1 January 2009) as amended by AASB 2008-5 and AASB 2008-7 and (1 July 2009) as amended by AASB 2008-3;
- AASB 127 Consolidated and Separate Financial Statements (1 July 2008) as amended by AASB 2007-9 and (1 January 2009) as amended by AASB 2008-5 and AASB 2008-7 and (1 July 2009) as amended by AASB 2008-3;
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets (1 July 2008) as amended by AASB 2007-9 and (1 July 2009) as amended by AASB 2008-3;
- AASB 1004 Contributions (1 July 2008) as amended by AASB 2007-9;
- Revised AASB 1049 Whole of Government and General Government Sector Financial Reporting (1 July 2008) and (1 January 2009) as amended by AASB 2008-9;
- AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 (1 January 2009)
- AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 (1 January 2009)
- AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 (1 January 2009)
- AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31 (1 July 2008);
- AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101 (1 January 2009)
- AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and 127 (1 July 2009)
- AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project (1 January 2009);
- AASB 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (1 July 2009)
- AASB 2008-7 Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate (1 January 2009);
- AASB 2008-11 Amendments to Australian Accounting Standard – Business Combinations Among Not-for-Profit Entities [AASB 3] (1 July 2009);

It is considered that the impact of these new Standards and Interpretations in future periods will have no material impact on the financial statements of the entity.

Note 2. Company Details

a)The company operates from premises owned by Southern Cross University at no charge, and Norsearch Limited is unable to determine the value for this charge.

b)Research and consulting work is primarily carried out by academic staff employed by the University, or staff employed directly by the company for the term of the consultancy or project. Academic staff are entitled to undertake external consultancy work as a percentage of normal working hours in accordance with University policy.

Notes to the financial statements for the year ended 31 December 2008

2008	2007
\$	\$

Note 2. Company details (cont)

c) Norsearch Limited is a wholly owned subsidiary of Southern Cross University, limited by guarantee, which is incorporated and operates in Australia.

d) The Registered Office and principle place of business of the company is:
Southern Cross University Campus
Military Road
EAST LISMORE NSW 2480

Note 3. Revenue from continuing operations

Conference Fees

441,925	553,477
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Note 4. Expenses from continuing operations

Note 4.1. Employee benefits

Non-academic

Salaries	704,979	754,741
Superannuation	59,920	67,442
Payroll tax	45,246	52,856
Workers' compensation	4,011	5,600
Long service leave expense	6,794	(20,409)
Annual leave	16,046	(12,701)
Leave loading	2,689	1,628
Total non-academic	839,685	849,157

Note 4.2 Consultancy fees paid

The company as part of its normal activities engages consultants to provide services not available within its own resources

15,000	19,783
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Notes to the financial statements for the year ended 31 December 2008

Note 5. Cash and cash equivalents

	2008 \$	2007 \$
Cash at bank	52,648	83,789
Petty cash	3,460	6,360
Bank interest bearing and at call deposits	700,000	1,100,000
Total cash and cash equivalents	756,108	1,190,149

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

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

Balances as above	756,108	1,190,149
Balance per cash flow statement	756,108	1,190,149

(b) Cash at bank

These are subject to variable interest rates

Note 6. Trade and other receivables

Current

Trade debtors	36,452	34,489
Provision for impairment	(289)	(424)
Net debtors	36,163	34,065
Accrued interest income	2,565	6,417
	38,728	40,482

Trade debtors past due but not impaired are \$1,587. All are under 6 months

Note 7. Inventories

Current

Bar and catering stock at cost	33,830	16,709
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Note 8. Other non-financial assets

Current

Prepayments	-	2,439
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Notes to the financial statements for the year ended 31 December 2008

Note 9. Plant and equipment

Plant and equipment

	2008 \$	2007 \$
At cost	56,646	42,157
Accumulated depreciation	(17,898)	(6,862)
	<u>38,748</u>	<u>35,295</u>

Movement in the carrying amounts

Movement in the carrying amounts of plant and equipment between the beginning and the end of the current financial year

Carrying amount as at 1 January 2008	35,295	16,253
Additions	14,489	117,006
Disposals	-	(12,456)
Write-off of property, plant and equipment	-	(74,846)
Depreciation expense	(11,036)	(10,662)
Carrying amount as at 31 December 2008	<u>38,748</u>	<u>35,295</u>

Loss on Disposal of Property, Plant and Equipment

Loss on Disposal of Property, Plant and Equipment comprises:

Carrying Value of Disposed Vehicle	-	12,456
Trade In Obtained	-	11,274
Loss on Disposal	-	<u>1,182</u>

Note 10. Trade and other payables

Current

Payables and accrued expenses	61,972	72,613
Amounts payable to related parties	215,918	346,675
Consultancies and contracts	27,713	-
	<u>305,603</u>	<u>419,288</u>

Note 11. Provisions

Provisions for Annual Leave and Long Service Leave

A provision has been recognised for employee benefits relating to annual leave and long service leave. The company has measured its liabilities relating to annual leave and long service leave in accordance with the criteria described in note 1(o) to the financial statements.

Current provisions expected to be settled within 12 months

Employee benefits		
Annual leave	25,266	9,219
Long service leave	15,430	13,969
	<u>40,696</u>	<u>23,188</u>

Current provisions expected to be settled after more than 12 months

Employee benefits		
Annual leave	-	-
Long service leave	5,334	-
	<u>5,334</u>	<u>-</u>
Total provisions	<u>46,030</u>	<u>23,188</u>

Notes to the financial statements for the year ended 31 December 2008

Note 12. Retained earnings

Balance at the beginning of year
Net operating result for the year
Balance at the end of year

2008	2007
\$	\$
842,598	1,271,161
(326,817)	(428,563)
<u>515,781</u>	<u>842,598</u>

Note 13. Key management personnel disclosures

Directors

The names of directors who held office during the financial year are:

Jean Griffiths

Malcolm Marshall

Lionel Phelps (Resigned 5 March 2008)

Michael Carter (Appointed 26 February 2008)

Helen Hughes (Appointed 26 February, resigned 2 October

Carl Rallings (Appointed 26 February 2008)

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

Directors remuneration

Income paid or payable, or otherwise made available, to all board members by the Company in connection with the management of affairs of the company:

\$0 to \$9,999
\$50,000 to \$59,999
\$100,000 to \$109,999
\$130,000 to \$139,999
\$140,000 to \$149,999
\$150,000 to \$159,999
\$250,000 to \$259,999
\$270,000 to \$279,999

812,985	446,245
Number	Number
-	1
-	1
1	-
1	1
1	-
1	-
-	1
1	-

This remuneration does not just relate to the Directors role within Norsearch Ltd. It includes remuneration from associated entities.

Responsible Officer Remuneration

Income paid or payable to a staff member employed by Southern Cross University whose duties includes management responsibilities for the Company's operations.

\$90,000 to \$99,999

2008	2007
\$	\$
97,853	97,648
Number	Number
1	1

Key management personnel compensation

Short-term employee benefits
Post employment benefits

2008	2007
\$	\$
83,795	62,894
14,058	34,754
<u>97,853</u>	<u>97,648</u>

Notes to the financial statements for the year ended 31 December 2008

2008	2007
\$	\$

Note 14. Related party transactions

Ultimate parent entity

Southern Cross University is the controlling entity of Norsearch Limited. Transactions with Southern Cross University for services provided are fully re-imbursed by the company.

