



'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.'

Contents

The Chancellor's Message	2
2003 at a glance	4
The Vice-Chancellor's Message	5
Mission	7
University Identity	8
Teaching and Learning	13
Efficiency and Effectiveness	16
Research and Research Training	21
State and Community Development	29
Governance	35
Financials	39



UTHRIVE



THE CHANCELLOR'S MESSAGE

2003 has been a year of change and challenge, the result of which has been to position the University of Tasmania extremely well to further enhance its academic reputation and service to the Tasmanian community.

Professor Daryl Le Grew commenced his appointment as Vice-Chancellor in January and initiated a process for developing a new strategic direction based around excellence, distinctiveness, growth and engagement (EDGE). The resulting strategic plan approved by Council followed extensive involvement of the university community, both internal and external.

The University played an active part in the discussion of higher education reform, which dominated the national education policy agenda during 2003. The resulting legislation contains opportunities for the University of Tasmania to substantially increase both its funding base and level of enrolment.

The obligation of university governing bodies to adopt contemporary governance practices was an integral part of the requirements that emanated from the reform program.

The governance structure contained in the 2001 amendments to the University of Tasmania Act is broadly consistent with the national requirements, and further changes are not expected. During 2003 Council initiated attention to the governance of commercial and other subsidiary entities, to the development of both policy and financial frameworks, and to the evaluation of the performance of both Council and its committees.

Council increased the number of meetings from five to six in 2003 and made increasing use of discussion workshops to assist in considering major issues. The annual Council Planning Conference was held in March and again included additional participants drawn from teaching and research groups across the University.

Ms Jenny Williams and Mr Damien Bugg were re-appointed to Council for a further four years from 1 January 2003 while Ms Xiaoling Liu, General Manager, Comalco, Bell Bay, joined Council from 20 March 2003 for a term expiring on 31 December 2006.

I express my appreciation to all members of Council for the very significant contribution they make to the University.

Dr Michael Vertigan AC



Presentation Statement to The Governor

**To His Excellency the Honourable
Richard Butler, AC, 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 2003 and to present the financial statements for that year.



Michael Vertigan

Chancellor

May 2004

2003 AT A GLANCE

Campuses **The University of Tasmania Hobart**

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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; the School of Visual and Performing Arts is located within the Academy of Arts at Inveresk.

Faculties Arts; Commerce; Education; Health Science; Law; Science, Engineering & Technology

Financial performance

The University of Tasmania and its controlled entities recorded operating revenue of \$216.2 million and expenditure of \$208.5 million during the year.

Revenue from the Commonwealth Government increased \$9.4 million and revenue from fee-paying students increased \$2.2 million.

The financial position of the University is sound with the ratio of current assets to current liabilities at 2.7 (2.6 for 2002).

Consolidated operating revenue \$216,265,000

All students	14,506
Male	6,317
Female	8,189
Undergraduates	11,926
Higher degree – research	978
Higher degree – coursework	329
Other postgraduates	412
Total student load (EFTSU)	11,249
Academic (excluding casuals)	668
Non-academic (excluding casuals)	872
FTE: All staff (including casuals)	1,791
Persons: Academic (excluding casuals)	734
Non-academic (excluding casuals)	978



THE VICE-CHANCELLOR'S MESSAGE

The past year was a very productive and successful one for UTAS. The year ended with a commitment from the Federal Government for an additional 1,900 student places to be phased in 2005-2010 – worth more than \$200 million over that period.

The University worked hard throughout 2003 to put its case for 'a fair share' of student places based on population. As part of its higher education funding package announced in December 2003, the Federal Government agreed that the inequitable national distribution should be addressed. This outcome is a whole-of-State achievement, combining the determination of our Tasmanian senators with State Government support.

Consequently, the University is now well placed to grow from its current enrolment level of 12,000 to 15,000 students, providing education for Tasmanians of all ages, and enabling it to welcome increased numbers of interstate and international students. This will propel UTAS on its course to being truly recognised as *an international university working out of Tasmania*.

The major parallel activity that UTAS undertook in 2003 was to engage the University and its external stakeholders in a comprehensive review of the institution's goals and objectives for the next decade. Initial consultations produced a number of common themes that required the focused energies of the entire university community. These emergent themes were the need for excellence, distinctiveness, growth and engagement – hence the acronym that was adopted to reflect our strategic direction – EDGE.

Throughout the year the key elements that would give UTAS a 'sharp' EDGE in a globally competitive environment for teaching and research were fine-tuned through forums ranging from tea-room discussions to the Council Planning Conference. The resultant goals and strategies became the 2004-2006 University Plan.

2003 wasn't just a year of devising future strategy. The EDGE philosophy underpinned many developments and new initiatives, and early successes in 2003 acted as models for longer-term planning.

For example, staff development opportunities to support excellence in teaching and learning were expanded and in 2003 more than 800 staff participated in 60 programs delivered by the Flexible Education Unit. A highlight was the Teaching Matters conference attended by 200 staff. The University also encouraged and rewarded excellence in potential students by developing a new scheme to offer high-achieving school and college students the opportunity to enrich their school studies by taking concurrent university-level subjects.

The University made further progress on its growth strategy of increasing access to students through flexible teaching and learning, with a total of 470 units now offered using WebCT, the online course management system.

Engagement with the community was also part of the teaching and learning agenda for 2003. In November a memorandum of understanding was signed with TAFE Tasmania to encourage more collaborative activities and to strengthen articulation pathways. The University's strong partnership with other educational providers and local government in the north-west was recognised by the prestigious institutional Australian Award for University Teaching presented by Federal Education Minister Brendan Nelson in Canberra.

The University's research profile also reflected EDGE imperatives. Notably, striving for excellence was a hallmark with the launch of the Australian Centre of Excellence in Food Safety, the establishment of a joint UTAS/CSIRO quantitative marine science program and the creation of the Centre of Excellence in Bio-informatics and Health Informatics.

UTAS has already established a distinctive research portfolio – being traditionally renowned for its work in agriculture, aquaculture, geoscience, population health, Antarctic studies and natural environment and wilderness. In 2003 the University reviewed the current suite of theme areas and decided to broaden the range of areas to encompass equally distinctive programs that are not currently represented.

Block grant funding for research experienced growth for the third year running, with more than \$27 million secured for 2004. The University's performance in winning ARC funding continued, with UTAS having the second-highest success rate in the country.

UTAS embraced EDGE principles in all its areas of endeavour in 2003 – not just in its teaching and research programs.

Our commitment to excellence was strongly demonstrated by the appointment of professorial chairs in management, aquaculture, marine science, physics, health informatics, law, and history and classics.

The University's pursuit of excellence in staffing is also designed to produce excellence in student outcomes. During 2003 more than 3,000 students graduated from UTAS. A survey of graduate employers during the year showed that there is a high level of satisfaction with the generic and academic skills of our graduates. This is a source of pride to the entire university community and a benchmark that we are committed to continually raising.

A notable area of growth was in international student numbers. UTAS had more than 1,100 FTE (full-time equivalent) international students enrolled in 2003 (a 19.6% increase on 2002), generating \$13.8 million income for the year.

The University continued its engagement with the community, industry and all levels of government. In particular, its formal partnership with the State Government assists the economic and social development of Tasmania through initiatives in primary industry, community and culture, population health and emerging technologies.

On a personal note, I found my first year as Vice-Chancellor to be an extremely stimulating and energising one. Staff, management and the governing body have worked together in a cooperative spirit to produce a financially sound and academically rigorous institution, and I thank everyone for their contribution.



Professor Daryl Le Grew

UINSPIRE

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.

Core principles

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

- Securing a national and international reputation for scholarship that will guarantee a permanent place for the University of Tasmania among Australia's best universities
- Providing a teaching and learning and working environment of high quality
- Encouraging and supporting excellent basic and applied research and research training
- Making important, distinctive and excellent contributions to the community, industry, government and scholarly communities
- Providing lifelong learning opportunities
- Having a lifelong association with its graduates
- Remaining a strong, independent and autonomous institution
- Giving practical expression to its role as Tasmania's university by:
 - serving the general educational needs of Tasmania
 - enriching the culture and advancing the economic and social interests of Tasmania, and
 - making important, distinctive and excellent contributions to learning in fields of study of particular relevance to Tasmania

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 University also admits international students and additional domestic undergraduate and postgraduate coursework students on a fee-paying basis. Overall the University came within 0.6% of its internal enrolment load target with a recorded growth of 4.6% over 2002.

Non-research operating grant load at 9,166 EFTSU was within 1.1% of target. However, the University's internal target is well above the DEST funded load target of 8,605 EFTSU, and our final result exceeded the Commonwealth target by 6.5%.

The final result in research load was 3.7% below target but this was due to a higher than expected rate of completions by census 2 rather than an under enrolment. Research enrolments peaked at first census at 633 EFTSU. As successful completions are a key element in the performance-based funding of research, this is a positive indicator in relation to future research block funding income. The census 2 load represents a 3.4% improvement on 2002 performance.

Postgraduate fee-paying load grew by 13.8% on 2002 enrolments reaching 284.5 EFTSU but was 5.5% below the University's internal target.

On-shore international student load exceeded target by 100 EFTSU. This was 9.9% above target and represents a 19.6% increase on last year's enrolments.

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 two years. The figures are converted to the Interstate Transfer Index (ITI) to allow for better comparison with other Australian universities.

Entry standards

U GROW

TABLE 1

Performance against enrolment load targets by faculties

	Target	Total	Variance
Arts	2,788	2,748.3	-1.4%
Commerce	1,331	1,360.3	2.2%
Education	1,274	1,300.5	2.1%
Health Science	1,215	1,229.8	1.2%
Law	473	472	-0.2%
Science, Engineering & Technology	2,658	2,451.9	-7.8%
Enabling Programs	150	205.3	36.9%
TOTAL	9,889	9,768.1	-1.2%

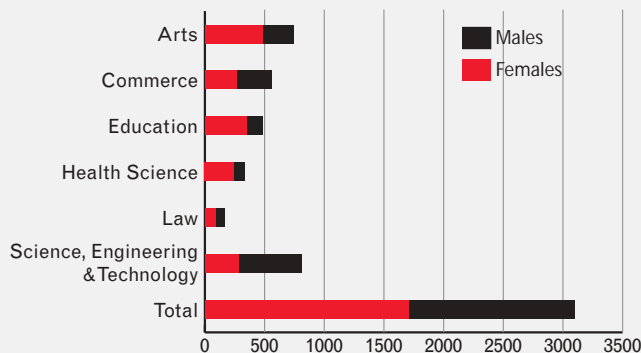
TABLE 2

Entry scores, Year 12 Entrants, 2002-2003

Year	Mean ITI	Median ITI
2002	77.5	80.8
2003	77.2	79.5

TABLE 3

2002 Course completions by faculty



Course completions

Graduate outcomes

Student satisfaction

Faculty quality assurance reports indicate continuing increases to median TE scores. 68.3% of the top quartile of Year 12 students either enrolled or were granted a formal deferral by the University, compared with 66.9% in 2002.

In 2002 there were 3,104 students who completed their courses, of whom 1,398 were male and 1,706 female. Of the total, 2,049 completed in Hobart, 879 in Launceston and 176 in other centres. The course completions by faculty are shown in Table 3.

Table 4 shows the outcomes (destinations) of students who completed an undergraduate or postgraduate degree in 2002.

The table shows that outcomes for those completing an undergraduate degree remain at a good level, with the majority of graduates in employment or undertaking further study. The percentage of graduates who are in work has increased for both undergraduates and postgraduates compared with 2001.

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 Department of Education, Science and Technology (DEST) produces indicators on undergraduate responses on three scales – overall satisfaction, good teaching and generic skills.

Satisfaction on each of these scales is measured by the percentage of graduates who 'broadly agree' with statements in the CEQ (that is, graduates responding 3, 4 or 5 respectively to statements in the questionnaire as a percentage of all respondents). These data can be used for benchmarking against the national averages and selected benchmark partners.

Overall Course Satisfaction: this question averaged 3.8. Of 1,768 respondents, 1,212 (69%) rated their overall satisfaction as either 4 or 5, up slightly relative to 2001 (66%).

The time series data in Table 5 indicate that students continue to rate the University favourably, with no significant gender differences between the experiences of students.

TABLE 4

Destinations of graduates

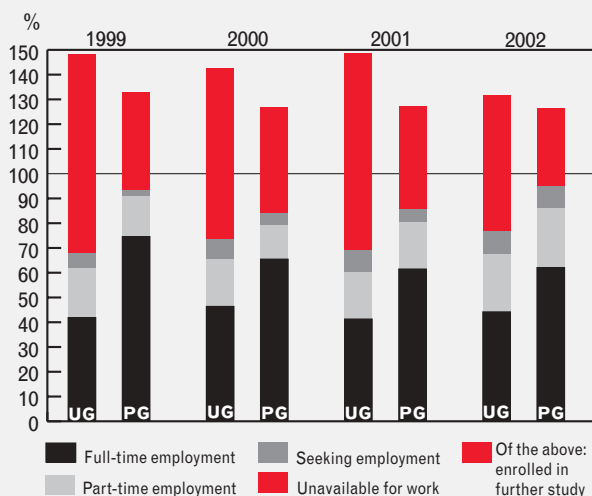


TABLE 5

Average score on key CEQ scales (on 1-5 range) all respondents

CEQ Scale	Gender	1999	2000	2001	2002
Good Teaching	Females	3.3	3.4	3.4	3.5
	Males	3.3	3.3	3.3	3.4
	All Students	3.3	3.3	3.3	3.4
Generic Skills	Females	3.7	3.7	3.7	3.7
	Males	3.6	3.7	3.7	3.6
	All Students	3.7	3.7	3.7	3.7
Overall Satisfaction	Females	3.8	3.8	3.7	3.8
	Males	3.8	3.7	3.6	3.7
	All Students	3.8	3.8	3.7	3.7



GRADUATIONS

Eighteen graduation ceremonies were held in Hobart and Launceston in August and December 2003 with 3,196 candidates admitted to degrees and diplomas. Additionally, 63 candidates chose to have their degrees conferred at a meeting of the University's Council. Typically, such graduands are candidates for research higher degrees who wish to have their degrees conferred before proceeding overseas for employment or postdoctoral study, or graduands who have studied off-shore.

The graduation ceremonies of the University provide the University with an opportunity to showcase the talent of Conservatorium of Music students. In the December 2003 round of ceremonies, talented young cellist and PhD student Penelope Witt performed at all ceremonies.

The August round of ceremonies was the first at which the Deputy Chancellor of the University, Dr Martyn Forrest, presided. Dr Forrest took up his appointment on 1 January 2003.

Honorary degrees were conferred on the following in recognition of their outstanding service to Australia, Tasmania or the University:

Emeritus Professor Donald McNicol, BA *Adel*, PhD *Camb*, FAPsS, FRSA (Doctor of Laws) – former Vice-Chancellor

Mr John Clark, AM, BA, MA *Tas*, MA *UCLA* (Doctor of Letters) – Director, National Institute of Dramatic Art

Mr Dennis Morris (Doctor of Science) – Plant Taxonomist

TABLE 6

International student load – EFTSU

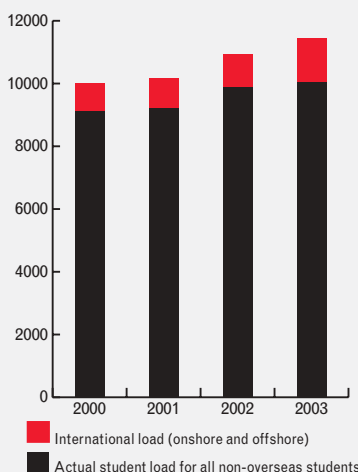


TABLE 7

International student enrolments – onshore semester 2

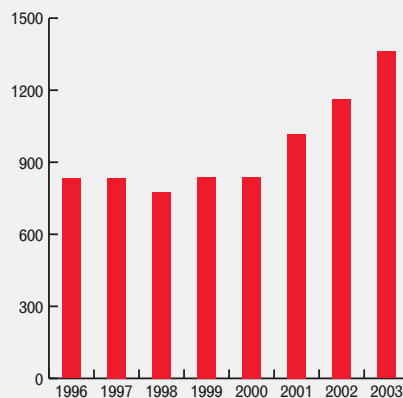
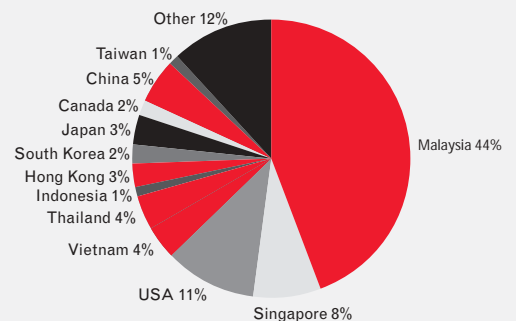


TABLE 8

Source countries for international students





Identity

INTERNATIONAL

The growth of the significant international activities of the University of Tasmania continued in 2003.

International student numbers continued their upward trend. The tables on page 10 show the growth in international student numbers as a proportion of all students (presented as EFTSU – equivalent full-time student units), and the growth in onshore international student enrolments.

In 2003, international students represented 12% of the total student population for the University and generated \$13.8 million in fee income.

