

2015 ANNUAL REPORT



Batchelor
Institute



Batchelor Institute

Annual Report 2015

Batchelor Institute of Indigenous Tertiary Education
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Message from Chair



Professor Markham Rose,
Chair, Batchelor Institute
of Indigenous Tertiary
Education Council

The investment that Australia makes in our mass education system is estimated at \$67 billion. Across the nation, every year people make their way to places of learning in the various sectoral offerings. Whilst Batchelor Institute is just one of these offerings and numerically may not be a large organisation, our impact and significance on the educational landscape is immense. Just two years ago we gathered as a community to celebrate our 40th anniversary. In the midst

of reminiscing were the stories of the trials and tribulations that Batchelor Institute has faced and overcome in order to be Australia's only comprehensive First Nations' institute. An encompassing theme that emerged as part of the celebration was the fact that we had survived. In reviewing the past year of Batchelor Institute, I believe there are signs that we are doing much more than surviving. In fact, we are thriving. With record numbers of graduates, growth in our core activities and new offerings, as well as national recognition of our staff and students and our internationalisation agenda, Batchelor Institute is rising to new horizons.

These new prospects mean that you are likely to find Batchelor Institute in new places that our founders may not have ever envisioned. It may be that you find Batchelor Institute on the big screen with our multimedia storytelling or on the military parade ground through our expanding dynamic relationships.

The world has come to us, with international delegations forging ever-new possibilities and with the World Indigenous Nations Higher Education Consortium (WINHEC) giving us interim accreditation. Batchelor is also going out to the world. 2016 will see the launch of a partnership between the Institute and the NT Government to deliver Certificate I in Spoken and Written English to Timorese students heralding the beginning of an exciting new era for the Institute.

Finally, our own staff member and the first

Batchelor Institute PhD recipient Dr Kathryn Gilbey will be taking Batchelor Institute to the international stage as a recipient of the prestigious Fulbright Scholarship.

Whatever new horizons Batchelor Institute pursues, we take with us our founding philosophy and ethos of 'Both-ways', that melds Indigenous knowledge and traditions with western disciplines, without compromising on either. In doing so, we equip our students, and inextricably our people and communities, with the ability to determine their own future.

Success like this is not just stumbled upon. I want to thank my Council for the resolute passion and talent they bring to the table. I particularly want to acknowledge our dynamic CEO Bob Somerville and his leadership team and committed staff, who on any given day lift one of the nation's smallest institutes to epic proportions. Our relationship with Charles Darwin University (CDU), through the Australian Centre for Indigenous Knowledges and Education (ACIKE), broadens our education offering. Finally, at the core of all we do are our students, families and communities who heed the call of their Ancestors and claim their cultural authority through education.

As we continue to grow and spread our wings - whether it is in class, online or on country, a Batchelor Institute qualification is one that has, over forty years, maintained an unbroken link to the original Batchelor Institute dream.

I think that you will all agree that this has been a watershed year in the history of Batchelor.

A stylized, handwritten signature in black ink, likely belonging to Professor Markham Rose.

Foreword



The past year has seen many changes at Batchelor Institute. It has been a year of renewed focus, looking to the future and building on the past. The finalisation of the 2015-2020 Strategic Plan has set in motion a number of new initiatives and ushered in a new period of growth for the Institute. 2015 saw the commencement of Indigenous executive staff members, including an Aboriginal CEO, Deputy CEO, and Executive Director Shared and Strategic Services. The Executive Director Innovation and Business Development also joined the team this year and the Institute appointed its first-ever Academic Elder.

This was followed by substantial upgrades to Batchelor Institute's campuses, including a major upgrade of the Information and Communications Technology (ICT) and renovations to student accommodation and staff facilities. Batchelor Institute's branding was also given a fresh look, with the re-launch of the logo and introduction of new marketing initiatives.

These changes have resulted in a number of positive outcomes for staff, students, community and the Institute as a whole. Employment of Aboriginal and Torres Strait Islander peoples is up by nearly 60%, student completion rates of further education qualifications are up 10% and Batchelor Institute achieved the third highest rate of Aboriginal and Torres Strait Islander students studying a Masters or PhD of any Table A provider. Such positive results have better positioned the Institute as a leading Indigenous tertiary education provider, allowing Batchelor Institute to build on important existing partnerships, as well as to develop new and ground-breaking agreements. Throughout 2015, contracts commenced with the Northern Territory Department of Education, the Northern Territory Department of Correctional Services and the Australian Department of Defence. The Institute has been a key provider of the Northern Territory Government's delivery of an intensive English program in Timor-Leste.

2015 Highlights



**Batchelor
Institute**



Both-Ways ... Tertiary Education and Research

Renewed and Refocused Branding

Batchelor Institute unveiled a new logo in 2015, as the Institute moves into a phase of refocusing. The renewed logo builds on the past but offers a vision for the future. The previous logo and cultural motif, created by alumni Isobel Windy, represents four people coming together to share knowledge. In the new design the motif is displayed on what can be interpreted as either a shield or a coolamon – a gathering instrument that represents the collecting and keeping of knowledge. The shield represents the protection of culture. Both objects are used through Aboriginal and Torres Strait Islander culture and represent Batchelor Institute's commitment to protect and share knowledge. The three lines at the top reflect the three main areas of education at Batchelor Institute – Further Education, Higher Education and Research.

The Introduction of a VET Policy and Learning Development Directorate

The VET Policy and Learning Development team was established in 2015 as a response to an identified need within the Division of Further Education for stronger support mechanisms. This investment into the refinement of VET systems and resources has created a stronger, more cohesive VET program. We have redeveloped the full suite of our VET policies and procedures and mapped all of this to the national standards whilst, at the same time, creating a new filing method to gather all of the VET documentation and resources in our new SharePoint. This new approach to information management is creating a collaborative platform for further work in this space, including a move into digital and online learning.