Related party transactions

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

Revenue

Southern Cross University cost recoveries
Catering services
Sale of plant and equipment

365,264	236,172
126,115	118,967
-	-

Expenditure

Southern Cross University service fees

30,522	6,631
521,901	361,770

Outstanding balances

Aggregate amounts receivable from, and payable to related parties at balance date are as follows:

Current payables

Ultimate parent entity

215,918	346,675
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Terms and Conditions

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

Note 15. Remuneration of auditors

During the year the following fees were paid for services provided by the auditor, its related practices and non-related

Fees paid to *The Audit Office of New South Wales*:

Audit of financial report

25,000	22,000
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Notes to the financial statements for the year ended 31 December 2008

	2008 \$	2007 \$
Note 16. Commitments for expenditure		
(a) Capital expenditure commitments		
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:		
<i>Building Works</i>		
Payable:		
Within one year	6,018	-
	<u>6,018</u>	<u>-</u>
(b) Operating lease commitments		
Future minimum lease payments under non-cancellable operating leases for each of the following periods:		
not later than one year	638	7,658
later than one year and not later than two years	-	638
later than two years and not later than three years	-	-
	<u>638</u>	<u>8,296</u>
(c) Other expenditure commitments		
Purchase orders placed with suppliers as at 31 December for goods and services (other than inventories) receivable within twelve months of year end		
	-	191,590
	<u>-</u>	<u>191,590</u>

Operating lease commitments relate to gym equipment and the lease expires in Jan 2009.

All commitments include GST which is expected to be recoverable in the normal course of operations.

Note 17. Contingencies

The directors are not aware of any material contingent liabilities at balance date. Norsearch Limited currently has no legal matters outstanding which are expected to result in material claims against Norsearch Limited. (2007:Nil)

Note 18. Members guarantee

The company is limited by guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company. As at December 2008 the number of members was 4 (2007: 4).

The company was incorporated on 11 July 1986 and commenced trading on 1 January 1987. The company can make donations and gifts to Southern Cross University from time to time as well as other organisations and bodies which may be related to the work of Southern Cross University. In the event of winding up or dissolution of the company any property shall be given to some other institution or institutions, which may include Southern Cross University.

Notes to the financial statements for the year ended 31 December 2008

	2008	2007
	\$	\$

Note 19. Business combinations

(a) Summary of acquisition

The Company purchased three(3) business operations of The Southern Cross University Union Ltd. as a consequence of the anticipated affects on this entity of Voluntary Student Unionism being introduced. The Licensed Bar, Gymnasium and Catering/Function operations were acquired at their asset value of \$97,141 (inc GST).

Purchase consideration (refer to (b) below):

Cash paid	-	97,141
Fair value of net identifiable assets acquired (refer to (c))	-	113,272
Discount on Acquisition (refer to (c) below)	-	16,131

(b) Purchase consideration

Outflow of cash to acquire business, net of cash acquired

Cash consideration	-	97,141
Less : Balance acquired		
Cash	-	-
Bank Overdraft	-	-
Outflow of cash	-	97,141

(c) Assets and liabilities acquired

The assets and liabilities arising from the acquisition areas follows:

	2008		2007	
	Acquiree's carrying amount	Fair value	Acquiree's carrying amount	Fair value
Plant and equipment	-	-	97,141	97,141
Inventory	-	-	16,131	16,131
Net Assets	-	-	113,272	113,272
Net identifiable assets acquired	-	-	113,272	113,272

Note 20. Events after balance sheet date

There were no events subsequent to reporting date that would have a material financial effect on the financial report.

Note 21. Reconciliation of net operating result for the year after income tax to net cash flows from operations

Net operating result for the year	(326,817)	(428,563)
Add: Depreciation	11,036	10,662
Add: Impairment of property, plant & equipment	-	74,846
Add: Loss on disposal of property, plant & equipment	-	1,182
<i>Change in operating assets and liabilities</i>		
(Increase)/Decrease in receivables	1,754	122,153
(Increase)/Decrease in other assets	2,439	(2,439)
(Increase)/Decrease in inventories	(17,121)	(16,709)
Increase/(Decrease) in provision for employee benefits	22,842	(45,551)
Increase/(Decrease) in payables and other liabilities	(113,685)	134,784
Net cash inflow/(outflow) from operating activities	(419,552)	(149,635)

Notes to the financial statements for the year ended 31 December 2008

Note 22. Financial risk management

(a) Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices; The entities exposure to market risk is primarily through interest rate risk and a small amount of currency risk.

(i) Foreign exchange risk

The company does not undertake transactions in foreign currency or hold any financial instruments in a foreign currency. As such, the company is not exposed to currency risk.

(ii) Price risk

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

(iii) Cash flow and fair value interest rate risk

The company aims to minimise risk through prudent financial management and diversification. Term deposits are spread across financial institutions for varying terms with a maximum percentage for each institution. Interest is paid on maturity.

The following table summarises the sensitivity of the company's financial assets and financial liabilities to interest rate risk.

2008	Carrying amount \$'000	Interest Rate Risk -1%		Interest Rate Risk 1%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Financial assets					
Cash and cash equivalents	756,108	(7,526)	(7,526)	7,526	7,526
Receivables	36,163	-	-	-	-
Financial liabilities					
Payables	249,485	-	-	-	-
Net financial assets/(liabilities)	542,786	(7,526)	(7,526)	7,526	7,526

2007	Carrying amount \$'000	Interest Rate Risk -1%		Interest Rate Risk 1%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Financial assets					
Cash and cash equivalents	1,190,149	(11,838)	(11,838)	11,838	11,838
Receivables	34,065	-	-	-	-
Financial liabilities					
Payables	349,346	-	-	-	-
Net financial assets/(liabilities)	874,868	(11,838)	(11,838)	11,838	11,838

There has been no variation to the objectives, policies and processes for market risk since the prior period.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

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

Notes to the financial statements for the year ended 31 December 2008

Note 22. Financial risk management (cont)

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The company manages liquidity risk by maintaining adequate reserves, banking facilities and continuously monitoring forecast and actual cash flows.

The interest bearing deposits and deposits at call have an average maturity of 45 days.

There has been no variation to the objectives, policies and processes for liquidity risk since the prior period.

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

2008	Average Interest Rate %	Variable Interest Rate \$	Less than 1 Year \$	1 to 5 Years \$	5+ Years \$	Non Interest \$	Total \$
Financial liabilities							
Payables	-	-	-	-	-	249,485	249,485

2007	Average Interest Rate %	Variable Interest Rate \$	Less than 1 Year \$	1 to 5 Years \$	5+ Years \$	Non Interest \$	Total \$
Financial liabilities							
Payables	-	-	-	-	-	349,346	349,346

Notes to the financial statements for the year ended 31 December 2008

Note 22. Financial risk management (cont)

(d) Fair value of financial assets and liabilities

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The company uses discounted cash flows and makes assumptions that are based on market conditions existing at each balance date. Techniques to determine fair value for these financial instruments.