Over 60 countries were represented by international students at the University in 2003. The majority of onshore students originated from South-East Asian countries, with 64% of onshore students coming from six Asian countries: Malaysia, Singapore, Vietnam, Thailand, Indonesia and Hong Kong. Students from the USA were the second biggest country group, with 145 or nearly 11% of the total.

Activity in China and India was stepped up in 2003, which should consolidate growth and ensure diversity in the student body in the next few years.

Offshore

As an important and developing component of the University's international commitments, Offshore Programs include:

- Units taught in locations other than Tasmania
- Twinning operations where the university curriculum is delivered as part of a relationship with offshore providers
- English language programs or support delivered in partner institutions.

2003 has been a year of significant growth for the University Business Enterprise for International Offshore Programs. Through its participation in the IEN (International Education Network) in China, the University now has IEN institutes operating in Shanghai, Hangzhou and Fuzhou, involving over 500 students.

In addition to the IEN operation, the University has also continued to manage and support offshore programs in Singapore, Malaysia, Indonesia, Thailand, Vietnam, and a short course program in Japan. In terms of new programs, plans are well advanced to establish an MBA program in New Zealand, to commence in 2004, and other programs in Hong Kong and South America are under consideration.

Postgraduate research scholarships

The University's Tasmania Scholarships program, which provides scholarships and bursaries for undergraduate students, continues to increase in both the number and the value of awards offered. In 2003 more than \$1.1 million was provided in support of 380 undergraduate and honours students. Just over \$500,000 of this amount was derived from the ongoing sponsorship initiatives of the University Foundation.

The table below shows the number of scholarships and bursaries provided in 2002 and 2003.

The University invests \$2.3 million annually in approximately 140 postgraduate research scholarships funded at the Australian Postgraduate Award (APA) rate. Schools, institutes or faculties offer an additional 75 internal scholarships. The APA system currently funds 112 scholarships and 26 APA (industry). There are currently a total of 353 scholarships for research higher degrees students.

International scholarships

The University's international scholarships program, which was allocated \$707,000 in 2003, 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.

A number of new perpetual scholarships were endowed during 2003, including one by the three daughters of the late E.M.B. Mann. When Ethel Mann graduated from the University in 1923 it was still uncommon for women to enrol at university. In the time since, her children, grandchildren and great grandchildren have been associated with the University. Ethel's daughters' endowment will encourage students who have an interest in the communication of science through teaching and writing.

In addition to awards for students studying at university, the University's innovative bursary scheme, which encourages students at risk into study at Year 11, received additional funding from the Connect Community Foundation. An additional 10 students will receive \$500 each year when they progress from Year 10 to 11, then into Year 12 and subsequently to the University of Tasmania. Connect's support brings to 30 the number of students in the State's colleges receiving bursaries – 20 awards are provided by the Sylvia and Charles Viertel Charitable Foundation.

Undergraduate scholarships and bursaries offered by the University

ACADEMIC SCHOLARSHIPS	2002	2003
Four-year scholarships (\$10,000 p.a.)	9	9
Four-year scholarships (\$3,000 p.a.)	15	15
One year honours scholarships (\$4,000 - \$10,000)		
Overseas scholarships (\$2,500)	9	12
SPONSORED SCHOLARSHIPS		
Undergraduate scholarships (\$2,000 - \$4,000 p.a.)	27	14
Honours scholarships	18	28
Endowed scholarships	9	11
EQUITY SCHOLARSHIPS & BURSARIES		
Accommodation bursaries (\$1,000 ea)	118	115
West North-West bursaries (usually \$3,000 p.a.)	10	9
Regional Tasmania bursaries (\$3,000 p.a. x 4 years)	6	9
Aboriginal teachers' scholarships (\$3,000 each)		6
Endowed equity scholarships (\$2,000 - \$3,000 p.a.)	7	7

In 2003, the University Teaching and Learning Committee formulated a Teaching and Learning Development Plan that set out activities to achieve the following teaching and learning goals from the University's Strategic Plan 2003-2005.

Teaching & learning

- To develop flexible and accessible courses and approaches to delivery that attract and retain a diverse range of students of high calibre.
- To provide students and staff with appropriate support to ensure a quality learning experience that is satisfying to students and to maximise the effectiveness of learning.
- To provide a quality teaching and learning experience that develops lifelong learning skills and generic graduate attributes and leads to highly satisfying and rewarding employment, career and personal development outcomes for students.

Other strategic goals relating to the University's identity, state and community development, and efficiency and effectiveness were also put into operation through teaching and learning activities.

The Teaching and Learning Committee prepared a comprehensive report on 2003 outcomes of the Teaching and Learning Development Plan, which it will present to Council in 2004.

During 2003 Associate Deans (Teaching & Learning) were appointed in each faculty. These positions are responsible for supporting the deans in developing teaching and learning initiatives, providing leadership in teaching and learning and co-ordinating a range of quality assurance processes within faculties. Regular meetings among the Associate Deans (Teaching & Learning) have resulted in improved communication and increased levels of inter-faculty collaboration.

Major course developments

The following new courses were approved in 2003 for introduction in 2004:

- Bachelor of Forest Science with Honours
- Graduate Certificate in Geographic Information Systems
- Master of Environmental Planning
- Bachelor of Fisheries Science; Bachelor of Fisheries Science with Honours
- Graduate Certificate, Graduate Diploma and Master of Public Administration (International)
- Graduate Certificate, Graduate Diploma and Master of Art, Design and Environment

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Teaching & learning

- Bachelor of Time-based Multimedia
- Graduate Certificate, Graduate Diploma and Master of Music Studies
- New combined degrees of Bachelor of Science and Bachelor of Teaching, Bachelor of Computing and Bachelor of Teaching; Bachelor of Information Systems and Bachelor of Teaching; and Bachelor of Music and Bachelor of Teaching
- Graduate Certificate, Graduate Diploma, Master of Professional Accounting and Master of Professional Accounting (Specialisation)
- Master of Clinical Midwifery

Major amendments to existing courses approved during the year included: a full-fee-paying accelerated pathway in the Bachelor of Nursing to provide an option of completing the existing course in two years including one semester at St Vincent's Private Hospital in Sydney; a concurrent enrolment and articulation arrangement between the Diploma of Information Technology offered by TAFE Tasmania and the Bachelor of Computing. Amendments were made to a number of courses in the light of internal course or professional reviews, including the Bachelor of Laws and combined degrees with law, Bachelor of Applied Science (Agriculture) and the Bachelor, Diploma, Graduate Diploma and Master of Aquaculture.

Course & school reviews

Course and school reviews, including reviews by professional bodies, were conducted for the Bachelor of Adult and Vocational Education/Honours; Bachelor of Human Movement/Honours; Bachelor of Arts; postgraduate courses in counselling; the physics major in the Bachelor of Science; and the schools of Law (including the Bachelor of Laws and combined degrees with law), Earth Sciences, and Asian Languages and Studies; the Faculty of Commerce courses and schools (including Information Systems, Management, and Accounting and Finance); Computing; and English, Journalism and European Languages.

Teaching Development Grants

Ten Teaching Development Grants were awarded: seven individual, two intra-faculty grants involving the faculties of Arts and Science, Engineering and Technology and one inter-faculty grant involving Health Science and Arts. The grants are awarded primarily to support the development of innovative teaching approaches with potential university-wide extension.

Faculties also received a total of \$400,000 to support teaching projects identified as strategic initiatives. These included: a project to develop virtual field-based resources in the Faculty of Science, Engineering and Technology; flexible delivery projects in law, arts and commerce; a project to develop case-based teaching approaches in health science; and a curriculum review project in education.

Flexible teaching and learning

The University continued its development of flexible approaches to teaching and learning. In 2003 a total of 471 units incorporated WebCT, the University's online course management tool, an increase from 352 in 2002. The Pro Vice-Chancellor (Teaching and Learning) commissioned an evaluation of the impact on students of flexible approaches to teaching and learning. Data from more than 1,000 telephone interviews with students demonstrated strong student support for the University's flexible teaching and learning strategy.

The Flexible Education Unit, established in 2002, consolidated its position and provided a range of activities to support students and staff, including:

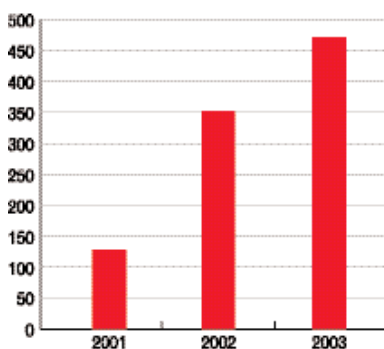
- The delivery of 62 staff development programs (including 40 generic workshops and 22 school-based activities), involving 882 staff. Topics included peer and self-review of teaching, generic attributes of graduates, assessment, internationalisation of the curriculum and plagiarism.
- A Teaching Matters conference to showcase the University's innovative teaching, attended by 200 staff.
- An introductory teaching program (Teaching at the University of Tasmania) in which 42 participants enrolled.
- Online programs covering the use of IT, accessed by 5,624 students and 379 staff.
- Workshops covering the effective use of videoconferencing and WebCT in teaching.
- A UniStart program to assist students in their transition to university study, with 597 participants in 2003 compared with 490 in 2002.

A review of the University's teaching facilities was conducted by an external consultant and an implementation plan was prepared to address the recommendations. Students were surveyed to ascertain levels of satisfaction with the University's core services for students. Employers of graduates were surveyed to ascertain their expectations and satisfaction with University of Tasmania graduates.

Table 9 shows growth in the number of units that include online components. These data relate only to units that use WebCT for their online delivery.

TABLE 9

Number of units that include WebCT online components 2001-2003



Efficiency & effectiveness

Staff numbers at 31 March 2003

FTE:	All staff (including casuals)	1,791
Persons:	Academic (excluding casuals)	734
	Non-academic (excluding casuals)	978

Senior staff appointments

SENIOR EXECUTIVE APPOINTMENT

Vice-Chancellor	Professor Daryl Le Grew
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PROFESSORIAL APPOINTMENTS

ACE CRC	Professor Bruce Mapstone
History & Classics	Professor Cassandra Pybus
Law	Professor Margaret Otlowski
Pathology	Professor James Vickers
Sociology & Social Work	Professor Rob White

Leadership and management program

Following an extensive consultation process with Heads of School, Heads of Section, Deans and other senior managers in early 2003, a new leadership and management program was put in place with special emphasis on providing assistance and support to newly-appointed Heads.

A new position of Staff Development Coordinator (Leadership & Management Program) was also created, and Ms Jill Currey was appointed to this position in September 2003.

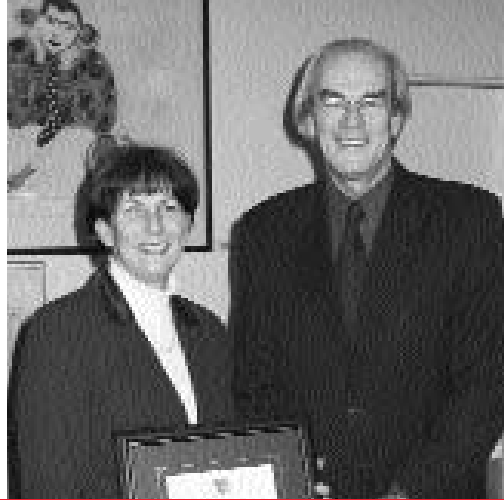
Staff development

The University, through its Corporate Staff Development fund, supported approximately 60 staff development activities during 2003, which included a total of 136 individual sessions being presented. Programs included recruitment and selection workshops, performance management seminars, orientation programs, provision of nationally recognised qualifications, professional development leave for general staff, project management, and a number of equal employment opportunity (EEO) initiatives such as Collegial Support Groups, Women's Equity Focus Groups and continuation of the University's online harassment and discrimination training course, which is available to all full-time and part-time staff.

The terms of reference for the Staff Development Committee were also revised during 2003 and approved by Council. The committee has responsibility for the development of policy and strategic direction in relation to staff development, ensuring that the University's strategic goals in relation to staff development are communicated to the university community so that faculty/division staff development plans and activities are consistent with the University's strategic direction, monitoring and evaluating staff development policy and the quality of practices throughout the University, allocating and monitoring the expenditure of the central staff development fund, and reporting to the university community on achievements in the area of staff development.

U STRIVE

Lyn Webster and Professor Daryl Le Grew at the presentation of her Vice-Chancellor's Award for Exceptional Performance by General Staff



Efficiency & effectiveness

AWARDS

Student awards University Medals were awarded to the following for outstanding academic performance:

Elinor Mary Lynn HEARD	Faculty of Arts
Josephine Sarah RICHES	Faculty of Arts
Merryn Lea SMITH	Faculty of Arts
Courtney Ann CHUGG	Faculty of Commerce
Kate Elisa WEIDMANN	Faculty of Commerce
James Edward UPCHER	Faculty of Law
Lyra BUTLER	Faculty of Education
Nadine FLANAGAN	Faculty of Health Science
James BOWE	Faculty of Science, Engineering & Technology
Samantha Jane FUNG	Faculty of Science, Engineering & Technology
Stanislav SHABALA	Faculty of Science, Engineering & Technology
Peter Thomas WHILE	Faculty of Science, Engineering & Technology
Matthew James WOOLLEY	Faculty of Science, Engineering & Technology

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

The Faculty of Science, Engineering and Technology team members

Allison Burrett
Wayne Goninon
Nicole Oliveira
Mark Bennett
Jeannie-Marie LeRoi
Alexandra Hamilton-Smith

The Financial and Business Services team members

Jo Rohwedder
Sheree Brown
Stephen Bugg

Client Services Coordinator Student Administration

Lyn Webster

Training and Support Officer Flexible Education Unit

Lindene East

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

Dr Margaret Barrett
 (School of Education)
Mr Lynden Griggs
 (School of Law)
Ms Samantha Hardy
 (School of Law)
Mrs Takame Ueki-Sabine
 (School of Asian Languages & Studies)

Efficiency & effectiveness



NORTH-WEST CENTRE

The campus model in operation

During this watershed year, an external administrative review outlined various recommendations that will see the Centre move into a new era as the Cradle Coast Campus. This new direction will strengthen alliances with other education providers and the wider regional community.

The *Creative Pathways* project and associated participation strategies focused on young people in the region, and will continue to drive interaction with the community. An initiative to attract more adult learners was achieved through the *Do it for Yourself* program.

The year culminated in national recognition of the campus as the best amongst Australia's publicly funded universities for engaging with its regional community.

The Centre is poised on the verge of a new era that will see it grow over the next 10 years in response to demands and support from the Cradle Coast region.

The majority of undergraduate students at the north-west campus in 2003 studied through flexible delivery mode using combinations of WebCT, video-conferencing, visiting academic staff and other ICT tools. Initiatives supporting the delivery of academic programs and university services through the campus included:

- The Campus Community Committee held three meetings during 2003 and provided a forum for students to raise issues related to academic endeavour and student life directly with the Centre Director. Issues raised included the need for quiet study spaces, high demand for computers, library access and usage, establishment of study groups and the desire for upgraded student facilities.
- The Academic Coordinators' Forum explored cross-faculty issues of service delivery at the Centre and developed local solutions accordingly. Five meetings were held in 2003 and issues including tutor-training needs, orientation program, new unit offerings and demands on Centre resources were addressed.

Following appraisal of a number of campuses it was considered that the University of Western Australia, Albany Centre, provided a comparative reference regarding the mode of academic delivery, regional community focus, on-site support and distance from mainstream campus services. A formal benchmarking process commenced in May.

Regional Engagement

National profile

The University of Tasmania was a major category winner in the 2003 Australian Awards for University Teaching (AAUT). The North-West Centre was acknowledged as the best in Australia in the institutional category: *Innovative and practical approach to the provision of educational services to the local and/or regional community.*

Centre Director Megan Cavanagh-Russell accepted the award trophy and \$50,000 prize money from the Federal Minister for Education, Dr Brendan Nelson, at a ceremony held at Canberra's Parliament House in December 2003. Representatives from two stakeholders in the Mooreville Road Education Precinct, Catherine Fernon from the Burnie City Council and Jenny Breen from the Education Department, also attended.

"The impact of this national recognition on our regional community cannot be overestimated," said Megan Cavanagh-Russell. "It is not just a regional campus winning a national award. In north-west Tasmania it is the Cradle Coast community being recognised as a university-oriented region, something unthinkable 10 years ago."

The national award recognised the Centre's strength in engaging with its community to overcome barriers to higher education. Notably, the *Creative Pathways* project featured a streetscape incorporating landscape design elements and artworks to provide visual links on the roadway between four educational institutions within the Mooreville Road Education Precinct (Burnie Primary School, Hellyer College, TAFE and the University).

Participation strategies

In 2002 the University, TAFE, Education Department and Cradle Coast Authority established a partnership project, *Stronger Learning Pathways*, with commitments of \$25,000 from each of the three institutions. Together with an additional \$2 million allocation from the Federal Government through the Sustainable Regions Program, funding will be used to develop innovative education participation strategies. A project officer was appointed in early 2003.

Partnership/industry links

Advance Burnie, a community and economic development partnership with the Burnie City Council, identified education and training as a priority sector in its strategic plan. A memorandum of understanding was signed in April 2003 and established a CEO position, partly sponsored by the University of Tasmania.

