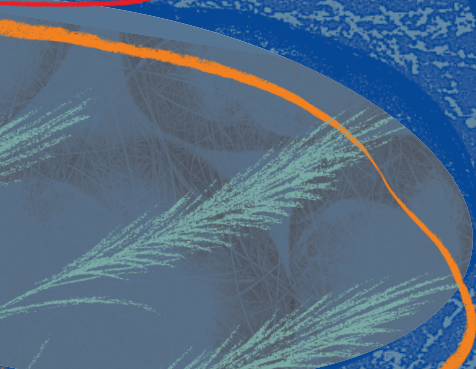
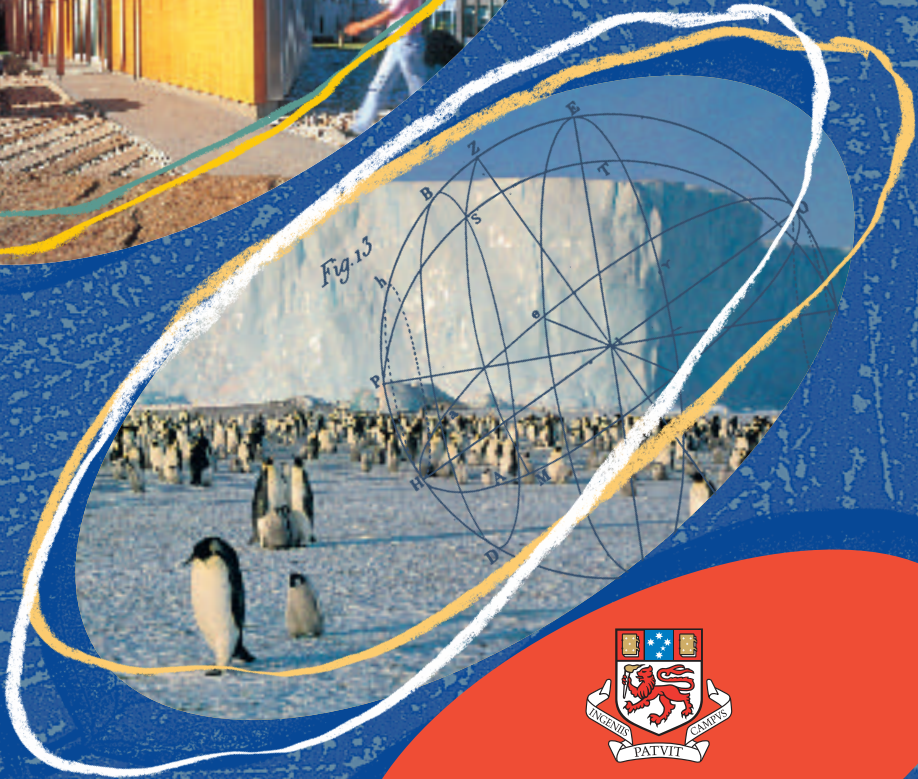


ANNUAL REPORT 2001



UNIVERSITY
OF TASMANIA

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The State's University

The University of Tasmania is the State's university. It is a generator of ideas and knowledge and makes a significant contribution to the economic, social and cultural fabric of the Tasmanian community. It has a crucial role to play in the State's long-term prosperity.



UNIVERSITY
OF TASMANIA

UNIVERSITY OF TASMANIA **2001** at a glance

Consolidated operating revenue	\$182,945,000
All students	12,820
Male	5,734
Female	7,086
Undergraduates	10,950
Higher degree – research	948
Higher degree – coursework	264
Other postgraduates	327
Total student load (EFTSU)	10,094

FTE:	All staff (including casuals)	1,675
Persons:	Academic (excluding casuals)	669
	Non-academic (excluding casuals)	887

Financial Performance

The University of Tasmania and its controlled entities recorded operating revenue of \$182.9 million and expenditure of \$181.1 million during the year.

Revenue from the Commonwealth Government increased \$5.3 million and revenue from fee paying students increased \$2.7 million.

The financial position of the University is sound with the ratio of current assets to current liabilities at 2.5 (2.0 for 2000).

Campuses

The University of Tasmania Hobart

Churchill Avenue, Sandy Bay 7005
 GPO Box 252C, Hobart 7001
 Telephone (03) 6226 2999
 International + 61 3 6226 2999
 Facsimile (03) 6226 2001
 International + 61 3 6226 2001

The University of Tasmania Launceston

Newnham Drive, Launceston 7250
 Locked Bag 1, Launceston 7250
 Telephone (03) 6324 3999
 International + 61 3 6324 3999
 Facsimile (03) 6324 3490
 International + 61 3 6324 3490

The University of Tasmania North-West Centre

Mooreville Road, Burnie 7320
 PO Box 447, Burnie 7320
 Telephone (03) 6430 4999
 International + 61 3 6430 4999
 Facsimile (03) 6430 4950
 International + 61 3 6430 4950

Other significant facilities in Hobart include the Clinical School at the Royal Hobart Hospital, the Conservatorium of Music in Sandy Bay Road and the School of Art at Hunter Street.

In Launceston, parts of the Schools of Medicine and Nursing are located at the Launceston General Hospital.

Faculties

Arts – Commerce – Law – Education – Health Science – Science and Engineering

www.utas.edu.au

THE CHANCELLOR'S MESSAGE

During 2001 the University made substantial progress in fulfilling its mission through achievements in research performance, advances in teaching and learning, and through contributions to the State and the community.

The Vice-Chancellor reports on these achievements, details of which are contained throughout this annual report.

The University Council devoted substantial effort during the year to enhance governance and strategic processes.

The *University of Tasmania Act 1992* was amended in 2001 and now provides a contemporary governance framework for the University that is arguably without peer in Australia.

Council also made significant progress during the year in the development of operating processes within the governance framework – a set of tasks that will be completed in 2002.

Although governance is not an end in itself, high-quality governance is recognised as enhancing organisational decision-making and sound outcomes.

Council initiated the Review of Administration and Policy-Making Processes of the University during the year, and was fortunate to attract a most eminent panel to conduct the process.

The recommendations contained in the Review Report provide the basis for improved strategic planning and administrative arrangements throughout the University. Adoption and implementation of the recommendations commenced in 2001 and will proceed in 2002.

There were numerous changes in Council membership during the year as a consequence of the implementation of amendments to the University Act.

The contributions of those Council members who retired during the year and of those who continued or joined the Council are greatly appreciated.




Dr Michael Vertigan



**To His Excellency, the Honourable
Sir Guy Green, AC, KBE, LLB, HonLLD**

Governor of Tasmania

May it please Your Excellency:

The Council of the University of Tasmania, in conformity with the provisions of the *University of Tasmania Act 1992*, has the honour to report, for Your Excellency's information, the proceedings of the University for 2001 and to present the financial statements for that year.



Michael Vertigan
Chancellor

May 2002

THE VICE-CHANCELLOR'S MESSAGE

In 2001 the University made steady progress towards its major objectives in the areas of teaching and learning, and in research.


The Commonwealth provided funding for 8,860 full-time student places at the University and demand for places in the programs offered exceeded the number of places available. This demand is likely to increase with the implementation of flexible teaching and learning strategies that are aimed at improving access to programs for students whose work, domestic responsibilities, and place of residence have precluded them from participating in programs taught exclusively in traditional on-campus mode.

The move to flexible delivery received a boost by the establishment of a Flexible Education Unit, a major initiative of the new Pro Vice-Chancellor (Teaching and Learning), Professor Sue Johnston, who assumed the appointment at the end of January 2001. The Unit will set standards for flexible teaching and learning and provide support and training for academic staff in the transition from traditional delivery to flexible delivery. While the web-based distribution of material will be an important aspect of the new system, with some 150 online units developed over the past 18 months, the University will remain committed to the personalised face-to-face contact with students, which is central to the institution's teaching and learning philosophy.

National policies for the funding of research changed dramatically in 2001 with the implementation of new arrangements for the performance-based funding of research. The University's 2001 research performance gained it almost \$2 million in additional funds for 2002, and the amount would have been considerably greater had the Commonwealth not capped increases in funding at 5% for the first three years of the schemes. The University was among seven universities to exceed the cap on research funding. One ingredient in its successful performance has been the designation of areas where the University enjoys a natural advantage in research, and the creation of research institutes in those areas. The five institutes – The Centre for Ore Deposit Research (CODES), the Institute of Antarctic and Southern Ocean Studies (IASOS), the Menzies Centre for Population Health Research, the Tasmanian Aquaculture and Fisheries Institute (TAFI) and the Tasmanian Institute of Agricultural Research (TIAR) – gained \$5.8 million from the Institutional Grants Scheme and the Research Training Scheme. Additionally, the State Government contributed just over \$5 million to the latter three through the Partnership Agreement, which it signed with the University in 2000. In its second year of operation, the Partnership has proved an effective mechanism for coordinating activities between state agencies and the University over a wide range of areas such as research and development (described above), and in the creation of new programs in Police Studies and Public Policy (aimed at developing the professional skills of public servants); the establishment of a Law Reform Institute, and the passing of legislation relating to the titles of University lands and the structure and role of the University's governing body.

Under the Partnership Agreement, the University and the State developed a common position on Tasmania's higher education needs for presentation to the Senate Inquiry into the Capacity of Public Universities to Meet Australia's Higher Education Needs, which held one of its hearings in Hobart in April. It was argued that Tasmania does not receive its appropriate share of Commonwealth-funded higher education places, receiving only 2.18% of places for 2.42% of the population. The shortfall means that the University does not receive funding to meet the demand





for University places within Tasmania. This has resulted in the mobility rate of Tasmanians studying at interstate institutions rising to double the national average of 9.4%, with some 2,500 Tasmanians enrolled at interstate universities. The University and the State will continue to press the Commonwealth to remedy the shortfall. There has also been growing community awareness of Tasmania's need for well-educated graduates if it is to realise its economic and social objectives.

The University has continued its processes of internal reform in response to the Review of Administration and Policy-Making Processes, which was conducted by a panel of external experts between February and May. Reforms implemented in 2001 include a revision of the University Plan; revision of the senior administrative structure; new budget processes; and the adoption of more effective communication strategies.

Alongside that Review, the University Act was amended in September. The amended Act provides the University with a new Council structure. It is somewhat smaller than its predecessor, with a membership composition designed to ensure that the Council has the skills needed to carry out its governance functions, and that the breadth of membership reflects the diversity of its stakeholders. Governance reform in universities, particularly changes to councils, is not easy to achieve, and the changes to the University of Tasmania Act have attracted the interest of other institutions.

The outcomes of the University's recruitment of international students were extremely positive in 2001, with 823 students studying onshore – an increase of 21.5% on 2000. The increase in enrolments generated \$9.7 million.

On the subject of international students, our University – with some 60 American students, staff who came here from America, and with many personal and institutional links with the USA – was directly touched by the tragedy of September 11. This was a horrid time for students living far from home, waiting for news of their family and friends, and uncertain about what might happen next. I was grateful for the manner in which members of the University community rallied around with their support. And, although we did not hear of threats or abuse being directed against students of Muslim faith, particular attention was given to reassuring them that they were secure and welcome in the University.

In contrast to the sadness and uncertainty this incident created for our current international students, the return of the Colombo Plan students for the 50th anniversary was an event of joyous celebration. The scheme, in operation from the 1960s until the 1980s, brought young Malaysians, Singaporeans, Thais, Indonesians, Papua New Guineans, Philipinos and Indian Islanders to Tasmania to earn their degrees so that they could assist in the development of their countries. The University and the community welcomed back the alumni, most of whom have retained strong links with Tasmania, and who are among some of our most effective ambassadors. On that occasion we all understood what it really means to be a university with an international outlook.



Professor Don McNicol

MISSION

The University of Tasmania is committed to excellence in the creation, preservation, communication and application of knowledge and to scholarship that is international in scope but that also reflects the distinctiveness of Tasmania and serves the needs of its community.

In pursuing its mission, the University of Tasmania is committed to the following objectives:

- 1** Furthering its national and international reputation for scholarship in order to retain a place for the University of Tasmania among Australia's best universities.
- 2** Continuing to develop a teaching and learning environment of the highest quality.
- 3** Encouraging and supporting excellent basic and applied research and research training.
- 4** Making important, distinctive and excellent contributions to the community, industry, government and scholarly communities.
- 5** Providing lifelong learning opportunities.
- 6** Maintaining a lifelong association with its graduates.
- 7** Remaining a strong, independent and autonomous institution.
- 8** Giving practical expression to its role as Tasmania's university by:
 - 8.1 serving the general educational needs of Tasmania.
 - 8.2 enriching the culture and advancing the economic and social interests of Tasmania
 - 8.3 making important, distinctive and excellent contributions to learning in fields of study of particular relevance to Tasmania.

UNIVERSITY IDENTITY

STUDENTS

Enrolment performance

The University receives an operating grant from the Commonwealth related to an enrolment target expressed in terms of student load or equivalent full-time student units (EFTSU). A sub-target is set for undergraduate enrolments. The Commonwealth applies financial penalties if the University fails to meet targets. The University also admits international students and additional domestic undergraduate and postgraduate coursework students if they pay full course fees.

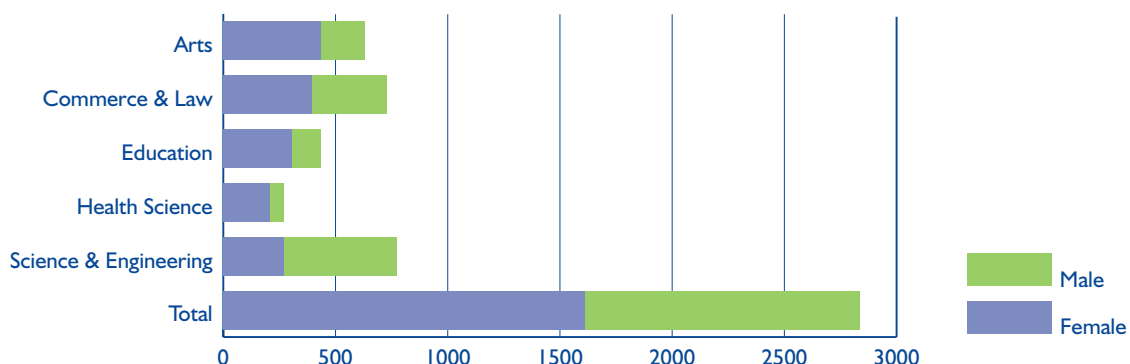
The University comfortably met Commonwealth operating grant enrolment targets for 2001. At the census date in second semester, operating grant student load of 8,956 EFTSU was recorded, providing a 1% over-enrolment buffer. Undergraduate student load of 8,230 EFTSU was also 1% above the target of 8,119 EFTSU. The University also attracted 144 EFTSU of domestic undergraduate fee-paying students.

A pleasing feature of this result is the success of programs aimed at reducing attrition, or the drop-out rate, during the year. The percentage attrition from mid first semester to mid second semester (March to August) has been reduced from 4.06% in 1996 to 2.05% in 2001 for operating grant students.

The research higher degree load was 569 EFTSU, with the key success being the achievement of the target for students enrolled under a new Research Training Scheme. Other postgraduate load fell from 219 EFTSU in 2000 to 159 EFTSU in 2001 as part of a planned reduction in load from this area. In the other major category of enrolment, the fee-paying on-shore international student load was 823 EFTSU, an increase of 146 EFTSU from 2000. This includes a 30% jump in load from international students commencing in Semester 1 after several years influenced by the Asian economic difficulties.

In the year 2000, there were 2,835 students who completed their courses, of whom 1,613 were female and 1,222 male. Of the total 1,835 completed in Hobart, 818 in Launceston and 182 in other centres. The course completions by Faculty are shown below.

Table I: Course Completions



Entry standards

Entry standards are monitored at university, faculty and course levels. Table 2 shows entry scores obtained by Year 12 students continuing to the University over the past four years, converted to the Interstate Transfer Index (ITI) to allow for better comparability with other universities.

Faculty quality assurance reports indicate continuing increases to median TE scores for 2001. Of the 20 Tasmanians with the maximum TE score, 14 either enrolled in 2001 or deferred for 12 months with an intention of commencing in 2002. In addition, 61% of the top quartile of Year 12 students enrolled at the University of Tasmania in 2001 compared with 59.1% in 2000.

**Table 2:
Entry Scores, Year 12 Entrants, 1996-2001**

Year	Mean ITI	Median ITI
1996	85.0	84.0
1997	86.0	85.5
1998	84.0	84.0
1999	84.0	84.0
2000	86.5	86.5
2001	88.0	87.8

Graduate outcomes

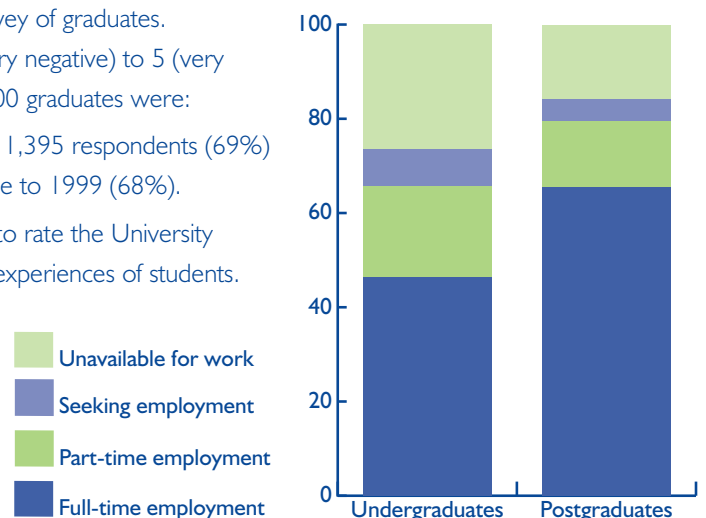
Table 3 shows the outcomes (destinations) for those completing an undergraduate or postgraduate degree in 2000. Of those completing an undergraduate degree, the proportion finding full-time employment continues to rise. The percentage of graduates completing a postgraduate qualification who were in full-time employment (65.5%) has dropped relative to 1999 graduates, but the number available for work also decreased; as a proportion of those available for work, therefore, the proportion is much the same.

Of those graduates unavailable for work in 2000 – 78.4% were undertaking study, 60.8% of whom were involved in an undergraduate course, 39.2% in a postgraduate course.

Student satisfaction

The Course Experience Questionnaire (CEQ) is a national survey of graduates. Respondents rate aspects of their course on a scale from 1 (very negative) to 5 (very positive). The results for the University from the survey of 2,000 graduates were:
Overall Course Satisfaction: this question averaged 3.8. 962 of 1,395 respondents (69%) rated their overall satisfaction as either 4 or 5, up slightly relative to 1999 (68%).
The time series data in Table 4 indicate that students continue to rate the University favourably, with no significant gender differences between the experiences of students.