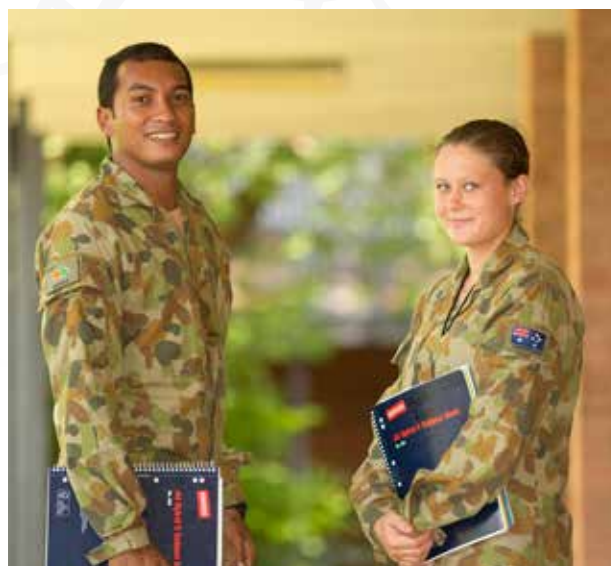


Batchelor Institute as a Social Enterprise

This year saw Batchelor Institute move towards becoming a 'Social Enterprise', applying commercial strategies in achieving socially beneficial objectives for Aboriginal and Torres Strait Islander communities. This has involved a number of new initiatives that contribute to a more sustainable and innovative business model.

Increasing Indigenous Representation in Australia's Defence Force

Twenty eight inspiring students graduated in August 2015 from the Defence Indigenous Development Program (DIDP) and received their formal qualifications at the Institute's Campus at Batchelor. DIDP is a full-time, residential defence program for young Indigenous men and women from across Australia. It is delivered in partnership with the Australian Defence Force and combines defence training with vocational education that enables them to meet the entry requirements for a career in Australia's Defence Forces.



Indigenous Student Awarded PhD

Batchelor Institute celebrated the graduation of hundreds of students in 2015. This year the Institute also awarded a PhD in Indigenous Knowledges to Dr David Hardy. At the graduation ceremony in June, Dr Hardy delivered the response on behalf of graduating students. His PhD is titled: *Coming Out: Wagga to Warsaw to Wiradjuri - Journeys of Indigenous identity and queer identity*. Dr Hardy's doctoral studies included two major creative works, a screenplay for a feature film and a novel.

Indigenous Art Students Showcased at Fashions on the Field

Batchelor Institute Visual Arts Department was invited to be a part of the Myer Fashions on the Field Design Award competition at the 2015 Melbourne Cup. Uniquely designed dresses showcased Central Australian desert textile designs from two Alice Springs visual art students, Phillip McCormack and Nancy Gibson. Batchelor Institute lecturers Brigida Stewart and Amanda McMillan worked together with the students to design these stunning dresses for this prestigious outdoor fashion event.



Vision and Values



Vision

Batchelor Institute strives to be Australia's leader in First Nations' tertiary education and research. The Institute's focus on the education, training and research requirements of Aboriginal and Torres Strait Islander peoples supports the aspirations and self-determination held by Indigenous Australians.

The Institute's multiple collaborations with industry partners and its strong ties within communities ensure flexible and culturally appropriate responses. Underpinning this is a socially and linguistically inclusive approach that is built upon Aboriginal and Torres Strait Islander ways of being and knowing. This foundation allows Batchelor Institute to contribute meaningfully to Australia's national identity as a First Nations' tertiary education provider.

“Batchelor Institute as Australia's Leader in First Nations' Tertiary Education and Research

Values

Batchelor Institute is driven by valuing the rights of Australia's First Nations' people to fully participate in, and contribute to, high quality dual sector education and research. It recognises the role it can play by supporting effective engagement of non-Aboriginal people in the First Nations' space. Cultural interaction and intercultural learning at Batchelor Institute is based wholly upon the 'Both-ways' principles that enable Aboriginal and Torres Strait

Islander knowledges and cultural contexts to be included within a mainstream academic disciplinary approach.

Batchelor Institute is connected with industry partners, government and communities while innovative partnerships ensure the best possible outcomes for students. Operating from an educational model that respects students, Batchelor Institute creates an inclusive and collaborative space for Aboriginal, Torres Strait Islander and non-Indigenous people.

Image (above): Dancers ready to perform at the 2015 Batchelor Institute graduation, Batchelor campus.

Governance



As a Registered Training Organisation (RTO) and Higher Education Provider (HEP) Batchelor Institute operates within specified funding, quality and reporting parameters.

Batchelor Institute is committed to good governance and aims to achieve strategic objectives in a way that enhances public confidence in the Institute, whilst also meeting external obligations and responsibilities.

All financial, non-financial and academic decisions that have an impact on student learning outcomes are considered with regard to Aboriginal and Torres Strait Islander peoples' language, culture and self-determination aspirations.

All operations are managed through the Institute committee structure, which reports to the Council through the Executive Management Group.

Batchelor Institute Council

The structure, composition and membership of the Council accords with government requirements.

The Council membership includes:

- An Indigenous Chairperson with appropriate expertise
- Four appointed members including:
 - One Indigenous member with advisory experience in Indigenous matters
 - One member with specialist professional or vocational knowledge or expertise in delivering education and training, preferably to Indigenous people in remote areas of Australia
 - One member with demonstrated commercial and financial expertise and experience
 - One must have experience, knowledge or expertise that is appropriate for the effective exercise of powers and performance of functions as a member
- One full-time staff member elected by full-time staff
- One student from the Northern Territory who has been elected by students
- One person nominated by Charles Darwin University (CDU) Council
- Chief Executive Officer, Batchelor Institute
- Chief Executive of the Education agency (or its nominee).

Functions

Batchelor Institute Council is the governing body of the Institute, ultimately responsible to:

1. Approve the mission and strategic direction of the Institute
2. Oversee and monitor the academic activities of the Institute
3. Establish policy and procedure principles consistent with legal requirements and community expectations
4. Oversee the management of the Institute
5. Monitor systems of accountability implemented by the Institute
6. Oversee and monitor the assessment and management of risk across the Institute
7. Establish a system for dealing with grievances of students and staff and publish details of the system and procedures to be followed
8. Regularly review delegations.