The partnership aims to provide an entrepreneurial emphasis in the Bachelor of Commerce program and meet the professional development needs of the business community through the North-West Centre.

The Braddon Business Centre, in association with *Advance Burnie* and the University, prepared a submission to the Department of Economic Development for a grant to improve business skills in Burnie. A series of breakfast seminars focused on increasing the awareness of businesses towards employing graduates.

Efficiency & effectiveness

The Primary Industry Science Program, a three-year, \$2.55 million project funded in 2000 by the Federal Department of Education, Science and Training, drew to a successful close during 2003. The program's aim was to promote the relevance of science in education and primary industry to Years 11 and 12 students, and two program streams, education and industry, were implemented from the North-West Centre.

Attracting students

Ongoing activities were initiated and implemented by Centre-based staff and others working statewide in the University's Student Recruitment Unit. A pilot campaign, initiated and managed from the North-West Centre during 2003, targeted adult learners from the region and encouraged them to consider tertiary study. The *Do it for Yourself* campaign included print and radio advertisements aimed specifically at adult learners.

The *Do it for Yourself* kit was designed and written in conjunction with University Preparation Program students. The campaign was supported by 10 student profiles published in *The Advocate* newspaper and resulted in 18 additional enrolments.

Cultural program

The theme of the 2003 Cultural Program was *Digging Deeper* and the seven scheduled events sought to encourage people to extend their knowledge and "think outside the square". Five public lectures featured topics as varied as philosophy, science, ancient history and international law. Two art exhibitions were sourced from the Academy Gallery at Inveresk.

Academic Scene

Undergraduate study

A full first-year program was available in the following degree courses through the Centre:

- Bachelor of Arts
- Combined Bachelor of Arts/Bachelor of Laws*
- Bachelor of Commerce
- Combined Bachelor of Commerce/Bachelor of Laws*
- Bachelor of Computing
- Bachelor of Education (Early Childhood and Primary)
- Bachelor of Information Systems
- Bachelor of Natural Environment and Wilderness Studies
- Bachelor of Science
- Bachelor of Social Science (Police Studies)
- Bachelor of Tourism*

(*New in 2003)

North West Rural Clinical School

The North West Rural Clinical School's primary focus is on undergraduate medical education, although it also has an ongoing commitment to nursing and pharmacy education. Eight staff members (fractional and full-time) were appointed to the NWRCS in 2003, including Professor Judi Walker as Chief Executive in July.

University Preparation Program

Sixty-eight students enrolled in the University Preparation Program (UPP) in 2003. The Centre-initiated program offered seven units in flexible mode statewide during 2003, two more than in 2002.

Research & research training

RESEARCH



UTAS is a research-led university with a commitment to scholarship of the highest quality. While the University plays an important role in the provision of R&D for the State, it does so using global standards.

The past year has been one of high enthusiasm and commitment to the new EDGE agenda. The success of the University in research has provided an added spur for continuing improvement. In 1999 the University set itself the goal of being one of the 'top-ten' research universities in Australia on a per capita basis. The latest nationally available data show that on most of the standard research performance indicators we have achieved that position and that few, if any, universities achieve such a ranking on all the indicators. This position will serve as the base to improve both the absolute quantity and quality of our research, and our per capita ranking.

The Commonwealth performance-based block funding of research via the Research Training Scheme, Institutional Grants Scheme and Research Infrastructure Block Grant continues to increase and in 2003 was \$14.8 million, \$7 million and \$3.3 million for these three schemes respectively. Overall, the University ranked seventh (on an FTE basis, or ninth unadjusted) nationally in the block funding schemes.

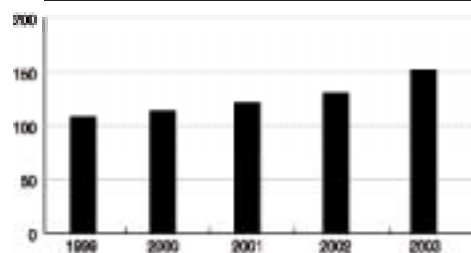
Income for research in 2003 appears to have been maintained. Enhancing research income will be a priority over the period 2004-2006 if we are to maintain our current position and then to improve it. The University Research Higher Degree Load in 2003 was 681, an all-time record, continuing a steady growth over the period 2001-2003. Last year saw a record of 152 research higher degree completions.

This is a substantial achievement and represents an amalgam of the efforts of very able students and their committed supervisors. There has been a continuing enhancement in our processes and procedures in relation to RHD students.

Registration of supervisors, the annual Postgraduate Coordinators

Conference, the Generic Skills Workshops, the *Six Stages of Candidature* booklet and the new approach to annual progress reports, have made a more comprehensive framework for RHD training. We offered a total of 501 scholarships from all sources, up from 429 in 2002, 411 in 2001 and 300 in 2000. The University of Tasmania continues to be a popular institution with students for RHD training, with 299 students applying for scholarships in 2003. The average time for completion of a PhD is now four years and for a masters degree it is 2.6 years.

TABLE 10 RHD completions



Research & research training

University Theme Areas

In 1996 the University embraced four theme areas:

- *Antarctic and Southern Ocean Studies*
- *National and State Development*
- *Natural Environment and Wilderness*
- *Population and Community Studies*

These have given the University a distinctive approach to its research and teaching. During 2003 there was ongoing discussion about the development of themes and a new theme centred around issues of community and change will be developed during 2004. There is likely to be further refinement of the themes during 2004 in line with the EDGE agenda.

Research in the theme areas continues to contribute substantially to the University's overall research effort. This is also being aligned to the national research priority areas released by the Commonwealth Government in 2002.

Benchmarking

The benchmarking of the five University institutes was completed in 2003 against leading national and international comparators. This exercise will be undertaken again in 2004. While international benchmarking is often problematic, an exercise carried out using data from the University of Liverpool, one of the so-called Russell group of research-intensive British universities, and the University of Otago indicate that the University of Tasmania compares favourably with such international counterparts.

Further work is underway to develop major benchmarking alliances with international universities.



Research & research training

RESEARCH PARTNERSHIPS

CRCs The commencement of the new Antarctic, Climate and Ecosystems CRC in mid-2003 was a major step forward in the development of this university's Antarctic research activity. The new research program has started and has already attracted significant international attention and interest.

The CRC for Sustainable Production Forestry will complete its activities in mid-2005. Most of the current partners, and a number of new ones, have worked on a proposal for a new forestry-related CRC to start in mid-2005.

The University's strategy of maintaining involvement in a limited number of CRCs that deliver significant benefits has been successful.

State Government

The decision to renew the joint venture arrangement with the State Government in relation to the Tasmanian Institute of Agricultural Research (TIAR) for a further 10 years with a further 10-year renewal option, is a major achievement. The wonderful success of the Institute in developing a critical mass of quality R&D capability has served Tasmania and its primary producers well. The implementation of the \$1.8 million innovative 8X5 wool research program for Australian Wool Innovation has been an important development in the manner in which TIAR conducts its business, i.e. into managing whole programs for an R&D corporation rather than projects.

The inauguration of the Australian Centre of Excellence in Food Safety was a substantial addition to TIAR during 2003. Funded as part of the federal National Food Innovation Strategy, the Centre is a partnership with Food Science Australia and has its headquarters at UTAS.

The Tasmanian Aquaculture and Fisheries Institute (TAFI) underwent a detailed review by the partners and a new joint venture is currently close to completion. The Institute continued to make a substantial contribution nationally to aquaculture and fisheries research. TAFI is a major partner in the Aquafin CRC.

The alliance between UTAS and the Department of Police and Public Safety in the Tasmanian Institute of Law Enforcement Studies (TILES) progresses, with the appointment of a director and the receipt of research contracts including one from the National Drug Law Enforcement Research Fund (NDLERF).

Other partnerships in law reform, housing, medicine and education continued to prosper during 2003.

The capacity of the University and major agencies to develop mutually beneficial R&D alliances might be seen as part of the *Tasmanian Advantage*. The returns from these partnerships are clear and demonstrable and augur well for the future.

National

The Australian Partnership in Advanced Computing (APAC) has been an important, and highly successful, national initiative in supercomputing. UTAS has spearheaded the development of the Tasmanian Partnership in Advanced Computing (TPAC). This has kept Tasmania at the table of national supercomputing. There have been significant returns coming into the State

Research & research training



Commercialisation

Infrastructure

through its links into APAC, including access to the national supercomputing facility in Canberra. Tasmania receives about 7-8% of the time on this facility, more than South Australia or Western Australia. This demonstrates that UTAS is a significant research player in particular areas of supercomputing. Indeed, in the area of environmental earth systems we are national leaders.

During 2003 UTAS and CSIRO Division of Marine Research signed a groundbreaking MOU to develop joint activity, including a PhD program in quantitative marine science (QMS). This program will have a joint investment of \$5 million in cash and 'in-kind' over five years from the partners. The University has established a Chair in Marine Science to head the program. Significantly the Chair is funded by the University (80%) and CSIRO Marine Research (20%). The program will start in 2004 and will seek students nationally and internationally.

There is a consistent theme of collaboration in much of the research in this report. Our collaboration with partners has enabled us to develop critical mass and develop research and research training programs that are exciting, of high quality and that deliver good outcomes for stakeholders. This will continue to be important for our R&D effort as we move forward.

The Commercialisation Unit attracted funding of \$173,905 (including accruals) in 2003. Sales of Callista Research, based on UTAS software, slowed in 2003 as new management redirected the company. Various projects, either UTAS alone or in conjunction with interstate partners, were being evaluated by pre-seed funds or venture capital funds.

Southern Ice Pty Ltd, a wholly-owned university spin-off, has continued trading in its high quality Southern Ice Porcelain *Flora of Tasmania* plates and the company expects to return a dividend to the shareholders in 2004.

The University is an equity shareholder in In-tellinc, a Tasmanian IT incubator. The company has made investments in approximately a dozen companies.

In the last months of 2003 the Commercialisation Unit was reviewed by an external consultant and a plan for its future is being developed for implementation in 2004.

Research infrastructure is crucial for any research-led university. UTAS has a wonderful facility in the Central Science Laboratory (CSL). This is cited frequently at the national level as a best practice model of organising research facilities. An essential ingredient is the recognition that infrastructure is not just about equipment, but the personnel that operate and maintain the facilities and assist the researchers. The CSL continued to provide valuable input into the research effort of many groups.

New infrastructure acquired during 2003 included:

- The Benchtop Triple Quadrupole Gas Chromatograph Mass Spectrometer, which provides the research community with a facility capable of meeting more demanding analytical requirements, including positive and negative ion chemical ionisation and parent/daughter ion experiments. This type of positive and negative ion chemical ionisation will allow mass spectrometry to be done on a large range of molecules that fragment under normal electron impact ionisation. The total cost of this equipment was \$360,000.
- The electron probe microanalysis system valued at \$1.2 million. Our past experience with the earlier model provided a wealth of data to more than 250 researchers in 14 years of routinely using this facility. The probe, in the Central Science Laboratory, is fundamental to major advances across a spectrum of applications from geochronology through to igneous petrology and magman genesis, ore deposit and alteration studies, rock deformation, microstructure and determination of the pressure-temperature time histories of rock packages and environmental geoscience.



Research & research training

RESEARCH STORIES

NEW PARTNERSHIP LAUNCHES TILES TO IMPROVE LAW ENFORCEMENT RESEARCH

Above: Associate Professor Roberta Julian and Inspector Matthew Richman of Tasmania Police

The University and the Tasmanian Department of Police and Public Safety launched a new institute in August 2002 to provide an improved research base for law enforcement, not just in Tasmania, but throughout Australia. The Tasmanian Institute of Law Enforcement Studies (TILES) was established under a partnership agreement between the State Government and the University, and follows the successful model already in place with the Tasmanian Aquaculture and Fisheries Institute (TAFI).

Directed by Associate Professor Roberta Julian, School of Government, TILES will undertake specific research tasks for Tasmania Police and other law enforcement agencies. It will second researchers from Tasmania Police to assist with research, as well as draw upon expertise from the university community and research staff recruited for specific projects.

Tasmania Police and the University have made a commitment to fund TILES for four years, after which time it is expected to become self-funding. To achieve this goal it must secure additional research grants, and its initial success has been promising. In its first few months of operation it secured a \$175,000 research grant from the National Drug Law Enforcement Research Fund for a study of drug diversion programs in three States, as well as smaller grants from the National Institute of Forensic Science and a competitive contract to evaluate a restorative justice program for car thieves.

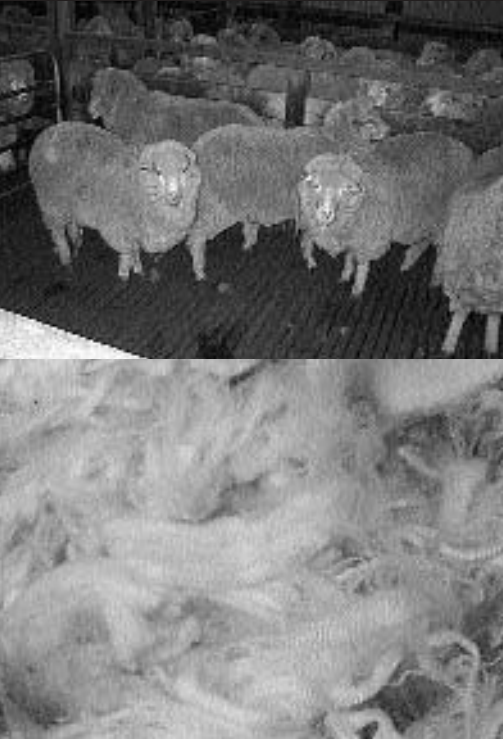
TILES has been established to help improve the extent to which law enforcement is based upon sound evaluations of both existing policies and those implemented in other jurisdictions. It has been scoped so as not to compete with other research organisations such as the Australian Institute of Criminology. Although TILES will undertake some work on criminology, its emphasis will be on law enforcement rather than the causes of crime.

Within this mission, it has set some strategic research priorities in the areas of drug law enforcement, transnational crime (including terrorism) and environmental regulation. These priorities have been selected on the basis of the University's identified research strengths, and needs and opportunities nationally.

TILES is already building links with other agencies; for example, it is participating in an Environmental Crime Working Party organised by Australian Federal Police (AFP) and involving several State and Federal agencies. The AFP is addressing this area of responsibility from its Hobart office and intends using this process as a model for coordinating multi-agency approaches to the environment in other States.

TILES is based in the School of Government, which has also acted as host school for the teaching program in police studies. That program, like TILES, draws on expertise from throughout the University and builds on the existing relationship with Tasmania Police to improve the qualifications of the State's law enforcement officers and their work practices. After an international search process, Roberta Julian, formerly of the School of Sociology and Social Work, was appointed as the Director of TILES.

Research & research training



TASMANIAN WOOL INDUSTRY AIMS TO LIFT EFFICIENCY AND PROFIT UNDER A NEW RESEARCH PARTNERSHIP

The Tasmanian wool industry is set to benefit from a major new initiative known as the 8x5 Wool Profit Program, which is jointly funded by Australian Wool Innovation Limited in partnership with the Tasmanian Institute of Agricultural Research. Chief investigators on the project are Dr Peter Lane of the School of Agricultural Science and Mr Andrew Johnston of the Department of Primary Industries, Water and Environment.

The 8x5 Wool Profit Program is an integrated research, development and extension program designed to assist Tasmanian wool producers achieve an eight per cent annual return on managed assets within five years. The program consists of a number of individual sub-projects that address a range of critical issues identified by industry. These include:

- Investigation of variation in Tasmanian wool fibre diameter, which occurs on a seasonal basis. Research into improved nutrition for sheep during periods of feed shortage has the potential to substantially reduce this problem.
- Assessment of the nutrient status of soils in wool growing.
- Demonstration of new pasture management technologies. Best practice pasture management will be demonstrated on a regional basis using the concept of 'monitor farms'.
- Preparation of a business plan for the eradication of the sheep blowfly from Tasmania, which would deliver significant cost savings to the industry.
- Benchmarking conducted to identify relative production and financial performance indicators of wool producers.
- Education and training courses to assist wool producers to improve their enterprise and business viability.
- Assessment of specialist markets for Tasmanian wools.
- Quantitative and qualitative surveys of wool producers.

Integration and management of these projects will be critical to the overall success of the 8x5 Wool Profit Program. An industry-focused structure has been established to manage and implement the outcomes of individual projects. A Program Management Committee will monitor the overall progress and management of the program and a full-time program manager, Dr David Counsell, has been appointed.

WORKPLACE AGGRESSION IN NURSING: THE UNTOLD STORY

Despite local and international concerns regarding the level of aggression nurses are subjected to, little systematic measurement of the problem has been undertaken. The Scoping Workplace Aggression in Nursing (SWAN) study was a collaborative endeavour between School of Nursing staff, headed by Professor Gerald Farrell, Tasmanian School of Nursing, and Ms Christina Bobrowski, Department of Health and Human Services Tasmania, professional organisations and practice colleagues.

All nurses registered with the Nurses Board of Tasmania in 2002 were surveyed. Preliminary findings indicate that 64 per cent of respondents experienced physical or verbal abuse during the period under investigation. About 50 per cent of the respondents who reported verbal abuse also experienced physical abuse. Few respondents reported physical abuse only.