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

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

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

	2008		2007	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Non-traded financial assets	792,271	792,271	1,224,214	1,224,214
	<u>792,271</u>	<u>792,271</u>	<u>1,224,214</u>	<u>1,224,214</u>
Financial liabilities				
Non-traded financial liabilities	249,485	249,485	349,346	349,346
	<u>249,485</u>	<u>249,485</u>	<u>349,346</u>	<u>349,346</u>

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

Note 23. Monies held on behalf of third parties

The consolidated entity held money in trust on behalf of the parties involved in the World Purchasing Research Institute and the Centre for Professional Development in Club management.

These monies are now held by the parent entity Southern Cross University.

The following is a summary of the transactions in the monies held on behalf of third parties account:

	2008	2007
	\$	\$
Cash at the beginning of the financial year	-	294,003
Add: Receipts	-	-
Less: Expenditure	-	(294,003)
Closing cash balance at the end of the financial year	<u>-</u>	<u>-</u>

"End of Audited Financial Report"

AUSTRALIAN PLANT DNA BANK LIMITED

ABN 95 108 486 791

A CONTROLLED ENTITY OF
SOUTHERN CROSS UNIVERSITY

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

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Directors' report

The directors of the company present their report on the company for the year ended 31 December 2008:

Principal activities

The principal activities of the economic entity during the year were holding and maintaining the DNA of native Australian plants and other species of economic significance and enabling research and development into Australian plant DNA.

Income for the period was derived from storage of materials.

Review of operations

The net operating result of the economic entity for the year ended 31 December 2008 was a loss of \$9,664 (2007 loss: \$8,420). The net operating result of the company for the year ended 31 December 2008 was a loss of \$5,808 (2007 loss: \$5,098).

Changes in state of affairs

During the year there was no significant change in the state of affairs of the company or economic entity other than referred to in the financial statements or notes thereto.

Subsequent events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company or economic entity, the results of those operations or the state of affairs of the company in future financial years.

Environmental regulations

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a State or Territory.

Proceedings on behalf of the company

No person has applied for leave of the Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Future developments

Disclosure of information regarding likely developments, future prospects and business strategies of the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

Directors' report

Information about the directors

The Directors in office during or since the start of the financial period are:

Professor Peter R. Baverstock, BSc(Hons), DSc(Adel), PhD(WAust).
Professor Baverstock is an Adjunct Professor of Southern Cross University.
Appointed 24 March 2004.

Professor Robert J. Henry, BSc(Hons)(Qld), MSc(Hons)(Macq), PhD(LaTrobe), DSc(Qld)
Professor Henry is Director of the Centre for Plant Conservation Genetics at Southern Cross University.
Appointed 24 March 2004.

Doctor Robert William Jamison BSc(Hons), PhD(Flinders), Post Doc(Sheffield U.K)
Doctor Bob Jamison acts as a consultant for Southern Cross University.
Appointed 22 April 2006.

Steve Williams, BAppSc(QUT)
Steve Williams is the Business Manager within the Graduate Research College at Southern Cross University.
Appointed 30 April 2004.

Professor Paul Clark, BSc(Hons), PhD, DipTEd(Monash), FAIP, FIICA
Professor Clark is Vice-Chancellor of Southern Cross University.
Appointed 11 January 2005.

The directors have been in office since the start of the financial year unless otherwise indicated.

Company Secretary

The following person held the position of company secretary since the start of the financial year

Madeleine Love BA(UTS), LLB(UNSW), GradDip(Legal Practice), LLM(CorpCmclTax)(UNSW)
Madeleine Love is legal counsel for Southern Cross University.

Meetings of directors

The numbers of meetings of directors held during the year and the number of meetings attended by each director were as follows:

	Number eligible to attend	Number attended
Peter Baverstock	1	1
Robert Henry	1	1
Robert Jamison	1	1
Steve Williams	1	1
Paul Clark	1	0

Directors' report

Directors' benefits

During or since the financial year, no director of the company has received or become entitled to receive a benefit, because of a contract that:

- (a) the director; or
- (b) a firm of which the director is a member; or
- (c) an entity in which the director has a substantial financial interest;
has made with the company, an entity controlled by the company or related body corporate, other than:
 - (i) a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company, and
 - (ii) the fixed salary of a full time employee of the company, controlled entity or related body corporate.

During or since the financial year Southern Cross University has insured all of the directors previously listed against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

Indemnification of officers and auditors

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company or related body corporate:

- (a) indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceeding; or
- (b) paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Auditors independence declaration

The auditors independence declaration for the year ended 31 December 2008 has been received and is included after the Directors declaration.

Signed in accordance with a resolution of the directors made pursuant to S298(2) of the Corporations Act 2001.

On behalf of the Directors



Director



Director

Dated this 4th day of April 2009


Directors' declaration

In accordance with a resolution of the directors of Australian Plant DNA Bank Limited and of the economic entity and pursuant to section 41C (1B) and (1C) of the Public Finance and Audit Act 1983, we state:

- 1 The attached is a general purpose financial report and gives a true and fair view of the financial position as at 31 December 2008 and of the performance for the financial year ended on that date;
- 2 The financial report has been prepared in accordance with Australian Accounting Standards, the Public Finance and Audit Act 1983, Public Finance and Audit Regulation 2005, the Corporations Act 2001, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- 3 We are not aware of any circumstances which would render any particulars included in the financial report to be misleading or inaccurate; and,
- 4 At the date of this declaration, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed this 9th day of April, 2009 in accordance with a resolution of the directors, made pursuant to S295(5) of the Corporations Act 2001.

On behalf of the Directors


Director


Director



GPO BOX 12
Sydney NSW 2001

To the Directors
Australian Plant DNA Bank Limited

Auditor's Independence Declaration

As auditor for the audit of the financial report of Australian Plant DNA Bank Limited for the year ended 31 December 2008, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and
- any applicable code of professional conduct in relation to the audit.

S Bond.

Sally Bond, CA
Director, Financial Audit services

3 April 2009
SYDNEY



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Australian Plant DNA Bank Limited and controlled entities

To Members of the New South Wales Parliament and Members of Australian Plant DNA Bank Limited

I have audited the accompanying financial report of Australian Plant DNA Bank Limited (the company) and the company and controlled entities (the consolidated entity), which comprises the balance sheet as at 31 December 2008, the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Auditor's Opinion

In my opinion the financial report:

- is in accordance with the *Corporations Act 2001*, including:
 - giving a true and fair view of the company's and consolidated entity's financial position as at 31 December 2008 and of their performance for the year ended on that date; and
 - complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005

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

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the PF&A Act and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

My opinion does *not* provide assurance:

- about the future viability of the company or consolidated entity,
- that they have carried out their activities effectively, efficiently and economically, or
- about the effectiveness of their internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards, *Corporations Act 2001* and other relevant ethical requirements. The PF&A Act further promotes independence by:

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

I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Australian Plant DNA Bank Limited on 3 April 2009, would be in the same terms if provided to the directors as at the date of this auditor's report.

S Bond .