**Table 3:
Destinations of University
of Tasmania Graduates**





"Polly" Farmer points inaugural Mercury Scholarship winner Mathew Wearne in the right career direction. Photo: The Mercury

Table 4: Average Score on Key CEQ Scales (on 1-5 range)

CEQ Scale	Gender	1997	1998	1999	2000
Good Teaching	Females	3.3	3.4	3.3	3.4
	Males	3.3	3.3	3.3	3.3
	All Students	3.3	3.4	3.3	3.3
Generic Skills	Females	3.7	3.7	3.7	3.7
	Males	3.7	3.6	3.6	3.7
	All Students	3.7	3.7	3.7	3.7
Overall Satisfaction	Females	3.7	3.8	3.8	3.8
	Males	3.8	3.7	3.8	3.7
	All Students	3.7	3.8	3.8	3.8

STUDENT AWARDS

University Medal Winners

VERDOUW, Julia Joanne	Arts	Bachelor of Arts with Hons (First Class)
SUNDBORN, Emma	Arts	Bachelor of Arts with Hons (First Class)
ELLMOOS, Niels Nielsen	Arts	Bachelor of Fine Arts with Hons (First Class)
USMIANI, Lucia Leonara	Arts	Bachelor of Fine Arts with Hons (First Class)
SULLIVAN, Emma Louise	Law	Bachelor of Arts and Bachelor of Laws with Hons in Law (First Class)
MCDOUGALL, Carrie Fahey	Law	Bachelor of Arts and Bachelor of Laws with Hons in Law (First Class)
PACQUÉ, Paul Frans Joseph	Education	Bachelor of Human Movement with Hons (First Class)
CUDMORE, Heather Faye	Health Science	Bachelor of Nursing with Hons (First Class)
POKE, Fiona Suzanne	Science & Engineering	Bachelor of Science with Hons (First Class)
IRELAND, Tim	Science & Engineering	Bachelor of Science with Hons (First Class)
WONG, Tzu Yen	Science & Engineering	Bachelor of Engineering with Hons (First Class)

GRADUATIONS

The 2001 graduation ceremonies were held in August and in December.

On August 11 three ceremonies were held in Hobart – and on August 18 one ceremony was held in Launceston. The Launceston ceremony coincided with the University Foundation Dinner held in Launceston on the same date, and celebrated the first decade of the University in Launceston.

In December nine ceremonies were held in Hobart and two in Launceston. Although the number of graduates and diplomates attending ceremonies increased from the 2000 figure, the number of ceremonies was reduced. This was achieved by holding larger ceremonies in Launceston, using the facilities offered by the Albert Hall to capacity. Constraints imposed by the size of the Hobart venue prevent the University from employing the same strategy in Hobart.

The Launceston Town and Gown Parade again preceded the December ceremonies. The Parade has been accepted with enthusiasm and prior to his untimely death in late 2001, the then Mayor of Launceston, the late Alderman John Lees, asked that it be included in the Charter of Cooperation between the City and the University (established in August), to ensure continuity of the event.

A total of 3,096 graduates and diplomates received their awards in 2001 (compared with 2,894 in 2000). This figure includes 43 graduates who chose to have their awards conferred at a meeting of the University's Council.

Attendance at graduation ceremonies has risen significantly – from 66% in May 1998 to 78.5% in 2001. The increase is a result of the University Council's decision to hold graduation ceremonies as soon as possible after the conclusion of the semesters, allowing graduands from overseas, interstate, and those leaving Tasmania for work, to attend one of the ceremonies prior to moving from the State.

Two special conferral ceremonies were held during the year. The first ceremony was held to confer an Honorary Doctor of Letters on Dr Kay Daniels, and the second to award Dr Rodney McGee with his doctorate of Philosophy in Engineering. Both Dr Daniels and Dr McGee were terminally ill.

Honorary degrees, in recognition of outstanding service to the Commonwealth, the State or the University, were conferred on the following:

Dr Kay Daniels, BA *Adel*, PhD *Sas* (Doctor of Letters)

The Honourable Mr Justice Peter Underwood, LLB *Tas* (Doctor of Laws)

Mr Peter Byers, BCom *Well* (Doctor of Laws)

The Honourable Dr John Kerin AM, BA *NE*, BEc *ANU*, HonDRurSci *NE*, HonDLitt *UWS*, FAIAS, FTSE (Doctor of Science)

Mrs Mary (Aunty Molly) Mallett (Doctor of Letters)

In recognition of their service to the University, the following were admitted as Fellows of the University of Tasmania:

Mr Lloyd Harris, CBE, BSc *Tas*

Dr Jonathan Mulligan, MBBS *Monash*, MHA *NSW*, FRACP, FRACMA, FAIM, AFHSE, FAICD



Mrs Mary (Aunty Molly) Mallett was awarded an honorary doctorate of Letters at the Launceston graduation ceremony in December.



Two special conferral ceremonies were held during the year. Chancellor Dr Michael Vertigan with the late Dr Rodney McGee, who was awarded his doctorate of Philosophy in Engineering.



Zoe Wallace was the recipient of the 2001 Thomas Matthews Memorial Scholarship. The Tasmanian Symphony Orchestra established the scholarship to encourage young musicians to pursue the study of an orchestral instrument at tertiary level in Tasmania. Photo: The Mercury

SCHOLARSHIPS AND BURSARIES

The University's Tasmania Scholarships Program continued to be a useful vehicle for ensuring the enrolment of the State's highest achieving students and attracting students from interstate to study at the University.

Twenty of the State's top thirty high school graduates commenced study at the University in 2001 – most assisted through the scholarship program.

The program awarded 68 academic scholarships at undergraduate and honours level – 32 of which were sponsored by Tasmanian government, business and industry.

In addition, 112 accommodation bursaries, seven West North-West bursaries, one regional bursary and six endowed equity scholarships provided financial assistance to students needing support in order to undertake tertiary study.

Scholarships

	2000	2001	2002
Academic Scholarships			
Four-year scholarships (\$10,000 p.a.)	9	9	9
Four-year scholarships (\$3,000 p.a.)	15	15	15
Overseas scholarships (\$2,500)	3	6	9
Sponsored scholarships	15	18	27
Honours scholarships	13	14	18
Endowed scholarships	6	6	9

Equity Scholarships

Accommodation bursaries (\$1,000 ea)	112	112	118
West North-West bursaries			
(2001: \$2,500 p.a.; 2002: \$3,000 p.a.)	7	7	10
Regional Tasmania bursaries			
(\$3,000 p.a. x 4 years)	0	1	6
Endowed Equity Scholarships (2001: \$2,500 p.a. x 4 years; 2002: \$3,000 p.a. x 3 years)			
	6	6	7

Activity/Project	1999	2000	2001
Tasmania Scholarships Endowment Total –			
resulting from Donations & Pledges	\$46,000	\$1.29m	\$1.91m
Sponsored Scholarships & Bursaries Donations	\$152,000	\$236,000	\$295,000
Annual Appeal Donations	-	\$26,000	\$11,500

The University invests \$2.3 million annually in approximately 140 postgraduate research scholarships funded at the APA rate. Schools/Institutes or Faculties offer an additional 75 internal scholarships. The APA system currently funds 112 scholarships and 26 APA (I). In 2001, 353 scholarships were provided for RHD students.

As in 2000 there was yet another significant increase in sponsored scholarships with \$295,000 being invested in the program. This compares with \$236,000 in 2000 and \$152,000 in 1999.

Seven new scholarships for students studying Computing or Information Systems were offered in 2001 as a result of an initiative targeting the Tasmanian IT sector for sponsorship.

An additional \$1 million was received from the estate of the late Thomas Crawford to extend the scholarships offered in his name. Three students will commence doctoral studies at the University in 2002 as a result – two from the United States and one from Canada. This will bring to five the number of Crawford scholars currently funded through the bequest.

An important bequest established this year will ease the cost of tertiary study for young Devonport people from 2002. The Harold Carroll Memorial Scholarships will fund three or four students each year for the duration of their degrees.

In 2001 the Partnership Agreement with the Government of Tasmania developed a program of new scholarships and bursaries that will be jointly funded and provided each year for the duration of the degree course. Six regional Premier of Tasmania bursaries and three National Undergraduate Scholarships will be offered from 2002.

The University's International Scholarships Program (allocated \$450,000 in 2001) is designed to attract higher quality international students to the University by offering a 25% fee waiver to high achieving applicants. The program has been very successful in both attracting new international applicants of strong academic background, and retaining the best of those international students undertaking TCE or foundation studies in Tasmania.

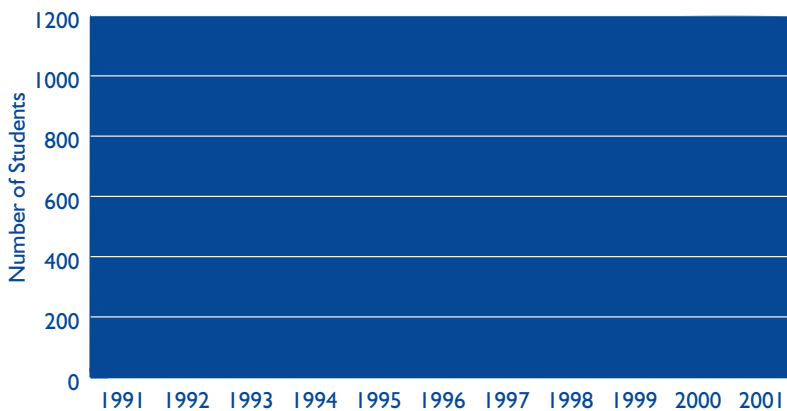
Scholarship Sponsors

Australia Post	Delta Hydraulics	KPMG	Mrs Cynthia Thun	Robert Gatlenby Trust	Tasmanian Electronic Commerce Centre
Botanical Resources Australia	Devonport City Council	Lady Joyce Wilson	Mrs Olwyn Tavendale	RSL Women's Auxiliary	Tassal Limited
Burnie City Council	Dr Joan Woodberry	Latrobe Council	Norske Skog	Saltas	The late John Kable QC
Burnie Port Corporation	Emeritus Professor Bill Jackson	Launceston City Council	North Forest Products	SEMF	The late Sir Harold and Lady Cuthbertson
Central Coast Council	Environment Planning & Scientific Services	Lithuanian Studies Society	Nursing Board of Tasmania	Show-Ads	The late Thomas A Crawford
Civil Construction Corporation	Examiner Newspaper	Logica	Park Group	Simplot	The Mercury
Classic Foods	Forestry Tasmania	Masonic Homes	Pitt & Sherry	Sinclair Knight Merz	Thompson & Brett
Clemenger BBDO	Glaxo Wellcome	Master Wang and Jin-Gang	Port of Devonport Corporation	Sir Geoffrey Foot	University of Tasmania Alumni
Collex Waste Management	Glenorchy City Council	Dhyana Incorporated	Premier & Cabinet	Starwood Australia	Webster Ltd
CONNECT Community Foundation	Hobart City Council	Mr & Mrs Nick and Manizheh Martin	Professor Jan Sedivka	Synateq	
Country Club Casino	Hobart Water	Mr David Warren	Professor Robert Menary	Tasmanian Alkaloids	
Deloitte Touche Tohmatsu	Information Solution Works	Mr Roderic O'Connor	Prologic	Tasmanian Collection Service	

INTERNATIONAL

Onshore

**Table 5:
Number of Onshore
International Students**

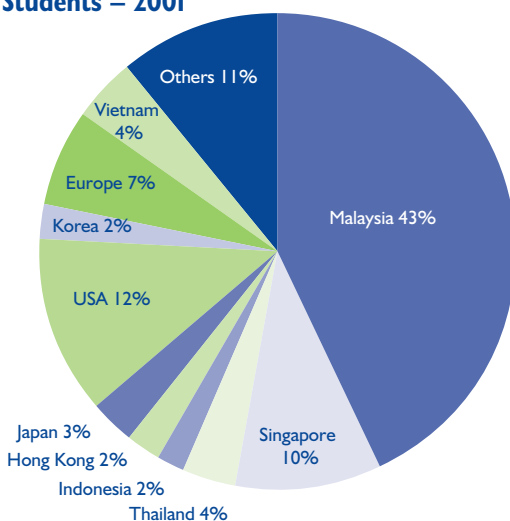


The University's goal is to reach a level of international students on campus that is at or above the national level. In 2001, the University made substantial progress in moving towards achieving that goal with the highest number yet of international students in Tasmania.

A total of 47 countries (or groupings of smaller countries) were represented at the University in 2001; 41 were represented at Hobart, 24 at Launceston.

The majority of overseas students originated in South-East Asian countries, 65% of onshore students coming from six Asian countries namely Malaysia, Singapore, Vietnam, Thailand, Indonesia and Hong Kong. Students from the USA were the second biggest country group, with 123 students, or 12% of the total. International students now represent 10.7% of the student population of the University.

**Table 6:
Source Countries for International
Students – 2001**



The University has also extended its projects and activities offshore by developing new initiatives in a range of countries.

A University Business Enterprise was established in 2001 to develop and manage offshore programs in:

- **Malaysia**
 - Binary College, Kuala Lumpur – Bachelor of Commerce.
 - Kolej Damansara Utama (KDU), Kuala Lumpur – Bachelor of Laws.
 - Kolej Damansara Utama (KDU), Kuala Lumpur – Bachelor programs in Biomedical Science and Pharmacy.
 - Prime College, Kuala Lumpur – Bachelor of Engineering.
- **Singapore**
 - Summershire Education Group – Bachelor of Commerce.
- **Thailand**

- King Mongkut University of Technology Thonburi (KMUTT), Bangkok – Bachelor of Engineering.
- Srinakarinwirot University (SWU), Bangkok – Bachelor of Engineering, and English language.
- Chiang Mai University, Chiang Mai and Silpakorn University, Bangkok – Visual and Performing Arts short course.

- **Vietnam**

- Ho Chi Minh University of Technology (HUT),
Ho Chi Minh City – Bachelor of Engineering.

- **Indonesia**

- Study tour to Padang by students from Faculty of Education.
- Study tour to Padang by students from School of Asian Languages and Studies.
- IEP, Jakarta – moderation of Diploma in Business offered by Summershire Business School (Singapore).

- **China**

- Study tours to Jiangxi Province by students from School of Asian Languages and Studies.
- International Education Network (IEN) consortium – University of Tasmania is a member and will deliver Bachelor of Computing and Bachelor of Information Systems in possibly three sites.



From left: Madame Tao Chi Lian (Vice-President, Minjiang University), Ms Robyn Phillips (Manager, International Offshore Programs), Professor Rudi Lidl (Deputy Vice-Chancellor), Mr Sun Fong Zhong (President, Minjiang University) and Mr Paul Rigby (Director, International Services).

English language training

The University's English Language Centre commenced operations in 1988. It offers a range of English language programs to international students on the Hobart and Launceston campuses. One of its main functions is to offer language preparation for students intending to undertake further study at the University or at other tertiary institutions.

Over the past three years student numbers have grown significantly. In 2001, 240 students were enrolled in the Centre's programs. Students originate from Bangladesh, Brazil, China, Colombia, Egypt, Hong Kong, Japan, Korea, Malaysia, Singapore, Taiwan, and Thailand. The Centre has a teaching staff of 40, many of whom speak a second language fluently.

During 2001 the English Language Centre was selected as the best International English Language Testing System (IELTS) provider in Australia for 2000.

Internationalisation of the curriculum

The University's Teaching and Learning Committee established a Working Party in 2000 to develop strategies to internationalise the curriculum. The Working Party conducted two workshops with staff in 2001 and adopted the OECD definition of an internationalised curriculum as having "an international orientation in content, aimed at preparing students for performing (professionally/socially) in an international and multicultural context, and designed for domestic students as well as foreign students".

The Working Party compiled a register of strategies to internationalise the curriculum, and material that will inform staff of those strategies is being prepared for distribution in 2002.

In 2001 Dr Thao Le, who was involved in initiatives towards internationalising the curriculum, won a Vice-Chancellor's Teaching Excellence Award.

TEACHING AND LEARNING

In 2001 the Teaching and Learning Committee formulated a Teaching and Learning Development Plan that sets out strategies to achieve the following outcomes.

- Improved access for students to the University's degree programs.
- Access to a wide range of accredited courses providing professional careers.
- Professionally trained graduates to meet identified and emerging employment requirements in Tasmania, Australia and overseas.
- Increased awareness in Tasmania and in targeted national and international markets of the opportunities available for study at the University of Tasmania.
- Increased demand from well-qualified applicants.
- Improved access to university courses for Tasmanians from educationally under-represented groups, especially those from rural and remote areas and those facing socio-economic disadvantage.
- Recognition by internal and external stakeholders of a uniformly high quality university teaching and learning environment.
- The establishment of an international scope as an essential and central aspect of the University's teaching and learning.
- Staff equipped with the knowledge and motivation necessary for quality teaching, curriculum development and student support.

Following her appointment in January 2001, Professor Sue Johnston, Pro Vice-Chancellor (Teaching and Learning), assumed the role of Chair of the Teaching and Learning Committee – a committee that reports jointly to the Vice-Chancellor and the Academic Senate on matters relating to teaching and learning development, management and policy, monitoring quality assurance activities and outcomes in the Faculties and coordinating the conduct of reviews of courses and Schools.

During the year, the committee made recommendations to the Academic Senate on revised quality assurance guidelines, new and revised courses, and new strategies for flexible teaching and learning.

Major course developments

The following new courses were approved in 2001 for introduction in 2002:

Bachelor of Contemporary Arts with Honours

Bachelor of Natural Environment and Wilderness Studies with Honours

Bachelor of Commerce and Bachelor of Science

Bachelor of Economics and Bachelor of Science

Bachelor of Computing and Bachelor of Economics

Bachelor of Computing and Bachelor of Science

Master of Asian Studies, Graduate Diploma in Asian Studies

Master of Police Studies, Graduate Diploma in Police Studies and Graduate Certificate in Police Studies

Master of Public Policy, Graduate Diploma in Public Policy and Graduate Certificate in Public Policy

Graduate Certificate of Counselling, Master of Counselling, Master of Counselling (Honours)

Master of Social Work Practice
Master of Information Technology
Graduate Certificate in Engineering, Master of Engineering Technology

Major amendments to existing courses approved during the year included: offering the first year of the Bachelor of Science on the Launceston campus; new majors in Entrepreneurship in the Bachelor of Commerce, Systems Development in the Bachelor of Information Systems, Psychology Honours stream in the Bachelor of Commerce with Honours, Computer Systems Engineering stream in the Bachelor of Engineering and Bachelor of Engineering with Honours. In addition, approval was given for the Bachelor of Information Systems to run concurrently with the Diploma of Information Technology (TAFE) to meet a specific need within Tasmania for graduates with this combination of skills.

Course and School reviews

Course and School reviews, including reviews by professional bodies, were conducted in the Schools of Accounting & Finance, Medicine, Nursing, Mathematics & Physics and Psychology; and the Bachelor of Arts (Honours) and the Bachelor of Teaching including Honours.

Flexible teaching and learning initiatives

With a major emphasis on developing flexible teaching and learning in the University's Strategic Plan, a number of initiatives took place in 2001.

- A definition of flexible teaching and learning was adopted by Academic Senate and approaches to supporting staff and students were endorsed.
- The Office of Web Development was established and plans were endorsed to expand that group into the Flexible Education Unit from 2002.
- A new design for corporate levels of the University's website was implemented.
- New Quality Assurance guidelines for online units were adopted.
- Training programs to support staff implementing online teaching approaches were provided.
- The Vice-Chancellor sponsored a forum on flexible teaching and learning at which staff showcased ranges of innovative teaching approaches.
- The University's bridging program UniStart to assist first year students in their transition to university study was developed in flexible mode.
- Expanded resources to assist students with their academic skills were made available for web access.
- Teaching Development Funds of a total of \$415,000 were used to support online unit development in Tourism, Government, Antarctic Tourism, Psychology, Philosophy, Law, Computing, Accounting and Statistics.

A survey was undertaken in July 2001 to determine, on a unit-by-unit basis, the extent of the flexible approaches to teaching and learning across the University.

The summary below provides an overview of how the University is implementing flexible teaching initiatives and provides baseline data to monitor trends over future years. The detailed information collected in this survey is also very helpful in planning the necessary support and infrastructure for flexible teaching approaches. Of a total of 2,654 University units, 559 of which were not offered in 2001, the following numbers were delivered by flexible means.

Table 7: Number of Programs/Units Delivered by Flexible Means and in a Form Acceptable to Students.