The main types of verbal abuse experienced over the four-week reporting period were rudeness, shouting, sarcasm, swearing and unjustified criticism. Physical abuse mainly took the form of being struck with a hand, fist or elbow, being pushed or shoved, or being scratched.

Males and females were almost equally as likely to be perpetrators of verbal abuse. However, males were considered to be twice as likely as females to be physically abusive. Patients/clients and visitors were identified as the main perpetrators of both verbal and physical abuse. Medical and nursing colleagues were the next largest source of verbal abuse. A small percentage of medical and nursing colleagues were responsible for physical abuse. Nurses also experienced abuse over the telephone from clients/patients and visitors, and from other medical and nursing colleagues.



Research & research training

More than one in 10 nurses (11 per cent) indicated that they had left a nursing position sometime during their career because of verbal or physical abuse. Further, 24 per cent of nurses had considered resigning a position because of either type of abuse during the four-week reporting period. Two per cent of respondents indicated that they had left the nursing profession altogether because of verbal or physical abuse.

More than 50 per cent of nurses who responded indicated that the most distressing aspect of their work was not having enough time to complete work and to support patients; a further 24 per cent of nurses rated abuse or lack of support from, or disagreements with, other nursing and medical staff as the most distressing aspect of their work. Nurses indicated that abuse has the potential to affect their productivity at work and may even cause them to make errors.

The chief investigators, from the School of Nursing, concluded that the preliminary SWAN data confirm the widely held view that there is a significant amount of abuse occurring in the nursing environment, and that many nursing professionals are dissatisfied with their profession because of this abuse.

Respondents want clear policies and guidelines to assist them in dealing with workplace abuse, together with access to grievance mechanisms and transparent reporting systems.

SURVEYING MARINE PROTECTED AREAS TO ASSESS EFFECTS OF FISHING ON TEMPERATE REEF COMMUNITIES

Researchers at the Tasmanian Aquaculture and Fisheries Institute, led by Dr Neville Barrett, have completed a major research project (1999-2003) that examined the changes, costs and benefits associated with establishing marine protected areas (MPAs) in temperate Australia. The research was funded from a range of sources, including the Australian Research Council (ARC), the Fisheries Research and Development Corporation (FRDC) and the Natural Heritage Trust (NHT).

There is an increasing volume of international literature suggesting that fishing often removes a substantial proportion of the higher order predators that play a key role in regulating the abundance of organisms lower in the food chain. The recent and ongoing establishment of MPAs in temperate Australia offers a unique opportunity to examine the degree to which fishing may have altered our coastal ecosystems. The research involved studying the recovery of marine areas following protection and contrasting these developments with changes occurring associated with the effects of fishing.

A second component of the study was a time series of surveys examining the recovery of Tasmania's first MPAs (no-take marine reserves) since their declaration in 1991. Annual surveys within the four reserves at Ninepin Point, Tinderbox, Maria Island and Governor Island (Bicheno) have produced data that provided some understanding of the extent to which fishing, introduced species and range-extensions of habitat-modifying species influence natural variability at this temporal scale.

Changes within the MPAs over this survey period indicated that fishing has had a substantial influence on the population structure of many species, particularly those targeted by fishers, although the extent of the change depends on the susceptibility of species to capture, the remoteness of protected locations and the MPA design. Changes within the remote Maria Island MPA (the largest) relative to reference sites have included increases in the abundance of lobsters and susceptible fish such as the bastard trumpeter (*Latridopsis forsteri*) and increases in the mean size of rock lobsters.

In addition, a 30 per cent decline in the abundance of common urchins may be the first Tasmanian evidence of broader ecosystem effects related to protection from fishing, while a strong decline in abalone numbers suggests an inverse relationship between exploited predatory species (presumably lobsters) and abalone.

The invaluable reference-area role of MPAs has allowed the researchers to begin to understand the coastal processes in temperate Australia.

THE ARTS IN THE LIVES OF AUSTRALIAN FAMILIES

There is increasing recognition amongst policy makers and political scientists that the arts contribute significantly to the health, wealth, tolerance and civic governance of society. The research project of Dr Margaret Barrett (Faculty of Education) and Heather Smigiel (Flexible Education Unit) is funded through the ARC Linkage Scheme entitled *Australian Children and the Arts: Meaning, Value and Participation*. The industry partner is the Australia Council for the Arts.

The project seeks to identify the meaning, purpose and value of the arts for children (aged 5-15 years) with one component focusing on the ways in which children describe their engagement with the arts in family settings.

In order to access children's perspectives of the arts in their lives the research is being conducted over two phases. In phase one (2002) the research has focused on children in school settings across Australia.

Children describe the arts in multiple ways and hold 'open categories' of definition for what constitutes the arts. Not only do they perceive the arts in 'big A' (opera, classical music, ballet, drama) and 'little a' (popular music, films and television) categories, they also view activities not normally associated with the arts as examples of arts practice. For example, a common theme in many conversations was the identification of 'nature' as an art.

Through discussion children also suggested that activities such as sport, cooking, building, gardening, and home decoration could be classified as the arts.

In year one, 330 children from across all States and territories in Australia have participated in the project.

The distinguishing feature of discussions is a view of a common process across those activities defined as the arts. Specifically, this involves processes of: reflective thinking; problem-solving; skill development; applying a learnt skill in new and unique ways; practising; and hard work. With this definition nearly anything that is 'done', done well, and involves some sort of planning, can be the arts.

Children also emphasise the role of the arts as a means of expressing and communicating thoughts and feelings.

In many discussions children emphasised the all-pervasive nature of the arts in the world, suggesting that the arts are embedded in everything.

For the children in this study the arts constitute an open category of experience that plays an important role in their lives. This is also evident in children's descriptions of the ways in which the arts are practised in their families. Children view a range of activities that do not fit traditional categories of the arts as examples of arts practice in their families.

For these children it is not 'what' you do that defines the arts, it is the 'way' that you do it, and the ways in which you 'see the world'. The findings emerging from our research project suggest that Australian children *do* see the arts as part of their daily lives, and that they understand and enjoy their participation in these activities. The difference appears to lie in the ways in which the arts are defined by (rather than for) these children, and the nature of their participation in arts activities.



State & community development

PUBLIC & COMMUNITY RELATIONS

One of the important strategic goals of the University is to enrich cultural values and advance social and sustainable economic interests of the State through effective targeting and coordination of programs to meet the needs of the community, government, business, industry and other key stakeholders. It also aims to further develop and focus its extensive community support in beneficial collaborations.

The University continues in its partnership agreement with the State Government and is formalising a cooperative relationship with the City of Hobart that includes sponsorship of scholarships and bursaries. There is a memorandum of understanding between the Launceston City Council and the University that provides for regular updating of strategies for collaboration on a range of educational and developmental goals for both organisations.

The Burnie City Council supports the North-West Centre through joint projects such as *Creative Pathways* and sponsorship of scholarships and bursaries. Regular briefings were held with the Cradle Coast Authority and a number of projects were initiated.

In August 2003 the University renewed the Partners in Health agreement through the signing of another statement of mutual intent.

The University is a brand partner of Brand Tasmania and successfully collaborates on the Brand Tasmania e-friend program through joint promotion to University alumni worldwide.

The commitment of the University to Tasmania Together continues through participation in benchmarking and ongoing regular contact between the Tasmania Together Board and the Vice-Chancellor.

University Council held community briefings in Launceston, Burnie and Hobart in which the University's EDGE agenda was explored. In March the inaugural joint dinner meeting of the University Council and the Cabinet of the State Government was held at the University. The Vice-Chancellor also hosted functions for smaller groups of stakeholders in the three regions.

Relationships with professional organisations continued through the involvement of the University in CEDA economic and budget briefings, attendance or involvement of the Vice-Chancellor at meetings and conferences of professional organisations, including the RAI, AHRI and the Association of Independent Schools. The University sponsored a session in the Tasmanian Community Foundation Philanthropy Conference and the Vice-Chancellor hosted dinner meetings in all three regions for school and college principals.

U COMMUNICATE

State & community development



The University was involved in the Bicentenary Council and the development of programs for the bicentenary. During 2003 the ABC and the University co-presented the inaugural John Lees Lectures in Hobart and Launceston, involving panel and audience discussion of issues of major significance to Tasmanians. The programs were subsequently broadcast statewide on ABC Radio.

In June 2003 the University hosted a table of significant representatives of the State including politicians, Tasmania's Rhodes Scholar, the Chancellor and the Vice-Chancellor at the inaugural Universities Meet Parliament Dinner in the Great Hall of Parliament House in Canberra. The University also participated in the centenary celebrations of the High Court of Australia in Hobart in November, attending a ceremonial sitting and co-hosting a reception at Parliament House.

UNIVERSITY OF TASMANIA FOUNDATION

The University of Tasmania Foundation was established in 1994 as the major fundraising arm 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.

The Foundation has Australian Taxation Office endorsement as an income tax exempt charity and a deductible gift recipient. At the end of 2003 the Foundation was managing in excess of \$10.7 million and during the year it received more than \$1.68 million in donations and other funding support.

Membership program

A strategy for building financial membership of the Foundation was developed in 2000, with an initial focus on the university community and graduates.

Total financial membership of the Foundation increased by 38 (or 43%) to 127 over the year. The end of 2003 member category totals were:

Patrons	16	Benefactors	2
Fellows	24	Members	85



State & community development

Annual dinner

The fifth Foundation Annual Awards Dinner, held in March, was another outstanding success. Having established itself as one of the important corporate events of its type in the State, the evening attracted a capacity crowd of more than 420 guests.

The highlights of the evening were the presentation of the Foundation Graduate Awards by the new Vice-Chancellor, Professor Daryl Le Grew, and the recognition of the new group of Tasmania Scholars and their sponsors.

The recipients of the Foundation Graduate Awards for 2003 were Ms Elizabeth Thomas, the first woman to be appointed Public Trustee in Tasmania, and Professor Timothy McCormack, Foundation Australian Red Cross Professor of International Humanitarian Law at the University of Melbourne. These awards recognise high-achieving University of Tasmania graduates who demonstrate leadership in their professions and in the community.

West North-West Bursary dinner

A capacity audience of more than 150 guests attended a special Foundation dinner in June at the Axeman's Hall of Fame in Latrobe. The event was held in recognition of the ongoing commitment and generosity from the north-west region in supporting north-west students at the University. In 2003, 79 north-west students received sponsored scholarships and bursaries worth more than \$250,000.

The Tasmania Scholarships Endowment

The Tasmania Scholarships Endowment, which was launched in 2000, has been a major initiative of the Foundation with an initial target of \$2 million. By the end of 2003 more than \$3.2 million in capital funds had been raised, establishing a consolidated Scholarship Endowment of almost \$9 million.

Annual appeal

The third annual appeal, which ran in 2003, raised \$25,899 bringing the Alumni Annual Appeal Scholarship Endowment Fund to a total of \$76,000.

Sponsored scholarships & bursaries program

Sponsorship support from business and the community for scholarships and bursaries in 2003 totalled \$546,663. This is an increase of 35% on 2002 and 84% on 2001.

Bequests program

In 2003 at least \$3 million worth of bequest pledges were notified by donors or their legal representatives. This is an increase of over \$1.4 million on 2002 pledges.

Directors

The University of Tasmania Foundation Board of Directors 2003:

Mr Ian Roberts (Chair); Mr Saul Eslake; Mr Rod Hayes; Mr Russell Paterson; Mr David Rowell and Mr Richard Watson AM. Three non-voting members also serve on the Board. They were Mr Ron Banks AM (President of the Foundation Board of Governors); Mr John Brodie (University Council representative) and Vice-Chancellor Professor Daryl Le Grew.

Above: Dr David Russell, TIAR, Ms Jane Bennett, Ashgrove Cheeses and Ms Megan Cavanagh-Russell, North-West Centre at the West North-West Bursary Dinner

State & community development



CULTURAL ACTIVITIES

The University Cultural Activities Committee distributes \$300,000 for a program of cultural events and exhibitions. The program contributes towards the enrichment of university life and that of the wider community by the practice and presentation of innovative, high-quality activities. The committee also funds the University's collection of over 2,000 pieces of contemporary Australian art and sculpture, and the collection of ancient Egyptian, Greek and Roman pieces in the John Elliott Classics Museum.

The funding was disbursed to sectors through the Cultural Activities Committee in accordance with the committee's business plan for the triennium. In 2003 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 public lectures and performances designed to engage the general public with the University and to support teaching initiatives
- Literature and Writing: to support the Tasmanian Readers' and Writers' Festival and the publication of *Island* magazine

Additional support for the Cultural Activities Program in 2003 was provided from cultural grants sourced by sectors from state and federal funding agencies.

The University gave direct support to the *Ten Days on the Island* festival by sponsoring two concerts by talented Australian group Melismos. The group, led by Michael Atherton, Professor of Music at the University of Western Sydney, recreates fragments of ancient Greek music. Other members of the ensemble are Mina Kanaridis and Philip South. All three have international reputations in their fields and gave performances that were 'spine tingling'.

Alumni of the University were encouraged to support the second concert in the series that was also a fundraising event for the University's John Elliott Classics Museum. As a result of the concert, the museum was able to purchase, later in the year, several pieces of Roman glass and a very fine tetradrachm of Augustus.

Members of the Greek community were invited to inspect the museum and meet the Vice-Chancellor, Professor Le Grew, at a reception held in the museum prior to the concert. Many were unaware that the collection existed in Hobart and were entranced at having the opportunity to inspect important artefacts from their ancient past. The Greek community is represented in Tasmania by Honorary Consul Dr Alexis Pittas, Research Fellow in the School of Engineering.

Melismos performs on original instruments, handcrafted by Sydney violin-maker Harry Vatiliotis. The instruments were exhibited in the University's John Elliott Classics Museum following the performances, and generated much interest.





State & community development

ALUMNI

The University of Tasmania Alumni operates independently within the University, reporting annually to the Council of the University. The affairs of the Alumni are managed by the Alumni Committee. The Chair and Deputy Chair of the Alumni Committee are members of the Council and represent graduates of the University on that body.

The ordinance establishing the Alumni was revised in 2003 to make provision for the automatic membership of all graduates and diplomates of the University and of its predecessors in law. Prior to this time, graduates and diplomates were required to apply for membership.

The aim of the Alumni is to further the development of 'lifelong professional and personal relationships between the University and its graduates'. It does this through the publication of *Alumni News*, through general meetings, through a branch network, and through a program of events in Australia and overseas.

The Alumni works closely with the University Foundation to facilitate fundraising activities and supports the University's access and equity initiatives by providing funding for bursaries through the West North-West Bursary scheme. In 2003 the sum of \$4,363 was raised for this purpose through program sales at graduation ceremonies, apart from donations received from individuals. Alumni of the University are also canvassed each year to make donations to the Alumni Annual Appeal Scholarship. Three scholarships and two bursaries are now on offer.

The first meeting of the Alumni Committee each year is dedicated to review and development of the Alumni Plan, which sets out strategies and goals by which the Alumni can fulfil its mission. The Alumni Plan for 2003-2005 is informed by the University Plan and the University's EDGE agenda.

Two issues of *Alumni News* were published in 2003. In response to feedback from alumni, each issue is now themed to provide information to graduates on advances in their disciplines, on research developments at the University, and to indicate the contribution that the University is making to state and national development. A desired outcome of this strategy is to show that the University is central to the lives of Tasmanians and an institution of which they can justly be proud.

The June 2003 issue featured initiatives in agricultural science and the impact those initiatives have for the State. The November 2003 issue featured the research and contribution of the Centre for Ore Deposit Research, the search for sources of sustainable energy, the important work of the new Australian Food Safety Centre of Excellence, and the impact of the epidemiological research being done by the Menzies Research Institute.

In 2003 the Alumni held three general meetings, the last of which was the annual general meeting in Hobart on 8 November 2003. All three general meetings were held in conjunction with other events to provide an added dimension and to

Above: Professor Chris Hudson, Mr Ian Jenson and Dr Tom Ross at the launch of the Australian Food Safety Centre of Excellence

State & community development



Professor Ross Large, Director, CODES, University of Tasmania

encourage alumni to attend. The first, held in Launceston in July 2003, was followed by a theatre party; the second, also in July 2003, was held in Sydney in conjunction with the Sydney Branch Annual Dinner; and the annual general meeting, in conjunction with an exhibition of the work of final-year furniture design students.

This strategy of looking for synergies to give alumni activities an added dimension can best be illustrated by the successful reception for alumni that was hosted by the Vice-Chancellor in Melbourne in March 2003. The reception was held at the Percy Grainger Museum, which was hosting an exhibition of the leather musical instruments of Tasmanian sculptor Garry Greenwood at the time. Alumni attending the reception then had the opportunity of moving to a concert by the University Wind Orchestra at the adjacent Melba Hall. The concert featured the premiere of a concertino for wind and leather instruments by Launceston composer Karlin Love.

The major event for the year was the Australian University Alumni Council Conference, hosted by the Alumni in Launceston from 13-15 November 2003. The conference, themed *Alumni – a Bridge to the Community*, explored the manner in which universities interact with the communities in which they reside, and how their relationship with graduates and other members of the community can be used in positioning and marketing the institution. Delegates were drawn from alumni professionals and volunteers throughout Australia with strong representation from the University of Tasmania.