Council Members

(top row: left-right)

Professor Markham Rose

*Executive Director,
Office of Indigenous Strategy and
Education, La Trobe University*

Mr Peter Renehan

*Chair, Centre for Appropriate
Technology*

Professor Boni Robertson

*Director, Office of Indigenous
Community Engagement, Policy and
Partnerships, Griffith University*

(second row: left-right)

Dr Kevin Gillan

*Executive Director, Education
Partnerships, Department of
Education, NT Government*

Professor Steven Larkin

*Pro-Vice Chancellor, Indigenous
Leadership, Charles Darwin University*

(third row: left-right)

Costa Bulsey

*Staff representative, Batchelor
Institute of Indigenous Tertiary
Education*

Catherine Curry

*State Manager, NT State Office,
Department of Employment,
Australian Government*

(fourth row: left-right)

Kerri-Anne Butler

*Student representative, Batchelor
Institute of Indigenous Tertiary
Education*

Peter McCaffrey

*Former Deputy Director Finance,
WA Department of Education*



Top row (left-right): Associate Professor Robert Somerville AM, Dorothy Morrison, Dr Peter Stephenson. **Second row (left-right)** Naomi Bonson, Peter Solly.

Executive Management Group

The Executive Management Group (EMG) meets fortnightly. This group shapes and implements the strategic direction for the Institute, reviews results, updates forecasts and plans, and discusses strategic issues.

Associate Professor Robert Somerville AM *Chief Executive Officer*

Associate Professor Robert Somerville AM was appointed as the Chief Executive Officer (Director) of Batchelor Institute in February 2015. Prior to this, he was in the Western Australian education system as a Senior Executive leading their Aboriginal and Torres Strait Islander provision. Mr Somerville is a Martu man from Jigalong in Western Australia. For more than 30 years, he has developed a wide range of policies and programs reflecting the needs of Aboriginal and Torres Strait Islander people at the community, state and national levels. He has an extensive background in education, training, employment and youth development as well as significant experience in leadership and management. Mr Somerville has been recognised numerous times for his long-standing work for and on behalf of Aboriginal and Torres Strait Islander communities across Australia.

Dorothy Morrison

Deputy Chief Executive Officer

Dorothy Morrison joined Batchelor Institute in October as Deputy CEO. Prior to this role she was CEO for the Heart Foundation of



Northern Territory, and a member of the Executive Management Group that oversees the Australia-wide operation of the National Heart Foundation.

Ms Morrison has significant experience in the health and education sectors in policy analysis and policy development; strategic, operational and business planning; and in professional education. She has held senior executive roles in the Department of Education and previously at Batchelor Institute as Head of School.

Ms Morrison has been involved with a number of national and NT committees and is also former Director of the Northern Territory Medicare Local as well as a current Director of the Northern Territory General Practice Education Board.

Dr Peter Stephenson

Executive Director, Higher Education and Research

Naomi Bonson

Executive Director, Strategic and Shared Services

Peter Solly

Executive Director, Innovation and Business Development



Mike Crowe

Executive Director, Central Australia

Dr Jurg Bronnimann

Executive Director, Head of School Higher Education and Research

Cameron Wilson

Chief Financial Officer

Ken Cunningham

Director, Human Resources and WHS

Dr Melodie Bat

Director, Humanities

Kim Davis

Director, Enterprise and Employment Pathways

Dave Curby

Director, Workforce Development

Eike Pakeha

Director, Performance Monitoring and Review

Strategic Plan



In 2015, Batchelor Institute implemented the Strategic Plan 2015–2020 that guides the Council and Executive Management Group on the direction of the Institute in the coming years. The Strategic Plan describes the vision and values of the Institute, and outlines the achievables and deliverables to be met to ensure the ongoing commitment to Aboriginal and Torres Strait Islander communities, students, staff and stakeholders and to the ‘Both-ways’ philosophy.

The Institute’s strategic planning regime comprises five organisational initiatives:

PILLAR ONE

A Strategic, Sustainable, Innovative Aboriginal and Torres Strait Islander Business

Batchelor Institute is nationally recognised for its expertise in remote delivery and collaborative partnerships with Aboriginal and Torres Strait Islander communities. It

has been a part of the Aboriginal education landscape since the 1970s.

To remain relevant in a continually changing environment, the Institute has adapted its business architecture to respond more strategically.

PILLAR TWO

A Demand Driven Organisation in Action

The future for Batchelor Institute as a competitive tertiary provider will be realised through collaborative and active partnerships. These relationships will lead to a more focused suite of products that reflects industry, government and community needs.

PILLAR THREE

An Organisation Where Excellence Underwrites its Work

Batchelor Institute will be accountable for the responsiveness, relevance and excellence of the educational and research environment that it creates and delivers. This will be

supported by an administration that strives for excellence.

PILLAR FOUR

An Aboriginal And Torres Strait Islander Organisation That Will Contribute to Australia’s National Identity

The Institute understands that it must continue to play an important role in nation building and reducing the disadvantage amongst the Aboriginal and Torres Strait Islander community.

PILLAR FIVE

Establish Batchelor Institute Within the Higher and Further Education Sector at the National and International Level

Batchelor Institute has proven capability in building the capacity of people and communities. This directly translates to nation building capacity that has relevance and benefit to communities, both nationally and internationally.

Further Education



Further Education

Overview

As a dedicated dual-sector Indigenous tertiary education provider, Batchelor Institute is a unique Vocational Education and Training (VET) organisation that offers a range of courses. Programs can be tailored to meet a community's needs or used to build individual skills.