Web supported		Web dependent		Fully on-line		Video-conferencing	
660	24.9%	257	9.7%	5	0.2%	88	3.3%

Audio-conferencing		Flexible scheduling		Flexible pathways		Workplace learning		Resource based		Flexible access to lectures	
4	0.2%	216	8.1%	79	3.0%	70	2.6%	451	17.0%	222	8.4%

Teaching development grants

In 2001 nine Teaching Development Grants were awarded, seven individual and two intra-faculty grants in the Faculty of Health Science. The grants are awarded primarily to support the development of innovative teaching approaches with potential University-wide extension.

North-West Centre

Professor Sue Johnston, Pro Vice-Chancellor (Teaching and Learning), was appointed to the role of Senior Executive responsible for the North-West Centre.

The Centre continued its focus on the promotion of participation in tertiary education within the region and during the year a number of outcomes related to that area of work were achieved.

- The Centre hosted a School Principals' Forum, *Retention and Participation in North-West Tasmania* – a joint initiative of the University and the Arthur and Barrington District Offices of the Department of Education. The forum was an outcome of work undertaken over the past two years in the Tertiary Awareness Program (TAP). Many of the methodologies employed in the delivery of the TAP program have since been integrated into a 'whole of University operation' addressing recruitment, retention and participation.
- Modules from the University Preparation Program – a partnership with the Tasmanian Institute of TAFE – were delivered to students at the Hobart TAFE campus. The TAFE Library Agreement, which provides for students to access University resources from the Devonport campus of TAFE, was renewed and formalised.

A number of objectives identified in the University Review of Administration were acted upon in 2001 and resulted in reviewed Terms of Reference and Membership guidelines for the North-West Advisory Board.

Recommendations from the Review of Academic Programs at the North-West Centre (2000) were progressed through the North-West Planning Committee with representation from Faculty Deans.

Staff and resources

The Tasmanian Institute of Agricultural Research, which is accommodated on the campus, significantly added to its team of research and technical personnel during the year.

The initial development of the North-West Rural Clinical School in the north-west region has included the appointment of administrative and hospital-based staff and the first stages of planning for physical facilities to house the School at the North-West Centre and at the North-West Regional Hospital.

Bursaries and scholarships

The West North-West Bursary Scheme continued to grow through support from local government and north-west businesses during 2001. The Centre sees the program as an essential element in the delivery of support to individuals – further enhancing higher education opportunities within the region.

Flexible teaching and learning

Through a diverse and complementary set of units for study and use of technology and video-conferencing as part of its delivery of academic programs, the Centre has established itself as a good example of flexible teaching and learning approaches.

*Three of the West North-West
2001 Bursary recipients –
Andrew Polden, (Devonport City Council),
Lauren Buxton, (Alumni Association),
and Petrina Robertson,
(Burnie City Council).*



EFFICIENCY AND EFFECTIVENESS

UNIVERSITY COUNCIL

In May 2001 the State Parliament passed legislation amending the *University of Tasmania Act 1992*. The main effect of the amendments was to restructure the governing body of the University of Tasmania, the University Council, as part of a move to bring the University into line with modern corporate governance practices. The reform of governance practices will continue into 2002.

The new Council (which technically came into existence on 1 September 2001) consists of either 17 or 18 members:

- The Chancellor
- The Vice-Chancellor
- The Chair of Academic Senate
- The Chair of the Alumni
- The Deputy Chair of the Alumni
- 3 people appointed by the Minister for Education
- 3 people appointed by the Council
- 3 elected members of the academic staff
- 1 elected member of the general staff
- 2 students (the presidents of the Student Association, Launceston and the Tasmania University Union, Hobart)
- An optional international member, if the Council so resolves.

Before 1 September, Council consisted of 24 members

Council is chaired by the Chancellor, who is appointed by members of the Council. The present Chancellor is Dr Michael Vertigan and the Deputy Chancellor is Ms Kim Boyer. Both positions are honorary.

Council receives reports from the Vice-Chancellor, the Academic Senate and its committees. Following a recommendation from the Review of Administration and Policy-Making Processes, Council restructured each of its committees. The restructure came into effect from 1 September 2001, and the committees are:

- Audit Committee
- Built Environment Committee
 - Student Residences Sub-committee
- Ceremonial and Honorary Degrees Committee
- Finance Committee
 - Investment Sub-committee
- Legislation Committee
- Nominations Committee
- Remuneration Committee.

Before 1 September, the Committees were:

- Buildings and Campus Committee
- Ceremonial and Honorary Degrees Committee
- Finance Committee (and Audit & Investment Sub-committees)
- Industrial Relations Committee
- Legislation Committee
- Senior Personnel Committee
- Student Residences Committee.

During 2001, Council met five times, twice each in Hobart and Launceston and once in Burnie. Major issues dealt with included-

Review of Administration and Policy-Making Processes of the University

Council received the report of the review and is implementing its recommendations. The major recommendations were:

- That Council commissions the preparation of a more detailed Strategic Plan consistent with the strengths and weaknesses of the University, and the prevailing opportunities and threats, and the preparation of integrated strategic, operational and physical plans.
- That Council establishes a working group to determine the range, extent and timing of general and compliance reporting to the governing body.
- That Council considers a restructuring of its committees along the lines proposed in the report.
- That there be a single Senior Executive group to include the Chair of the Academic Senate or, in the absence of the Chair, the Deputy Chair.
- That there should be a unified administration within the University and the position of Deputy Vice-Chancellor should have a policy role.
- That a Planning and Resources Committee replaces the Budget and Planning Committee with responsibilities, reporting structure and membership as outlined in the report.
- That the membership of the Academic Senate be expanded to include the Head of Finance and Administration, the Heads of Schools, all the professors, and up to eight elected non-professorial academics.
- That the University undertakes a review of the size and composition of its Schools with the objective of achieving a significant reduction in the number of Schools.
- That the University gives priority to the development of appropriate strategic alliances and collaborations at faculty, school or disciplinary level with other universities in Australia or abroad, particularly for the strengthening of teaching activities.

- That the University adopts a communication strategy as a matter of priority and on the basis of procedures suggested in this section.
- That the University undertakes a comprehensive robust approach to managing risk that incorporates mechanisms for appropriately balancing risk and opportunity. This process should involve and engage staff and promote a culture of risk assessment and control as part of the normal management process.
- That the progress that has been achieved in developing a unified University of Tasmania should be noted, and that the University continues to support cross-campus teaching on a selective basis and, over time, places less emphasis on the domicile of members of the Senior Executive.
- That Council regards the recommendations in this report as urgent and adopts a timetable for implementation as soon as possible after receipt of this report.

Communications strategy for the University

In late 2000 the international consultants Hill and Knowlton made a number of recommendations regarding the University's communication with its stakeholders. In response, a Strategic Communications Plan and Media Policy were developed. Council also appointed a communications working party to report on issues relating to the dissemination of information by Council as a whole to members of stakeholder communities including staff, students and alumni.

Professional and Continuing Education Policy (PaCE)

A policy on Professional and Continuing Education was developed to manage the University's service delivery of courses other than standard operating grant award courses.

Council Planning Conference

'Flexible Teaching and Learning' and 'University Governance' were the themes for the Council planning conference held in September 2001.

Speakers at the Conference

Professor Geoff Kiel, Director, Competitive Dynamics (and Professor of Management, University of Queensland Business School) – 'Governance for Universities'

Professor Shirley Alexander, Director, Institute for Interactive Media and Learning, University of Technology, Sydney – 'An introduction to flexible teaching and learning'

Dr Greg Hannan, School of Psychology

Mr Nick D'Alessandro, Faculty of Education

Mrs Carlin Dowling, School of Accounting and Finance

– 'Innovations at the University of Tasmania' – three case studies

Professor Sue Johnston, Pro Vice-Chancellor (Teaching & Learning)

Professor Madeleine Ball, Head of School, Human Life Sciences

Dr Roy Swain, Head of School, Zoology

Professor Jeff Malpas, Head of School, Philosophy

– 'Flexible teaching and learning, the issues' – panel

Council receptions

Council met with local business leaders at Hobart, Launceston and Burnie to inform members of the local community about some of the interesting projects that the University is involved in, and to seek input on possible future directions for the University.

COUNCIL MEMBERSHIP

I September 2001 – 31 December 2001

Ex Officio

Dr Mike Vertigan	Chancellor
Professor Don McNicol	Vice-Chancellor
Professor John Williamson	Chair of Academic Senate
Mrs Elizabeth Daly	Chair of the Alumni
Mr Mark Carrington	Deputy Chair of the Alumni

Appointed by Minister for Education

Ms Jenny Williams
Dr Martyn Forrest
Mr Rod Roberts

Appointed by Council

Ms Kim Boyer
Mr Damian Bugg
Mr Robert Ruddick

Elected by Academic Staff

Dr Maria Flutsch
Professor Jamie Kirkpatrick
Professor Ned Pankhurst

Elected by General Staff

Mrs Zita Mitchell

Elected by Students

Mr Jason Dean (to 2 December)
Mr Mark Evenhuis (to 28 November)
Mr Daniel Hulme (from 3 December)
Mr Ted Alexander (from 29 November)

Appointed by Council

Optional international member (vacant)

Secretary

Ms Belinda Webster, University Secretary

I January 2001 – 31 August 2001

Ex Officio Members

Dr Mike Vertigan	Chancellor
Professor Don McNicol	Vice-Chancellor
Professor Jim Reid	Chair of Academic Senate

Appointed by the Visitor

Dr Steve Gumley (to 26 January)

Appointed by Council

Ms Kim Boyer
Mrs Janine Healey

Appointed jointly by Council and Minister

The Hon. Mr Justice Ewan Crawford
Alderman Sandra French

Appointed by Minister

Mr Rod Roberts
Dr Martyn Forrest

Parliamentary representatives

The Hon. Bryan Green (House of Assembly)
The Hon. Jim Wilkinson (Legislative Council)

Elected by Academic Staff

Professor Allan Canty
Associate Professor David Blest
Associate Professor Judi Walker
Dr Lee Weller
Associate Professor Joan Abbott-Chapman

Elected by General Staff

Mrs Zita Mitchell
Mr Andrew Hill

Elected by Students

Mr Mark Evenhuis
Mr Jason Dean

Elected by Graduates

Mr Paddy Dorney
Mrs Margaret Ruffels
Dr Ashley Townsend

Secretary

Ms Belinda Webster, University Secretary

COUNCIL COMMITTEES

The Chancellor and Vice-Chancellor are ex officio members of every board, faculty and committee of the University, but are listed here only for those committees normally attended.

8 September 2001 – 31 December 2001

Audit Committee

Chair Mr Bob Ruddick
Members Dr Martyn Forrest (to 30 November)
Mr Rod Roberts (from 1 December)
Mr Harvey Gibson
Mr Lyn Cox
Secretary Ms Belinda Webster

Built Environment Committee

Chair Ms Kim Boyer
Members Prof. Don McNicol
Prof. John Williamson
Ms Jenny Williams (from 9 November)
Prof. Jamie Kirkpatrick (from 9 November)
Prof. Ned Pankhurst (from 9 November)
Mr David Williams
Mr Mark Evenhuis (to 28 November)
Mr Ted Alexander (from 29 November)
Mr Bryan Day
Assoc. Prof. Jonathan Holmes
Secretary Ms Belinda Webster

Student Residences Sub-committee

Chair Prof. Don McNicol
Members Mr Roy Cordiner (from 9 November)
Mrs Elizabeth Daly (from 9 November)
Mrs Zita Mitchell (from 9 November)
Ms Kim Boyer
Assoc. Prof. Joan Abbott-Chapman
Ms Janine Healey
Mr Mark Evenhuis (to 28 November)
Mr Ted Alexander (from 29 November)
Mr Richard Easter
Secretary Ms Belinda Webster

Ceremonial and Honorary Degrees Committee

Chair Dr Mike Vertigan
Members Prof. Don McNicol
Prof. John Williamson
Mr Ian Roberts
Ms Kim Boyer (from 9 November)
Mr Mark Carrington (from 9 November)
Prof. Jeff Summers
Prof. Kon Muller
Secretary Ms Belinda Webster

Finance Committee

Chair Dr Martyn Forrest (to 30 November)
Mr Rod Roberts (from 1 December)
Members Prof. Don McNicol
Prof. John Williamson
Mr Bob Ruddick
Mr Rod Roberts (to 30 November)
Dr Martyn Forrest (from 1 December)
Mr Val Smith
Mr Mark Carrington (from 9 November)
Prof. Jayne Godfrey (from 9 November)
Prof. Rob Clark
Secretary Ms Belinda Webster

Investment Committee

Chair	Dr Martyn Forrest (to 1 December) Mr Rod Roberts (from 1 December)
Members	Prof. Don McNicol Prof. Rob Clark Mr David Catchpole Mr Richard Pringle-Jones
Secretary	Ms Belinda Webster

Legislation Committee

Chair	Mr Damian Bugg
Members	Dr Maria Flutsch (from 9 November) Dr Lee Weller (from 9 November)
Secretary	Ms Belinda Webster

Nominations Committee

Chair	Dr Mike Vertigan
Members	Ms Kim Boyer Mrs Elizabeth Daly
Secretary	Ms Belinda Webster

Remuneration Committee

Chair	Dr Mike Vertigan
Members	Ms Kim Boyer Dr Martyn Forrest
Attendees	Prof. Don McNicol Prof. Rudi Lidl
Secretary	Ms Belinda Webster

1 January 2001 – 31 August 2001

Buildings and Campus Committee

Chair	Ms Kim Boyer
Members	Prof. Allan Canty Assoc. Prof. Joan Abbott-Chapman Mr Bryan Day Assoc. Prof. Jonathan Holmes Prof. Jim Reid Mrs Margaret Ruffels Mr David Williams Mr Mark Evenhuis
Secretary	Ms Belinda Webster

Ceremonial and Honorary Degrees Committee

Chair	Dr Mike Vertigan
Members	Ms Kim Boyer Prof. Jeff Summers Prof. Don McNicol Prof. Konrad Muller Prof. Jim Reid Mr Ian Roberts Mr Paddy Dorney
Secretary	Ms Belinda Webster

Finance Committee

Chair	Dr Stephen Gumley (to 26 January) Prof. Don McNicol (from 26 January – 15 March 01) Ms Janine Healey (from 16 March)
Members	Dr Bruce Felmingham (to 17 July) Prof. Rob Clark (from 14 August) Dr Martyn Forrest Ms Janine Healey Prof. Don McNicol Prof. Jim Reid Mr Rod Roberts Mr Val Smith
Secretary	Ms Belinda Webster

Audit Sub-committee

Chair	Dr Stephen Gumley (to 26 January) Prof. Don McNicol (from 26 January – 15 March 01) Ms Janine Healey (from 16 March)
Members	Mr Harvey Gibson Mr Rod Moore (to 11 April) Mr Lyn Cox (from 18 May)
Secretary	Ms Belinda Webster

Investment Sub-committee

Chair	Dr Stephen Gumley (to 26 January) Prof. Don McNicol (from 26 January – 15 March 01) Ms Janine Healey (from 16 March)
Members	Dr Bruce Felmingham (to 17 July) Prof. Rob Clark (from 14 August) Mr David Catchpole Mr Richard Pringle-Jones
Secretary	Ms Belinda Webster

Industrial Relations Committee

Chair	Dr Mike Vertigan
Members	Ms Kim Boyer Dr Stephen Gumley (26 January) Ms Janine Healey (from 16 March) Prof. Rudi Lidl Prof. Don McNicol
Secretary	Ms Belinda Webster

Legislation Committee

Chair	The Hon. Mr Justice Ewan Crawford
Members	Prof. Jim Reid Dr Lee Weller
Secretary	Ms Belinda Webster

Senior Personnel Committee

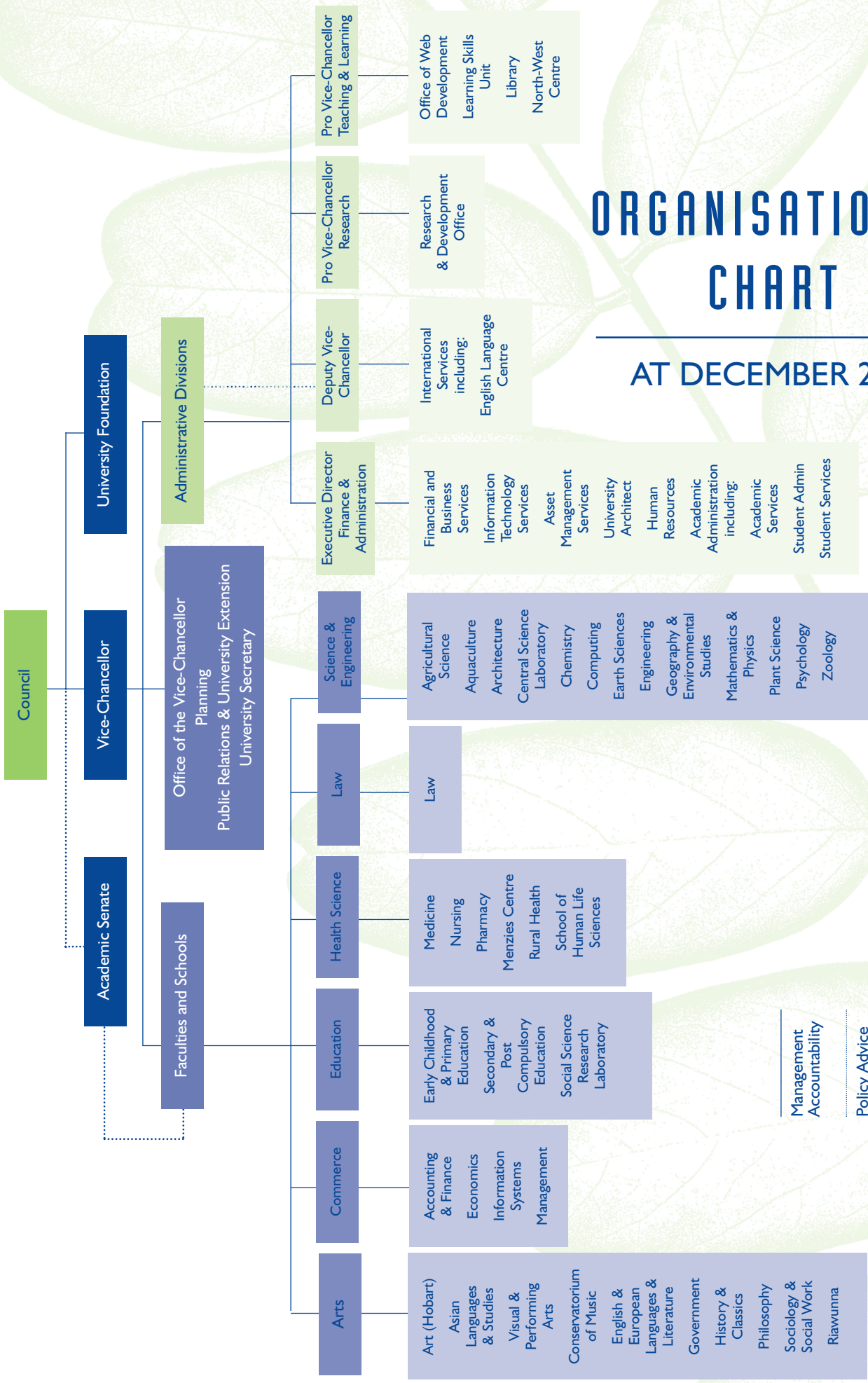
Chair	Dr Mike Vertigan
Members	Ms Kim Boyer Dr Stephen Gumley (to 26 January 01) Ms Janine Healey (from 16 March 01) Prof. Don McNicol
Secretary	Mr Stuart Andrews

Student Residences Committee

Chair	Alderman Sandra French
Members	Mr Tim Burbury Mr Chris Chapman (to 31 March) Mr Richard Easter (from 1 April) Mr Ian Roberts Assoc. Prof. Judi Walker
Secretary	Ms Belinda Webster

ORGANISATIONAL CHART

AT DECEMBER 2001



Extent of compliance indicated by internal and external audit reports

The University's internal auditors KPMG have benchmarked the University's internal control systems with other similar sized organisations and reported to Audit Committee that the University was in the top quartile of organisations. No significant issues were raised by the external auditor and the University received an unqualified audit report. During the second half of 2001 a Compliance Framework was developed to better manage and report on areas of compliance risk.