The theme was informed by the recent Commonwealth Government report *Our Universities – Backing Australia's Future*, which suggested that universities will have to pay greater attention to the manner in which they interact with their graduates and their communities if they are to position themselves well to meet the challenges of the coming decade.

The conference was held at the Inveresk precinct to showcase both the Academy of the Arts and the Queen Victoria Museum and Art Gallery to interstate and overseas visitors and to emphasise the special relationship that exists between the University and the City of Launceston.

The conference dinner at Stillwater Restaurant provided a perfect opportunity to present former Governor of Tasmania Sir Guy Green with his Distinguished Alumni Award. Sir Guy was the sole recipient of the award in 2003 for his outstanding contribution to both the University of Tasmania and to the Tasmanian community.

A goal of the Alumni is to make the name and purpose of the Alumni known to the undergraduate population. In pursuit of this goal the Alumni was represented at the 2003 Graduate Careers Fair on the Hobart campus of the University, attended by second and third year students of the University wishing to investigate employment prospects. This initiative was successful in bringing the Alumni to the attention of a significant cohort of undergraduate students.

Alumni branches in Sydney, Singapore and Jakarta continued to be active in 2003. A steering committee, set up by alumni in Perth to work towards the formal establishment of a branch in Western Australia, continued to be active and arranged a social function in the middle of the year. The Vice-Chancellor also met with alumni in New York while visiting the US.

It is likely that the visit will result in the establishment of a Tasmanian chapter of Young Australian Professionals in America.

As at 30 November 2003 there were 49,801 graduates recorded on the Alumni database. Good mailing addresses were held for 30,456 (61%). Of those, graduates resident in Tasmania numbered 22,501 (73%); resident interstate 5,089 (17%); and resident overseas 2,866 (10%).

UNIVERSITY COUNCIL

The University Council is the governing body of the University of Tasmania. The Chancellor is appointed by the members of the Council and chairs the Council. The current Chancellor is Dr Mike Vertigan and the Deputy Chancellor (elected by and from the members) is Dr Martyn Forrest. Both positions are honorary.

Council is responsible for the strategic directions of the University. It monitors university and management performance, and is responsible for major financial decisions, risk management and compliance, and for extending links and communication between the University and the wider community. Council is advised by its committees (Audit Committee; Built Environment Committee and Student Residences Subcommittee*; Ceremonial and Honorary Degrees Committee; Finance Committee and Investment Subcommittee; Legislation Committee; Nominations Committee and Remuneration Committee); its working parties, and (in relation to academic matters) the Academic Senate.

**The Student Residences Subcommittee was formally wound up by Council in February 2003.*

During 2003 Council met six times; three times in Hobart, twice in Launceston and once in Burnie. Council also had a special meeting in March to approve the appointment of a new member.

Major issues dealt with included:

Strategic priorities

- Council approved the strategic plan following a process of engaging staff and students in identifying the strategic priorities for UTAS in the 2004-2006 triennium, under the banner of the EDGE (excellence, distinctiveness, growth and engagement) agenda.

Governance issues

- Council approved as Council policy a governance framework for entities associated with the University.
- The Chancellor initiated a review of the operation of Council and its committees.
- Council agreed to the adoption of a coherent framework for its operations, to include:
 - policy framework
 - financial and resource framework
 - delegations
 - strategic assessment process
 - risk management process



U PLAN

Satellite image processed by the Bureau of Meteorology, originally obtained from the polar orbiting satellite Feng Yun 1D of the Chinese Meteorological Administration.

Governance



“Crossroads” Higher Education Review

The University met extensively with the Federal Minister for Education, the Federal Opposition and Tasmanian senators in relation to the legislative changes proposed for the higher education sector.

Council planning conference

Professor Daryl Le Grew engaged Council and members of the university community in discussions over the future of the University, focused on the EDGE agenda.

Council receptions

The Chancellor and members of Council hosted receptions for community leaders in Hobart, Launceston and Devonport. Between 60 and 80 people drawn from business, education, health, government and the community sector attended each one. Those attending were informed about some of the activities and projects that the University is involved in, and their input was sought on possible future directions for the University.

COUNCIL MEMBERSHIP

1 January 2003 - 31 December 2003

Ex Officio

Dr Mike Vertigan	Chancellor
Professor Rudi Lidl	Acting Vice-Chancellor (to 14 January)
Professor Daryl Le Grew	Vice-Chancellor (from 15 January)
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

Dr Xiaoling Liu (from 20 March)
Mr Damian Bugg
Mr Bob Ruddick

Elected by Academic Staff

Professor Jamie Kirkpatrick
Professor Jim Reid
Mr Rick Snell

Elected by General Staff

Mrs Zita Mitchell

Above: University Council members

Elected by Students

Mr Daniel Hulme (to 30 November)
 Ms Tammie McCarthy (from 1 December)
 Mr Eli White (to 28 November)
 Mr John Moore (from 29 November)

Appointed by Council

Optional international member (vacant)

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.

1 January 2003 - 31 December 2003

Audit Committee

Chair Mr Bob Ruddick
 Members Mr Rod Roberts
 Mr Harvey Gibson
 Mr Keith Stacey
 Secretary Ms Belinda Webster

Built Environment Committee

Chair Ms Jenny Williams
 Members Professor Rudi Lidl
 (Acting Vice-Chancellor to 14 January)
 Professor Daryl Le Grew
 (Vice-Chancellor from 15 January)
 Professor John Williamson
 Professor Jamie Kirkpatrick
 Mrs Zita Mitchell
 Mr Daniel Hulme (to 30 November)
 Ms Tammie McCarthy (from 1 December)
 Mr Eli White (to 28 November)
 Mr John Moore (from 29 November)
 Assoc. Prof. Jonathan Holmes
 Professor Roger Fay
 Secretary Ms Belinda Webster

Student Residences Subcommittee

Chair Professor Rudi Lidl
 (Acting Vice-Chancellor to 14 January)
 Professor Daryl Le Grew
 (Vice-Chancellor from 15 January)
 Members Mr Roy Cordiner
 Mrs Elizabeth Daly
 Ms Janine Healey
 Mrs Zita Mitchell
 Mr Eli White
 Secretary Ms Belinda Webster

*** The Student Residences Subcommittee was formally wound up by Council on 28 February 2003*

Governance

Ceremonial and Honorary Degrees Committee

Chair	Dr Mike Vertigan
Members	Professor Rudi Lidl (Acting Vice-Chancellor to 14 January) Professor Daryl Le Grew (Vice-Chancellor from 15 January) Professor John Williamson Mr Ian Roberts Mrs Elizabeth Daly Dr Martyn Forrest Professor Jeff Summers Professor Barbara Hatley
Secretary	Ms Belinda Webster

Finance Committee

Chair	Mr Rod Roberts
Members	Professor Rudi Lidl (Acting Vice-Chancellor to 14 January) Professor Daryl Le Grew (Vice-Chancellor from 15 January) Professor John Williamson Mr Bob Ruddick Mr Mark Carrington Professor Rob Clark Dr Martyn Forrest Mr Miles Hampton Mr Val Smith
Secretary	Ms Belinda Webster

Investment Committee

Chair	Mr Rod Roberts
Members	Professor Rudi Lidl (Acting Vice-Chancellor to 14 January) Professor Daryl Le Grew (Vice-Chancellor from 15 January) Mr Bob Ruddick Mr David Catchpole Professor Rob Clark Mr Richard Pringle-Jones
Secretary	Ms Belinda Webster

Legislation Committee

Chair	Mr Damian Bugg
Members	Professor Jim Reid Mr Rick Snell
Secretary	Ms Belinda Webster

Nominations Committee

Chair	Dr Mike Vertigan
Members	Dr Martyn Forrest Mrs Elizabeth Daly
Secretary	Ms Belinda Webster

Remuneration Committee

Chair	Dr Mike Vertigan
Members	Dr Martyn Forrest Mr Rod Roberts
Secretary	Ms Belinda Webster

U N I V E R S I T Y O F T A S M A N I A

FINANCIAL STATEMENTS

For the year ended 31 December 2003

UINVEST

	2003		2002		2001		2000		1999	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
INCOME										
Commonwealth Government grants	121,115	56.9	111,742	55.9	101,708	55.6	98,018	57.1	99,264	57.0
State Government grants	6,462	3.0	6,166	3.1	6,927	3.8	6,278	3.6	7,349	4.2
Higher Education Contribution Scheme										
Student contributions	3,162	1.5	3,132	1.6	3,448	1.9	3,988	2.3	3,803	2.2
Commonwealth payments	34,165	16.0	32,523	16.3	31,485	17.2	29,839	17.3	25,491	14.6
Postgraduate Education Loans Scheme	1,029	0.5	724	0.4						
Fees & charges	27,489	12.9	24,159	12.1	18,083	9.9	13,960	8.1	11,808	6.8
Superannuation										
Deferred Government contributions	(310)	-0.1	35	0.0	393	0.2		0.0		0.0
Commonwealth supplementation	672	0.3	882	0.4	579	0.3	624	0.4		0.0
Investment income	2,741	1.3	1,798	0.9	2,165	1.2	6,540	3.8	5,902	3.4
Royalties, trademarks and licences	(22)	0.0	259	0.1						
Consultancy and contract research	5,688	2.7	6,174	3.1	7,472	4.1	5,219	3.0	4,746	2.7
Other revenue	10,754	5.1	12,116	6.1	10,556	5.8	7,539	4.4	15,817	9.1
Total income	212,945	100.0	199,710	100.0	182,816	100.0	172,005	100.0	174,180	100.0
EXPENDITURE										
Academic salary costs	64,714	31.4	61,337	30.7	56,424	30.1	51,847	30.0	49,263	30.7
Non-academic salary costs	53,451	26.0	51,896	26.0	50,116	26.7	48,302	27.9	48,680	30.3
Depreciation and amortisation	17,113	8.3	16,994	8.5	16,664	8.9	14,734	8.5	14,286	8.9
Buildings & grounds	6,523	3.2	7,832	4.7	7,509	4.0	6,658	3.8	4,812	3.0
Bad & doubtful debts	(66)	0.0	440	0.2	765	0.4	39	0.0		0.0
Other expenses	64,203	31.2	60,987	29.8	56,180	29.9	51,576	29.8	43,434	27.1
Total expenditure	205,938	100.0	199,486	99.9	187,658	100.0	173,156	100.0	160,475	100.0
OPERATING RESULT	7,007		224		(4,842)		(1,151)		13,705	
KEY RATIOS										
1. Financial stability and liquidity										
– Current ratio	2.5		2.3		2.0		1.9		1.7	
– Net cash balances	8,319		8,411		8,922		14,749		19,700	
– Net assets	338,880		296,370		296,146		300,988		301,587	
2. Revenue										
– Commonwealth Government grants (inc. HECS and PELS)	156,981		145,871		133,772		128,481		124,755	
– Other University income	55,964		53,839		49,044		43,524		49,425	
Total University income	212,945		199,710		182,816		172,005		174,180	
Commonwealth Government grants as a percentage of total income	74		73		73		75		72	
Student (full-time equivalents)*	9,407		9,415		9,168		9,251		9,433	
Average Commonwealth recurrent grant (inc. HECS)	16,688		15,493		14,591		13,888		13,225	

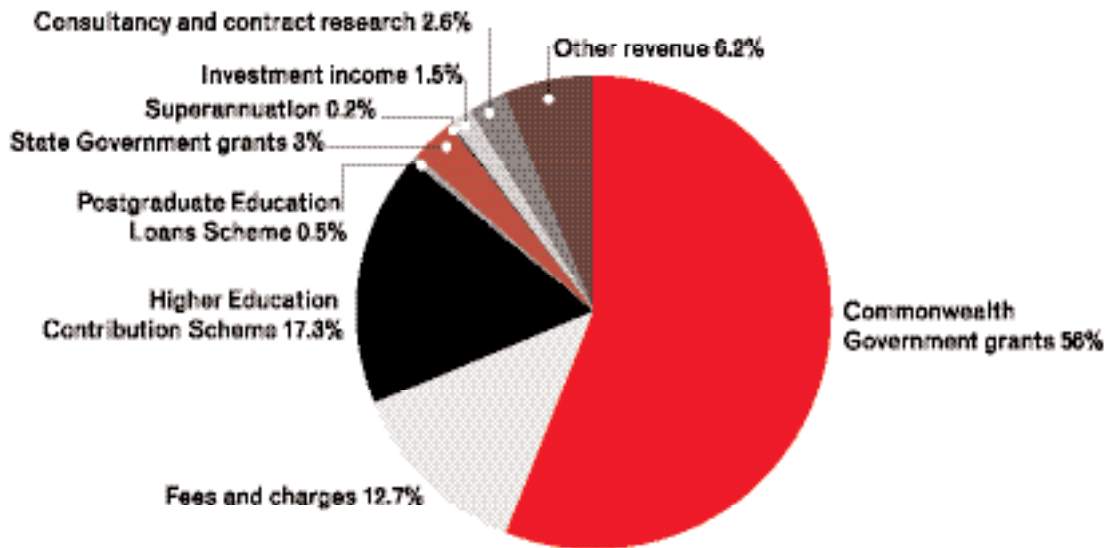
* Source: Statistics 2002 – DEST Operating Grant Load

FIVE YEAR SUMMARY ENDING 31 DECEMBER 2003 – CONSOLIDATED

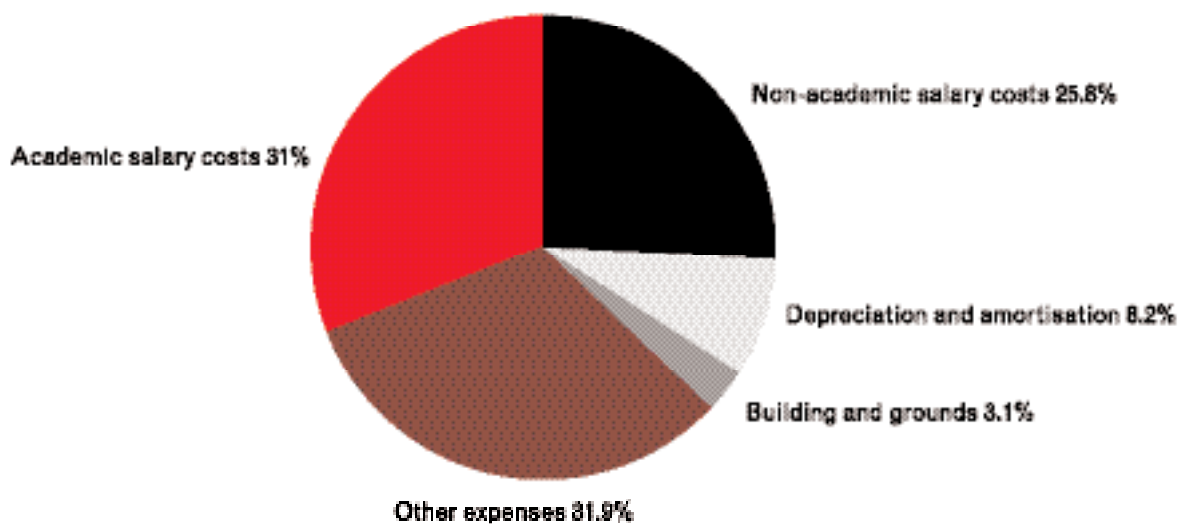
	2003		2002		2001		2000		1999	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
INCOME										
Commonwealth Government grants	121,115	56.0	111,742	55.6	101,708	54.8	98,018	56.0	99,264	56.2
State Government grants	6,462	3.0	6,166	3.1	6,927	3.7	6,278	3.6	7,349	4.2
Higher Education Contribution Scheme										
Student contributions	3,162	1.5	3,132	1.6	3,448	1.9	3,988	2.3	3,803	2.2
Commonwealth payments	34,165	15.8	32,523	16.2	31,485	16.9	29,839	17.1	25,491	14.4
Postgraduate Education Loans Scheme	1,029	0.5	724	0.4						
Fees & charges	27,489	12.7	24,159	12.1	18,082	9.7	13,960	8.0	13,172	7.5
Superannuation										
Deferred Government contributions	(310)	-0.1	35	0.0	393	0.2		0.0		0.0
Commonwealth supplementation	672	0.3	882	0.4	579	0.3	624	0.4		0.0
Investment income	3,337	1.5	1,747	0.9	2,640	1.4	6,788	3.9	5,995	3.4
Royalties, trademarks and licences	(22)	0.0	259	0.1						
Consultancy and contract research	5,688	2.6	6,174	3.1	7,472	4.0	5,204	3.0	4,746	2.7
Other revenue	13,478	6.2	12,940	6.5	13,275	7.1	9,977	5.7	16,627	9.4
Total income	216,265	100.0	200,483	100.0	186,009	100.0	174,676	100.0	176,447	100.0
EXPENDITURE										
Academic salary costs	64,714	31.0	61,337	30.7	56,511	30.6	51,847	29.7	49,263	30.4
Non-academic salary costs	53,660	25.7	52,129	26.1	50,235	27.3	48,515	27.7	48,951	30.2
Depreciation and amortisation	17,127	8.2	17,012	8.5	16,703	9.1	14,734	8.4	14,322	8.8
Buildings & grounds	6,523	3.1	7,832	4.7	7,509	4.1	6,658	3.8	2,025	1.2
Bad & doubtful debts	(66)	0.0	539	0.3	672	0.4	39	0.0		0.0
Other expenses	66,573	31.9	60,987	29.7	52,538	28.5	53,178	30.4	47,655	29.4
Total expenditure	208,531	100.0	199,640	100.0	184,168	100.0	174,971	100.0	162,216	100.0
OPERATING RESULT	7,730		843		1,841		(295)		14,231	
KEY RATIOS										
1. Financial stability and liquidity										
– Current ratio	2.7		2.6		2.5		2.0		1.7	
– Net cash balances	8,393		8,684		8,922		14,749		19,700	
– Net assets	349,820		306,587		296,146		300,988		301,587	
2. Revenue										
– Commonwealth Government grants (inc. HECS and PELS)	156,981		145,871		133,772		128,481		124,755	
– Other University Income	59,284		54,612		52,237		46,195		51,692	
Total University income	216,265		200,483		186,009		174,676		176,447	
Commonwealth Government Grants as a percentage of total income	73		73		72		74		71	
Student (full-time equivalents)*	9,407		9,415		9,168		9,251		9,433	
Average Commonwealth recurrent grant (inc. HECS)	16,688		15,493		14,591		13,888		13,225	