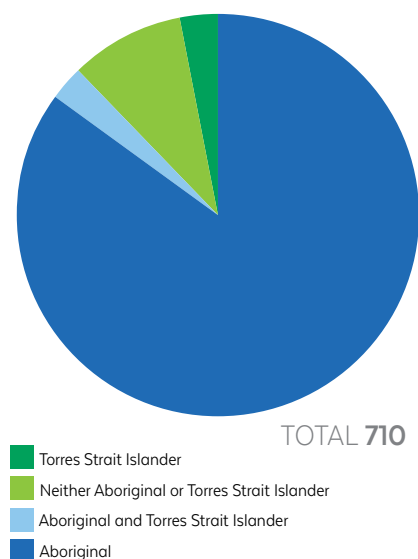
The Institute's mixed-mode of course delivery caters for remote and very remote areas and allows students to learn on Country. In 2015 the Institute saw an increase of course completions from 640 in 2014 to 710 in 2015.

Images, clockwise from above: A Defence Indigenous Development Program (DIDP) student at Batchelor campus; Batchelor Institute Media students at the 17th Annual Remote Indigenous Media Festival held in the Warlpiri/Gurindji community of Lajamanu; Bagala rangers working towards their certificates in Conservation and Land Management.

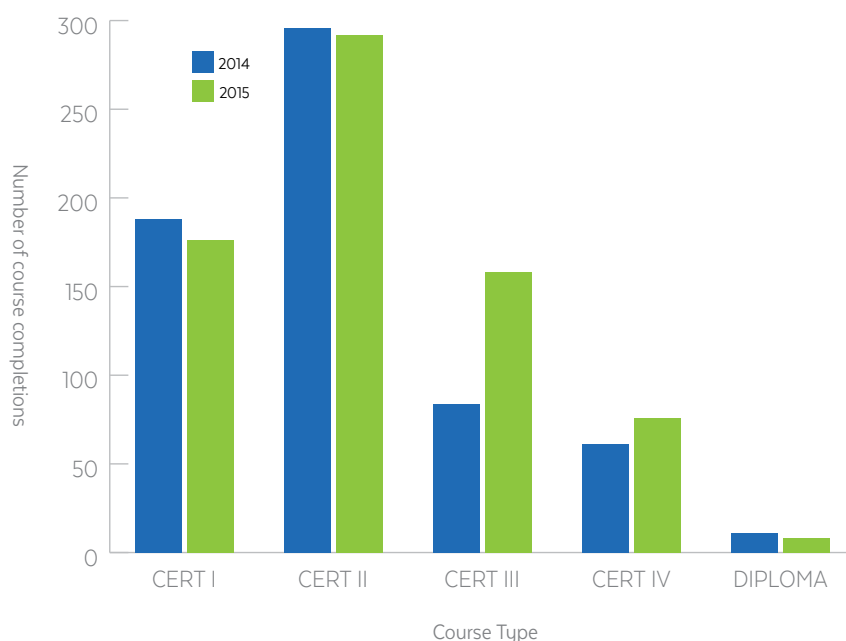


Further Education Completions

BY STUDENTS' INDIGENOUS IDENTIFIER

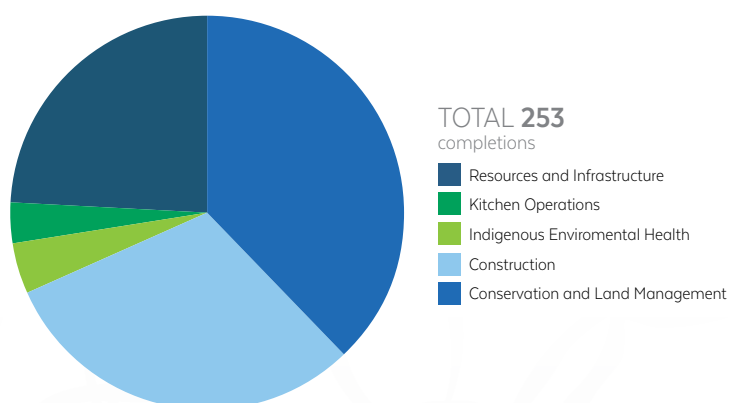


BY COURSE TYPE

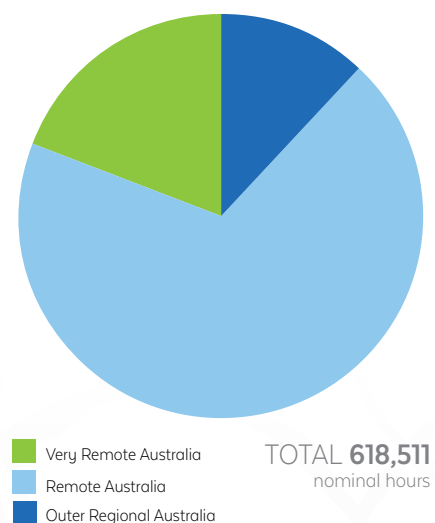


BY DIRECTORATES

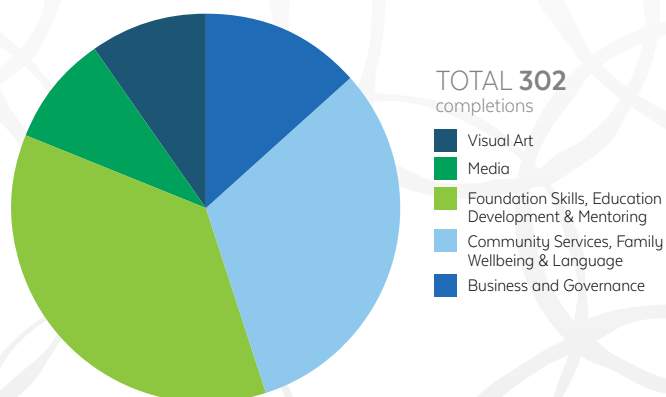
WORKFORCE DEVELOPMENT



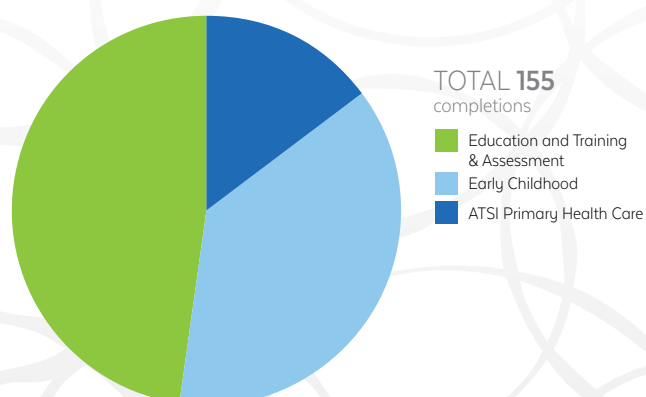
NOMINAL HOURS DELIVERED BY REMOTENESS INDICATOR



ENTERPRISE AND EMPLOYMENT PATHWAYS



HUMANITIES





Conservation and Land Management graduates proudly displaying their testamurs at the 2015 Central Land Council Ranger Camp.