Increasing the proportion of operating income from non-Commonwealth sources

Part of the over-enrolment of 242 EFTSU in 2001 was converted to subsidised domestic fee-paying undergraduate places, under an arrangement approved by Council in November 2000. This generated additional income of \$530,000 to the University. These places are expected to generate over \$1 million in 2002. In addition, there has been significant growth in fee-paying postgraduate enrolments following the implementation of the Postgraduate Education Loans Scheme (PELS) in late 2001. Total load in 2001 was 105 EFTSU. This generated over \$700,000. Current enrolments are above 200 EFTSU and this should return around \$1.2 million in 2002. Together with income from international fee-paying students amounting to \$9.7 million, almost \$11 million was generated in non-Commonwealth income in 2001. On current indications this will rise to more than \$12 million in 2002.

Extent to which development, timing and financial plans for major capital projects are achieved

During 2001 a major review of capital management planning and budgeting processes was undertaken by the Planning and Resources Committee. A three-year capital management plan and budget, addressing academic and other priorities, was developed for approval by Council as part of the 2002-2004 budget cycle. A sinking fund for information technology infrastructure was created to ensure the appropriate level of funding necessary to maintain and develop key IT systems within the University over a five-year period.

Major capital projects undertaken according to schedule and within budget during 2001 were:

- the Academy of the Arts at Inveresk \$7.6 million (to be completed in early 2002)
- upgrade of growth facilities for Plant Science \$1.07 million
- new sports facilities \$0.6 million
- Maths/Physics collocation \$0.3 million
- Hytten Hall renovation for the English Language Centre \$0.3 million
- universal access initiatives \$0.3 million

STAFF

Senior staff appointments

Accounting & Finance	Professor Alan Dunk
Architecture	Professor Roger Fay
Human Life Sciences	Professor Madeleine Ball
Medicine	Professor Haydn Walters
Rural Health	Associate Professor Judi Walker
Tourism	Professor Trevor Sofield
Pro Vice-Chancellor (Teaching & Learning)	Professor Sue Johnston
Dean, Faculty of Commerce	Professor Peter Carroll
Dean, Faculty of Education	Professor Roslyn Arnold
Dean, Faculty of Law	Professor Don Chalmers
Dean, Faculty of Science & Engineering	Professor Jim Reid
Executive Director, Finance & Administration	Mr Tony Ferrall
Acting Deputy Principal (until 30 November 2001)	Mr Richard Easter

DEPARTURES FROM SENIOR POSITIONS

Dean, Faculty of Arts

Professor Malcolm Waters resigned from his position as Dean of Arts after over 20 years of distinguished academic service at the University.

Deputy Principal

Mr Chris Chapman resigned from his position as Deputy Principal and left the University, where he was originally employed in 1969, to pursue other interests interstate.

STAFF NUMBERS AT 31 MARCH 2001

FTE:	All staff (including casuals)	1,675
Persons:	Academic (excluding casuals)	669
	Non-academic (excluding casuals)	887

**Table 8(a): Proportion of People Employed in EO Target Groups.
Full-time/Fractional Staff Equity Group Representation, 2001**

TOTAL	Gender			Aboriginal & Torres Strait Islanders*			Non English speaking background*			Disability*		
	M	F	% F	M	F	% TOTAL	M	F	% TOTAL	M	F	% TOTAL
1,556	820	736	47	4	6	0.6	65	62	8.2	26	14	2.6

* Figures updated as at 6 November 2001



Professor Jim Reid



Professor Sue Johnston



Professor Roger Fay



Professor Madeleine Ball



Assoc. Professor Judi Walker

Senior staff appointments



Professor Trevor Sofield



Professor Peter Carroll



Professor Roslyn Arnold



Professor Don Chalmers



Mr Tony Ferrall

Photography supplied
by Contrast

Table 8(b): Classification by Gender, 2001 – full-time/fractional staff only

	M	F	TOTAL	% F
Above Senior Lecturer	101	14	115	12.2%
Senior Lecturer	130	34	164	20.7%
Lecturer	161	91	252	36.1%
Associate Lecturer	64	74	138	53.6%
Academic Staff	456	213	669	31.8%
Above HEO 8	24	10	34	29.4%
HEO 5-8	237	210	447	47.0%
HEO 1-4	103	303	406	74.6%
General Staff	364	523	887	59.0%
All Staff	820	736	1,556	47.3%

Enterprise bargaining

New enterprise agreements were finalised in 2001 covering academic staff, general staff and English Language Centre staff. These agreements represented the culmination of extensive negotiations with relevant unions arising from logs of claims served by the unions in the second half of 1999.

The agreements covering academic and general staff provided for salary increases, which compound to overall increases of 12.54% as follows:

2% from 1 July 2000	3.5% from 1 July 2002
3% from 1 July 2001	3.5% from 30 June 2003

Other major features of the agreements were:

- enhanced salary sacrifice options, including the ability for staff to make additional voluntary superannuation contributions;
- provisions in the General Staff Agreement and the English Language Centres Agreement enabling staff to opt to receive a 3% non-superannuable salary loading for periods of up to 12 months at a time instead of the 3% employer superannuation contribution to the UniSuper Award Plus Plan;
- a provision in the General Staff Agreement enabling staff to opt for five days extra leave over a 12 month period with a commensurate salary reduction spread over the 12 month period;
- provisions enabling academic and general staff with part-time employment patterns, which vary throughout a year, to average their salary over a full 12 month period;
- provisions enabling the cashing-out of excessive annual leave and long service leave balances; and
- the transfer of a number of policy and procedural matters to the University's new HR Administrative Manual, which was also finalised in 2001.

Occupational health & safety

All OH&S policies and guidelines were reviewed in 2001 and modified to ensure compliance with changes to OH&S legislative requirements, with all documentation updated on the OH&S website. An updated hardcopy OH&S Manual was also published and provided to all Responsible Officers and Employee Safety Representatives.

Three major audits were conducted by the OH&S Unit during the year, involving the School of Education at Launceston, the Marine Research Laboratories at Taroona, and a Noise Monitoring Audit (Launceston and Hobart). The Dive Operations Manual was also comprehensively overhauled to ensure compliance with the new Australian Standard for Scientific Diving, and an audit of all Laboratory Practical Manuals was completed. Bulk Dangerous Goods Storage was also audited to ensure that licensing requirements are being met and an audit of Sharps and Hazardous Waste was conducted in conjunction with Asset Management Services to ensure that proper disposal paths are being used.

All historical radiation sources were relocated from Schools in Launceston and Hobart to the University's new state-of-the-art Radiation Storage Facility in Hobart and an Approval of Premises and Sources process was developed following extensive liaison with the Department of Health and Human Services (DHHS) Health Physics Branch.

The OH&S Unit also responded to two major infectious disease incidents in 2001, tuberculosis and meningococcal. Screening and information to staff and students proved most effective in the management of both infectious disease concerns. A close relationship has been established with DHHS personnel, and protocols in this area have been shown to be working effectively.

Awards

VICE-CHANCELLOR'S AWARDS TO GENERAL STAFF

The Vice-Chancellor's Awards for Exceptional Performance by General Staff were awarded to:

Ms Jayne Clarke, Library Assistant

For services to staff and students

Ms Julie Harris, Laboratory Technician Biochemistry/Medicine

For her exceptional contribution to education and research programs

The Occupational Health and Safety Unit (Ms Nicole Brown, Ms Leanne Groombridge, Ms Pip Rose and Mr Rodney Teague), won the Team Award

For their innovative programs and improvements in service provision



The 'Intelligent Car' team: clockwise from front left, Dr Vishy Karri, Garth Heron, Professor Frank Bullen, Bent Rosenkidle, Tim Moore, Cranston Polson and David Butler with Helen Cunningham at the wheel.
Photo: The Mercury

TEACHING EXCELLENCE AWARDS

The University's premier awards for excellence in teaching for 2001 were awarded to:

Dr Greg Hannan and teaching team

For online delivery for year 1 Psychology to distance and remote campus students

Dr Thao Le, Faculty of Education

For teaching excellence

NATIONAL AWARDS

Dr Vishy Karri who lectures in the University's School of Engineering won the Physical Sciences category of the 2001 Australian Awards for University Teaching.

Teaching merit certificates

Teaching Merit Recipients 2001

Faculty of Arts

Dr Bob White – Sociology and Social Work
 Dr Agnes Hafez-Ergaut – English, Journalism and European Languages
 Dr Natalie Jackson – Sociology and Social Work
 Mr David Hamilton – Art
 Dr Elizabeth Freeman – History and Classics
 Dr Stefan Petrow – History and Classics
 Ms Takame Ueki-Sabine – Asian Languages and Studies
 Ms Carol Pybus – Riawunna

Faculty of Commerce

Ms Merry Joyce – Information Systems
 Dr Dallas Hanson – Management
 Dr Bruce Felmingham – Economics

Faculty of Education

Ms Lesley Harrison – Education
 Ms Michèle McGill – Education
 Dr Christene Owen – Education

Faculty of Health Science

Mrs Christina Bobrowski – Nursing

Dr Marek Havlat – Medicine
 Mrs Janine Tarr – Human Life Sciences
 Mr Richard Phillips – Human Life Sciences
 Integrated Structure and Function:
 Clinical Correlations CHG210

Faculty of Law

Ms Julia Davis – Law
 Mr Lynden Griggs – Law

Faculty of Science and Engineering

Dr Danielle Johnston – Aquaculture
 Prof. Andrew Osborn – Applied Science
 Prof. Larry Forbes – Mathematics and Physics
 Dr Mark Hovenden – Plant Science
 Dr Bruce Gemmill – Geology
 Dr Simon Wotherspoon – Mathematics
 Mr Tony Gray – Computing
 Assoc. Prof. Don McWilliam – Chemistry
 Dr Kate Brown – Geography and Environmental Studies
 Mr Julian Dermoudy – Computing
 Dr Steve Wilson – Agricultural Science
 Dr Greg Hannan – Psychology

RESEARCH AND RESEARCH TRAINING

Overall, 2001 was a good year for research in the University. It moved closer to its strategic goal in Research and Research Training “to be one of the top ten research universities in Australia producing scholarship of national and international standard with research processes, procedures and performance measures that are benchmarked nationally and internationally”.

The year was notable for the start of the research performance related funding system by the Federal Government. The University budget model for 2001 identified funds for teaching and for research and distributed research funds on the basis of performance. When national comparative figures for total research funding in 2000 from all sources were released in late 2001 the University of Tasmania was ranked ninth. The funding announced for 2002 via the Institutional Grants Scheme (IGS) and the Research Training Scheme (RTS) showed that on the combined formula allocation the University of Tasmania was ranked ninth.

Table 9: External Research Funding

Funding \$M	1997	1998	1999	2000	2001	1997-2001 increase
Total	17.55	19.45	22.16	26.6	31.6	86%
Australian Competitive Grants	8.0	8.7	11.2	10.4	12.4	55%
Other Public Sector Funding	3.5	4.9	6.6	6.6	8.9	154%
Industry and Other Funding	4.7	4.6	4.3	5.7	6.3	34%
Cooperative Research Centre	1.35	1.25	1.06	3.9	Approx 4.0	196%

The University's percentage share of total national external research income increased from 2.1% in 1997 to 2.6% in 2000. Funding from Other Public Sector Funding agencies increased significantly. The partnership the University has developed with the State Government has contributed to the improvement.

R&D consultancies were worth \$2.6 million in 2001, up from \$2.2 million in 2000. A review of the University policy was undertaken in 2001 and changes were proposed for 2002 to increase the returns to staff for undertaking consultancy work to further enhance consultancy activity.

The central allocation of funding for research scholarships was \$2.3 million – funding approximately 140 scholarships. Schools/Institutes or Faculties offer an additional 75 scholarships many of which are externally funded. The University receives 112 APA awards and 26 APA (Industry) scholarships. Demand for scholarships continues to be high. There were 118 Research Higher Degree (RHD) completions in 2001 with an average completion time of 3.9 years for a PhD and 2.5 years for a Masters degree.

Funding for research continues to increase and partnerships should help to position the University for the future. However, the environment will be increasingly competitive and the institution will need to ensure that it has the appropriate systems and structures in place to meet the funding challenges ahead.






As part of its strategic repositioning in 1996 the University adopted its four Theme Areas. These are areas of comparative advantage and strength in which the University has long-term commitments and that have demonstrated capacity to attract external research funding.

In 2000 the University recognised five university institutes that receive funding through the University budget model. All of them relate directly to Theme Area research. The institutes are:

- Centre for Ore Deposit Research (CODES), an ARC Special Research Centre – established as a Key Centre in 1991, reviewed in 2000 and to be reviewed in 2002.
- Institute of Antarctic and Southern Ocean Studies (IASOS) – established in 1990, reviewed in 2001.
- Menzies Centre for Population Health Research – established in 1988, reviewed in 1998.
- Tasmanian Institute of Agricultural Research (TIAR) – established in 1997, reviewed in 2000/2001.
- Tasmanian Aquaculture and Fisheries Institute (TAFI) – established in 1998.

These institutes are important vehicles for the research effort of the University and in 2001 they received some 63% of the research income derived from Australian Competitive Grants plus other public sector and industry funding. Currently all the Directors are members of Academic Senate, and three of them sit on the Research College Board.

Table 10: University Institutes

	2001	Research Income*	FTE Researchers	RHD Load (EFTSU)
 CODES SRC	CODES	\$2.5M	9.25	28.07
 IASOS	IASOS**	\$0.4M	6.4	34.59
	Menzies Centre	\$3.7M	7.55	6.3
 Tasmanian Aquaculture & Fisheries Institute University of Tasmania	TAFI	\$5.3M	28.6	33.41
 TIAR	TIAR	\$5.5M	40.4	52.60

* Categories 1-3 provisional data for 2002 HERD (Higher Education Research Data Collection)

** IASOS also benefits directly and indirectly from the category 4 income received from the Antarctic CRC (2000 totalled \$1.7M).

RESEARCH CENTRES

Menzies Centre for Population Health Research
Institute of Antarctic and Southern Ocean Studies
Centre for Regional and Economic Analysis
Research and Learning in Regional Australia
Centre for Food Safety and Quality
Australian Centre for Research and Separation Science
Centre for Clinical Research

Commonwealth Special Research Centre

Centre for Ore Deposit Research

Cooperative Research Centres

Antarctic and the Southern Ocean
Aquafin
Smart Internet Technology
Sustainable Production Forestry
Sustainable Tourism

State joint ventures

Tasmanian Institute of Agricultural Research
Tasmanian Aquaculture and Fisheries Institute
Tasmanian Law Reform Institute

The University Strategic Plan highlights important directions for the future of research, including:

- Expanding research activity, especially in areas of focus like the Theme Areas
- Increasing the number of research higher degree graduates
- Establishing further partnerships
- Developing infrastructure to support research
- Increasing the number of externally funded projects and commercialisation of University innovation
- Increasing research funding for Health Sciences, especially via the development of the Menzies Institute
- Increasing the number of R&D consultancies
- Increasing the number of research scholarships

The Research College Board started in 2001 with internal and external membership. It provides advice to the Pro Vice-Chancellor (Research) on research policy and planning issues. The Pro Vice-Chancellor (Research) has overall responsibility for research and research training in the University. The Dean of Graduate Studies and the Board of Graduate Studies by Research have important roles in the oversight of Research Higher Degree students.



Les Blakebrough with the Southern Ice porcelain dinner ware created from a new formula.



*Associate Professor
Gustaaf Hallegraef
in the University's
glasshouse complex,
which opened in June.
Photo: The Mercury*

During 2001 the University

expanded its research activity with an external research income of \$27.6 million, and a CRC-related income of approximately \$4.0 million bringing the total close to \$32 million.

Australian Competitive Grants were at \$12.4 million, up nearly 20% from \$10.4 million in

2000. Funding from Other Public Sector Funding was \$8.9 million, a 34% increase from \$6.6 million in 2000. Industry funding was \$6.3 million, a 10% increase from \$5.7 million in 2000. Funding from the Cooperative Research Centre program was close to \$4.0 million, similar to that in 2000.

Significant research partnerships are an increasingly important part of the way in which the University carries out its research. During 2001 the University established partnerships in:

- The Aquafin CRC (in which the University, through TAFI, is the largest single research group).
- The Smart Internet Technology CRC (in which the University is a supporting partner).
- The Australian Housing and Urban Research Institute (with a strong partnership between the University and the State Government via the Partnership Agreement).
- The Tasmanian Law Reform Institute (established with the State Government).
- Microbial Food Safety and Quality research between the Centre for Food Safety and Quality in TIAR and Food Science Australia.

The University enhanced its research infrastructure by the:

- investment of \$0.75 million in Molecular Biology facilities to support life and health sciences research, including the Menzies Centre;
- commitment of \$1 million to the purchase of a new SGI supercomputer maintaining the University of Tasmania as a significant national player in high performance computing. This will support the computing needs of a diverse range of researchers including those involved in climate change and chemistry; and
- development of a Free CO₂ facility, unique in the Southern Hemisphere that will enable researchers to measure the impacts of increased atmospheric CO₂ on native grasslands.

The University has made progress in the commercialisation of its innovations. A number of opportunities have been identified and mechanisms established to accelerate the conversion of promising ideas into 'proof-of-concept'. The University:

- established a Pre-Commercialisation fund of \$2.5 million to accelerate development of 'proof-of-concept' stage innovation coming from the University;

- is involved in one of the successful groups managing Commonwealth Pre-Seed funding;
- signed a licence agreement with Callista Pty Ltd to commercialise the software supporting its Research Management Database (RMDB); and
- established Southern Ice Porcelain Pty Ltd to commercialise work emerging from the School of Art in Hobart.

The Constitution for the new Menzies Institute was approved by University Council and the new institute will start operation in 2002.

Significant progress was made by the Dean of Graduate Studies and the Board of Graduate Studies by Research in research postgraduate education and supervision issues. The University adopted a policy of registration of all RHD student supervisors from mid-2001. Currently about 50% of academic staff supervise RHD students.

Benchmarking*

Performance Indicator	1997	1998	1999	2000
Total Research Income	10th	8th	8th	7th
Australian Competitive Grants	11th	10th	7th	11th
Other Public Sector Funding	8th	3rd	1st	4th
Industry & Other Funding	13th	14th	16th	18th
DETYA Publications	6th	6th	13th	11th
RHD Load (Proportion of RHD to total EFTSU)	14th	10th	11th	9th
ARC Discovery Grants	9th	7th	7th	11th
ARC Linkage Grants ('97 refers to Collaborative Grants)	7th	4th	4th	7th
NHMRC Funding	9th	12th	11th	10th

The University has formed an international research-benchmarking link with the University of Liverpool in the United Kingdom.

* National statistics for 2001 will not be released until later in 2002.



The establishment of a central genetics facility

The use of DNA analysis and associated techniques has proven to be an extremely powerful research tool in all areas of life sciences.

It is critical that Australian scientists are adequately equipped to effectively compete at an international level, so the establishment of a centralised genetics facility within the Central Science Laboratory, with the aim of providing a state-of-the-art unit capable of meeting the increasing analytical requirements from researchers in all areas of life sciences, is important. It provides instrumentation not previously available at the University including a DNA sequencer, real time PCR analyser, micro-array scanner and denaturing HPLC system.

An extensive and diverse range of research groups use this equipment, including groups from Agricultural Science, Plant Science, Biochemistry, Pathology, the Menzies Centre and the CRC for Sustainable Production Forestry.