* Source: Statistics 2002 – DEST Operating Grant Load

INCOME



EXPENDITURE



STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
REVENUE FROM ORDINARY ACTIVITIES	2				
Commonwealth Government financial assistance	2.1	121,115	111,742	121,115	111,742
Tasmanian Government financial assistance	2.2	6,462	6,166	6,462	6,166
Higher Education Contribution Scheme					
Student contributions	21.1	3,162	3,132	3,162	3,132
Commonwealth payments	21.1	34,165	32,523	34,165	32,523
Postgraduate Education Loans Scheme	21.1	1,029	724	1,029	724
Fees & charges	2.3	27,489	24,159	27,489	24,159
Superannuation					
Deferred Government contributions		(310)	35	(310)	35
Commonwealth supplementation		672	882	672	882
Investment income	2.4	3,337	1,747	2,741	1,798
Royalties, trademarks & licences	2.5	(22)	259	(22)	259
Consultancy and contract research	2.6	5,688	6,174	5,688	6,174
Other revenue	2.7	13,478	12,940	10,754	12,116
Total revenue from ordinary activities		216,265	200,483	212,945	199,710
Share of net result of associates and joint ventures accounted for using the equity method		-	-	-	-
Total revenue		216,265	200,483	212,945	199,710
EXPENSES FROM ORDINARY ACTIVITIES	3				
Employee benefits	3.1	118,374	113,466	118,165	113,233
Depreciation and amortisation	3.2	17,127	17,012	17,113	16,994
Buildings & grounds	3.3	6,523	7,832	6,523	7,832
Bad & doubtful debts		(66)	539	(66)	440
Other expenses	3.4	66,573	60,791	64,203	60,987
Total expenses from ordinary activities		208,531	199,640	205,938	199,486
Correction for fundamental error		-	-	-	-
Operating result from ordinary activities before income tax expense		7,734	843	7,007	224
Income tax related to ordinary activities		4	-	-	-
Operating result – after related income tax		7,730	843	7,007	224
Extraordinary items		-	-	-	-
Net operating result		7,730	843	7,007	224
Net operating result attributable to outside equity interests		-	-	-	-
Net operating result attributed to parent entity		7,730	843	7,007	224
Direct credits or debits to equity as per Para 4.3 of AASB 1018, "Statement of Financial Performance"					
Increase in asset revaluation reserve	14	35,503	-	35,503	-
Share of associates' increase in general reserve		-	-	-	-
Share of joint venture entities' increase in general reserve		-	-	-	-
Total revenue, expense and valuation adjustments attributed to the parent entity and recognised directly in equity		35,503	-	35,503	-
Total changes in equity other than those resulting from transactions with owners as owners		43,233	843	42,510	224

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
CURRENT ASSETS					
Cash assets		2,133	1,578	2,133	1,578
Inventories		205	177	205	177
Receivables	7	5,042	4,991	4,789	4,566
Other financial assets	8	89,767	81,619	78,960	71,295
Other assets	9	2,840	3,357	2,806	3,307
Total current assets		99,987	91,722	88,893	80,923
NON-CURRENT ASSETS					
Receivables	7	1,299	510	1,299	510
Other financial assets	8	14,570	10,350	14,590	10,370
Property, plant and equipment	10	284,422	252,167	284,376	252,097
Other assets	9	6,202	6,998	6,202	6,998
Total non-current assets		306,493	270,025	306,467	269,975
Total assets		406,480	361,747	395,360	350,898
CURRENT LIABILITIES					
Payables	11	4,515	5,395	4,489	5,345
Provisions	12	14,593	15,239	14,515	15,232
Revenue in advance		14,943	13,077	14,938	12,557
Other liabilities	13	2,365	1,638	2,294	1,583
Total current liabilities		36,416	35,349	36,236	34,717
NON-CURRENT LIABILITIES					
Provisions	12	20,244	19,811	20,244	19,811
Total non-current liabilities		20,244	19,811	20,244	19,811
Total liabilities		56,660	55,160	56,480	54,528
Net assets		349,820	306,587	338,880	296,370
EQUITY					
Reserves	14	240,807	205,304	240,807	205,304
Statutory funds	14	25,049	21,861	25,049	21,861
Accumulated funds	14	83,964	79,422	73,024	69,205
Total equity		349,820	306,587	338,880	296,370

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES	20				
Inflows:					
Financial assistance					
Commonwealth Government		124,627	114,013	125,142	114,302
Tasmanian Government		6,647	6,337	6,647	6,337
Superannuation – Commonwealth supplementation		672	882	672	882
Higher Education Contribution Scheme					
Student payments		3,162	3,132	3,162	3,132
Commonwealth payments		34,165	32,523	34,165	32,523
Postgraduate Education Loans Scheme		1,029	724	1,029	724
Fees & charges		27,727	24,334	27,727	24,334
Investment income		3,337	1,747	2,741	1,798
Royalties, trademarks and licences		(22)	259	(22)	259
Consultancy and contract research		6,221	6,747	6,221	6,747
Other revenue		12,414	12,331	9,518	11,247
GST – net refund from ATO		2,382	3,587	2,382	3,587
Outflows:					
Employee benefits		(118,897)	(115,586)	(118,759)	(115,355)
Buildings & grounds		(7,024)	(9,342)	(7,024)	(9,342)
Other expenses		(68,218)	(65,688)	(65,856)	(65,650)
Net cash provided/(used) by operating activities		28,222	16,000	27,745	15,525
CASH FLOWS FROM INVESTING ACTIVITIES					
Inflows:					
Proceeds from sale of property, plant and equipment		1,466	1,329	1,466	1,329
Outflows:					
Payments for investments		(13,216)	(2,201)	(12,533)	(1,623)
Payments for property, plant and equipment		(16,763)	(15,766)	(16,770)	(15,742)
Net cash provided/(used) in investing activities		(28,513)	(16,638)	(27,837)	(16,036)
CASH FLOWS FROM FINANCING ACTIVITIES					
Net increase/(decrease) in cash held		(291)	(638)	(92)	(511)
Cash at beginning of reporting period		8,684	9,322	8,411	8,922
Cash at end of reporting period		8,393	8,684	8,319	8,411

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with:

- the *Financial Management and Audit Act 1990*;
- the *University of Tasmania Act 1992*;
- the Australian Accounting Standards Board and Urgent Issues Group consensus views; and
- the Guidelines for the Preparation of Annual Financial Reports for the 2003 reporting period by Australian Higher Education Institutions issued by the Commonwealth Department of Education, Science and Training (DEST);

The financial report covers the economic entity of the University of Tasmania and controlled entities, and the University of Tasmania as an individual parent entity. This financial report has been prepared on an accruals basis and is based on historical costs. The report does not take into account changing money values or, except where stated, current valuations of non-current assets.

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

a) Significant accounting policy issues

There were no significant changes to accounting policies during the year.

b) Principles of consolidation

A controlled entity is any entity controlled by the University of Tasmania. Control exists where the University has the capacity to dominate decision making in relation to the financial and operating policies of another entity so that the other entity operates with the University to achieve University objectives. A list of controlled entities is contained in Note 18 to the financial statements.

The financial statements for the economic entity include all controlled entities, with all inter-company balances and transactions having been eliminated on consolidation.

Where controlled entities have left or entered the University during the year, their operating results have been included from the date control was obtained or until the date control ceased.

c) Tax status

Income tax

The University entity does not provide for Australian income tax as it is exempt from income tax in accordance with the provisions of Division 50 of the *Income Tax Assessment Act 1997*.

Fringe benefits tax

The University is liable to pay fringe benefits tax, and it is included in expenditure reported.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except

where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

d) Revenue recognition

Commonwealth Government operating grants received under the *Higher Education Funding Act 1988* in advance, are treated as reciprocal.

Revenues received from other government sources in respect of future periods are treated as income in the period they are received where the grant is considered non-reciprocal in nature.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Donations and bequests are recognised when the right to receive the funds has been established.

The gross proceeds from the sale of non-current assets are treated as revenue from the time that ownership has passed to the purchaser.

All revenue is stated net of the amount of goods and services tax (GST).

e) Inventories

Inventories are valued at the lower of cost or net realisable value. Cost is assigned on a weighted average basis. Stocks are valued on a first in first out basis.

f) Capital works in progress

Capital works in progress on buildings represents the cost associated with the construction of buildings and other projects of a capital nature, which have not reached their date of practical completion.

g) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation. The valuation methodology adopted for asset classes is as follows:

Asset class

Property (land & buildings)	Fair value
Motor vehicles	Cost
Computing equipment and photocopiers	Cost
Other plant and equipment	Cost
Library	Cost
Works of art and cultural collection	Fair value

Property

Freehold land and buildings were revalued during 2003 by an independent valuer, Mr Frank Julier, AAPI from Edward Rushton Australia Pty. Ltd .

Plant and equipment

All plant and equipment items with a cost equal to or exceeding \$10,000 have been capitalised.

Library collection

The library collection is valued at cost.

Works of art

Valuations for works of art reflect the University-appointed art curator's assessment of these works of art at fair value.

Depreciation

The depreciation amount of all fixed assets including building and completed capital projects, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the University commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to depreciation. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation and amortisation rates and methods are reviewed regularly. Depreciation rates applicable during 2003 are as follows:

Asset class

Land & buildings	2.5% to 5%
Computing equipment	33%
Plant and equipment (general)	10%
– Audio equipment	20%
– Photocopiers	25%
– Motor vehicles	20%
Library	
– Serials	5%
– Books	5%
– Non-books	20%

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 AASB 1028 – Employee Benefits.

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 10 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'. For additional information regarding superannuation see Note 23 – superannuation commitments.

i) Leases

All University leases are classified as operating leases. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

j) Investments

The University's investments are managed as a pooled fund by an independent portfolio manager. This fund is invested in cash deposits, Australian equities, overseas equities, fixed interest securities and property trusts under an approved investment policy. The majority of specific purpose endowments received by the University to fund research activities, scholarships and prizes are also managed in this pooled investment fund.

The investments are valued at cost. Unrealised gains or losses arising from changes in net market value together with any interest, dividend income and other distributions are brought to account in the Statement of Financial Performance in the period in which they are realised.

Investment properties are properties owned by the University and rented. Income received is brought to account as revenue in the Statement of Financial Performance in the period received.

k) Joint venture operations

The University participates in five co-operative research centres, which are disclosed in Note 18. The University interests are not considered material, and expenditure incurred by the University as a result of its participation is expensed.

l) Controlled entities

Investments in controlled entities are carried in the University's Statement of Financial Position at the lower of cost or recoverable amount. Dividends are brought to account as revenue in the Statement of Financial Performance when received.

m) Other business undertakings

Investments in other business undertakings are carried in the University's Statement of Financial Position at the lower of cost or recoverable amount. Dividends are brought to account as revenue in the Statement of Financial Performance when received.

n) Foreign currency transactions and balances

Transactions made using foreign currency are converted into Australian currency at market exchange rates applicable at the date of the transactions. Amounts payable or receivable in foreign currencies at balance date are converted into Australian currency at market exchange rates at balance date. Currency conversion gains and losses are included in the operating result for the year.

o) Receivables

All debtors are recognised at the amounts receivable, as they are due for settlement no more than 30 days from the date of recognition. The collection of receivables is reviewed on an ongoing basis.

Debts known to be uncollectible are written off. A provision for doubtful debts is raised where some doubt as to collection exists and in any event where the debt is more than 90 days overdue.

p) Cash

For the purpose of the Statement of Cash Flows, cash includes:

- cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts; and
- investments in short-term bank bills.

q) Comparative figures

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

r) Rounding of amounts

Amounts in the financial report have been rounded off to the nearest \$1,000.

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
2. REVENUE FROM ORDINARY ACTIVITIES					
2.1 Commonwealth Government financial assistance (inc. superannuation, exc. HECS & PELS)					
Teaching and learning	21.1				
Operating purposes, excluding HECS & PELS		63,989	63,342	63,989	63,342
Teaching hospitals		147	144	147	144
Australian Research Council	21.2				
Discovery – Projects (including Large Grants)		3,869	2,603	3,869	2,603
Discovery – Fellowships		684	888	684	888
Linkage – Projects (including SPIRT Grants)		2,205	2,187	2,205	2,187
Linkage – Infrastructure		983	1,073	983	1,073
Linkage – Centres of Excellence (Special Research Centres)		926	904	926	904
DEST Research Financial Assistance	21.3				
Institutional Grants Scheme (inc. Small Grants)		7,025	6,536	7,025	6,536
Research Training Scheme		14,833	13,800	14,833	13,800
Systemic Infrastructure Initiative		3,000	500	3,000	500
Research Infrastructure Block Grant		3,265	2,609	3,265	2,609
Australian Postgraduate Awards		2,079	1,762	2,079	1,762
International Postgraduate Research Scholarships		251	208	251	208
Other Commonwealth Government					
National Health & Medical Research Council		1,866	1,894	1,866	1,894
Commonwealth Government Research (non-ARC)		8,109	8,785	8,109	8,785
Commonwealth Government (non-research)		5,901	4,789	5,901	4,789
Other Commonwealth Government income		2,655	600	2,655	600
		121,787	112,624	121,787	112,624
Less Commonwealth Superannuation Supplement		(672)	(882)	(672)	(882)
Balance of Commonwealth Government financial assistance		121,115	111,742	121,115	111,742
2.2 Tasmanian Government financial assistance					
Tasmanian Aquaculture and Fisheries Institute		2,683	2,613	2,683	2,613
Tasmanian Institute of Agricultural Research		1,905	1,879	1,905	1,879
Menzies Centre for Population Health Research		666	800	666	800
Tasmanian Law Reform Institute		76	65	76	65
Other State Government income		1,132	809	1,132	809
		6,462	6,166	6,462	6,166
2.3 Fees and charges					
Fee-paying overseas students		15,974	14,134	15,974	14,134
Fee-paying domestic postgraduate students		914	876	914	876
Fee-paying domestic undergraduate students		1,507	1,210	1,507	1,210
Fee-paying domestic non-award students		15	10	15	10
Child Care Centre fees		922	907	922	907
Accommodation Charges		3,870	3,543	3,870	3,543
Services and Amenities Fees		2,798	2,674	2,798	2,674
Other		1,489	805	1,489	805
		27,489	24,159	27,489	24,159

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
2.4 Investment income					
Parent entity		3,333	1,738	2,741	1,798
Wholly owned controlled entities		4	9		
		3,337	1,747	2,741	1,798
2.5 Royalties, trademarks & licences		(22)	259	(22)	259
		(22)	259	(22)	259
2.6 Consultancy and contract research					
Industry and other research		2,955	3,429	2,955	3,429
Research consultancies		1,124	946	1,124	946
Research donations and bequests		296	556	296	556
Industry support to linkage projects		724	608	724	608
Industry support to other Commonwealth research		377	185	377	185
Industry support to research centres		212	450	212	450
		5,688	6,174	5,688	6,174
2.7 Other revenue					
Contract revenue (other than consultancy and contract research)		505	707	505	480
Proceeds from sale of assets	4	1,466	1,329	1,466	1,329
Sale of goods		1,582	1,718	1,582	1,718
Donations and bequests		2,067	1,248	1,031	1,126
Scholarships and prizes		113	131	113	131
Miscellaneous income		7,745	7,807	6,057	7,332
		13,478	12,940	10,754	12,116
3. EXPENSES FROM ORDINARY ACTIVITIES					
3.1 Employee benefits					
Academic					
Salaries		50,215	47,363	50,215	47,363
Contribution to superannuation & pension schemes:					
Deferred employee benefits for superannuation		(168)	19	(168)	19
Emerging costs		1,806	1,581	1,806	1,581
Funded		7,297	7,043	7,297	7,043
Provisions for future emerging costs		(413)	(391)	(413)	(391)
Payroll tax		3,431	3,310	3,431	3,310
Workers' compensation		276	235	276	235
Long service leave expense		1,214	1,257	1,214	1,257
Other expenses		1,056	810	1,056	810
Total academic		64,714	61,227	64,714	61,227
Non-Academic					
Salaries		42,800	41,554	42,591	41,321
Contribution to superannuation & pension schemes:					
Deferred employee benefits for superannuation		(142)	16	(142)	16
Emerging costs		838	621	838	621
Funded		6,061	5,904	6,061	5,904
Provisions for future emerging costs		(349)	(342)	(349)	(342)
Payroll tax		2,916	2,812	2,916	2,812
Workers' compensation		234	211	234	211
Long service leave expense		1,027	1,092	1,027	1,092
Annual leave – change in provision		113	254	113	254
Other expenses		162	117	162	117
Total non-academic		53,660	52,239	53,451	52,006
Total employee benefits		118,374	113,466	118,165	113,233