Sally Bond
Director, Financial Audit Services

15 April 2009
SYDNEY

Income statement for the year ended 31 December 2008

		Consolidated		Parent entity	
	Notes	2008	2007	2008	2007
		\$	\$	\$	\$
Revenue from continuing operations	3	25	3,055	25	3,055
Expenses from continuing operations	4	<u>9,689</u>	<u>11,475</u>	<u>5,833</u>	<u>8,153</u>
Loss from continuing operations before income tax expense		(9,664)	(8,420)	(5,808)	(5,098)
Income tax expense	5	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Loss from continuing operations after income tax		<u>(9,664)</u>	<u>(8,420)</u>	<u>(5,808)</u>	<u>(5,098)</u>
Loss for the year		<u>(9,664)</u>	<u>(8,420)</u>	<u>(5,808)</u>	<u>(5,098)</u>
Loss attributable to members of Australian Plant DNA Bank Limited	10	<u>(9,664)</u>	<u>(8,420)</u>	<u>(5,808)</u>	<u>(5,098)</u>

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

Balance sheet as at 31 December 2008

	Notes	Consolidated 2008 \$	2007 \$	Parent entity 2008 \$	2007 \$
ASSETS					
Current assets					
Cash and cash equivalents	6	16,818	26,295	16,718	26,195
Trade and other receivables	7	875	1,352	534	1,042
Total current assets		17,693	27,647	17,252	27,237
Non-current assets					
Trade and other receivables	7	-	-	14,382	14,235
Other financial assets	8	-	-	100	100
Total non-current assets		-	-	14,482	14,335
Total assets		17,693	27,647	31,734	41,572
LIABILITIES					
Current liabilities					
Trade and other payables	9	7,480	7,770	3,740	7,770
Total current liabilities		7,480	7,770	3,740	7,770
Non-current liabilities					
Total non-current liabilities		-	-	-	-
Total liabilities		7,480	7,770	3,740	7,770
Net assets		10,213	19,877	27,994	33,802
Equity					
Retained profits	10	10,213	19,877	27,994	33,802
Total equity		10,213	19,877	27,994	33,802

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

Statement of changes in equity for the year ended 31 December 2008

	Notes	Consolidated 2008 \$	2007 \$	Parent entity 2008 \$	2007 \$
Total equity at the beginning of the financial year		19,877	28,297	33,802	38,900
Loss for the year		(9,664)	(8,420)	(5,808)	(5,098)
Total recognised income and expense for the year		(9,664)	(8,420)	(5,808)	(5,098)
Total equity at the end of the financial year	10	10,213	19,877	27,994	33,802
Total recognised income and expense for the year is attributable to:					
Members of Australian Plant DNA Bank Limited		(9,664)	(8,420)	(5,808)	(5,098)

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

Cash flow statement for the year ended 31 December 2008

	Notes	Consolidated		Parent entity	
		2008	2007	2008	2007
		\$	\$	\$	\$
Cash flows from operating activities					
Receipts from customers		-	3,537	-	3,537
Payments to suppliers and employees		(9,840)	(9,295)	(9,840)	(9,295)
Net GST paid / (received)		363	627	363	627
Net cash provided by/(used in) operating activities	19	(9,477)	(5,131)	(9,477)	(5,131)
Cash flows from investing activities					
Net cash provided by/(used in) investing activities		-	-	-	-
Net increase/(decrease) in cash and cash equivalents		(9,477)	(5,131)	(9,477)	(5,131)
Cash and cash equivalents at the beginning of the financial year		26,295	31,426	26,195	31,326
Cash and cash equivalents at the end of the financial year	6	16,818	26,295	16,718	26,195

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

Notes to the financial statements for the financial year ended 31 December 2008

Note 1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes separate financial statements for Australian Plant DNA Bank Limited as an individual entity and the consolidated entity consisting of Australian Plant DNA Bank Limited and its subsidiary.

Australian Plant DNA Bank Limited is a not-for-profit company limited by guarantee which is incorporated and domiciled in Australia. The company's principal activities are holding and maintaining the DNA of native Australian plants and other species of economic significance and enabling research and development into Australian plant DNA. The financial report was authorised for issue by the Directors on 9th April 2009.

a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (including the AASB interpretations), the Public Finance and Audit Act 1983, Public Finance and Audit Regulation 2005 and the Corporations Act 2001. The financial report is presented in Australian Dollars.

Historical Cost Convention

These financial statements have been prepared on an accruals basis and are based on the historical cost convention.

Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. These areas require a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements. No critical accounting estimates have been identified in these financial statements.

Going Concern Principle

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

Notes to the financial statements for the financial year ended 31 December 2008

b) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries controlled by Australian Plant DNA Bank Limited as at 31 December 2008 and the results of all subsidiaries for the year then ended. Australian Plant DNA Bank Limited and its subsidiaries are referred to in this financial report as the Group or consolidated entity.

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

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

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

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. All controlled entities are audited by The Audit Office of New South Wales.

Minority interests in the equity and results of subsidiaries are shown separately in the consolidated income statement and balance sheet respectively.

c) Significant revenues & expenses

Where an item of revenue or expense from ordinary activities is of such a size, nature or incidence, that its disclosure is relevant in explaining the financial performance of the entity, its nature and amount have been disclosed separately in the notes.

d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. Revenue is recognised by the Group as follows:

Rendering of services

Revenue from sales of services is recognised in the period in which the service is provided.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery to the customer.

Interest

Revenue is recognised as interest accrues using the effective interest method.

Notes to the financial statements for the financial year ended 31 December 2008

e) Income tax

Australian Plant DNA Bank Limited is exempt from the payment of income tax, and accordingly, no provision for income tax liability or future income tax benefit has been included in the parent entity's financial report.

The controlled entity is subject to income tax.

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

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

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

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

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

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

f) Cash and cash equivalents

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

g) Trade and other receivables

Trade receivables are recognised at the original invoice amount less a provision for impairment. Trade receivables are due for settlement generally no more than 30 days from invoice date.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision for impairment is recognised as a deduction to the carrying value of receivables in the balance sheet.

Notes to the financial statements for the financial year ended 31 December 2008

h) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid on the creditors' payment terms.

i) Goods and services tax

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

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

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

j) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to settle. The asset or liability is classified as current if it is expected to settle within the next 12 months, being the company's operational cycle. In the case of liabilities where the company does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

k) Comparatives

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

l) New Australian Accounting Standards issued but not effective

The following new Accounting Standards have not been adopted and are not yet effective:

- AASB 101 Presentation of Financial Statements (1 July 2008) as amended by AASB 2007-9 and (1 January 2009) as amended by AASB 2007-6, AASB 2007-8, AASB 2007-10, AASB 2008-2 and AASB 2008-5 and (1 July 2009) as amended by AASB 2008-3;
- AASB 127 Consolidated and Separate Financial Statements (1 July 2008) as amended by AASB 2007-9 and (1 January 2009) as amended by AASB 2008-5 and AASB 2008-7 and (1 July 2009) as amended by AASB 2008-3;
- AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 (1 January 2009)
- AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 (1 January 2009)
- AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 (1 January 2009)
- AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31 (1 July 2008);
- AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101 (1 January 2009)
- AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and 127 (1 July 2009)
- AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project (1 January 2009);
- AASB 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (1 July 2009)
- AASB 2008-9 Amendments to AASB 1049 for Consistency with AASB 101 (1 January 2009);

It is considered that the impact of these new Standards and Interpretations in future periods will have no material impact on the financial statements of the Company

Notes to the financial statements for the year ended 31 December 2008

Note 2. Company Details

a) The parent entity is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$100 (2007:\$100) each towards meeting any outstanding obligations of the company. At 31 December 2008, the number of members was 1 (2007:1).