The provision of this facility has greatly enhanced the quality and speed of the research programs in this area across the University.

Capitalising on the outcomes from the research projects supported by this facility will be of considerable economic significance for Australia in the areas of agriculture, pharmaceuticals, silviculture, aquaculture, Antarctic ecology and health.

The project was funded by an ARC RIEF grant of \$390,000 to Professors Reid, McMeekin, Clark and Drs Sale, Potts, Bowman and Vickers and by University funds of over \$270,000.

Food, diet and lifestyle

Professor Madeleine Ball joined the University in 2001 as Head of the School of Human Life Sciences. She has a major research interest in the physiological effects of individual foods, people's overall diet and lifestyle and the effect of these habits on their risk factors for chronic diseases, particularly heart disease and some cancers.

Her current research projects include an investigation of the effects of olive oil and tomatoes on antioxidant levels in healthy subjects, and the effects of including chickpeas in the diet on a range of risk factors for diabetes, heart disease and bowel cancer.

Professor Ball is also conducting collaborative research in a number of other areas. This includes studies on a large group of people in the north and north-west of the State into the effects that diet and lifestyle have on disease development in people with genes that may predispose them to developing haemochromatosis (iron overload in the body).

Another project, in collaboration with Associate Professor Fassett in the Launceston General Hospital, aims to assist in determining the role of diet and blood lipids in people with kidney disease.

The Clifford Craig Medical Research Trust funds several of the projects Professor Ball is undertaking, and all involve Honours and postgraduate research students from the University. The overall aim of all of these projects is to improve the scientific understanding of the effects of diet on the risk of developing potentially disabling chronic diseases or on the progress of those diseases.





Tribunals and the rules of evidence

The development of workable and practical solutions to many difficulties faced by administrative and quasi-judicial tribunals not bound by the rules of evidence is the aim of research being undertaken at the Faculty of Law by Ms Terese Henning, Associate Professor Margaret Otlowski, Mr John Blackwood and research assistant Olivia Rundle.

The three-year project titled, *Examination of the Application of the Rules of Evidence in Quasi-Judicial Tribunals* is in its second year.

Four very diverse Tasmanian tribunals are participating in the research – the Anti-Discrimination Tribunal (ADT), the Guardianship and Administration Board (GAB), the Medical Complaints Tribunal (MCT) and the Resource Management and Planning Appeal Tribunal (RMPAT). The common factor in the four tribunals is that, in determining matters that come before them, they are not bound by the rules of evidence but are bound to observe the requirements of natural justice. Freedom from the rules of evidence is designed to facilitate and expedite tribunal proceedings. However, it can also cause procedural uncertainty. The researchers have found that varying interpretations exist of tribunals' obligations with regard to the reception of evidence and the application of evidentiary rules. In particular, difficulty arises in achieving a balance between using the rules of evidence as a guide in the conduct of proceedings and resisting their institutionalisation in proceedings. Parties to proceedings may take tactical advantage of the uncertainty in this area with the aim of excluding cogent evidence from hearings and tribunal time may be consumed while argument occurs about the application or non-application of particular rules of evidence.

The study has found that various factors impact on tribunals' approach to the rules of evidence including whether a matter is contested, the severity of consequences flowing from the tribunal's decision and whether the parties are legally represented or not. The manner in which their proceedings are conducted also influences the different tribunals' application of the rules of evidence. MCT proceedings are conducted very formally, with its hearings being reminiscent of criminal prosecutions, where medical practitioners are called upon to defend accusations of misconduct. They are invariably contested and adversarial in nature. In contrast, GAB hearings are relatively informal, applications are often uncontested and hearings are non-adversarial. The way that GAB hearings are conducted reflects the fact that they often involve intellectually impaired people for whom it is desirable to make what occurs as accessible as possible.

The outcomes of the project and the solutions it develops to the identified problems are of fundamental interest to other tribunals throughout Australia and internationally.

Aspects of the research were presented at the Australian Institute of Judicial Administration Tribunals Conference in 2001 and further material will be presented at an international conference on expert evidence in Tuscany in July 2002.

The research group examining the Rules of Evidence in Quasi-Judicial Tribunals. From left: Olivia Rundle, Terese Henning, Margaret Otlowski and John Blackwood.



Sustainable orchard soil and weed management

Increasing the adoption of environmentally-sustainable management practices of Tasmania's agricultural soil resources is the focus of a three-year research project conducted by Sally Bound, Research Fellow with the Tasmanian Institute of Agricultural Research.

The project aims to increase awareness within the agricultural community of soil management issues and the desirability of altering current management practices to improve soil health and sustainability. In orchards, the exclusive use of herbicides to control understorey competition has resulted in a slow degradation of the soil, which is now showing as decreased populations of beneficial invertebrates, poor water infiltration, poor root growth, loss in orchard productivity and an increase in herbicide resistance.

Demonstration sites have been established in apple orchards in the Huon Valley to illustrate alternative methods of weed control and orchard floor management. The project, funded by the Natural Heritage Trust, is comparing a range of living and organic mulches with current practices. Following regular assessments at each site, growers have been excited to see an increase in soil fauna, particularly earthworms in some treatments and improved water infiltration. There has also been an effect on crop quality, with advanced fruit maturity and improved fruit colour. This project has implications across a wide range of perennial crops, including pomefruits, stonefruits, grapes, nuts and berries.

Why some cancer cells can escape immune destruction

For cancer to develop, a normal cell must be genetically altered and then grow uncontrollably. To do this it must also escape detection by the immune system. Dr Greg Woods and Professor H Konrad Muller have analysed why some cancer cells can escape immune destruction by analysing the effect of carcinogens (i.e. agents that cause cancer) on the immune response. When skin is exposed to chemical carcinogens or ultraviolet light, Langerhans cells in the skin migrate to the draining lymph node. As Langerhans cells are the principle antigen-presenting cells of the epidermis they are pivotal to the induction of immunity to antigen, including tumours, which are encountered within the skin. Such depletion is matched by an infiltration of new Langerhans cells to replenish those lost from the skin. Unfortunately these new Langerhans cells (newly arrived cells) are different and are unable to turn on the immune response. In fact, they turn off the immune response, which is deleterious as the cancer can develop unhindered. Analysis of these newly arrived cells has revealed that they have a reduced ability to trap and process antigen and they are inefficient in activating the T cells of the immune system. A more detailed examination of these cells suggested that they are 'immature' and have not developed sufficiently to activate the immune system, as they have not been 'educated' in the skin environment. Consequently, if these immature cells attempt to induce an immune response against cancer they fail and induce suppression, which protects the cancer cell from destruction by the immune system.



To follow up these findings it was essential to study immature Langerhans cells and thus the next phase of this project was to evaluate the Langerhans cells in the skin of newborn mice, as this skin is a rich source of immature cells. These studies showed that newborn skin is different to adult skin as the Langerhans cells are small and do not join together to form an effective network to trap antigen exposed through the skin. In adult skin, Langerhans cells dissociate from the epidermal network following exposure to antigen and migrate to the draining lymph node where they elicit an immune response. In newborn skin the Langerhans cells are also able to migrate following antigenic challenge but the amount of antigen that they transport to the node was significantly reduced. PhD candidate Bernadette Bellette has analysed the ability of Langerhans cells, at different stages of maturation, to internalise a variety of antigens in order to determine whether this function is reduced, which may account for their failure to induce immunity. Intriguingly, her results showed that immature Langerhans cells could internalise large amounts of antigen but at a slower rate than mature cells. It may therefore be possible that the cells migrate before they have completed the antigen uptake.

In addition to internalising antigen to activate the immune response, Langerhans cells induce the production of cytokines, which are chemical messengers of the immune system to allow communication and activation. Postdoctoral researcher Dr Zemin Wang used elaborate molecular biology techniques to investigate the cytokines produced.

The results from these studies showed that immature Langerhans cells induce a different range of cytokines than mature Langerhans cells.

Furthermore, some cytokines (e.g. interferon gamma) important for immunity are not effectively produced whereas other cytokines, which cause suppression (e.g. interleukin 10 and interleukin 12 p40), are produced in higher quantities, hence these cytokines cause a shift from immunity to suppression. These results led to further investigations by Cam Simpson, a PhD candidate who proposed that the balance of immune cells in newly born animals may also account for the development of immune suppression. His investigations revealed that special immune cells, known as natural killer cells, are much higher in newly-born mice and these cells may interact with Langerhans cells to reduce their function.

The work of Dr Woods and Prof. Muller and colleagues has shown that the skin environment of neonatal mice is unique and that antigen applied through neonatal skin results in suppression rather than immunity. This is due to the presence of immature Langerhans cells that direct the immune response through the production of cytokines and activation of T cells. An important implication of these findings is that if a cancer develops and the local environment is rich in immature Langerhans cells, the cancer will not be eliminated by the immune response. To induce effective immunity it will be necessary to mature these cells and consequently a potential cancer therapy could be directed at inducing the maturation of these cells.

STATE AND COMMUNITY DEVELOPMENT

PARTNERSHIPS AND AFFILIATIONS

A Partnership Agreement between the University and the State Government was signed in November 2000.

A strong commitment to the partnership by both parties led to a number of significant outcomes being achieved in 2001. Examples include the creation of joint ventures such as the Law Reform Institute, IT incubators and membership of the Australian Housing and Urban Research Institute (AHURI); further development of existing joint ventures like the Menzies Centre for Population Health Research, the Tasmanian Aquaculture and Fisheries Institute (TAFI) and the Tasmanian Institute of Agricultural Research (TIAR); State support for tertiary students (via the Premier of Tasmania Scholarships, Bursaries and Government Internships), and the development of University programs specifically designed to meet the employment needs of Tasmanians (e.g. Police Studies, Public Policy and Entrepreneurship).

The spirit of cooperation and goodwill generated by the agreement has created an environment for the progression of educational, social, cultural and economic issues of importance to Tasmania.

A Charter of Cooperation between the University and the Launceston City Council was signed at the University Foundation's Launceston dinner on 18 August. The charter paves the way for a memorandum of understanding that will see the two organisations working towards achieving the City Council's goal of making Launceston *a city of learning and innovation*. The agreement will come into operation in 2002 and will be seen as an on-going legacy of the late John Lees, former Mayor of Launceston and esteemed friend of the University.

The late John Lees, former Mayor of Launceston and Vice-Chancellor, Professor Don McNicol.



PUBLIC RELATIONS — COMMUNICATION AND MEDIA

Communications plan

The University Communications Plan for 2001 comprised the following:

- External Communications Strategy
- Media Policy
- Partners in Health Media Protocol
- University/State Government Partnerships Media Policy

The internal newsletter of the University, *UniTas* is edited in-house and published fortnightly during the academic year. It has a circulation of 2,000, which includes distribution to 170 key community contacts.

Alumni & Foundation News is published bi-annually, compiled and edited in-house. It has a circulation of 31,000; is mailed worldwide, with 20,000 copies distributed within Tasmania.

Media monitoring

A professional media monitoring company gathers electronic media coverage statistics. Mainstream print media statistics are gathered by PR&UE with all information recorded on a database.

Coverage is reported daily to the Senior Executive and weekly to the Chancellor.

PR&UE Media Office prepared and released 430 media releases in 2001 and also provided substantial content about the University for media supplements and special features in mainstream and specialist media.

Sarah Ryan (pictured here with one of her witty artworks) travelled to Italy thanks to the inaugural Bill Roberts Tasmania University Travelling Scholarship in Fine Arts. Photo: The Mercury

Table II: Media Stories Relating to University of Tasmania/University Issues

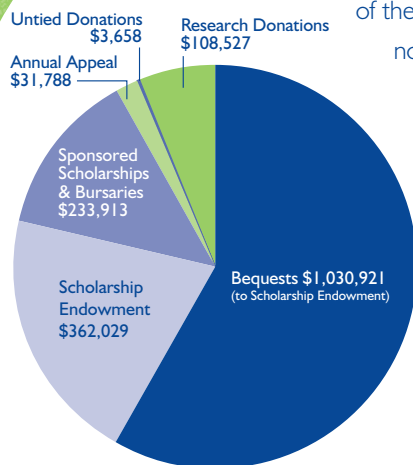
Tasmanian Print Media (1/6/2001 to 20/11/2001)

The Mercury	335
The Examiner	284
The Advocate	124
Tas Country	17
Tas Business	11
Total Tasmania	771
National Print Media	
The Australian	91
The Age	52
Campus Review	16
Total National	159
Total all Print Media	930
Electronic Media (1/1/2001 to 20/11/200)	1210



THE UNIVERSITY OF TASMANIA FOUNDATION

**Table 12: Donations 2001
(total \$1.77 million)**



The University of Tasmania Foundation was established in 1994 as the major fundraising arm of the University. Its key objective is to support areas of need that cannot be funded through normal funding sources of the University.

It raises funds through bequests, the annual appeal, its sponsored scholarships and bursaries program, capital donations to the Scholarships Endowment and gifts for a range of other areas such as research, the University Fine Art Collection and the Classics Museum.

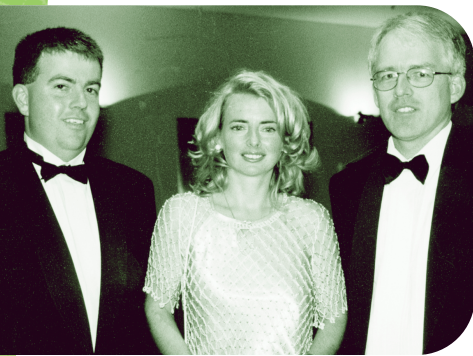
At the end of 2001 the Foundation was managing more than \$9 million and during the year it received more than \$1.77 million in donations. Table 12 presents the key areas through which support was received.

Membership program

The drive for new membership – in line with the strategy developed in 2000 focussing on the University community and graduates – continued during 2001, resulting in the recruitment of 34 new financial members, a 155% increase on the previous year. Total membership stands at 56.

Annual awards dinner

The University of Tasmania Foundation 2001 Award Dinner was held in March with 363 guests attending – 40% more participants than in 2000 and 65% more participants than in 1999. Three Foundation Graduate Awards were presented on the evening. The Awards recognise high-achieving graduates who demonstrate leadership in their professions and in the community. The 2001 recipients were – Dr Scott Ragg, a research scientist specialising in stem cell transplants, Dr Tony Fist, internationally acclaimed researcher with the Tasmanian poppy industry, and Ms Gwynn MacCarrick, a human rights lawyer.



2001 University of Tasmania Foundation Graduate Award winners. Medical researcher Scott Ragg, lawyer Gwynn MacCarrick and research scientist Tony Fist.

Launceston dinner

The Foundation hosted an inaugural dinner in Launceston in August to celebrate a decade of university in the city. The evening saw the exchange of a Charter of Cooperation between the City of Launceston and the University, as well as the presentation of an award to Mr Nick Cretan (the inaugural Chair of the Foundation) for services to, and support of, the University.

Directorship

The University of Tasmania Foundation Board of Directors 2001 are:

Mr Ian Roberts, Chair; Mr Rob Woolley, Deputy Chair; Mr Rod Hayes; Mr Russell Paterson; Mr David Rowell; and Mr Richard Watson. Three non-voting members also serve the Board. They are Mr Ron Banks, President of the Foundation Board of Governors; Mr John Brodie, representing the University Council; and Vice-Chancellor, Professor Don McNicol.

ALUMNI

The University of Tasmania Alumni was established by Ordinance 25 of the Council of the University of Tasmania. The Alumni has as its object establishing and fostering 'the basis for lifelong professional and personal relationships between the University and its graduates and, by recognising a continuing role for graduates in the development of the University, to engender goodwill, understanding and support in the wider community'.

Through its activities at central and branch levels, the Alumni supports the work of the International Office and the University Foundation.

Management of Alumni affairs

The Alumni Committee is supported by the Alumni Office, an arm of the PR&UE and manages the affairs of the University of Tasmania Alumni. The Committee has representation from graduates, the Faculties and officers of the University. The Chair and Deputy Chair of the Alumni are members of the Council of the University.

Membership

All graduates and diplomates of the University of Tasmania and its antecedent organisations, and other graduates with a connection to the University, are eligible for membership of the University of Tasmania Alumni.

As at December 2001 there were 46,486 alumni recorded on the Alumni database. Of these, good mailing addresses were held for 30,614 (65%). Alumni resident in Tasmania numbered 22,495 (with good mailing addresses held for 73%); interstate addressees numbered 5,105 (with 17% good mailing addresses held), and resident overseas alumni numbered 3,014 (with 10% good mailing addresses).

Records held on the Alumni database increased by 3,445 in 2001. Of those alumni for whom good mailing addresses are held, the percentage resident in Tasmania decreased from 75.9% to 73% over the year; those resident interstate increased from 15.5% to 17%, and those resident overseas increased from 8.3% to 10%.

Alumni planning and activities

The Alumni Committee planning meeting is held in February each year. The meeting updates the Alumni Plan and sets the year's objectives and activities. Performance against objectives set the previous year is reviewed.

In 2001 the Alumni published two copies of *Alumni News* (a joint publication of the Alumni and the University Foundation); conducted social and networking activities; supported the West-North-West Bursary program, and provided an enhanced services package for members.



The Convocation held to mark the Colombo Plan 50th Anniversary provided some memorable moments.



From left: Tony Stacey, Professor Don McNicol, Datuke Effendi Norwawi and the Hon. Jim Bacon

The focus in 2001 was on initiatives that would improve the Alumni profile; augment the University's profile; strengthen relationships between alumni and the University; and enhance cooperation with the University Foundation.

Outcomes against planned objectives were achieved in the following areas:

Improving the Alumni profile

For example:

- A significant Alumni presence was maintained at graduation ceremonies through the presence of Committee members and the availability of Alumni material.
- A promotional strategy (to be put in place in 2002) was developed to encourage the submission of email addresses and applications for membership and services by email.
- A Tasmania Chapter of the Australian Alumni Association was established in Indonesia.

Improving the University's profile

For example:

- High achieving graduates were profiled in the June and November issues of *Alumni News*.

Strengthening the relationships between the Alumni and the University

For example:

- A focus group was established to give input into Alumni communications, publications and media activities.
- The Chancellor and Deputy Chancellor reported to General Meetings of the Alumni on University priorities and initiatives.

Cooperation with the University Foundation

For example:

- Joint production of the *Alumni/Foundation News*
- Investigation of a joint database

CULTURAL ACTIVITIES

In pursuing its Mission, the University of Tasmania is committed to giving practical expression to its role as Tasmania's university by enriching the culture and advancing the economic and social interests of the State.

This goal was addressed in 2001 through the allocation of \$300,000 for a program of cultural events and exhibitions designed to draw the University closer to the community, and for the maintenance of University collections. In the latter category are the University's collection of over 2,000 pieces of contemporary Australian art and sculpture, and the priceless collection of ancient Egyptian, Greek and Roman pieces in the John Elliott Classics Museum.

The Cultural Activities Committee disbursed the funding in accordance with the Business Plan developed by the Cultural Activities Committee for the triennium.

In addition to funding for maintenance of the collections, disbursements were made to:

- The Conservatorium of Music for concerts, music theatre and musicians-in-residence.
- The North-West Centre for exhibitions, public lectures and performances at the North-West Centre.
- The University Gallery in Launceston for a program of student and travelling art exhibitions and to support gallery operations.
- Centre Stage for the public presentation of theatre productions in Launceston by the University's senior theatre pro-am company.
- The Plimsoll Gallery (Art School, Hobart) for a program of student and travelling art exhibitions and to support gallery operations.
- The University's Community Music Program for musical outreach activities and the Community Music Summer School.
- The University Forum for a program of public lectures and performances designed to engage the general public and to support teaching initiatives.
- Literature and Writing: to support the Tasmanian Readers' and Writers' Festival, the publication of *Island* magazine, and the *Australian Humanities Review*.