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
3.2 Depreciation and amortisation					
Computing equipment		1,424	1,680	1,424	1,680
Library collections		2,684	2,665	2,684	2,665
Buildings		9,007	7,767	9,007	7,767
Leasehold improvements		1,110	1,049	1,110	1,049
Other equipment		2,902	3,851	2,888	3,833
		17,127	17,012	17,113	16,994
3.3 Buildings and grounds		6,523	7,832	6,523	7,832
3.4 Other expenses					
Scholarships and prizes		10,322	9,005	9,317	8,904
Telecommunications		1,237	1,829	1,230	1,812
Non-capitalised equipment		6,965	8,656	6,965	8,656
Travel and staff development		6,377	6,303	6,373	6,303
Consumables		11,325	8,616	11,319	8,137
Net foreign exchange loss		(20)	25	(20)	25
Carrying amount of assets sold	4	2,481	2,300	2,481	2,300
Office administration		3,348	2,867	3,303	2,642
Electricity & heating fuel		3,146	3,457	3,146	3,457
Public relations and marketing		2,282	2,188	2,243	2,163
Consultancy services		4,680	4,302	4,555	4,302
Library materials		1,282	2,044	1,282	2,044
Cleaning		1,941	2,033	1,941	2,033
Security		1,011	1,057	1,011	1,057
Audit fees		206	178	201	173
Transfer to University Foundation		-	-	-	760
Operating lease payments		322	295	322	295
Insurance		1,139	978	1,134	978
Service & Amenities fees paid to student unions		2,605	2,451	2,605	2,451
Other		5,924	2,207	4,795	2,494
		66,573	60,791	64,203	60,987
4. SALES OF ASSETS					
Proceeds from Sale Property Plant & Equipment		1,466	1,329	1,466	1,329
Carrying Amount of Assets Sold Property Plant & Equipment		2,481	2,300	2,481	2,300
		(1,015)	(971)	(1,015)	(971)
5. 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.
\$140,000 to \$149,999		1	2	1	2
\$150,000 to \$159,999		3	3	3	3
\$160,000 to \$169,999		1	-	1	-
\$180,000 to \$189,999		1	3	1	3
\$190,000 to \$199,999		2	2	2	2
\$200,000 to \$209,999		2	-	2	-
\$220,000 to \$229,999		-	1	-	1
\$330,000 to \$339,999		1	-	1	-
		11	11	11	11
Aggregate remuneration of executives		2,106	1,906	2,106	1,906

"Executives" are defined as including the Vice-Chancellor and those senior staff who report to him as the Chief Executive Officer.

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
6. REMUNERATION OF AUDITORS					
External Audit		73	72	68	67
		73	72	68	67
Note: Audit services for the University Foundation were donated by Wise, Lord and Ferguson.					
7. RECEIVABLES					
Current					
Debtors		5,165	5,266	4,905	4,834
Less provision for doubtful debts		(475)	(834)	(468)	(827)
		4,690	4,432	4,437	4,007
Accrued revenue		35	309	35	309
Sundry loans and advances		317	250	317	250
		5,042	4,991	4,789	4,566
Non-current					
Debtors		-	10	-	10
Sundry loans and advances		1,299	500	1,299	500
		1,299	510	1,299	510
Total receivables		6,341	5,501	6,088	5,076
8. OTHER FINANCIAL ASSETS					
Current *					
At call deposits		3,284	4,139	3,210	3,866
Bank bills		2,976	2,967	2,976	2,967
Trust investments		4,912	5,341	4,912	5,341
Investment fund		78,595	69,172	67,862	59,121
		89,767	81,619	78,960	71,295
Non-current					
Shares – unlisted		419	413	439	433
Property held for investment purposes at independent valuation market value 2003		14,151	9,937	14,151	9,937
		14,570	10,350	14,590	10,370
Total other financial assets		104,337	91,969	93,550	81,665
Summarised by maturity date					
Within 1 year		6,260	7,106	6,186	6,833
Within 1 to 2 years		-	-	-	-
Within 2 to 5 years		-	-	-	-
More than 5 years		-	-	-	-
No maturity date (investment fund, trust funds, unlisted shares, property)		98,077	84,863	87,364	74,832
		104,337	91,969	93,550	81,665

* Current investments do not include unrealised gains of \$0.932m (Consolidated), which were not brought to account.

#The University's investment fund is managed by Mercer Human Resource Consulting Pty Ltd. The pooled investment consists of cash, fixed interest securities, international equities and Australian equities and property.

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
9. OTHER ASSETS					
Current					
Prepayments		1,264	2,031	1,230	1,981
DEST superannuation reimbursement		946	550	946	550
GST		630	776	630	776
		2,840	3,357	2,806	3,307
Non-current					
Prepayments		-	90	-	90
DEST superannuation reimbursement		6,202	6,908	6,202	6,908
		6,202	6,998	6,202	6,998
Total other assets		9,042	10,355	9,008	10,305
10. PROPERTY, PLANT AND EQUIPMENT					
Land					
at valuation		15,750	6,240	15,750	6,240
accumulated depreciation		-	-	-	-
Written down value		15,750	6,240	15,750	6,240
Buildings					
at valuation		407,743	281,498	407,743	281,498
accumulated depreciation		(226,606)	(140,986)	(226,606)	(140,986)
Written down value		181,137	140,512	181,137	140,512
Capital works in progress					
at cost		5,165	6,736	5,143	6,716
accumulated depreciation		-	-	-	-
Written down value		5,165	6,736	5,143	6,716
Building improvements and additions					
at cost		2,592	27,386	2,592	27,386
accumulated depreciation		(65)	(1,008)	(65)	(1,008)
Written down value		2,527	26,378	2,527	26,378
Leasehold improvements					
at valuation		51,285	41,787	51,285	41,787
accumulated amortisation		(28,374)	(27,154)	(28,374)	(27,154)
Written down value		22,911	14,633	22,911	14,633
Plant and equipment					
at cost		45,811	43,173	45,736	43,054
accumulated depreciation		(31,334)	(28,363)	(31,283)	(28,294)
Written down value		14,477	14,810	14,453	14,760
Library collections					
at cost		52,644	51,237	52,644	51,237
accumulated depreciation		(13,928)	(12,118)	(13,928)	(12,118)
Written down value		38,716	39,119	38,716	39,119
Works of art and cultural collections at valuation					
at valuation		3,739	3,739	3,739	3,739
accumulated depreciation		-	-	-	-
Written down value		3,739	3,739	3,739	3,739
Total property, plant and equipment					
at cost/valuation		584,729	461,796	584,632	461,657
accumulated depreciation/amortisation		(300,307)	(209,629)	(300,256)	(209,560)
Written down value		284,422	252,167	284,376	252,097

Notes	Economic Entity (Consolidated)		Parent Entity (University)	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
10. PROPERTY, PLANT AND EQUIPMENT (CONT.)				
Movements in asset classes during the year				
Land				
Value 1 January	6,240	6,195	6,240	6,195
Add: acquisitions	-	45	-	45
Add: revaluation increment	9,835	-	9,835	-
	16,075	6,240	16,075	6,240
Less: disposals	325	-	325	-
Balance 31 December	15,750	6,240	15,750	6,240
Less: current depreciation expense	-	-	-	-
Less: adjustments	-	-	-	-
Value 31 December	15,750	6,240	15,750	6,240
Buildings				
Written down value 1 January	140,512	148,009	140,512	148,009
Add: acquisitions	451	-	451	-
Add: transfers from investment properties	612	-	612	-
Add: transfers from capital works in progress	11,314	-	11,314	-
Add: transfers from building improvements and additions	25,841	-	25,841	-
Add: revaluation increment	11,704	-	11,704	-
	190,434	148,009	190,434	148,009
Less: transfers to investment properties	492	-	492	-
Less: disposals	568	115	568	115
Balance 31 December	189,374	147,894	189,374	147,894
Less: current depreciation expense	8,237	7,380	8,237	7,380
Less: adjustments	-	2	-	2
Written down value 31 December	181,137	140,512	181,137	140,512
Capital works in progress				
Value 1 January	6,736	11,878	6,716	11,875
Add: acquisitions	12,503	9,840	12,501	9,823
	19,239	21,718	19,217	21,698
Less: transfers to buildings	11,314	-	11,314	-
Less: transfers to building improvements	2,592	14,982	2,592	14,982
Balance 31 December	5,333	6,736	5,311	6,716
Less: current depreciation expense	168	-	168	-
Less: adjustments	-	-	-	-
Value 31 December	5,165	6,736	5,143	6,716
Building improvements and additions				
Written down value 1 January	26,378	13,677	26,378	13,677
Add: transfers from capital works in progress	2,592	14,982	2,592	14,982
	28,970	28,659	28,970	28,659
Less: transfers to buildings	25,841	-	25,841	-
Less: transfers to expense	-	1,894	-	1,894
Balance 31 December	3,129	26,765	3,129	26,765
Less: current depreciation expense	602	387	602	387
Less: adjustments	-	-	-	-
Written down value 31 December	2,527	26,378	2,527	26,378

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
10. PROPERTY, PLANT AND EQUIPMENT (CONT.)					
Leasehold improvements					
Written down value 1 January		14,633	15,812	14,633	15,812
Add: acquisitions		-	-	-	-
Add: revaluation increment		9,454	-	9,454	-
		24,087	15,812	24,087	15,812
Less: disposals		66	-	66	-
Balance 31 December		24,021	15,812	24,021	15,812
Less: current depreciation expense		1,110	1,049	1,110	1,049
Less: adjustments		-	130	-	130
Written down value 31 December		22,911	14,633	22,911	14,633
Plant and equipment					
Written down value 1 January		14,810	16,195	14,760	16,133
Add: acquisitions		5,437	6,340	5,437	6,334
		20,247	22,535	20,197	22,467
Less: disposals		1,520	1,591	1,508	1,587
Balance 31 December		18,727	20,944	18,689	20,880
Less: current depreciation expense		4,323	5,526	4,309	5,512
Add: adjustments		73	-	73	-
Less: adjustments		-	608	-	608
Written down value 31 December		14,477	14,810	14,453	14,760
Library collections					
Written down value 1 January		39,119	40,575	39,119	40,575
Add: acquisitions		2,295	2,287	2,295	2,287
		41,414	42,862	41,414	42,862
Less: disposals		-	844	-	844
Balance 31 December		41,414	42,018	41,414	42,018
Less: current depreciation expense		2,684	2,665	2,684	2,665
Less: adjustments		14	234	14	234
Written down value 31 December		38,716	39,119	38,716	39,119
Works of art and cultural collections					
Value 1 January		3,739	2,974	3,739	2,974
Add: acquisitions		-	145	-	145
		3,739	3,119	3,739	3,119
Less: disposals		-	7	-	7
Balance 31 December		3,739	3,112	3,739	3,112
Less: current depreciation expense		-	-	-	-
Less: adjustments		-	(627)	-	(627)
Value 31 December		3,739	3,739	3,739	3,739
Summary					
Written down value 1 January		252,167	255,315	252,097	255,250
Add: acquisitions		20,686	18,657	20,684	18,634
Add: transfers from investment properties		612	-	612	-
Add: revaluation increments		30,993	-	30,993	-
		304,458	288,954	304,386	288,866
Less: disposals		2,479	2,557	2,467	2,553
Less: transfers to investment properties		492	-	492	-
Less: transfers to expense		-	1,894	-	1,894
Balance 31 December		301,487	269,521	301,427	269,437
Less: current depreciation expense		17,124	17,007	17,110	16,993
Less: adjustments		(59)	347	(59)	347
Total property, plant and equipment at written down book value		284,422	252,167	284,376	252,097

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
11. ACCOUNTS PAYABLE					
Current		4,515	5,395	4,489	5,345
Total accounts payable		4,515	5,395	4,489	5,345
12. PROVISIONS					
Current					
Annual leave		3,232	3,109	3,215	3,102
Long service leave		8,881	8,547	8,820	8,547
Superannuation*		2,480	3,583	2,480	3,583
		14,593	15,239	14,515	15,232
Non-current					
Long service leave		4,067	3,664	4,067	3,664
Superannuation*		16,177	16,147	16,177	16,147
		20,244	19,811	20,244	19,811
Total provisions		34,837	35,050	34,759	35,043
* NOTE: The superannuation provision provides for the superannuation schemes outlined in Note 23 (b).					
13. OTHER LIABILITIES					
Current					
Unspent government financial assistance	21.4	101		101	
Other accrued expenses		2,264	1,638	2,193	1,583
Total other liabilities		2,365	1,638	2,294	1,583
14. MOVEMENTS IN EQUITY ACCOUNTS					
Reserves					
Asset revaluation reserve					
Balance at end of previous year		205,304	205,304	205,304	205,304
Add: revaluation increment on land and buildings		35,503	-	35,503	-
Balance at end of year		240,807	205,304	240,807	205,304
Statutory funds					
The Statement of Financial Performance 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:					
Trust funds – donations for endowments and specified purposes such as prizes and scholarships.					
Other restricted funds – specific research grants, consultancies and other contract funds.					
Balance at end of previous year		21,861	20,933	21,861	20,933
Transfer from/(to) accumulated funds		3,188	928	3,188	928
Balance at end of year		25,049	21,861	25,049	21,861
Accumulated funds					
Balance at end of previous year		79,422	79,507	69,205	69,909
Operating result (inclusive of transfers)		7,730	843	7,007	224
Transfers from/(to) statutory funds		(3,188)	(928)	(3,188)	(928)
Adjustment to reserves					
Balance at end of year		83,964	79,422	73,024	69,205

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
15. COMMITMENTS FOR EXPENDITURE					
Contracted but not provided for and payable not later than one year					
Capital expenditure commitments		8,694	7,029	8,694	7,029
Other expenditure commitments		3,809	1,661	3,809	1,661
16. CONTINGENT LIABILITIES					
The University of Tasmania, together with the University of Sydney and the University of Melbourne is involved in a legal dispute with Sony Music, Universal Music and EMI Music. The parties are alleging potential copyright breaches by the universities and/or other individuals. The three universities involved are dealing with the matter jointly. The Australian Vice-Chancellors' Committee is supporting the universities and is dealing with the matter as a sector-wide issue. At the time of finalising the 2003 accounts, it is not practical to provide an estimate of the potential effect of this issue.					
Other than the item referred to above, the University currently has no significant legal claims outstanding.					
17. 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		192	313	192	313
Payable later than one year, not later than two years		162	180	162	180
Payable later than two years, not greater than five years		270	411	270	411
Payable later than five years		-	-	-	-
		624	904	624	904

18. CONSOLIDATED AND OTHER ACTIVITIES	Ownership Interest	
	2003 %	2002 %
Consolidated Entities The University is the parent entity or ultimate parent entity of the following entities. All are incorporated in Australia.		
University of Tasmania Foundation Inc. Raises money to endow scholarships, support research and build resources, while developing links between the University, industry and the community. The auditors for the University Foundation are Wise, Lord and Ferguson.	100	100
Unitas Company Limited Provides a commercial window or 'shopfront' to the University. The auditors for Unitas are Deloitte Touche Tohmatsu.	100	100
Southern Ice Porcelain Pty Ltd Manufacture and sale of high-quality porcelain	100	100
Other activities The University is a managing agent for the following operations, which are not consolidated: Australian Music Examinations Board Cooperative Research Centre for Antarctic Climate and Ecosystems Cooperative Research Centre for Sustainable Production Forestry		

The University also participates as a partner in the CRCs for Sustainable Aquaculture of Finfish, Smart Internet Technology and Sustainable Tourism. The University's 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.