b) The registered office and principal place of business of the company is:

Centre for Plant Conservation Genetics
"Y" Block
Southern Cross University
Military Road
LISMORE NSW 2480

Consolidated		Parent entity	
2008	2007	2008	2007
\$	\$	\$	\$

Note 3. Revenue from continuing operations

Consulting fees	-	1,151	-	1,151
Storage Fees	-	1,904	-	1,904
Interest Income	25	-	25	-
	25	3,055	25	3,055

Note 4. Expenses from continuing operations

Accounting and audit fees	6,800	6,220	3,400	3,110
Collection activity	2,250	2,994	2,250	2,994
Legal fees	561	424	105	212
Licences and subscriptions	-	(29)	-	(29)
Other expenses	78	57	78	57
Storage Costs	-	1,809	-	1,809
	9,689	11,475	5,833	8,153

Notes to the financial statements for the year ended 31 December 2008

Note 5. Income tax

Income tax expense

Income tax on loss from continuing operations at 30%
Write-off deferred income tax as it is not probable
that it will be recovered by future operations
Income tax attributable to the entity

Consolidated 2008 \$	2007 \$	Parent entity	
		2008 \$	2007 \$
(1,157)	(997)	-	-
1,157	997	-	-
-	-	-	-

The controlled entity, Biobank Pty Ltd is not exempt from income tax. The tax expense is based on the company tax rate for 2008.

Deferred tax assets

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1 are satisfied.

- operating losses

4,356	3,199	-	-
-------	-------	---	---

Franking account

Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables, franking debits arising from payment of proposed dividends and any credits that may be prevented from distribution in subsequent years.

-	-	-	-
---	---	---	---

Note 6. Cash and cash equivalents

Cash at bank
Cash on hand
Deposits at call
Total cash and cash equivalents

6,718	26,195	6,718	26,195
100	100	-	-
10,000	-	10,000	-
16,818	26,295	16,718	26,195

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

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

Balances as above
Balance per cash flow statement

16,818	26,295	16,718	26,195
16,818	26,295	16,718	26,195

(b) Cash at bank

These bank accounts are non-interest bearing.

(c) Deposits at call

The deposit of \$10,000 has a 90 day term and is bearing interest at 5.60% per annum.

Notes to the financial statements for the year ended 31 December 2008

	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$	\$	\$	\$
Note 7. Trade and other receivables				
Current				
Accrued Interest Income	24	-	24	-
Net goods and services tax receivable	851	1,352	510	1,042
	875	1,352	534	1,042
Non-current				
Amounts receivable from wholly-owned subsidiary	-	-	14,382	14,235
Total trade and other receivables	875	1,352	14,916	15,277

Note 8. Other financial assets

Non-current				
Shares in wholly-owned subsidiary (unlisted)	-	-	100	100

These financial assets are carried at cost. There are no fixed returns or fixed maturity dates attached to these investments.

Note 9. Trade and other payables

Current				
Payables and accrued expenses	7,480	7,770	3,740	7,770

Note 10. Retained earnings

Balance at the beginning of year	19,877	28,297	33,802	38,900
Net operating result for the year	(9,664)	(8,420)	(5,808)	(5,098)
Balance at end of financial year	10,213	19,877	27,994	33,802

Notes to the financial statements for the year ended 31 December 2008

Note 11. Key management personnel disclosures

Directors

The names of directors who held office during the financial period are:

Professor Paul Clark
Doctor Robert Jemison
Stephen Williams
Professor Robert Henry
Professor Peter Baverstock

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

	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$	\$	\$	\$
Directors remuneration				
Income paid or payable, or otherwise made available, to board members by entities in the consolidated entity and related parties in connection with the management of affairs of the parent entity or its controlled entities:	887,260	1,093,296	887,260	1,093,296

Number of directors whose income was within the following bands:

	Number	Number	Number	Number
Nil to \$9,999	1	1	1	1
\$50,000 to \$59,999	1	-	1	-
\$140,000 to \$149,999	1	1	1	1
\$210,000 to \$219,999	1	1	1	1
\$250,000 to \$259,999	-	1	-	1
\$470,000 to \$479,999	1	-	1	-
\$480,000 to \$489,999	-	1	-	1

This remuneration does not just relate to the Directors role within Australian Plant DNA Bank Ltd. It includes remuneration from associated entities.

	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$	\$	\$	\$
Responsible Officer remuneration				
Income paid or payable to a staff member employed by Southern Cross University whose duties includes management responsibilities for the Company's operation.	147,339	141,913	147,339	141,913

\$140,000 to \$149,999

Number	Number	Number	Number
1	1	1	1

	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$	\$	\$	\$
Key management personnel compensation				
Short-term employee benefits	127,312	114,836	127,312	114,836
Post-employment benefits	20,027	27,077	20,027	27,077
Termination benefits	-	-	-	-
Share-based payments	-	-	-	-
	147,339	141,913	147,339	141,913

Notes to the financial statements for the year ended 31 December 2008

Note 12. Related party transactions

Ultimate parent entity

Southern Cross University is the ultimate parent entity.

Wholly-owned subsidiary

Biobank Pty Limited is the company's wholly-owned subsidiary. It is incorporated in Australia.

Related party transactions

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

Terms and Conditions

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

Transactions with related parties:

i) Ultimate parent entity

Transactions with Southern Cross University for services provided are fully reimbursed by the company as charged however, financial services and administration assistance are provided by the University at no cost. The value of these costs are not readily quantified.

	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$	\$	\$	\$
<i>Expenditure</i>				
Purchase of storage space	-	1,990	-	-

ii) Wholly-owned subsidiary

During the year the parent entity paid all costs on behalf Biobank Pty Ltd. Loan funds are provided on interest-free terms.

	-	-	147	7,722
--	---	---	-----	-------

On 9 February 2005 the parent entity purchased 100 ordinary shares at \$1 each in the wholly-owned subsidiary. Details of the wholly-owned subsidiary are disclosed at note 16.

	-	-	100	100
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Outstanding balances

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

Non-current receivables

Subsidiaries	-	-	14,382	14,235
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A provision for impairment has not been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

Notes to the financial statements for the year ended 31 December 2008

Consolidated		Parent entity	
2008	2007	2008	2007
\$	\$	\$	\$

Note 13. Remuneration of auditors

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

Fees paid to *The Audit Office of New South Wales*
Audit of financial report

6,800	6,210	3,400	3,100
-------	-------	-------	-------

Note 14. Contingencies

Contingent liabilities

Australian Plant DNA Bank Limited currently has no legal matters outstanding or other contingent liabilities which are expected to result in material claims against it (2007:Nil).

Note 15. Commitments for expenditure

(a) Capital expenditure commitments

There were no commitments for capital expenditure as at 31 December 2008 (2007:Nil).

(b) Other expenditure commitments

There were no other expenditure commitments as at 31 December 2008 (2007:\$2,475).

(c) Lease commitments

There were no leasing commitments as at 31 December 2008 (2007:Nil).

Note 16. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 1(b):

Name of entity	Country of incorporation	Equity holding 2008	Equity holding 2007
Biobank Pty Ltd	Australia	% 100%	% 100%

Acquisition of controlled entity

The subsidiary was incorporated on 9 February 2005.

The parent entity purchased 100 ordinary shares at \$1 each in the company on the date of incorporation.