Highlights for 2015

Media Students Excel at Remote Indigenous Media Festival

Batchelor Institute media students had the chance to meet and network with industry professionals from across the country at the 17th Annual Remote Indigenous Media Festival held in the Warlpiri/Gurindji community of Lajamanu. Students had time in the radio studio and presented to a large group of their peers. Certificate IV Screen and Media student Heath Baxter won the Indigenous Community Television (ICTV) People's Choice award for his film "Road Safety".

Central Australian Rangers Celebrate Graduation

The achievements of 16 rangers were celebrated at the Central Land Council Ranger Camp in 2015. The celebration acknowledged the rangers' completions of qualifications from Batchelor Institute in Conservation and Land Management and exemplified how the program contributes to the development of a skilled Indigenous ranger workforce. The students acknowledged at this event included rangers from the Muru-warinyi Ankkul Rangers (Tennant Creek), Ltyentye Apurte Rangers (Santa Teresa), Anmatyerr Rangers (Ti Tree), Anangu Luritjiku Rangers (Papunya), and Wulain Rangers (Lajamanu).

Building Better Futures for Prisoners

In collaboration with the Northern Territory Department of Correctional Services (NTDCS), Batchelor Institute opened new training facilities at Darwin's Holtze Correctional Facility. In 2015 a record number of prison graduates were involved in this ground breaking program. A total of 83 certificates were awarded in Darwin and Alice Springs, representing a 30% increase from the previous year. This successful partnership introduces education into correctional facilities, increasing prisoners' employability and significantly reducing the rate of recidivism.

Increasing Indigenous Representation in Australia's Defence Force

Twenty eight inspiring students graduated in August 2015 from the Defence Indigenous Development Program (DIDP) and received their formal qualifications at the Institute's Campus at Batchelor. DIDP is a full-time, residential defence program for young Indigenous men and women from across Australia. It is delivered in partnership with the Australian Defence Force and combines defence training with vocational education that enables them to meet the entry requirements for a career in Australia's Defence Forces.

Other Highlights

- In partnership with John Pearson Consulting and Complete Personnel Projects partnership, Batchelor Institute delivered the Certificate III in Children's Services and Diploma of Children's Services programs in 23 communities
- Funding agreement with the Northern Territory Department of Education to establish a five year training program of Assistant Teachers in remote schools
- Third Party Agreement with the Catholic Education Office WA resulted in four graduates in Certificate III in Education Support, with graduation ceremonies held in Wyndham and Warmun
- The partnership with the Department of Defence was nominated for the NT Training Awards
- Seventeen students completed a construction training program in Beswick, some of whom gained employment with the Roper Gulf Regional Council and with a private fencing contractor.



Correctional Services graduates at the 2015 graduation ceremony, Holtze campus, Darwin.



Higher Education

Images, clockwise from left: Dr David Hardy receiving the Department of Education, Higher Degrees by Research Award presented by Dr Kevin Gillan, Executive Director, Education Partnerships; ACIKE building, Casuarina campus, Darwin; An-nguliny clan leader and celebrated artist England Banggala with his book, *Gun-ngaypa Rawa* 'My Country.'



Overview

Batchelor Institute offers a range of higher education courses—from pathway programs and Bachelor degrees, all the way through to Masters and PhDs.

Within Batchelor Institute's division of Higher Education and Research lies the Australian Centre for Indigenous Knowledges and Education (ACIKE), the Graduate School, the Centre for Australian Languages and Linguistics (CALL), the new Centre for Collaborative First Nations' Research (CCFNR) and Batchelor Press.

Australian Centre for Indigenous Knowledges and Education (ACIKE)

ACIKE is a joint initiative between CDU and Batchelor Institute. The aim is to provide a shared facility for the delivery of a specific range of higher education and postgraduate study options, which provide education pathways designed to meet the needs of Indigenous Australia. In 2015, 275 students were enrolled in ACIKE programs.

Of these students:

- Almost 50% of students were from the Northern Territory
- 26% of students resided in remote or very remote locations
- 61% of students were Aboriginal, Torres Strait Islander or both
- 199 ACIKE students were enrolled in an Australian Qualification Framework (AQF) level program.

Preparation for Tertiary Success (PTS)

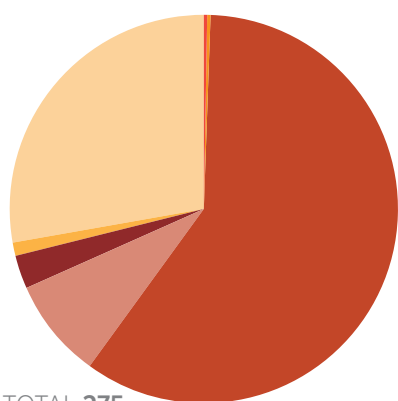
The Preparation for Tertiary Success (PTS) course offers a first step in an education pathway to further higher education options for Aboriginal and Torres Strait Islander people. It is a HECS-HELP exempt course that assists students to take on and succeed at their studies in a culturally safe learning environment. As well as learning key academic skills, there is also an emphasis on developing confidence and resilience.

"PTS got me out of bad habits and now my future looks completely different. Now I can see a career involving academic knowledge, understanding 'Both-ways'—Aboriginal and also Western knowledge. I'm taking with me into my learning journey my Aboriginal awareness and approach but also my Western academic knowledge." Callum Robinson (Brisbane, QLD)



Preparation for Tertiary Success (PTS) students at the Alice Springs campus.