19. DISAGGREGATED INFORMATION (CONSOLIDATED)

	Revenue		Results (i)		Assets (ii)	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Industry						
Higher Education	216,265	200,483	7,730	843	406,480	361,747
Total	216,265	200,483	7,730	843	406,480	361,747
Geographical						
Australia	215,688	199,927	7,876	1,054	406,267	361,603
Asia	577	556	(146)	(211)	213	144
Total	216,265	200,483	7,730	843	406,480	361,747

(i) Consolidated operating results

(ii) Total assets

	Notes	Economic Entity (Consolidated)		Parent Entity (University)	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
20. 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:					
Cash		2,133	1,578	2,133	1,578
Short-term deposits at call		3,284	4,139	3,210	3,866
Bank bills of exchange		2,976	2,967	2,976	2,967
		8,393	8,684	8,319	8,411
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 2003. The total value of credit for Mastercards issued during the year was \$4.0 million.					
Reconciliation of net cash used in operating activities to operating result					
Operating result		7,730	843	7,007	224
Depreciation		17,127	17,012	17,113	16,994
Change in provision for doubtful debts		(359)	123	(359)	123
Change in assets and liabilities					
(Increase)/decrease in receivables		111	(265)	(61)	(525)
(Increase)/decrease in inventories		(28)	2	(28)	2
(Increase)/decrease in sundry loans & advances		(866)	250	(866)	250
(Increase)/decrease in accrued revenue		274	(202)	274	(202)
(Increase)/decrease in other assets		1,313	(488)	1,297	(446)
(Decrease)/increase in revenue in advance		1,866	824	2,381	1,113
(Decrease)/increase in accounts payable		(479)	(1,259)	(455)	(1,117)
(Decrease)/ increase in accrued expenses		731	(644)	711	(693)
(Decrease)/increase in employee entitlements		(213)	(1,167)	(284)	(1,169)
Loss on sale of property, plant and equipment		1,015	971	1,015	971
Net cash provided or used by operating activities		28,222	16,000	27,745	15,525

	University only			
	2003	2002	2003	2002
	\$'000	\$'000	\$'000	\$'000
21. ACQUITTAL OF COMMONWEALTH GOVERNMENT FINANCIAL ASSISTANCE				
21.1 Teaching and Learning				
	Operating Financial Assistance excluding HECS		Teaching Hospitals	
Financial assistance in advance (paid during previous reporting period)	4,887	4,957	11	11
Plus financial assistance received during reporting period	64,511	63,382	147	144
Less financial assistance in advance (received in reporting period for next reporting period)	(5,409)	(4,887)	(11)	(11)
Total from DEST	63,989	63,452		144
Accrual adjustments		(110)		
Revenue attributed to the reporting period	63,989	63,342	147	144
Plus surplus/deficit prior year				
Funds available for current period	63,989	63,342	147	144
Less expenses for current period	(63,989)	(63,342)	(147)	(144)
Surplus/deficit for current period	-			-
	HECS		PELS	
Financial assistance in advance (paid during previous reporting period)	2,718	2,520		
Plus financial assistance received during reporting period	34,292	32,721	1,029	724
Less financial assistance in advance (received in reporting period for next reporting period)	(2,845)	(2,718)		
Plus contributions actually received from students	3,161	3,132		
Total from DEST	37,326	35,655	1,029	724
Accrual adjustments				
Revenue attributed to the reporting period	37,326	35,655	1,029	724
Plus surplus/deficit prior year				
Funds available for current period	37,326	35,655	1,029	724
Less expenses for current period	(37,326)	(35,655)	(1,029)	(724)
Surplus/deficit for current period	-			-
21.2 Australian Research Council				
	Discovery – Projects (inc. Large Grants)		Discovery – Fellowships	
Financial assistance in advance (paid during previous reporting period)	177		50	
Plus financial assistance received during reporting period	3,756	2,854	633	938
Less financial assistance in advance (received in reporting period for next reporting period)		(177)		(50)
Total from DEST	3,933	2,677	683	888
Accrual adjustments		(74)		
Revenue attributed to the reporting period	3,933	2,603	683	888
Plus surplus/deficit prior year	959	1,069	207	199
Funds available for current period	4,892	3,672	890	1,087
Less expenses for current period	(3,591)	(2,713)	(783)	(880)
Surplus/deficit for current period	1,301	959	107	207

	University only			
	2003	2002	2003	2002
	\$'000	\$'000	\$'000	\$'000

21. ACQUITTAL OF COMMONWEALTH GOVERNMENT FINANCIAL ASSISTANCE

	Linkage – Projects (inc. SPIRT)		Linkage – Infrastructure	
Financial assistance in advance (paid during previous reporting period)	130			
Plus financial assistance received during reporting period	2,113	2,313	983	1,073
Less financial assistance in advance (received in reporting period for next reporting period)		(130)		
Total from ARC	2,243	2,183	983	1,073
Accrual adjustments		4		
Revenue attributed to the reporting period	2,243	2,187	983	1,073
Plus surplus/deficit prior year	1,046	510	65	
Funds available for current period	3,289	2,697	1,048	1,073
Less expenses for current period	(2,115)	(1,651)	(1,048)	(1,008)
Surplus/deficit for current period	1,174	1,046	-	65

	Linkage – International Researcher Exchange		Linkage – Centres of Excellence	
Financial assistance in advance (paid during previous reporting period)			74	
Plus financial assistance received during reporting period			852	978
Less financial assistance in advance (received in reporting period for next reporting period)				(74)
Total from ARC			926	904
Accrual adjustments				
Revenue attributed to the reporting period			926	904
Plus surplus/deficit prior year		9		(27)
Funds available for current period		9	926	877
Less expenses for current period		(9)	(926)	(877)
Surplus/deficit for current period		-	-	-

21.3 DEST research financial assistance

	Institutional Grants Scheme		Research Training Scheme	
Financial assistance in advance (paid during previous reporting period)	561	522	1,184	1,103
Plus financial assistance received during reporting period	7,053	6,575	14,923	13,881
Less financial assistance in advance (received in reporting period for next reporting period)	(589)	(561)	(1,275)	(1,184)
Total from DEST	7,025	6,536	14,832	13,800
Accrual adjustments				
Revenue attributed to the reporting period	7,025	6,536	14,832	13,800
Plus surplus/deficit prior year	37	49		
Funds available for current period	7,062	6,585	14,832	13,800
Less expenses for current period	(7,062)	(6,548)	(14,832)	(13,800)
Surplus/deficit for current period	-	37	-	-

	University only			
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
	Systemic Infrastructure Initiative		Research Infrastructure Block Grant	
Financial assistance in advance (paid during previous reporting period)		40	260	208
Plus financial assistance received during reporting period	3,000	460	3,346	2,661
Less financial assistance in advance (received in reporting period for next reporting period)			(341)	(260)
Total from DEST	3,000	500	3,265	2,609
Accrual adjustments				
Revenue attributed to the reporting period	3,000	500	3,265	2,609
Plus surplus/deficit prior year	33		39	28
Funds available for current period	3,033	500	3,304	2,637
Less expenses for current period	(33)	(467)	(3,304)	(2,598)
Surplus/deficit for current period	3,000	33	-	39

	Australian Postgraduate Awards Pre-2002 Funding Component		Australian Postgraduate Awards 2002 Onwards Funding Component	
Financial assistance in advance (paid during previous reporting period)				
Plus financial assistance received during reporting period	842	1,114	1,237	647
Less financial assistance in advance (received in reporting period for next reporting period)				
Total from DEST	842	1,114	1,237	647
Accrual adjustments				
Revenue attributed to the reporting period	842	1,114	1,237	647
Plus surplus / deficit prior year	(54)	252	70	
Funds available for current period	788	1,366	1,307	647
Less expenses for current period	(801)	(1,420)	(1,211)	(577)
Surplus/deficit for current period	(13)	(54)	96	70

	International Postgraduate Research Scholarships	
Financial assistance in advance (paid during previous reporting period)		
Plus financial assistance received during reporting period	251	208
Less financial assistance in advance (received in reporting period for next reporting period)		
Total from DEST	251	208
Accrual adjustments		
Revenue attributed to the reporting period	251	208
Plus surplus/deficit prior year	75	87
Funds available for current period	326	295
Less expenses for current period	(263)	(220)
Surplus/deficit for current period	63	75

21.4 Summary of unspent financial assistance

	Amount of unspent financial assistance as at 31 December 2003	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
	2003 \$'000	2003 \$'000	2003 \$'000
Discovery projects (inc. large grants)	1,301	1,237	63
Discovery fellowships	107	107	-
Linkage projects (inc. SPIRT)	1,174	1,136	38
Linkage infrastructure equipment & facilities	-	-	-
Institutional grants scheme	-	-	-
Systemic infrastructure initiatives	3,000	3,000	-
Research infrastructure block grant	-	-	-
Australian Postgraduate Awards – pre-2002	-	-	-
Australian Postgraduate Awards – 2002 onwards	96	96	-
International Postgraduate Research Scholarships	63	63	-
Total	5,741	5,639	101

22. FINANCIAL INSTRUMENTS

The following table details the economic entity's exposure to interest rate risk as at 31 December 2003.

	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 2003							
Cash		2,133			2,133	3.7	2,133
Debtors	4,690				4,690	n/a	4,690
Prepayments and advances	1,894				1,894	n/a	1,894
Investment fund	47,951	34,796			82,747	4.0	83,679
Other securities and deposits		760			760	5.1	760
Bank securities and deposits		6,260			6,260	5.1	6,260
Shares unlisted	419				419	n/a	419
Total financial assets	54,954	43,949			98,903		99,835
Financial liabilities 2003							
Revenue in advance	14,943				14,943	n/a	14,943
Creditors	4,515				4,515	n/a	4,515
Accrued liabilities	37,202				37,202	n/a	37,202
Total liabilities	56,660				56,660		56,660
Financial assets 2002							
Cash		1,578			1,578	3.6	1,578
Debtors	4,442				4,442	n/a	4,442
Prepayments and advances	2,897				2,897	n/a	2,897
Investment fund	49,592	24,161			73,753	3.5	71,964
Other securities and deposits		760			760	5.3	760
Bank securities and deposits		7,106			7,106	4.0	7,106
Shares unlisted	413				413	n/a	413
Total financial assets	57,344	33,605			90,949		89,160
Financial liabilities 2002							
Revenue in advance	13,077				13,077	n/a	13,077
Creditors	5,395				5,395	n/a	5,395
Accrued liabilities	36,688				36,688	n/a	36,688
Total liabilities	55,160				55,160		55,160

Interest rate risk

Cash at bank, bank securities and deposits are exposed to the risk that their value will fluctuate due to changes in market interest rates.

Credit risk exposure

The maximum exposure to credit risk on financial assets of the economic entity, excluding investments, relates to receivables which are exposed to the risk of financial loss due to the other party to the contract failing to discharge a financial obligation. The maximum credit risk exposure in relation to receivables is the carrying amount less the provision for doubtful debts. The economic entity is not materially exposed to any individual or group. Accounts receivable credit terms are 30 days.

Market risk

Investments mainly comprise investments in managed investment funds. The Investment Fund has a prudent longer-term investment strategy with a growth-style portfolio including equities. It is acknowledged there may be short-term fluctuations in asset values from time to time with such a strategy. The possibility of a negative return is approximately one year in seven. Historical trends for such a strategy indicate that, with reasonable probability, unrealised losses will be recovered in the short to medium term.

The manager places a great deal of emphasis on risk management and constantly examines the risk and return profiles of the portfolios in terms of both asset allocation and the active management of each asset class within the portfolio. This ensures a well-diversified portfolio of assets, which has proven successful in adding value in an environment of risk aversion and falling equity markets.

Foreign currency risk

The University does not hold any foreign currency bank accounts. Amounts payable or receivable in foreign currencies at balance date are converted into Australian currency at market exchange rates at balance date. Currency conversion gains and losses are included in the operating result for the year.

Creditors

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not invoiced to the University.

23. SUPERANNUATION COMMITMENTS

a) Schemes operational and open to membership

i) UniSuper Limited

The majority of University staff are members of schemes and plans administered and managed by UniSuper Limited. University contributions are expensed as incurred. Mr Grant Harslett and Mr Matthew Burgess of Towers Perrin performed the last actuarial review of this fund on 16 May 2003 in respect of the financial year ended 31 December 2002.

The actuary's advice to the Trustee, accompanying the new Funding and Solvency Certificate, confirms that as at 30 June 2003, based on the assumptions required by AAS 25, UniSuper's accrued benefit liability is well covered by the market value of its assets. It further advises that there has been no underlying change to UniSuper's benefits or any material change to its membership since the previous actuarial investigation, and concluded that the current rate of contributions of 21% were expected to be sufficient to provide members' future benefits. The next actuarial review is due as at 31 December 2005.

In accordance with Australian Accounting Standards AAS30/AASB 1028 – Employee Benefits, UniSuper Limited has advised that the latest available estimate of the value of accrued benefits for University members who are in the defined benefit plan as at 30 June 2003 is as follows:

	2003 \$'000	2002 \$'000
Vested benefits	109,941	111,107
Accrued benefits*	91,865	88,834
Estimated market value of assets	96,878	103,347
Surplus/(deficit)	5,013	14,513

*The actuary notes that the accrued benefit liability shown here is calculated as the present value of expected future payments of benefits to the members which arise from membership of the fund up to the reporting date, determined using the actuary's current expectations of earnings of the fund's assets, future inflation, salary levels and other relevant assumptions.

b) Schemes closed to future membership

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 2003, in respect of supplementary pensions being paid and all reversionary pensions which may become payable to spouses in the future, is \$11.5 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.

iii) 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.

The right to re-imburement from the Commonwealth for the unfunded past service liability of \$7.148m is recognised as an asset in Note 9 – Other Assets.

In an actuarial valuation report provided by PriceWaterhouseCoopers in July 2003 the University's liability was as follows:

	2003 \$'000	2002 \$'000
Vested benefits	11,568	11,639
Accrued benefits	11,525	11,492
Less: RBF contributory scheme assets	4,377	4,034
Surplus/(Deficit) (unfunded past service liability)	(7,148)	(7,458)

24. RELATED PARTY DISCLOSURES

The members of Council and the directors of the controlled entities other than Unitas Company Ltd received no remuneration during the year for their services as directors.

The directors of Unitas Company Ltd during the year were:

- Mr Val Smith
- Mr Michael Kent
- Mr Euan Hills

The aggregate of income paid or payable, or otherwise made available, in respect of the financial year, to all directors of the company, directly or indirectly, by the company or by any related party was:

	2003 \$'000	2002 \$'000
	5	2

The number of directors of the company whose total income falls within each successive \$10,000 band of income (commencing at \$0) are:

	2003	2002
\$0 to \$9,999	3	3

STATEMENT BY PRINCIPAL ACCOUNTING OFFICER

In my opinion:

- (a) the financial statements present a true and fair view of the financial position of the University as at 31 December 2003, and have been prepared in accordance with Australian Accounting Standards, Consensus Views of the Urgent Issues Group, other mandatory professional reporting requirements, and the Guidelines for the Preparation of Annual Financial Statements for the 2003 Reporting Period by Australian Higher Education Institutions (issued by the Commonwealth Department of Employment Science and Training);
- (b) at the time of signing the accounts there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due; and
- (c) the amount of Commonwealth financial assistance expended during the reporting period was for the purpose(s) for which it was provided.

In addition, I am not aware at the date of signing these statements of any circumstances which would render any particulars included in the statements to be misleading or inaccurate.



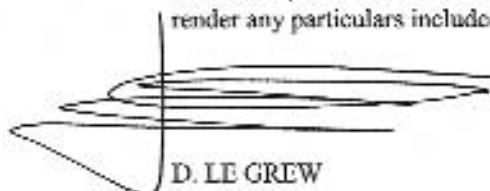
R. M. EASTHER
Director Financial and Business Services
04 May 2004

STATEMENT BY THE VICE-CHANCELLOR AND THE CHIEF FINANCIAL OFFICER

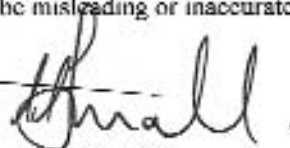
In our opinion:

- a) the financial statements present a true and fair view of the financial position of the University as at 31 December 2003, and have been prepared in accordance with Australian Accounting Standards, Consensus Views of the Urgent Issues Group, other mandatory professional reporting requirements, and the Guidelines for the Preparation of Annual Financial Statements for the 2003 Reporting Period by Australian Higher Education Institutions (issued by the Commonwealth Department of Employment Science and Training);
- b) at the time of signing the accounts there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due; and
- c) the amount of Commonwealth financial assistance expended during the reporting period was for the purpose(s) for which it was provided.

In addition, we are not aware at the date of signing these statements of any circumstances which would render any particulars included in the statements to be misleading or inaccurate.



D. LE GREW
Vice-Chancellor
04 May 2004



T. FERRALL
Executive Director Finance and Administration
04 May 2004



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 2003. 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 and other mandatory professional reporting requirements in Australia 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 in Australia, the financial position of the University of Tasmania as at 31 December 2003, and the results of its operations and its cash flows for the year then ended.

TASMANIAN AUDIT OFFICE

D W R Baulch
ACTING AUDITOR-GENERAL

5 May 2004
HOBART

Faculty of Arts Schools of: Art; Asian Languages & Studies; English, Journalism & European Languages; Government; History & Classics; Philosophy; Visual & Performing Arts; Sociology, Social Work & Tourism • Riawunna • Conservatorium of Music **Faculty**

of Commerce Schools of: Accounting & Finance; Economics; Information Systems; Management **Faculty of Education** School

of Education

Vision

Faculty of Health

Science Schools

of: Human Life

By 2010, the University of Tasmania will be ranked among the top echelon of research-led universities in Australia. The University will be a world leader in its specialist, thematic areas of research and teaching and will be recognised for its contribution to state and national development. As Australia's natural place to study, UTAS will be supported by its high-quality academic community, its unique island setting and its distinctive student experience.

Sciences; Medicine; Nursing; Pharmacy • North West Rural

Clinical School **Faculty of Law** School of Law **Faculty of Science,**

Engineering & Technology Schools of: Agricultural Science;

Aquaculture; Architecture; Chemistry; Computing; Earth

Sciences; Engineering; Geography & Environmental Studies;

Mathematics & Physics; Plant Science; Psychology; Zoology