Classical Javanese dancer Bambang Pujasworo is accompanied by fellow ISI lecturer Gandung Djamiko.

Marshall Clark, lecturer in the School of Asian Languages and Studies, demonstrates Indonesian shadow puppetry.



Some of the recipients of Cultural Activities funding also applied for and received monies through a range of State Government and Commonwealth Government grants.

Among the highlights of the 2001 program were the week-long series of 'round tables' and concerts presented by the Conservatorium in conjunction with the *10 Days on the Island Festival*; the production of the Mozart opera *Così fan Tutte*; residency and concerts by talented Australian composer and pianist Michael Kieran Harvey; residencies by the Esperance Trio and the Seymour Group; the fifth Tasmanian Readers' and Writers' Festival; a residency and performances by visiting dancers from the National Art School (ISI) in Jogjakarta; the major touring exhibitions *London Orphan Asylum*, *Techno-craft*, and *The Persistence of Pop*, and the exhibition *Singing Quilts of a Postcolonial Boy for New Chinese-Australians* (work by Greg Leong – a Centenary of Federation project).

Acquisitions by the John Elliott Classics Museum included two superb Greco-Cypriot amphorae (donated by an American businessman); late Roman coins; a rare Etruscan figurine; as well as a number of Egyptian and Roman pieces donated by Emeritus Professor William Jackson.

Financial Statements

for the year ended 31 December 2001



	2001		2000		1999		1998		1997	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
SOURCES OF INCOME (\$'000)										
Commonwealth Government grants Higher Education Contribution Scheme	101,708	56.6	98,018	57.0	99,264	57.0	95,509	60.0	100,533	62.7
Student contributions	3,448	1.9	3,988	2.3	3,803	2.2	3,462	2.2	3,282	2.0
Commonwealth payments	31,485	17.5	29,839	17.3	25,491	14.6	26,423	16.6	22,975	14.3
State Government grants	6,927	3.9	6,278	3.6	7,349	4.2	3,594	2.3	3,103	1.9
Superannuation										
Commonwealth supplementation	579	0.3	624	0.4						
Deferred Government contributions	393	0.2								
Fees & charges	18,083	10.1	13,960	8.1	11,808	6.8	11,228	7.0	11,960	7.5
Investment income	2,165	1.2	6,540	3.8	5,902	3.4	6,922	4.3	5,560	3.5
Consultancy and contract research	7,472	4.2	5,219	3.0	4,746	2.7	2,729	1.7	3,860	2.4
Other revenue	7,492	4.2	7,539	4.4	15,817	9.1	9,415	5.9	8,950	5.6
Total income	179,752	100.0	172,005	100.0	174,180	100.0	159,282	100.0	160,223	100.0
EXPENDITURE (\$'000)										
Academic activities	112,483	60.9	104,248	60.2	102,898	64.1	93,926	64.5	90,737	65.1
Libraries	6,580	3.6	8,147	4.7	6,728	4.2	5,912	4.1	5,196	3.7
Other academic support services	9,020	4.9	9,543	5.5	11,579	7.2	8,715	6.0	9,127	6.5
Student services	5,228	2.8	3,956	2.3	7,205	4.5	4,741	3.3	4,935	3.5
Public services	367	0.2	337	0.2	3,935	2.5	2,222	1.5	2,290	1.6
Buildings and grounds	5,750	3.1	6,658	3.8	4,812	3.0	7,282	5.0	6,238	4.5
Administration and other general institutional services	42,259	22.9	37,995	21.9	21,957	13.7	21,500	14.8	19,568	14.0
Deferred employee benefits for superannuation	393	0.2								
Other	2,514	1.4	2,272	1.3	1,361	0.8	1,323	0.9	1,282	0.9
Total expenditure	184,594	100.0	173,156	100.0	160,475	100.0	145,621	100.0	139,373	100.0

KEY RATIOS

1. Financial stability and liquidity						
– Current ratio	2.0	1.9	1.7	1.6	1.6	
– Net cash balances	8,922	14,749	19,700	20,524	45,600	
– Net assets	296,146	300,988	301,587	354,062	342,267	
2. Revenue						
Commonwealth Government grants (Inc HECS)	133,193	127,857	124,755	121,932	123,508	
Other University income	46,559	44,148	49,425	37,350	36,715	
Total University income	179,752	172,005	174,180	159,282	160,223	
Commonwealth Government grants as a percentage of total income	74	74	72	77	77	
Student (full-time equivalents) *	9,168	9,251	9,433	9,153	9,284	
Average Commonwealth recurrent grant (Exc HECS)	14,528	13,821	13,225	13,322	13,303	

* Source: Statistics 2001 – DEET Operating Grant Load

	2001		2000		1999		1998		1997	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
SOURCES OF INCOME (\$'000)										
Commonwealth Government grants	101,708	55.6	98,018	56.1	99,264	56.3	95,509	59.2	100,533	62.0
Higher Education Contribution Scheme										
Student contributions	3,448	1.9	3,988	2.3	3,803	2.2	3,462	2.1	3,282	2.0
Commonwealth payments	31,485	17.2	29,839	17.1	25,491	14.4	26,423	16.4	22,975	14.2
State Government grants	6,927	3.8	6,278	3.6	7,349	4.2	3,594	2.2	3,103	1.9
Superannuation										
Commonwealth supplementation	579	0.3	624	0.4						
Deferred Government contributions	393	0.2								
Fees & charges	18,083	9.9	13,960	8.0	13,172	7.5	11,995	7.4	12,743	7.9
Investment income	2,640	1.4	6,788	3.9	5,995	3.4	7,028	4.4	5,666	3.5
Consultancy and contract research	7,472	4.1	5,204	3.0	4,746	2.7	2,729	1.7	3,860	2.4
Other revenue	10,210	5.6	9,977	5.7	16,627	9.4	10,592	6.6	9,918	6.1
Total income	182,945	100.0	174,676	100.0	176,447	100.0	161,332	100.0	162,080	100.0
EXPENDITURE (\$'000)										
Academic activities	112,483	62.1	104,248	59.6	102,898	63.4	93,926	63.7	90,737	64.2
Libraries	6,580	3.6	8,147	4.7	6,728	4.1	5,912	4.0	5,196	3.7
Other academic support services	9,020	5.0	9,543	5.5	11,579	7.1	8,715	5.9	9,127	6.5
Student services	5,228	2.9	3,956	2.3	7,687	4.7	4,741	3.2	4,935	3.5
Public services	367	0.2	337	0.2	3,935	2.4	2,222	1.5	2,290	1.6
Buildings and grounds	5,789	3.2	6,658	3.8	4,812	3.0	7,282	4.9	6,238	4.4
Administration and other general institutional services	38,524	21.3	37,994	21.7	21,957	13.5	21,500	14.6	19,568	13.8
Deferred employee benefits for superannuation	393	0.2								
Other	2,720	1.5	4,088	2.3	2,620	1.6	3,228	2.2	3,226	2.3
Total expenditure	181,104	100.0	174,971	100.0	162,216	100.0	147,526	100.0	141,317	100.0

KEY RATIOS

1. Financial stability and liquidity

- Current ratio	2.5	2.0	1.8	1.6	1.6
- Net cash balances	9,322	15,207	20,758	21,646	45,847
- Net Assets	305,744	303,903	303,733	355,682	343,742

2. Revenue

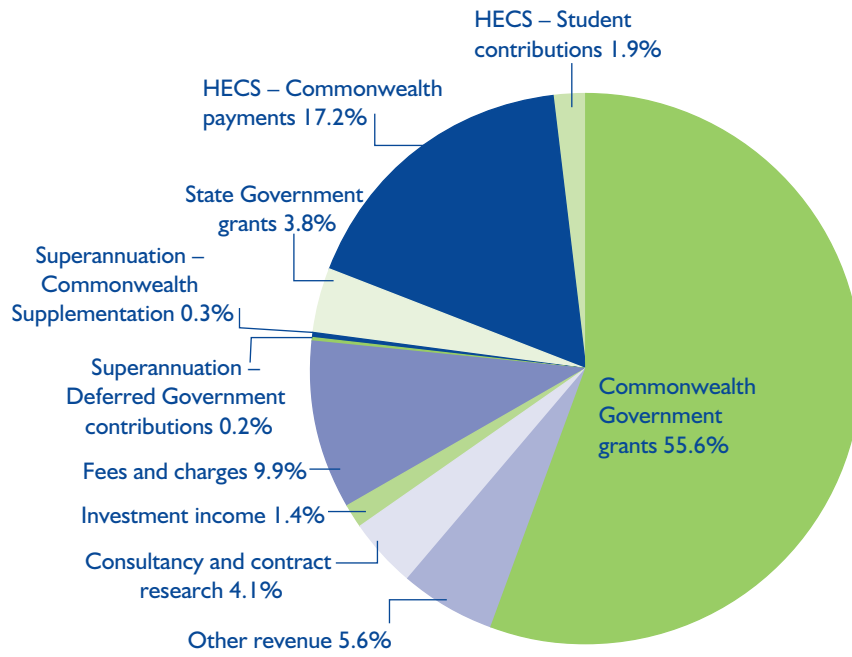
Commonwealth Government grants (Inc HECS)	133,193	127,857	124,755	121,932	123,508
Other University income	49,752	46,819	51,692	39,400	38,572

Total university income	182,945	174,676	176,447	161,332	162,080
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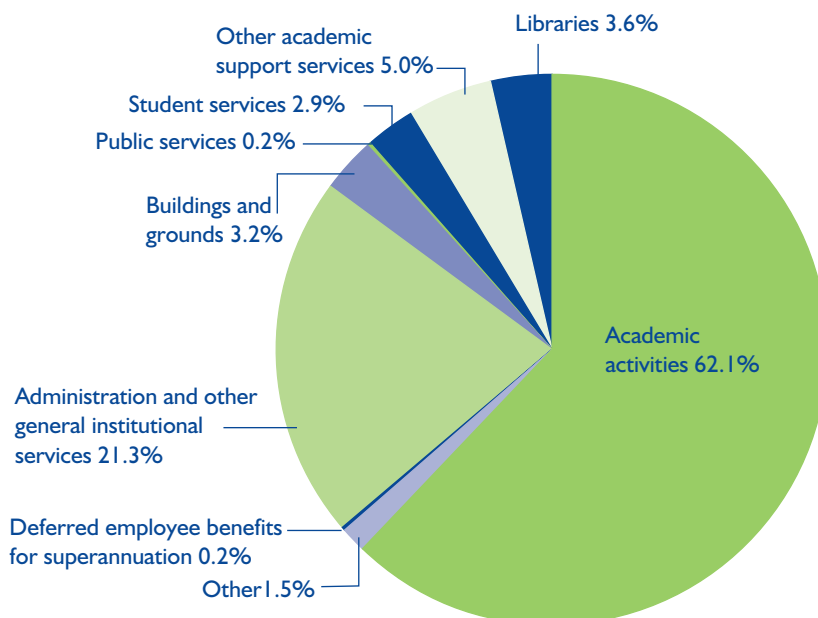
Commonwealth Government grants as a percentage of total income	73	73	71	76	76
Student (full-time equivalents) *	9,168	9,251	9,433	9,153	9,284
Average Commonwealth recurrent grant (Exc HECS)	14,528	13,821	13,225	13,322	13,303

* Source: Statistics 2001 – DEET Operating Grant Load

INCOME



EXPENDITURE



UNIVERSITY OF TASMANIA and CONTROLLED ENTITIES
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Revenue from ordinary activities	2	182,945	174,676	179,752	172,005
Share of net result of associated and joint ventures accounted for using the equity method		0	0	0	0
Expenses from ordinary activities (excluding borrowing cost expense)	3	-181,104	-174,971	-184,594	-173,156
Borrowing cost expense		0	0	0	0
Correction of fundamental error		0	0	0	0
Operating result from ordinary activities before income tax expense		1,841	-295	-4,842	-1,151
Income tax related to ordinary activities		0	0	0	0
Operating result – after related income tax		1,841	-295	-4,842	-1,151
Extraordinary items		0	0	0	0
Net operating result		1,841	-295	-4,842	-1,151
Net operating result attributable to outside equity interests		0	0	0	0
Net operating result attributed to parent entity		1,841	-295	-4,842	-1,151

UNIVERSITY OF TASMANIA and CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2001

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
CURRENT ASSETS					
Cash		3,362	1,980	2,962	1,522
Inventories		179	453	179	453
Receivables	6	4,657	5,219	3,972	5,057
Investments	7	78,583	53,848	78,583	53,848
Other	8	3,023	2,448	3,015	2,426
Total current assets		89,804	63,948	88,711	63,306
NON-CURRENT ASSETS					
Receivables	6	750	0	750	0
Investments	7	10,038	33,498	10,038	33,498
Property, plant and equipment	9	255,313	253,078	255,250	252,999
Other	8	6,844	6,409	6,844	6,409
Total non-current assets		272,945	292,985	272,882	292,906
Total assets		362,749	356,933	361,593	356,212
CURRENT LIABILITIES					
Accounts payable	10	6,253	5,300	15,514	7,690
Provisions	11	15,327	14,184	15,322	14,082
Revenue in advance		12,253	10,223	11,444	10,129
Other	12	2,282	1,674	2,277	1,674
Total current liabilities		36,115	31,381	44,557	33,575
NON-CURRENT LIABILITIES					
Provisions	11	20,890	21,649	20,890	21,649
Total non-current liabilities		20,890	21,649	20,890	21,649
Total liabilities		57,005	53,030	65,447	55,224
Net assets		305,744	303,903	296,146	300,988
EQUITY					
Reserves	13	205,304	205,338	205,304	205,304
Statutory funds	13	20,933	21,027	20,933	21,027
Accumulated funds	13	79,507	77,538	69,909	74,657
Total equity		305,744	303,903	296,146	300,988

UNIVERSITY OF TASMANIA and CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	Economic Entity (Consolidated)		Parent Entity (University)	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Notes	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES 19				
Inflows:				
Financial assistance				
Commonwealth Government	103,738	99,497	103,023	99,402
State Government	6,928	6,277	6,928	6,277
Superannuation – Commonwealth supplementation	579	624	579	624
Higher Education Contribution Scheme				
Student payments	3,448	3,988	3,448	3,988
Commonwealth payments	31,485	29,839	31,485	29,839
Fees & charges	18,082	13,639	18,082	13,639
Investment income	2,640	6,788	2,164	6,540
Consultancy and contract research	7,472	6,184	7,472	5,588
Other revenue	9,417	7,857	7,229	6,052
Outflows:				
Employee benefits	(105,969)	(99,921)	(105,666)	(99,703)
Other expenses	(47,879)	(53,944)	(44,769)	(50,821)
Buildings & grounds	(7,509)	(6,658)	(7,509)	(6,658)
Net cash provided/(used) by operating activities	22,432	14,170	22,466	14,767
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Proceeds from sale of property, plant and equipment	3,096	837	3,065	837
Outflows:				
Payments for investments	(8,541)	(8,891)	(8,541)	(8,891)
Payments for property, plant and equipment	(22,872)	(11,667)	(22,817)	(11,667)
Net cash provided/(used) in investing activities	(28,317)	(19,721)	(28,293)	(19,721)
CASH FLOWS FROM FINANCING ACTIVITIES				
	nil	nil	nil	nil
Net increase/(decrease) in cash held	(5,885)	(5,551)	(5,827)	(4,954)
Cash at beginning of reporting period	15,207	20,758	14,749	19,703
Cash at end of reporting period	9,322	15,207	8,922	14,749

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General statement of accounting policies

This general purpose financial report has been prepared in accordance with the requirements of the *Financial Management and Audit Act 1990*; *University of Tasmania Act 1992*; applicable Australian Accounting Standards and Concepts; other authoritative pronouncements of the Australian Accounting Standards Board; Urgent Issues Group Consensus Views and the Department of Education, Science and Training – Guidelines for the Preparation of Annual Financial Reports by Australian Higher Education Institutions (this includes the preparation of the financial report along with full acquittal of grants in the notes).

The financial report has been prepared on an accrual accounting basis and on the basis of historical costs and except where stated, does not take into account changing money values. The accounting policies have been consistently applied and except where there is a change in accounting policy, are consistent with those of the previous year. Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

Significant accounting policies issues

Consistent with the accounting treatment in the previous period, the University has treated operating grants received in one accounting period in advance for the next as reciprocal.

In the initial application of AAS38 "Revaluation of Non-Current Assets", the University has applied the transitional provisions for those classes of assets to be valued at fair value, and used the existing valuation methodology for the current year. Asset values for library collections have been deemed to a cost basis on the initial adoption of the standard.

(a) Principles of consolidation

The consolidated financial report is prepared in accordance with AAS24 "Consolidated Financial Reports". The University of Tasmania is the economic entity with the following controlled entities: Unitas Consulting Limited and the University of Tasmania Foundation Inc.

The University is also a managing agent for other operations which are not consolidated, as outlined within Note 17.

(b) Tax status

The activities of the University are exempt from income tax.

(c) Receivables

All debtors are recognised at the amounts receivable and are due for settlement in no more than 30 days. A provision is raised for any doubtful debts based on a review of all outstanding amounts at balance date. Bad debts are written off in the period in which they are identified.

(d) Investments

Investment properties are those which return an income to the University. Properties have been revalued every five years, with the last revaluation conducted by the Australian Valuation Office on a market value basis in 1999.

University non-property investments such as government and semi-government securities, fixed interest and other marketable securities are brought to account at the lower of cost and recoverable amount.

(e) Capital works in progress

Capital works in progress represent the cost of incomplete building and other capital projects at year end.

(f) Property, plant and equipment, cultural assets

On the initial application of AAS38 "Revaluation of Non-Current Assets" in 2001, the University applied the transitional provisions for those classes of assets to be valued at fair value (land, buildings and improvements, works of art and other cultural collections), and used the existing valuation methodology for the current year. Asset values for library collections have been deemed to a cost basis on the initial adoption of the standard.

Revaluation frequencies for asset categories will be reviewed during 2002.

Plant and equipment

The University's plant and equipment are recorded at cost. All such items in excess of \$5,000 have been capitalised.

Works of art, and other cultural collections

Valuations for the University's art and cultural collections are provided by the collection curators. Valuations are based on current insurance valuation and are reviewed at least every five years. The art collection was revalued in 1999, and other cultural assets in 2000. These assets are not subject to depreciation.

Library collections

Asset values for the library collection have been deemed to a cost basis on the initial adoption of AAS38.

Land, buildings and improvements

Land, buildings and improvements are revalued every five years at market or replacement cost. The Australian Valuation Office completed a valuation in 1999. Improvements and additions to buildings subsequent to the revaluation are recorded at cost. Buildings on University controlled land that are not owned or controlled by the University are not recognised in the Statement of Financial Position.

The Hobart campus land, which is centred on Churchill Avenue, is vested in the University under the *University of Tasmania Act 1992*.

A transfer of the title of the Newnham campus at Launceston with a reversionary covenant was endorsed by Parliament in accordance with section 64 of the *Crown Lands Act 1976*. The reversionary covenant means that the land would revert to the Crown if it is no longer required for University purposes. The University Council has resolved to accept the transfer on this basis and requested that the proposal for iterative release from the covenant of future specified development sites within the campus be secured through the Partnership Agreement.

The following major property leases are in place or being negotiated:

- the Clinical School of the Medical Faculty located in Collins Street (Hobart) is controlled by the University on a 99-year lease from the Royal Hobart Hospital Board;
- the Centre for the Arts at Hunter Street (Hobart) is subject to a draft 50-year lease from the Government of Tasmania. At reporting date, negotiations were not yet finalised;
- the Rural Health Unit located in the Anne O'Byrne

Building at the Launceston General Hospital is subject to a draft lease with the State Government, which is still being negotiated; and

- the School of Visual and Performing Arts is located at the Inveresk (Launceston) site. The University has signed a 10-year lease with the Launceston City Council, with an extension option of five years.