HIGHER EDUCATION COURSE WORK ENROLMENTS



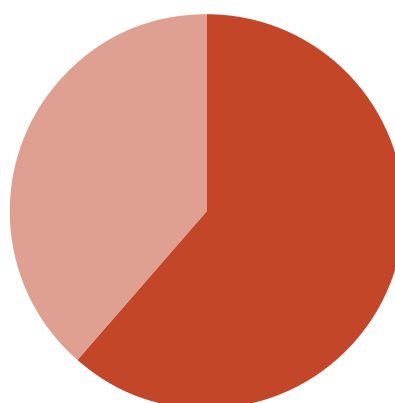
TOTAL 275 enrolments

- PTS
- Graduate Diploma/Postgraduate Diploma
- Graduate Certificate
- Diploma
- Bachelor Degree
- Bachelor Degree (Graduate Entry)
- Associate Degree

PTS COMPLETIONS 2015

76

INDIGENOUS INDICATOR



TOTAL 275

- Non-Indigenous
- Indigenous

Home State	N	Y	Grand Total
NSW	8	19	27
NT	57	78	135
QLD	3	46	49
SA	11	6	17
TAS	2		2
VIC	20	8	28
WA	5	12	17
Grand Total	106	169	275

ABS REMOTENESS INDICATOR

Home State	Inner Regional Australia	Major Cities Of Australia	Outer Regional Australia	Remote Australia	Very Remote Australia	Grand Total
NSW	4	17	5	-	1	27
NT	-	-	84	39	12	135
QLD	6	13	16	-	14	49
SA	4	12	1	-	-	17
TAS	2	-	-	-	-	2
VIC	6	14	8	-	-	28
WA	3	6	-	3	5	17
Grand Total	25	62	114	42	32	275

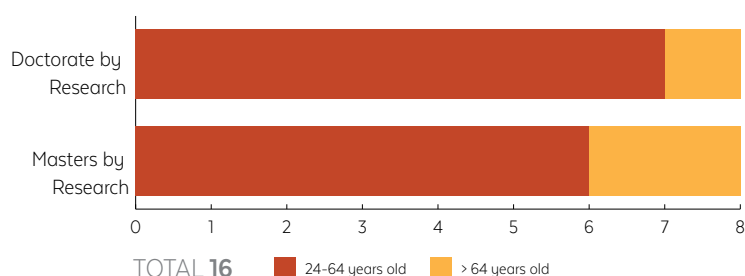
Higher Education by Research

Batchelor Institute's Graduate School offers a Masters of Indigenous Perspectives and a PhD in Indigenous Perspectives. Candidates in postgraduate programs undertake projects within the areas of education, creative arts, languages and livelihoods.

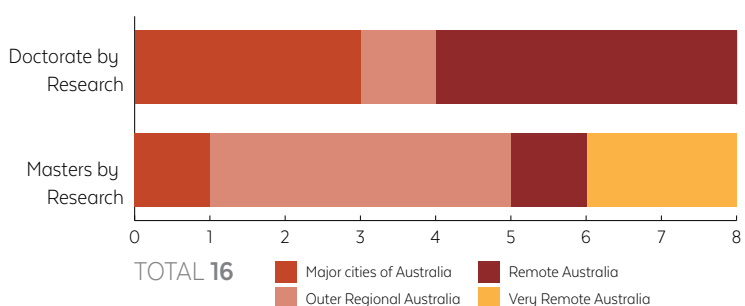
The research approach at Batchelor Institute privileges the voices of First Nations' peoples by engaging in culturally enriched study opportunities that promote innovation and agency. Central across all activities is research that affirms, promotes, and is guided by the contemporary perspectives of Aboriginal and Torres Strait Islanders.

- 16 Higher Education by Research candidates
 - 8 Masters by Research
 - 8 PhD by Research
- 5 student commenced Higher Education by Research degrees in 2015
- Almost 40% of research students from remote or very remote locations
- 15 out of 16 candidates identify as Aboriginal and/or Torres Strait Islander

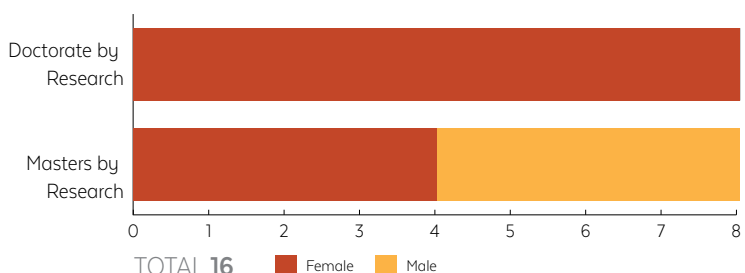
COURSE TYPE BY AGE



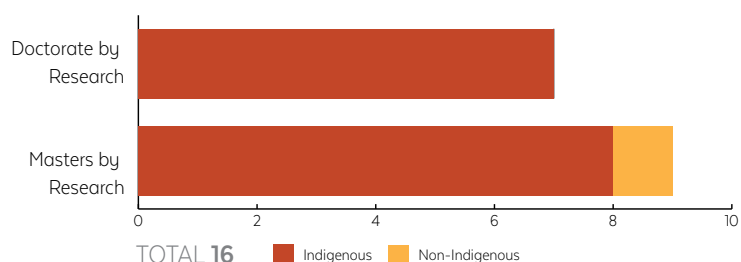
COURSE TYPE BY REMOTENESS INDICATOR



COURSE TYPE BY GENDER



COURSE TYPE BY INDIGENOUS STATUS



Highlights for 2015

New Resources Preserving Indigenous Languages and Culture

New sound printed books are preserving the language and traditional songs of Indigenous cultures. Batchelor Institute and Batchelor Press released a number of books in 2015, including *Gun-ngaypa Rrawa 'My Country'* from the Gun-nartpa people who live in North-Central Arnhem Land and *Jardiwanpa Yawulyu* that includes Warlpiri Women's songs from Yuendumu. This project has been produced by Batchelor Institute's Northern Territory Language Centre Support Program with assistance from the Australian Government's *Indigenous Languages Support Program*. The publication is proudly supported by the Northern Territory Government.