Parent Entity Details:

The Registered office and principle place of business of the company is:

Australian Plant DNA Bank Limited
Centre for Plant Conservation Genetics
Southern Cross University Campus
Military Road
EAST LISMORE NSW 2480

Notes to the financial statements for the year ended 31 December 2008

Note 17. Segment reporting

a) Industry segments

The company operates within the one industry for holding and maintaining the DNA of native Australian plants and other species of economic significance.

b) Geographic segments

The company operates solely within Australia.

Note 18. Events after balance sheet date

There were no events subsequent to reporting date that would have a material financial effect on the financial report.

Note 19. Reconciliation of operating result for the year after income tax to net cash flows from operations

	Consolidated		Parent entity	
	2008	2007	2008	2007
	\$	\$	\$	\$
Net operating result for the year	(9,664)	(8,420)	(5,808)	(5,098)
<i>Change in operating assets and liabilities</i>				
(Increase) / decrease in receivables	(24)	2,244	(171)	(5,478)
(Increase) / decrease in financial assets	-	-	-	-
(Increase) / decrease in GST receivable	501	76	532	24
Increase/(Decrease) in payables and other liabilities	(290)	969	(4,030)	5,421
Net cash inflow/(outflow) from operating activities	(9,477)	(5,131)	(9,477)	(5,131)

Note 20. Economic dependency

A letter of unconditional financial support has been provided by Southern Cross University. The ultimate parent entity will support the company financially to help ensure the company can pay its debts as and when they fall due.

Notes to the financial statements for the year ended 31 December 2008

Note 21. Financial risk management

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices; market risk comprises currency risk, interest rate risk and other price risk.

(i) Currency risk

The consolidated entity does not undertake transactions in other currencies so does not have exposure to exchange rate fluctuations arise.

(ii) Price Risk

The consolidated entity currently has no available -or-sale financial assets so is not exposed to price risk.

(iii) Interest rate risk

The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following table. For interest rates applicable to each class of asset or liability refer to individual notes to the financial instruments.

There has been no variation to the objectives, policies and processes for market risk since the prior period.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the consolidated entity intends to hold fixed rate assets and liabilities to maturity.

2008	Carrying amount	Interest Rate Risk			
		-1%		1%	
		Result	Equity	Result	Equity
	\$	\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	16,818	(100)	(100)	100	100
Receivables	851	-	-	-	-
Financial liabilities					
Payables	-	-	-	-	-
Net financial assets/(liabilities)	17,669	(100)	(100)	100	100

2007	Carrying amount	Interest Rate Risk			
		-1%		1%	
		Result	Equity	Result	Equity
	\$	\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	26,295	-	-	-	-
Receivables	1,352	-	-	-	-
Financial liabilities					
Payables	7,770	-	-	-	-
Net financial assets/(liabilities)	19,877	-	-	-	-

Notes to the financial statements for the year ended 31 December 2008

Note 21. Financial risk management (cont)

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The consolidated entity's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the balance sheet.

The consolidated entity's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet.

There has been no variation to the objectives, policies and processes for credit risk since the prior period.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The consolidated entity manages liquidity risk by maintaining banking facilities and continuously monitoring forecast and actual cash flows.

There has been no variation to the objectives, policies and processes for liquidity risk since the prior period.

(d) Fair value of financial assets and liabilities

The carrying amounts of each asset and liability as stated in the balance sheet approximates their fair values.

(e) Other unrecognised financial assets and liabilities

The parent entity has a contingent asset of \$100 arising from each member's guarantee in the event of winding-up the company's operations. Refer to note 2.

"End of Audited Financial Report"

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BIOBANK PTY LTD

ABN 27 112 877 442

A CONTROLLED ENTITY OF
AUSTRALIAN PLANT DNA BANK LIMITED

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Directors' report

The directors of the company present their report on the company for year ended to 31 December 2008:

Principal activities

The company has not traded since it incorporated on 9 February 2005.

Review of Operations

The operating result for the year ended to 31 December 2008 was a loss of \$3,857 (2007 loss: \$3,322).

Changes in state of affairs

During the year there was no significant change in the state of affairs of the company or economic entity other than referred to in the financial statements or notes thereto.

Subsequent events

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Environmental regulations

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a State or Territory.

Proceedings on behalf of the company

No person has applied for leave of the Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Future developments

Disclosure of information regarding likely developments, future prospects and business strategies of the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

Directors' report

Information about the directors

The Directors in office during or since the start of the financial period are:

Professor Peter R. Baverstock, BSc(Hons),DSc(Adel), PhD(WAust).

Professor Baverstock is an Adjunct Professor of Southern Cross University.

Appointed 9 February 2005.

Professor Robert J. Henry, BSc(Hons)(Qld) MSc(Hons)(Macq), PhD(LaTrobe),DSc(Qld)

Professor Henry is Director of the Centre for Plant Conservation Genetics at Southern Cross University.

Appointed 9 February 2005.

Stephen Williams, BAppSc(QUT)

Stephen Williams is the Business Manager within the Graduate Research College at Southern Cross University.

Appointed 9 February 2005.

The directors have been in office since the start of the financial year unless otherwise indicated.

Company Secretary

The following person held the position of company secretary during or since the start of the financial year

Stephen Williams, BAppSc(QUT)

Stephen Williams is the Business Manager within the Graduate Research College at Southern Cross University.

Appointed 9 February 2005.

Meetings of directors

The numbers of meetings of directors held during the period and the number of meetings attended by each director were as follows:

	Number eligible to attend	Number attended
Peter Baverstock	1	1
Robert Henry	1	1
Steve Williams	1	1

Directors' report

Directors' benefits

During or since the financial period, no director of the company has received or become entitled to receive a benefit, because of a contract that:

- (a) the director; or
- (b) a firm of which the director is a member; or
- (c) an entity in which the director has a substantial financial interest;
has made with the company, an entity controlled by the company or related body corporate, other than:
 - (i) a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company, and
 - (ii) the fixed salary of a full time employee of the company, controlled entity or related body corporate.

During or since the financial period the controlling entity has insured all of the directors previously listed against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company

Indemnification of officers and auditors

The company has not, during or since the financial period, in respect of any person who is or has been an officer or auditor of the company or related body corporate:


- (a) indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceeding; or
- (b) paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Auditors independence declaration

The auditors independence declaration for the year ended 31 December 2008 has been received and is included after the Directors declaration.

Signed in accordance with a resolution of directors made pursuant to S298(2) of the Corporations Act 2001.

On behalf of the Directors


Director


Director

Dated this 9th day of April 2009

Directors' declaration

In accordance with a resolution of the directors of Biobank Pty Ltd and pursuant to section 41C (1B) and (1C) of the Public Finance and Audit Act 1983, we state:

- 1 The attached is a general purpose financial report and gives a true and fair view of the financial position as at 31 December 2008 and performance for the financial year ended on that date;
- 2 The financial report has been prepared in accordance with Australian Accounting Standards, the Public Finance and Audit Act 1983, Public Finance and Audit Regulation 2005, the Corporations Act 2001, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- 3 We are not aware of any circumstances which would render any particulars included in the financial report to be misleading or inaccurate; and,
- 4 At the date of this declaration, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed this 9th day of *April*, 2009 in accordance with a resolution of the directors, made pursuant to S295(5) of the Corporations Act 2001.