(g) Depreciation

Depreciation is calculated on a straight-line basis. The depreciation rates are based on the estimated useful lives of the various classes of assets employed. Pro-rata depreciation is charged in the year of purchase and disposal. In relation to leasehold improvements, the amortisation charge is based on the unexpired period of the lease or the useful life of the improvements, whichever is the shorter.

The depreciable asset categories and their rates are as follows:

• Motor vehicles	15%
• Computing equipment, photocopiers	20%
• Other plant and equipment	10%
• Library – current use collections	10%
• Buildings	2.5% to 5%

During the year the depreciation rate of motor vehicles changed from 4% to 15% to better reflect vehicle usage patterns.

The following assets are not depreciated:

- Land
- Properties held for investment purposes
- Works of art and other cultural collections
- Library – permanently retained collections

(h) Employee entitlements

Employee entitlements comprising annual leave, long service leave and superannuation benefits, together with on-costs have been fully provided. The total liability in respect of employee entitlements has been brought to account in accordance with AAS30.

Annual leave

Liabilities for annual leave are recognised and measured as to the amount unpaid at the reporting date at current pay rates in respect of employees' service up to that date.

Annual leave for academic staff is deemed to be taken in the year in which it is accrued, hence no provision is made in respect of these employees. The provision relates to amounts payable to non-academic staff for their pro-rata entitlements.

Long service leave

The liability for long service leave for employees has been measured with reference to the present value of the estimated future cash outflows to be made for these entitlements, predictions of when long service leave will be taken and the University's experience of the probability that employees will qualify for long service leave.

Consideration has been given to future increases in salary levels. Related on-costs have been included in the provision. The University recognises, as a current liability, the portion of long service leave accruing to employees with ten or more years of service.

Sick leave

Sick leave entitlements provided to the employees of the University are non-vested and are based on a cumulative sick leave system. No liability is recorded for sick leave.

Superannuation

The University has a policy of compulsory superannuation for continuing staff members. The majority of University staff are members of schemes known as 'Unisuper'. These schemes are fully funded and thus no liability exists. University contributions are expensed as incurred. Mr Grant Harslett of Towers Perrin performed the last actuarial review of this fund on 18 May 2000 in respect of the financial year ended 31 December 1999.

In accordance with AAS30, Reporting of Employee Superannuation Entitlements, Unisuper Limited advise the latest available estimate (as at 30 June 2001) of the value of accrued benefits for the University is as follows:

- Unisuper vested benefits – \$111.678 million;
- Unisuper accrued benefits – \$111.678 million;
- Estimated net market value of assets of Unisuper for current members available to pay the Unisuper superannuation liabilities – \$123.237 million;

- Difference between estimated net market value of Unisuper assets and accrued benefits apportioned to current members – \$11.559 million.

University of Tasmania Staff Superannuation and Additional Benefits Scheme

The University of Tasmania Staff Superannuation and Additional Benefits Scheme was closed on 31 December 1982 and wound up. Two aspects of the scheme remain, the lump sum compensation benefits scheme and the supplementary pension scheme.

(i) Lump Sum Compensation Benefits

As part of the winding up of the University of Tasmania Staff Superannuation and Additional Benefits Scheme it was agreed with members that staff transferring contributions to SSAU would be compensated at retirement. The calculation of compensation is formula based and consistent with terms determined by Council in 1982. Compensation is adjusted in line with movements in the Consumer Price Index. It is financed on an emerging cost basis and charged against operating funds.

(ii) Supplementary Pension Scheme Liability

In a report prepared by Mr Brian Bendzulla of Bendzulla Tasmania Pty Ltd, dated 25 November 1999, the present value of the University's liability at 31 December 2001, in respect of supplementary pensions being paid and all reversionary pensions which may become payable to spouses in the future, is \$12.97 million. This is a closed scheme. It is anticipated that further actuarial reviews of the scheme will be undertaken every five years, with the next review due in 2004.

Provision for Retirement Benefits Fund

The University of Tasmania has a liability in respect of a small number of staff who transferred from the Tasmanian College of Advanced Education and who are members of the State Government scheme, the Retirement Benefits Fund.

In a report provided by PriceWaterhouseCoopers in July 2001, the present value of the University's liability for 2001 was estimated to be \$7.423 million. It is a policy that further actuarial reviews of the scheme will be undertaken every five years.

(i) Financial instruments disclosure

Significant accounting policies, terms and conditions

Financial instruments are defined as any contract that gives rise to both a financial asset of the University and a financial liability or equity instrument of another entity. For the University these include cash, receivables, accrued income, sundry advances, payments in advance, loans to members of staff, investment interest receivable, investments, sundry creditors, prepaid income, Commonwealth grants received in advance, employee entitlements and other liabilities.

The University's accounting policies, including the terms and conditions of each class of financial asset and financial liability are as follows:

Risks are managed for the investment fund by the fund manager, in accordance with University Investment Policies. The investment sub-committee and senior management receive monthly performance reports on University portfolios. The Finance Committee receives a comprehensive report on a quarterly basis.

In accordance with AAS33 "Presentation and Disclosure of Financial Instruments" information is disclosed in Note 22, in respect of interest rate risk and credit rate risk of financial instruments.

Interest rate risk is defined as the University's exposure to the effect of future changes in prevailing interest rates on financial instruments.

Credit risk is defined as the University's exposure to any single debtor or group of debtors. The University does not have any material exposure to credit rate risk at balance date.

Financial assets

Bank Call Deposits	Bank call deposits are stated at cost.	Bank call deposit interest rate is determined by the official Money Market 11 AM call rate.
Receivables	Receivables are carried at nominal amounts due less any provision for doubtful debts.	Accounts receivable credit terms are 30 days.
Investments	Investments are brought to account at cost.	Investments mainly comprise an investment in a managed investment fund. These financial instruments underlying this investment are traded in an organised financial market. There are no internal derivative transactions at balance date.
Unlisted Shares	Unlisted shares are carried at the lower of cost or recoverable amount.	Dividend income is recognised when received.

Financial liabilities

Creditors and Accrued Liabilities	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not invoiced to the University.	Creditors are normally settled on 30 day terms.
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	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
2. REVENUE FROM ORDINARY ACTIVITIES					
Commonwealth Government financial assistance	2.1	101,708	98,018	101,708	98,018
State Government financial assistance	2.2	6,927	6,278	6,927	6,278
Higher Education Contribution Scheme					
Student contributions	20.1	3,448	3,988	3,448	3,988
Commonwealth payments	20.1	31,485	29,839	31,485	29,839
Fees & charges	2.3	18,083	13,960	18,083	13,960
Superannuation					
Deferred Government contributions		393	0	393	0
Commonwealth supplementation		579	624	579	624
Investment income	2.4	2,640	6,788	2,165	6,540
Consultancy and contract research	2.5	7,472	5,204	7,472	5,219
Other revenue	2.6	10,210	9,977	7,492	7,539
Total revenue from ordinary activities		182,945	174,676	179,752	172,005
2.1 Commonwealth Government financial assistance (excluding HECS)					
Teaching & Learning	20.1				
Operating purposes excluding HECS		76,358	75,539	76,358	75,539
Teaching hospitals		141	138	141	138
Capital development pool		0	3,052	0	3,052
Australian Research Council	20.2				
Large research		3,006	2,401	3,006	2,401
Strategic Partnerships with Industry		1,727	1,236	1,727	1,236
Research fellowships		896	853	896	853
International Researcher Exchange		58	0	58	0
Research infrastructure – equipment & facilities		398	122	398	122
Special Research Centres		884	866	884	866
DEST	20.3				
Small research		769	730	769	730
Infrastructure block		1,930	1,687	1,930	1,687
Australian Postgraduate Awards		1,771	1,788	1,771	1,788
International Postgraduate Research Scholarships		226	243	226	243
Other Commonwealth Government					
Commonwealth Government Research (non-ARC)		6,520	5,117	6,520	5,117
Commonwealth Government (non-research)		5,671	2,574	5,671	2,574
National Health & Medical Research Council		1,227	1,057	1,227	1,057
Other Commonwealth Government income		126	615	126	615
		101,708	98,018	101,708	98,018

UNIVERSITY OF TASMANIA and CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
2.2 Tasmanian Government financial assistance					
Tasmanian Aquaculture and Fisheries Institute		2,601	2,601	2,601	2,601
Tasmanian Institute of Agricultural Research		1,813	1,841	1,813	1,841
Menzies Centre for Population Health Research		1,010	305	1,010	305
RHH Clinical Sessions and Library		95	30	95	30
Centre for Regional Economic Analysis		230	14	230	14
Tasmanian Law Reform Institute		35	0	35	0
Other State Government income		1,143	1,487	1,143	1,487
		6,927	6,278	6,927	6,278
2.3 Fees and charges					
Fee-paying overseas students		11,662	9,669	11,662	9,669
Fee-paying non-overseas postgraduate students		780	615	780	615
Fee-paying non-overseas undergraduate students		509	0	509	0
Child Care Centre fees		827	585	827	585
Accommodation charges		3,070	2,670	3,070	2,670
Other		1,235	421	1,235	421
		18,083	13,960	18,083	13,960
2.4 Investment income					
Ultimate parent entity		2,165	6,540	2,165	6,540
Consolidated entity		475	248	0	0
		2,640	6,788	2,165	6,540
2.5 Consultancy and contract research					
Industry and other research		4,299	2,876	4,299	2,024
Research consultancies		1,705	1,718	1,705	1,760
Industry support to SPIRT grants		572	299	572	481
Commonwealth Government Research (non-ARC)		204	162	204	303
Research Centres		692	149	692	651
		7,472	5,204	7,472	5,219
2.6 Other revenue					
Other contract revenue		318	113	115	142
Sales		1,320	3,058	1,320	2,966
Donations and bequests		445	1,121	270	478
Scholarships and prizes		1,781	928	153	232
Unitas Consulting Ltd		72	45	72	44
Miscellaneous income		6,274	4,712	5,562	3,677
		10,210	9,977	7,492	7,539

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
3. EXPENSES FROM ORDINARY ACTIVITIES					
Employee benefits	3.1	106,746	100,061	106,540	99,847
Depreciation and amortisation	3.2	16,703	14,734	16,664	14,734
Buildings & grounds		7,509	6,658	7,509	6,658
Net losses arising from sale of assets	3.3	837	780	837	780
Bad & doubtful debts		672	39	765	39
Other	3.4	48,637	52,699	52,279	51,098
Total expenses from ordinary activities		181,104	174,971	184,594	173,156
3.1 Employee benefits					
Salaries:					
Academic		43,855	41,221	43,855	41,221
Non-academic		38,984	36,755	38,778	36,541
Contribution to superannuation & pension schemes:					
Deferred employee benefits for superannuation		393	0	393	0
Emerging costs		2,618	1,616	2,618	1,616
Funded		12,117	11,489	12,117	11,489
Provisions for future emerging costs		(705)	(201)	(705)	(201)
Payroll tax		5,886	5,742	5,886	5,742
Workers' compensation		416	384	416	384
Long service leave expense		2,269	2,520	2,269	2,520
Annual leave		146	180	146	180
Other allowances		767	653	767	653
Other expenses		0	(298)	0	(298)
		106,746	100,061	106,540	99,847
3.2 Depreciation and amortisation					
Computing equipment		980	1,026	980	1,026
Library collections		1,746	1,746	1,746	1,746
Buildings		8,284	8,304	8,284	8,304
Leasehold improvements		1,120	1,049	1,120	1,049
Other equipment		4,573	2,609	4,534	2,609
		16,703	14,734	16,664	14,734
3.3 Sales of assets					
Net losses					
Property, plant & equipment		837	780	837	780
		837	780	837	780

UNIVERSITY OF TASMANIA and CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
3.4 Other expenses					
Scholarships and prizes		8,537	8,829	8,542	8,348
Telecommunications		1,897	2,193	1,897	2,193
Non-capitalised equipment		5,378	6,320	5,378	6,320
Travel, staff development & entertainment		6,555	6,513	6,555	6,513
Inventory used		10,915	9,087	10,451	7,493
Office administration		2,843	3,780	3,736	3,780
Other		1,800	2,993	(170)	3,979
Electricity		2,812	3,090	2,812	2,574
Public relations and marketing		2,021	2,014	2,026	2,014
Consultancy services		1,726	1,935	1,726	1,935
Library materials		773	1,848	773	1,848
Cleaning		1,903	1,770	1,903	1,770
Sundry payments		328	1,382	305	1,393
Security		990	776	990	776
Audit fees		159	169	144	162
Transfer to University Foundation		0	0	5,211	0
		48,637	52,699	52,279	51,098
4. REMUNERATION OF EXECUTIVES					
The number of executive positions where the total remuneration (including salary, superannuation and other benefits) for the reporting period exceeded \$100,000 within bands of \$10,000 were:					
		No.	No.	No.	No.
\$100,000 to \$109,999		2		2	
\$110,000 to \$119,999					
\$120,000 to \$129,999					
\$130,000 to \$139,999		1	3	1	3
\$140,000 to \$149,999		1	1	1	1
\$150,000 to \$159,999					
\$160,000 to \$169,999		1		1	
\$170,000 to \$179,999		2	2	2	2
\$180,000 to \$189,999		1	2	1	2
\$290,000 to \$299,999			1		1
\$300,000 to \$309,999		1		1	
		9	9	9	9
Aggregate remuneration of executives		1,488	1,562	1,488	1,562
5. REMUNERATION OF AUDITORS					
External audit		66	66	66	66
		66	66	66	66

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
6. RECEIVABLES					
Current					
Debtors		5,011	3,713	4,319	3,551
Less provision for doubtful debts		(711)	(106)	(704)	(106)
		4,300	3,607	3,615	3,445
Accrued revenue		107	1,632	107	1,632
Sundry loans and advances		250	(20)	250	(20)
		4,657	5,219	3,972	5,057
Non-current					
Sundry loans and advances		750	0	750	0
		750	0	750	0
Total receivables		5,407	5,219	4,722	5,057
7. INVESTMENTS					
Current					
At call deposits		4,381	2,056	4,381	2,056
Bank bills		2,200	11,171	2,200	11,171
Legal trust investments		5,430	6,061	5,430	6,061
Property trusts		7,577	409	7,577	409
Shares and securities		58,995	34,151	58,995	34,151
		78,583	53,848	78,583	53,848
Non-current					
Government & Semi-Government securities @ cost		0	23,279	0	23,279
Shares – unlisted		101	107	101	107
Property held for investment purposes at cost		0	697	0	697
at Australian Valuation Office market value 1999		9,937	9,415	9,937	9,415
		10,038	33,498	10,038	33,498
Total Investments		88,621	87,346	88,621	87,346
* Current investments do not include unrealised gains of \$947,000 which were not brought to account.					
Summarised by maturity date					
Within 1 year		5,200	53,848	5,200	53,848
Within 1 to 2 years		0	1,860	0	1,860
Within 2 to 5 years		0	8,529	0	8,529
More than 5 years		0	12,890	0	12,890
No maturity date (investment fund, trust funds, unlisted shares, property)		83,421	10,219	83,421	10,219
		88,621	87,346	88,621	87,346

UNIVERSITY OF TASMANIA and CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
8. OTHER ASSETS					
Current					
Prepayments		2,444	1,824	2,436	1,802
DEST Superannuation reimbursement		579	624	579	624
		3,023	2,448	3,015	2,426
Non-current					
DEST Superannuation reimbursement		6,844	6,409	6,844	6,409
		6,844	6,409	6,844	6,409
Total other assets		9,867	8,857	9,859	8,835
9. PROPERTY, PLANT AND EQUIPMENT					
Land at valuation		6,195	6,185	6,195	6,185
Buildings					
at valuation		281,997	281,997	281,997	281,997
accumulated depreciation		(133,988)	(126,789)	(133,988)	(126,789)
		148,009	155,208	148,009	155,208
Capital works in progress					
at cost		11,875	2,901	11,875	2,901
		11,875	2,901	11,875	2,901
Building improvements and additions					
at cost		14,299	10,802	14,299	10,802
accumulated depreciation		(622)	(312)	(622)	(312)
		13,677	10,490	13,677	10,490
Leasehold improvements					
at valuation		41,787	41,787	41,787	41,787
accumulated amortisation		(25,975)	(24,985)	(25,975)	(24,985)
		15,812	16,802	15,812	16,802
Plant and equipment					
at cost		44,442	45,132	44,324	44,960
accumulated depreciation		(28,246)	(27,300)	(28,191)	(27,207)
		16,196	17,832	16,133	17,753
Library collections					
at deemed cost		51,395	49,899	51,395	49,899
accumulated depreciation		(10,820)	(9,288)	(10,820)	(9,288)
		40,575	40,611	40,575	40,611
Works of art and cultural collections					
at valuation		2,974	3,049	2,974	3,049
accumulated depreciation		0	0	0	0
		2,974	3,049	2,974	3,049
Total property, plant and equipment written down book value		255,313	253,078	255,250	252,999

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Movements in asset classes during the year					
Land					
Value 1 January		6,185		6,185	
Add: acquisitions		10		10	
		6,195		6,195	
Less: disposals		0		0	
Balance 31 December		6,195		6,195	
Less: current depreciation expense		0		0	
Value 31 December		6,195		6,195	
Buildings					
Written Down Value 1 January		155,208		155,208	
Add: acquisitions		0		0	
		155,208		155,208	
Less: disposals		0		0	
Balance 31 December		155,208		155,208	
Less: current depreciation expense		7,974		7,974	
Less : adjustments		(775)		(775)	
Written Down Value 31 December		148,009		148,009	
Capital works in progress					
Value 1 January		2,901		2,901	
Add: acquisitions		12,470		12,470	
		15,371		15,371	
Less: disposals		3,496		3,496	
Balance 31 December		11,875		11,875	
Less: current depreciation expense		0		0	
Value 31 December		11,875		11,875	
Building improvements and additions					
Written Down Value 1 January		10,490		10,490	
Add: acquisitions		3,497		3,497	
		13,987		13,987	
Less: disposals		0		0	
Balance 31 December		13,987		13,987	
Less: current depreciation expense		310		310	
Written Down Value 31 December		13,677		13,677	
Leasehold improvements					
Written Down Value 1 January		16,802		16,802	
Add: acquisitions		0		0	
		16,802		16,802	
Less: disposals		0		0	
Balance 31 December		16,802		16,802	
Less: current depreciation expense		1,120		1,120	
Less: adjustments		(130)		(130)	
Written Down Value 31 December		15,812		15,812	

UNIVERSITY OF TASMANIA and CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Plant and equipment					
Written Down Value 1 January		17,833		17,753	
Add: acquisitions		7,459		7,405	
		25,292		25,158	
Less: disposals		3,854		3,822	
Balance 31 December		21,438		21,336	
Less: current depreciation expense		5,554		5,515	
Less: adjustments		(312)		(312)	
Written Down Value 31 December		16,196		16,133	
Library collections					
Written Down Value 1 January		40,611		40,611	
Add: acquisitions		2,026		2,026	
		42,637		42,637	
Less: disposals		316		316	
Balance 31 December		42,321		42,321	
Less: current depreciation expense		1,746		1,746	
Written Down Value 31 December		40,575		40,575	
Works of art and cultural collections					
Value 1 January		3,049		3,049	
Add: acquisitions		0		0	
		3,049		3,049	
Less: disposals		80		80	
Balance 31 December		2,969		2,969	
Less: current depreciation expense		0		0	
Less: adjustments		(5)		(5)	
Value 31 December		2,974		2,974	
Summary (*comparative data not provided in 2000)					
Written Down Value 1 January		253,079		252,999	
Add: acquisitions		25,462		25,408	
		278,541		278,407	
Less: disposals		7,746		7,714	
Balance 31 December		270,795		270,693	
Less: current depreciation expense		16,704		16,665	
Less: adjustments		(1,222)		(1,222)	
Written Down Value 31 December		255,313		255,250	
10. ACCOUNTS PAYABLE					
Current*		6,253	5,300	15,514	7,690
		6,253	5,300	15,514	7,690

*The Parent Entity Accounts Payable total of \$15.514 million includes \$9.453 million held on behalf of the University Foundation, which is part of the Economic Entity.