Other Highlights

- Batchelor Institute candidate Dr David Hardy was awarded a PhD in Indigenous Knowledges. Dr Hardy's PhD is titled *Coming Out: Wagga to Warsaw to Wiradjuri-Journeys of Indigenous Identity and Queer Identity* and included the creation of a screenplay and novel
- Revision and development of the Bachelor of Indigenous Linguistics and Languages (BILL) and the Bachelor of Applied Social Sciences (BASS)
- Higher Education staff in Education and Nursing taught external CDU students outside the ACIKE partnership, which contributed to a substantial increase in revenue to the Institute
- Preparing for Tertiary Success (PTS) lecturers delivered a number of Academic Skills workshops for the NT Department of Children and Families
- Leading the South Australian Northern Territory Promoting Excellence Network (SANTPEN)
- In collaboration with ACIL Allen Consulting, the Institute was commissioned to evaluate the first stage of the Northern Territory Government's Indigenous Education Strategy
- Marrangu song project at Maningrida and Walkibimirre commenced with the aim of producing two films about the Marrangu Mewal story for broadcast on Indigenous Community Television (ICTV)
- Launch of two Northern Territory Language Centre Support program websites to support and promote language projects in Central Australia and Maningrida
- Eleven students commenced the Advanced Diploma of Education (Paraprofessional Education Worker) at the Desert Peoples' Centre
- *Go Rural* doctors visited the Batchelor Campus as part of an exploratory visit to the Northern Territory for doctors and other health care professionals considering employment in the Northern Territory.

Our Staff



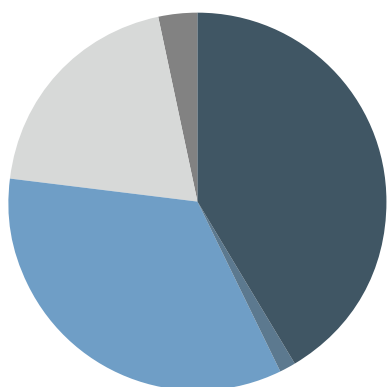
Images, clockwise from left: Sharna Devereaux, winner of the Batchelor Institute CEO's Award being presented by Associate Professor Robert Somerville AM, CEO Batchelor Institute; Melissa Raymond winner of the 2015 Batchelor Institute General Staff Excellence award; Batchelor Institute Early Childhood lecturer Porntip Moulding with Bachelor of Teaching and Learning Early Childhood graduate Alison Wunungmurra from Gapuwiyak at the 2015 Batchelor Institute graduation ceremony, Batchelor campus.

Batchelor Institute is a vibrant, multi-faceted, multi-cultural organisation that offers great opportunities for staff. Academic staff are committed to providing the highest quality in teaching, supported by detailed knowledge of the Institute's programs, curriculum and learning objectives combined with years of experience in working with students from regional and remote communities.

In 2015 Batchelor Institute actively worked to increase the employment representation of Aboriginal and Torres Strait Islander people. The introduction of special measures to recruitment processes gives priority consideration to Aboriginal and Torres Strait Islander applicants. This resulted in an increase of approximately 60% in

Indigenous employment at Batchelor Institute and supported the commencement of a number of new Indigenous executive leaders including Mr Robert Somerville AM who became the new CEO in February 2015. This was followed by the successful implementation of an executive level restructure and the appointments of Indigenous employees to executive roles including: Deputy CEO, Executive Director Innovations and Business, Executive Consultant Learning and Development, and Executive Elder Academic and Culture. A new Enterprise Agreement was completed for 2015-2017 and a Manager Workplace Health and Safety position was also created.

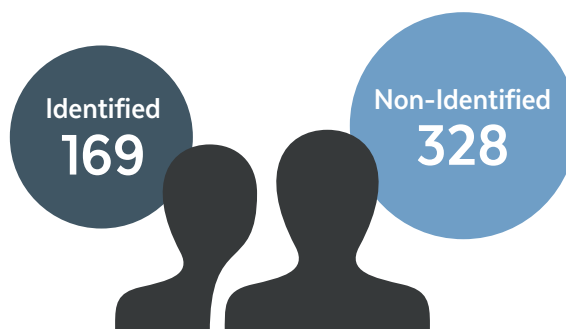
STAFF NUMBERS BY DESIGNATION



TOTAL 497

Executive
Physical
Support (Administration)
Technician
Academic

ABORIGINAL AND TORRES STRAIT ISLANDER STAFF



Staff numbers	Total Numbers	Non-identified	Identified (Aboriginal and/or Torres Strait Islander)	Identified %
Academic	206	169	37	18%
Technician	7	4	3	42%
Support (Administration)	170	108	62	36%
Physical	98	35	63	64%
Executive	16	12	4	25%
Number of staff employed	497	328	169	34%

STAFF NUMBERS BY LOCATION AND GENDER

	Alice Springs	Arlparra	Batchelor	Darwin	Galiwinku	Gunbalanya (Oenpelli)	Katherine	Lajamanu (Hooker Creek)	Maningrida	Nhulunbuy	Njirpi (Waite Creek)	UNKNOWN	Wadeye (Port Keats)	Willowra (Wirinyatjarraji)	Yuendumu	Totals
Female	59	1	213	28	1	1	3	3	1	3	1	17	11	6	1	349
Male	12	0	103	13	0	1	1	1	1	0	0	13	2	0	1	148
																497

Highlights for 2015

- Steve Austin, an employee in the Batchelor Institute kitchen, awarded *Most Outstanding Student* award for the CDU School of Services Industry Level 2
- DPC Cross Division Team, winner of the *Commitment to the Batchelor Institute Vision* award
- DPC Art Team, winner of the *Batchelor Institute Excellence in Teaching* award
- Teacher Education Team, winner of the *Batchelor Institute Outstanding Contribution to Student Learning* award
- Margaret Carew, winner of the *Batchelor Institute Exceptional Performance in Research* award
- Melissa Raymond, winner of the *Batchelor Institute General Staff Excellence* award
- Sharna Devereaux, winner of the *Batchelor Institute CEO's Award*



Winners of the 2015 Batchelor Institute Excellence in Teaching Award, Visual Arts lecturers Amanda McMillan (left) and Brigida Stewart (right) with model Magnolia Maymuru (centre).