On behalf of the Directors



Director



Director



GPO BOX 12
Sydney NSW 2001

To the Directors
Biobank Pty Limited

Auditor's Independence Declaration

As auditor for the audit of the financial report of Biobank Pty Limited for the year ended 31 December 2008, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and
- any applicable code of professional conduct in relation to the audit.

S Bond .

Sally Bond, CA
Director, Financial Audit services

3 April 2009
SYDNEY



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Biobank Pty Limited

To Members of the New South Wales Parliament and Members of Biobank Pty Limited

I have audited the accompanying financial report of Biobank Pty Limited (the company), which comprises the balance sheet as at 31 December 2008, the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Auditor's Opinion

In my opinion the financial report:

- is in accordance with the *Corporations Act 2001*, including:
 - giving a true and fair view of the company's financial position as at 31 December 2008 and its performance for the year ended on that date; and
 - complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- is in accordance with *section 41B of the Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

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

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the PF&A Act and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

My opinion does *not* provide assurance:

- about the future viability of the company,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards, *Corporations Act 2001* and other relevant ethical requirements. The PF&A Act further promotes independence by:

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

I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Biobank Pty Limited on 3 April 2009, would be in the same terms if provided to the directors as at the date of this auditor's report.

S Bond.

Sally Bond
Director, Financial Audit Services

15 April 2009
SYDNEY

Income statement for the year ended 31 December 2008

	Notes	2008 \$	2007 \$
Expenses from continuing operations			
Audit Fees	10	3,400	3,110
Legal fees		457	212
Total expenses from continuing operations		3,857	3,322
Loss from continuing operations before income tax expense		(3,857)	(3,322)
Income tax expense	3	-	-
Loss from continuing operations after income tax		(3,857)	(3,322)
Loss for the year		(3,857)	(3,322)
Loss attributable to members of Biobank Pty Ltd		(3,857)	(3,322)

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

Balance sheet as at 31 December 2008

	Notes	2008 \$	2007 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	100	100
Trade and other receivables	5	340	310
Total current assets		440	410
Total assets		440	410
LIABILITIES			
Current liabilities			
Trade and other payables	6	3,740	-
Total current liabilities		3,740	-
Non-current liabilities			
Trade and other payables	6	14,382	14,235
Total non-current liabilities		14,382	14,235
Total liabilities		18,122	14,235
Net liabilities		(17,682)	(13,825)
Equity			
Contributed equity	16	100	100
Retained losses	7	(17,782)	(13,925)
Total equity		(17,682)	(13,825)

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

Statement of changes in equity for the year ended 31 December 2008

	Notes	2008 \$	2007 \$
Total equity at the beginning of the financial year		<u>(13,825)</u>	<u>(10,503)</u>
Loss for the year		(3,857)	(3,322)
Total recognised income and expense for the year		<u>(3,857)</u>	<u>(3,322)</u>
Total equity at the end of the financial year		<u>(17,682)</u>	<u>(13,825)</u>
Total recognised income and expense for the year is attributable to:			
Members of Biobank Pty Ltd		<u>(17,682)</u>	<u>(13,825)</u>
		<u>(17,682)</u>	<u>(13,825)</u>

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

Cash flow statement for the year ended 31 December 2008

	Notes	2008 \$	2007 \$
Cash flows from operating activities			
Receipts from customers		-	-
Payments to suppliers		-	-
Net cash inflow/(outflow) from operating activities	15	-	-
Cash flows from financing activities			
Proceeds from issue of capital		-	-
Net cash inflow/(outflow) from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the financial year		100	100
Cash and cash equivalents at the end of the financial year	4	100	100

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

Notes to the financial statements for the financial year ended 31 December 2008

Note 1. Summary of significant accounting policies

The principle accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Biobank Pty Limited is a small proprietary company limited by shares which is incorporated and domiciled in Australia. The company has not traded since it incorporated on 9 February 2005. The financial report was authorised for issue by the Directors on 9th April 2009.

a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (including the AASB interpretations), the Public Finance and Audit Act 1983, Public Finance and Audit Regulation 2005 and the Corporations Act 2001. The financial report is presented in Australian Dollars.

Compliance with AIFRSs

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). The financial statements and notes comply with the Australian Accounting Standards and have been prepared on a "for profit" basis.

Historical Cost Convention

These financial statements have been prepared on an accruals basis and are based on the historical cost convention.

Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. These areas require a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements. No critical accounting estimates have been identified in these financial statements.

Going Concern Principle

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

b) Significant revenues & expenses

Where an item of revenue or expense from ordinary activities is of such a size, nature or incidence, that its disclosure is relevant in explaining the financial performance of the entity, its nature and amount have been disclosed separately in the notes.

c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. Revenue is recognised by the company as follows:

Rendering of services

Revenue from sales of services is recognised in the period in which the service is provided.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery to the customer.

Notes to the financial statements for the financial year ended 31 December 2008

Interest

Revenue is recognised as interest accrues using the effective interest method.

d) Income tax

Biobank Pty Ltd is subject to income tax.

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

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

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

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

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

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

e) Cash and cash equivalents

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

f) Trade and other receivables

Trade receivables are recognised at the original invoice amount less a provision for impairment. Trade receivables are due for settlement generally no more than 30 days from invoice date.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision for impairment is recognised as a deduction to the carrying value of receivables in the balance sheet.

Notes to the financial statements for the financial year ended 31 December 2008

g) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid on the creditors' payment terms.

h) Goods and services tax

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

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

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

i) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to settle. The asset or liability is classified as current if it is expected to settle within the next 12 months, being the company's operational cycle. In the case of liabilities where the company does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

j) Comparatives

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

k) New Australian Accounting Standards Issued but not effective

The following new Accounting Standards have not been adopted and are not yet effective:

- AASB 2007-9 and (1 January 2009) as amended by AASB 2007-3, AASB 2007-10 and AASB 2008-5 and (1 July 2009) as amended by AASB 2008-3, 2008-6 and 2008-13;
- AASB 101 Presentation of Financial Statements (1 July 2008) as amended by AASB 2007-9 and (1 January 2009) as amended by AASB 2007-6, AASB 2007-8, AASB 2007-10, AASB 2008-2 and AASB 2008-5 and (1 July 2009) as amended by AASB 2008-3;
- AASB 1048 Interpretation and Application of Standards – September 2008 (30 September 2008)
- AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 (1 January 2009)
- AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 (1 January 2009)
- AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 (1 January 2009)
- AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31 (1 July 2008);
- AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101 (1 January 2009)
- AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and 127 (1 July 2009)
- AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project (1 January 2009);
- AASB 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (1 July 2009)

It is considered that the impact of these new Standards and Interpretations in future periods will have no material impact on the financial statements of the company

Notes to the financial statements
for the year ended 31 December 2008

	2008 \$	2007 \$
--	------------	------------

Note 2. Company details

Biobank Pty Ltd is a small proprietary company, limited by shares which is incorporated and operates in Australia.

The registered office and principal place of business of the company is:

Centre for Plant Conservation Genetics

"Y" Block

Southern Cross University

Military Road

LISMORE NSW 2480

Note 3. Income tax

Income tax expense

Income tax on loss from continuing operations at 30%

Add back non deductible expenses

Write-off deferred income tax as it is not probable that it will be recovered by future operations

Income tax attributable to the entity

(1,157)	(997)
-	-
<u>1,157</u>	<u>997</u>
-	-

Deferred tax assets

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1 are satisfied.