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
II. PROVISIONS					
Current					
Annual leave		2,853	2,803	2,848	2,701
Long service leave		9,138	9,118	9,138	9,118
Superannuation		3,336	2,263	3,336	2,263
		15,327	14,184	15,322	14,082
Non-current					
Long service leave		3,798	3,171	3,798	3,171
Superannuation		17,092	18,478	17,092	18,478
		20,890	21,649	20,890	21,649
Total provisions		36,217	35,833	36,212	35,731
12. OTHER LIABILITIES					
Current					
Other accrued expenses		2,282	1,674	2,277	1,674
Total other liabilities		2,282	1,674	2,277	1,674
13. MOVEMENTS IN EQUITY ACCOUNTS					
Reserves					
<i>Asset revaluation reserve</i>					
Balance at end of previous year		205,338	204,786	205,304	204,752
Add: increment on revaluation of cultural collections		0	552	0	552
Less: adjustments Consolidated Entity		(34)	0	0	0
Balance at end of year		205,304	205,338	205,304	205,304
Statutory Funds					
The Statement of Financial Position combines a number of funds which, under granting conditions, can only be utilised for specified expenditure purposes. These statutory funds cannot be allocated to general purpose expenditure categories. Statutory funds comprise:					
a) Trust Funds					
– donations for endowments and specified purposes such as prizes and scholarships. These funds are recorded in a separate ledger.					
b) Other Restricted Funds – specific research grants, consultancies, and other contract funds					
Balance at end of previous year		21,027	14,664	21,027	14,664
Transfer from/(to) accumulated funds		(94)	6,363	(94)	6,363
Balance at end of year		20,933	21,027	20,933	21,027
Accumulated Funds					
Balance at end of previous year		77,538	84,283	74,657	82,171
Add: operating result (inclusive of transfers)		1,841	(6,658)	(4,842)	(1,151)
Less: transfers from/(to) Statutory Funds		94	0	94	(6,363)
Less: adjustment to Reserves		34	(87)	0	0
Balance at end of year		79,507	77,538	69,909	74,657

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
14. COMMITMENTS FOR EXPENDITURE					
<i>(a) Capital Expenditure Commitments</i>					
Contracted but not provided for and payable not later than one year		4,785	10,332	4,785	10,332
<i>(b) Other Expenditure Commitments</i>					
Contracted but not provided for and payable not later than one year		939	1,256	939	1,259
15. CONTINGENT LIABILITIES					
The University currently has no significant legal claims outstanding, nor any outstanding claims which are not covered by appropriate insurance.					
16. LEASE COMMITMENTS					
Operating Leases					
Commitments for future lease payments exist under current non-cancellable lease agreements held by the consolidated entity.					
Future minimum rental payments for leased photocopiers:					
Payable not later than one year		167		167	
Payable later than one year, not later than two years		167		167	
Payable later than two years, not later than five years		477		477	
Payable later than five years		122		122	
		933		933	

17. ACTIVITIES NOT CONSOLIDATED

The University is a managing agent for the following operations which are not consolidated – the Australian Music Examinations Board, the Antarctic and Southern Ocean Environment Co-Operative Research Centre and the Co-Operative Research Centre for Sustainable Production Forestry. The University also participates as a partner in the Aquafin and Tourism Co-Operative Research Centres. The University's cash and in-kind contributions to the CRCs have been brought to account as part of the University's consolidated financial statements. Due to the limited term tenure and significant number of partners, the University's level of activity is not separately reported as the amounts are not material.

18. SEGMENT INFORMATION (CONSOLIDATED)

Industry	Revenue	Results (i)	Assets (ii)
	2001 \$'000	2001 \$'000	2001 \$'000
Higher Education	182,945	1,841	362,749
Total	182,945	1,841	362,749
Geographical	Revenue	Results (i)	Assets (ii)
	2001 \$'000	2001 \$'000	2001 \$'000
Australia	182,414	2,019	362,412
Asia	531	(178)	337
Total	182,945	1,841	362,749

(i) Operating results before outside equity interests (ii) Total Assets

NOTE: Comparative information was not reported in 2000.

19. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of cash

For the purposes of the Statement of Cash Flows, the University considers cash to include cash on hand, short term deposits at call and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the reporting period, as shown in the Statement of Cash Flows, is reconciled to the related items in the Statement of Financial Position as follows:

	Economic Entity (Consolidated)		Parent Entity (University)	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Cash	3,362	1,980	2,962	1,522
Short term deposits at call	3,760	2,056	3,760	2,056
Bank bills of exchange	2,200	11,171	2,200	11,171
	9,322	15,207	8,922	14,749

Non-cash financing and investment activities

During the reporting period, no items of plant and equipment were recorded by way of donation.

Credit standby arrangement with banks

A bank overdraft facility of \$100,000 exists with the Commonwealth Bank. This facility was unused during 2001. The total value of credit for Mastercards issued during the year was \$2 million. At reporting date, the University was in transition to new Mastercards, with a value of credit of \$2.5 million.

Reconciliation of net cash used in operating activities to operating result

Operating result	1,841	(295)	(4,842)	(1,151)
Depreciation	16,703	14,734	16,664	14,734
Change in provision for doubtful debts	605	48	598	48
Change in assets and liabilities	0	(410)	0	(403)
(Increase)/ decrease in receivables	(1,298)	(963)	(768)	(926)
(Increase)/ decrease in inventories	274	193	274	193
(Increase)/ decrease in sundry loans & advances	(1,020)	21	(1,020)	21
(Increase)/ decrease in accrued revenue	1,525	(499)	1,525	(514)
(Increase)/ decrease in other assets	(1,010)	(1,456)	(1,025)	(1,438)
(Decrease)/ increase in revenue in advance	2,030	1,479	1,315	1,384
(Decrease)/ increase in accounts payable	953	(873)	7,824	720
(Decrease)/ increase in accrued expenses	608	1,130	603	1,140
(Decrease)/ increase in employee entitlements	384	281	481	179
Loss on sale of property, plant and equipment	837	780	837	780
Net cash provided or used by operating activities	22,432	14,170	22,466	14,767

20. ACQUITTAL OF COMMONWEALTH GOVERNMENT FINANCIAL ASSISTANCE

20.1 Teaching and learning

	University ONLY			
	Operating financial assistance, exc HECS		HECS	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Financial assistance in advance (paid during previous reporting period)	6,025	5,895	2,387	2,387
Plus financial assistance received during reporting period	76,922	75,669	31,618	29,839
Plus contributions actually received from students			3,448	3,988
Less financial assistance in advance (received in reporting period for next reporting period)	(6,589)	(6,025)	(2,520)	(2,387)
Accrual adjustments		0		0
Revenue attributed to the reporting period	76,358	75,539	34,933	33,827
Plus surplus/deficit prior year		0	3,988	3,803
Funds available for current period	76,358	75,539	38,921	37,630
Less expenses for current period	(76,358)	(75,539)	(38,921)	(33,642)
Surplus/deficit for current period				3,988

	Teaching Hospitals		Capital Development Pool	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
	Financial assistance in advance (paid during previous reporting period)	11	11	
Plus financial assistance received during reporting period	140	138		3,052
Plus contributions actually received from students				
Less financial assistance in advance (received in reporting period for next reporting period)	(10)	(11)		0
Accrual adjustments		0		0
Revenue attributed to the reporting period	141	138		3,052
Plus surplus/deficit prior year		0	2,751	0
Funds available for current period	141	138	2,751	3,052
Less expenses for current period	(141)	(138)	(2,751)	(301)
Surplus/deficit for current period				2,751

20.2 Australian Research Council

	University ONLY			
	Large Research		Strategic Partnerships with Industry	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Financial assistance in advance (paid during previous reporting period)		131		88
Plus financial assistance received during reporting period	2,960	2,270	1,868	1,148
Less financial assistance in advance (received in reporting period for next reporting period)		0		0
Accrual adjustments	46	0	(141)	0
Revenue attributed to the reporting period	3,006	2,401	1,727	1,236
Plus surplus/deficit prior year	860	890	506	595
Funds available for current period	3,866	3,291	2,233	1,831
Less expenses for current period	(2,798)	(2,431)	(1,723)	(1,325)
Surplus/deficit for current period	1,068	860	510	506

	Research Fellowships		International Researcher Exchange	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
	Financial assistance in advance (paid during previous reporting period)		48	
Plus financial assistance received during reporting period	896	805	58	
Less financial assistance in advance (received in reporting period for next reporting period)		0		
Accrual adjustments		0		
Revenue attributed to the reporting period	896	853	58	
Plus surplus/deficit prior year	250	206		
Funds available for current period	1,146	1,059	58	
Less expenses for current period	(947)	(809)	(49)	
Surplus/deficit for current period	199	250	9	

20.2 Australian Research Council (cont.)

	University ONLY			
	Special Research Centres		Research Infrastructure Equipment & Facilities	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Grants in advance (paid during previous reporting period)		69		0
Plus grants received during reporting period	884	797	398	122
Less grants in advance (received in reporting period for next reporting period)		0		0
Accrual adjustments		0		0
Revenue attributed to the reporting period	884	866	398	122
Plus surplus/deficit prior year	(7)	(11)		0
Funds available for current period	877	855	398	122
Less expenses for current period	(904)	(862)	(398)	(122)
Surplus/deficit for current period	(27)	(7)		

20.3 DEST research financial assistance

	International Postgraduate Research Scholarships			
	Australian Postgraduate Awards		International Postgraduate Research Scholarships	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Financial assistance in advance (paid during previous reporting period)		0	0	0
Plus financial assistance received during reporting period	1,771	1,788	226	243
Less financial assistance in advance (received in reporting period for next reporting period)			0	0
Accrual adjustments		0	0	0
Revenue attributed to the reporting period	1,771	1,788	226	243
Plus surplus/deficit prior year	153	36	65	51
Funds available for current period	1,924	1,824	291	294
Less expenses for current period	(1,671)	(1,671)	(204)	(229)
Surplus/deficit for current period	253	153	87	65

20.3 DEST research financial assistance

University ONLY

	Small Research		Infrastructure	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Financial assistance in advance (paid during previous reporting period)				
Plus financial assistance received during reporting period	769	730	2,138	1,841
Less financial assistance in advance (received in reporting period for next reporting period)			(208)	(154)
Accrual adjustments				
Revenue attributed to the reporting period	769	730	1,930	1,687
Plus surplus/deficit prior year	167	171	101	108
Funds available for current period	936	901	2,031	1,795
Less expenses for current period	(887)	(734)	(2,003)	(1,694)
Surplus/deficit for current period	49	167	28	101

20.4 Summary of unspent financial assistance

	Amount of unspent financial assistance as at 31 December 2001	Amount of unspent financial assistance that it is more likely will be approved by the Commonwealth for carry forward	Amount of unspent financial assistance that it is more likely will be recovered by the Commonwealth
	2001 \$'000	2001 \$'000	2001 \$'000
Large Research	1,068	983	85
Strategic Partnerships with Industry	510	510	
Research Fellowships	199	199	
International Researcher Exchange	9	9	
Special Research Centres	-27	-27	
Small Research	49	49	
Infrastructure	28	28	
Australian Postgraduate Awards	253	253	
International Postgraduate Research Scholarships	87		87
TOTAL	2,176	2,004	172

UNIVERSITY OF TASMANIA and CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	Economic Entity (Consolidated)		Parent Entity (University)	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
21. EXPENSES BY FUNCTION				
Academic activities				
Academic staff salaries	42,189	40,133	42,189	40,133
Academic staff salary related costs	11,149	9,722	11,149	9,722
Non-academic staff salaries	17,541	16,431	17,541	16,431
Non-academic staff salary related costs	4,481	4,006	4,481	4,006
Depreciation expense:				
Buildings	6,894	5,990	6,894	5,990
Computing equipment	377	483	377	483
Leasehold	945	1,037	945	1,037
Other	1,525	1,376	1,525	1,376
Other operating expenses	27,382	25,070	27,382	25,070
	112,483	104,248	112,483	104,248
Libraries				
Non-academic staff salaries	2,819	2,923	2,819	2,923
Non-academic staff salary related costs	541	703	541	703
Depreciation expense:				
Buildings	336	330	336	330
Computing equipment	25	69	25	69
Library collections	1,746	1,746	1,746	1,746
Other	46	49	46	49
Other operating expenses	1,067	2,327	1,067	2,327
	6,580	8,147	6,580	8,147
Other academic support services				
Academic staff salaries	1,337	1,835	1,337	1,835
Academic staff salary related costs	211	104	211	104
Non-academic staff salaries	3,439	2,204	3,439	2,204
Non-academic staff salary related costs	1,041	496	1,041	496
Depreciation expense:				
Buildings		178		178
Computing equipment	57	40	57	40
Other	558	491	558	491
Other operating expenses	2,377	4,195	2,377	4,195
	9,020	9,543	9,020	9,543
Student services				
Academic staff salaries	73	33	73	33
Academic staff salary related costs	8	4	8	4
Non-academic staff salaries	619	658	619	658
Non-academic staff salary related costs	46	139	46	139
Depreciation expense:				
Buildings	829	813	829	813
Computing equipment		2		2
Leasehold		4		4
Other	10	8	10	8
Other operating expenses	3,643	2,295	3,643	2,295
	5,228	3,956	5,228	3,956

	Economic Entity (Consolidated)		Parent Entity (University)	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Public services				
Academic staff salaries	4	14	4	14
Academic staff salary related costs	1	2	1	2
Non-academic staff salaries	69	111	69	111
Non-academic staff salary related costs	27	19	27	19
Other operating expenses	266	191	266	191
	367	337	367	337
Buildings and grounds				
Non-academic staff salaries	1,727	1,969	1,727	1,969
Non-academic staff salary related costs	487	463	487	463
Depreciation expense:				
Buildings	168	164	168	164
Computing equipment	7	3	7	3
Other	199	156	160	156
Other operating expenses	3,201	3,903	3,201	3,903
	5,789	6,658	5,750	6,658
Administration and other general institutional services				
Non-academic staff salaries	13,800	13,744	13,739	13,744
Non-academic staff salary related costs	2,555	2,881	2,617	2,881
Depreciation expense:				
Buildings		598		598
Computing equipment	513	429	513	429
Other	2,225	522	2,225	522
Other operating expenses	19,431	19,820	23,165	19,821
	38,524	37,994	42,259	37,995
Other				
Non-academic staff salaries	1,958	1,591	1,752	1,378
Non-academic staff salary related costs	231	177	231	177
Depreciation expense:				
Buildings	234	229	234	229
Leasehold		9		9
Other	10	6	10	6
Other operating expenses	287	2,076	287	473
	2,720	4,088	2,514	2,272
Deferred employee benefits for superannuation				
Academic staff salary related expenses	275	0	275	0
Non-academic staff salary related expenses	118	0	118	0
	393	0	393	0
Total operating expenses before abnormal items	181,104	174,971	184,594	173,156

UNIVERSITY OF TASMANIA and CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	Economic Entity (Consolidated)		Parent Entity (University)	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Summary of expenses by function				
Academic staff salaries	43,603	42,015	43,603	42,015
Academic staff salaries and related expenses	11,644	9,832	11,644	9,832
Non-academic staff salaries	41,972	39,631	41,705	39,418
Non-academic staff salary related expenses	9,527	8,884	9,589	8,884
Depreciation expense:				
Buildings	8,461	8,302	8,461	8,302
Computing equipment	979	1,026	979	1,026
Library collections	1,746	1,746	1,746	1,746
Leasehold	945	1,050	945	1,050
Other	4,573	2,608	4,534	2,608
Other operating expenses	57,654	59,877	61,388	58,275
	181,104	174,971	184,594	173,156

22. FINANCIAL INSTRUMENTS

The following table details the economic entity exposure to interest rate risk as at 31 December 2001

	Non interest bearing	1 year or less	Over 1 year to 5 years	More than 5 years	Carrying amount as per balance sheet	Weighted effective interest rate	Fair (Market) Value
Financial assets 2001							
Cash		3,362			3,362	4.71	3,362
Receivables	3,615				3,615	n/a	3,615
Prepayments and advances	2,436				2,436	n/a	2,436
Investment fund	41,003	31,620			72,623	5.74	73,617
Bank securities and deposits		5,960			5,960	4.74	5,960
Shares unlisted	101				101	n/a	101
Total financial assets	47,155	40,942	0	0	88,097		89,091
Financial liabilities 2001							
Revenue in advance	12,253				12,253	n/a	12,253
Creditors	6,253				6,253	n/a	6,253
Accrued liabilities	38,499				38,499	n/a	38,499
Total liabilities	57,005	0	0	0	57,005		57,005
Financial assets 2000							
Cash	1,980				1,980	5.65	1,980
Receivables	5,057				5,057	n/a	5,057
Managed funds		47,787	10,389	12,890	71,066	9.54	71,066
Bank securities and deposits		6,061			6,061	6.20	6,061
Shares unlisted	107				107	n/a	107
Total financial assets	7,144	53,848	10,389	12,890	84,271		84,271
Financial liabilities 2000							
Revenue in advance	10,223				10,223	n/a	10,223
Creditors	5,300				5,300	n/a	5,300
Accrued liabilities	37,507				37,507	n/a	37,507
Total liabilities	53,030				53,030		53,030

MANAGEMENT CERTIFICATE FOR THE YEAR ENDED 31 DECEMBER 2001

Statement of Certification

The financial reports present a true and fair view of the financial position of the University as at 31 December 2001, and have been prepared in accordance with Australian Accounting Standards, Consensus Views of the Urgent Issues Group and other mandatory professional reporting requirements.

At the time of signing the accounts there are reasonable grounds to believe the University will be able to pay its debts as and when they fall due.

The amount of Commonwealth Government Grant expended during the reporting period was for the purpose for which it was granted.



D. McNicol
Vice-Chancellor
University of Tasmania



R.M. Easter
Director Financial and Business Services
University of Tasmania



INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF THE UNIVERSITY COUNCIL

UNIVERSITY OF TASMANIA

Scope

I have audited the financial report of the University of Tasmania comprising the Statement of Financial Performance, Statement of Financial Position, Cash Flow Statement and notes thereto, for the year ended 31 December 2001. The financial statements comprise the accounts of the University and the consolidated accounts of the economic entity, being the University and its controlled entities. The members of the Council of the University of Tasmania are responsible for the financial report. I have conducted an independent audit of the financial report in order to express an opinion on it to the members.

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

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

Audit Opinion

In my opinion the financial report presents fairly in accordance with applicable legislation, Accounting Standards and other mandatory professional reporting requirements, the financial position of the University of Tasmania as at 31 December 2001, and the results of its operations and its cash flows for the year then ended.

A J McHugh
AUDITOR-GENERAL

28 May 2002

HOBART

Inside back cover – image of Chance or Design (Birds) 1996

The University of Tasmania's Fine Art Collection has over 2,000 works, which are displayed on all University campuses. It is one of the finest Tasmanian contemporary art collections. Works have been acquired through University and government funding, individual donations and generous benefactors.

Elizabeth Gower, born 1952, Adelaide

Chance or Design (Birds) 1996

Collage, paper on drafting film

Purchased with funds from the Bequest of Marion E. Wharmby, 1996

The artist is represented by Sutton Gallery, Melbourne.





UNIVERSITY
OF TASMANIA