- operating losses

4,356 3,199

Franking account

Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables, franking debits arising from payment of proposed dividends and any credits that may be prevented from distribution in subsequent years.

Notes to the financial statements for the year ended 31 December 2008

Note 4. Cash and cash equivalents

Current

Cash on hand

2008	2007
\$	\$

100	100
-----	-----

Reconciliation to cash at the end of the year

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

Balances as above

100	100
-----	-----

Balance per cash flow statement

100	100
-----	-----

Note 5. Trade and other receivables

Current

Net goods and services tax receivable

340	310
-----	-----

340	310
-----	-----

Note 6. Trade and other payables

Current

Payables and accrued expenses

3,740	-
-------	---

Non-current

Accounts payable to parent entity

14,382	14,235
--------	--------

14,382	14,235
--------	--------

Note 7. Retained losses

Balance at the beginning of year

(13,925)	(10,603)
----------	----------

Net operating result for the year

(3,857)	(3,322)
---------	---------

Balance at the end of year

(17,782)	(13,925)
----------	----------

Notes to the financial statements for the year ended 31 December 2008

Note 8. Key management personnel disclosures

Directors

The names of directors who held office during the financial period are:

Professor Peter Baverstock

Professor Robert Henry

Stephen Williams

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

Directors remuneration

Income paid or payable, or otherwise made available, to all board members by the company in connection with the management of affairs of the company:

Number of directors whose income was within the following bands:

\$50,000 to \$59,999

\$140,000 to \$149,999

\$210,000 to \$219,999

\$250,000 to \$259,999

This remuneration does not just relate to the Directors role within Biobank Pty Ltd. It includes remuneration from associated entities.

During the period Southern Cross University paid directors' and officers' liability insurance in respect of the university and its wholly owned controlled entities. The amount paid in respect of directors of Biobank Pty Ltd cannot be reliably determined.

Responsible Officer remuneration

Income paid or payable to a staff member employed by Southern Cross University whose duties includes management responsibilities for the company's operation.

Number of responsible officers whose income was within the following bands:

\$140,000 to \$149,999

Key management personnel compensation

Short-term employee benefits

Post-employment benefits

Termination benefits

Share-based payments

2008
\$

2007
\$

408,703 609,009

Number	Number
1	-
1	1
1	1
-	1

2008
\$

2007
\$

147,339 141,913

Number	Number
1	1

2008
\$

2007
\$

127,312	114,836
20,027	27,077
-	-
-	-
147,339	141,913

Notes to the financial statements for the year ended 31 December 2008

2008	2007
\$	\$

Note 9. Related party information

Ultimate parent entity

Southern Cross University is the ultimate parent entity.

Parent entity

Australian Plant DNA Bank Limited is the parent entity.

Related party transactions

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

Terms and Conditions

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

Parent entity

During the year the parent entity paid all costs on behalf of Biobank Pty Ltd. Loan funds are provided on interest-free terms.

Opening balance

14,235	6,513
--------	-------

Movement during year

147	7,722
-----	-------

Balance at the end of year

14,382	14,235
--------	--------

Outstanding balances

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

Payables

Parent entity

14,382	14,235
--------	--------

Notes to the financial statements for the year ended 31 December 2008

Note 10. Remuneration of auditors

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

Fees paid to the *Audit Office of New South Wales*
Audit of financial report

2008	2007
\$	\$

3,400	3,110
-------	-------

Note 11. Commitments for expenditure

(a) Capital expenditure commitments

There were no commitments for capital expenditure as at 31 December 2008 (2007:Nil).

(b) Other expenditure commitments

There were no expenditure commitments contracted as at 31 December 2008 (2007:Nil).

Note 12. Contingencies

Biobank Pty Ltd currently has no legal matters outstanding or other contingent liabilities which are expected to result in material claims against it (2007:Nil).

Note 13. Segment reporting

a) Industry segments

The company operates within the one industry for holding and maintaining the DNA of native Australian plants and other species of economic significance.

b) Geographic segments

The company operates solely within Australia.

Notes to the financial statements for the year ended 31 December 2008

2008	2007
\$	\$

Note 14. Events after balance sheet date

There were no events subsequent to reporting date that would have a material financial effect on the financial report.

Note 15. Reconciliation of net operating loss for the year after income tax to net cash flows from operations

Net operating loss for the period	(3,857)	(3,322)
<i>Change in operating assets and liabilities</i>		
(Increase)/decrease in receivables	-	100
(Increase)/decrease in GST receivable	(30)	
Increase in payables	3,887	3,222
Net cash inflow/(outflow) from operating activities	-	-

Note 16. Contributed equity

Opening balance (100 shares, fully paid at \$1.00 each)	100	100
Closing balance (100 shares, fully paid at \$1.00 each)	100	100

Fully paid shares

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. At the shareholders meeting each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

The company has the power to forfeit any shares upon which the call remains unpaid for a period specified by the directors.

The company has a first and paramount lien on every share not fully paid for all money, whether presently payable or not, called or payable at a fixed time in respect of that share.

Note 17. Economic dependency

A letter of unconditional financial support has been provided by Southern Cross University. The ultimate parent entity will support the company financially to help ensure the company can pay its debts as and when they fall due.

Notes to the financial statements for the year ended 31 December 2008

Note 18. Financial risk management

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices; market risk comprises currency risk, interest rate risk and other price risk.

(i) Currency risk

The company does not undertake transactions in other currencies so does not have exposure to exchange rate fluctuations arise.

(ii) Price Risk

The company currently has no available -or-sale financial assets so is not exposed to price risk.

(iii) Interest rate risk

The company's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following table. For interest rates applicable to each class of asset or liability refer to individual notes to the financial instruments.

There has been no variation to the objectives, policies and processes for market risk since the prior period.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the company intends to hold fixed rate assets and liabilities to maturity.

2008	Carrying amount	Interest Rate Risk			
		-1%		1%	
		Result	Equity	Result	Equity
	\$	\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	100	-	-	-	-
Receivables	340	-	-	-	-
Financial liabilities					
Payables	14,382	-	-	-	-
Net financial assets/(liabilities)	(13,942)	-	-	-	-

2007	Carrying amount	Interest Rate Risk			
		-1%		1%	
		Result	Equity	Result	Equity
	\$	\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	100	-	-	-	-
Receivables	310	-	-	-	-
Financial liabilities					
Payables	14,235	-	-	-	-
Net financial assets/(liabilities)	(13,825)	-	-	-	-

Notes to the financial statements for the year ended 31 December 2008

Note 18. Financial risk management (cont)

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The company's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the balance sheet.

Trade accounts payable are carried in the financial statement at net fair value unless otherwise stated. They have normal business trading terms.

There has been no variation to the objectives, policies and processes for credit risk since the prior period.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The company currently uses the cash management facilities of the parent entity.

There has been no variation to the objectives, policies and processes for liquidity risk since the prior period.

(d) Fair value of financial assets and liabilities

The fair value of the company's financial assets and liabilities as presented in the balance sheet approximate their fair value.

"End of Audited Financial Report"

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