Innovation and Business Development

The Innovation and Business Development division is a new initiative for Batchelor Institute, charged with introduction of new enterprises for the organisation.

In 2015 these included:

- New and revived logo and branding
- Website upgrades
- Creation and development of digital marketing communications including:
 - Facebook
 - Twitter
 - LinkedIn
 - Instagram
 - New email newsletters and updates
 - Increased advertising efforts.

Images, clockwise from top left: The completed front entrance redesign at Batchelor campus; the refurbished BIITE Café; below - student accommodation at Batchelor campus.

Strategic and Shared Services

The Strategic and Shared Services division includes the following service areas:

Finance; Library; Facilities and Infrastructure; Grounds and Maintenance; Information Communication Technology (ICT); Kitchen/Café; Strategic Policy, Planning and Contracts; Campus Operations; and Residential Central Australia and Records.

In 2015, the Strategic and Shared Services division began the task of significantly upgrading the facilities and infrastructure at the Batchelor Campus. This included:

- Painting of doors, poles and walls
- A complete redesign of the front entrance to the Institute
- Resealing the road into the main entrance of the campus
- New classroom furniture fit-outs
- Upgrade and branding of the Institute's fleet vehicles

- Residential facility refurbishment
- Installation of interactive projectors and smartboards into classrooms
- Installation of new servers that provide faster connection speeds and greater safety and back-up technology
- The development of a new Sharepoint platform
- Creation of open planned office spaces to create better communities of practice
- Reinvigorating the campus grounds and beginning of a botanical enhancement strategy
- Refurbishment of the BIITE Café

The Division was also responsible for the creation of system-wide policies and procedures for contracts and procurement, aligning to Commonwealth and local government policy regarding Indigenous economic development requirements.

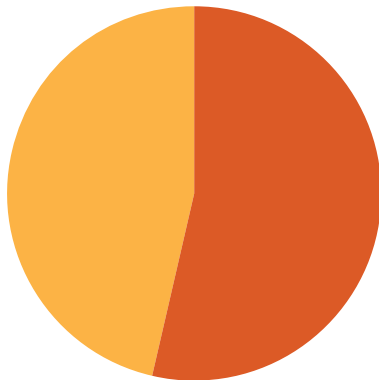
Significant changes occurred during 2015 to finance and budget development and management, including the implementation of a cost centre model and a move towards electronic invoicing.



Our Students

Further Education (VET)

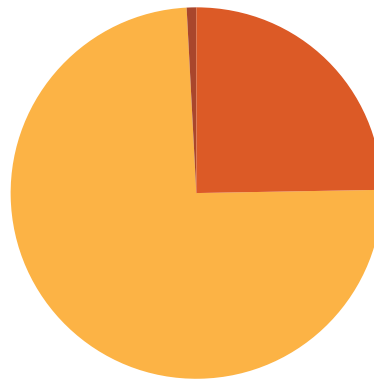
ENROLMENTS BY GENDER



TOTAL 3,242

Female Male

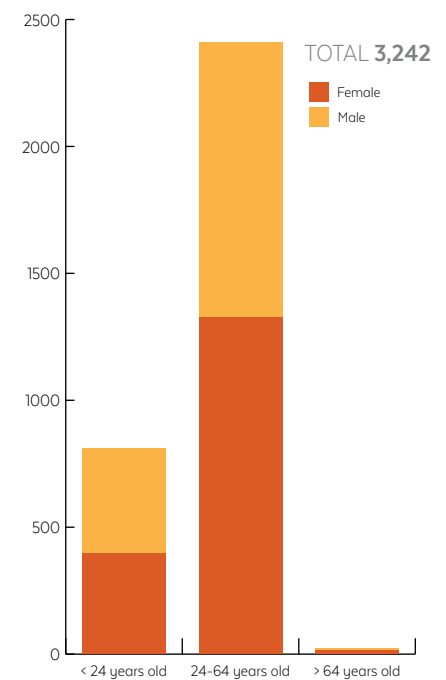
ENROLMENTS BY AGE



TOTAL 3,242

< 24 years old 24-64 years old > 64 years old

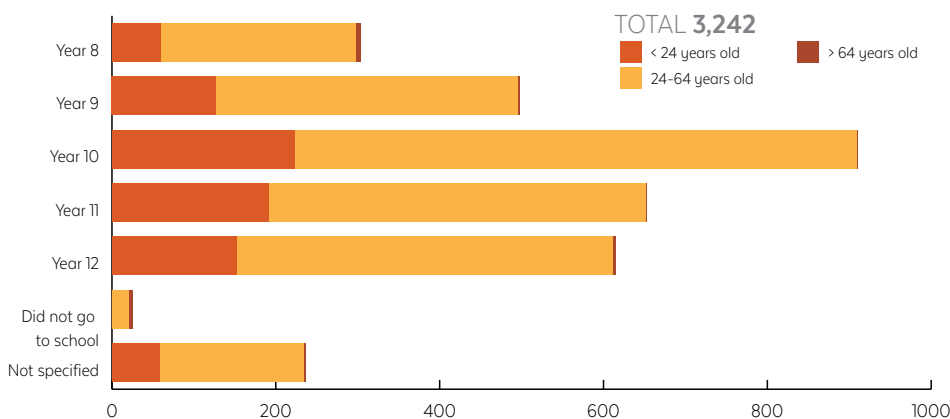
ENROLMENTS BY AGE & GENDER



TOTAL 3,242

Female Male

ENROLMENTS BY AGE & HIGHEST SCHOOL LEVEL COMPLETED



TOTAL 3,242

< 24 years old 24-64 years old > 64 years old

ENROLMENTS BY MAIN LANGUAGE SPOKEN AT HOME



Health students being filmed by the Australian Broadcasting Corporation (ABC) at Batchelor campus.

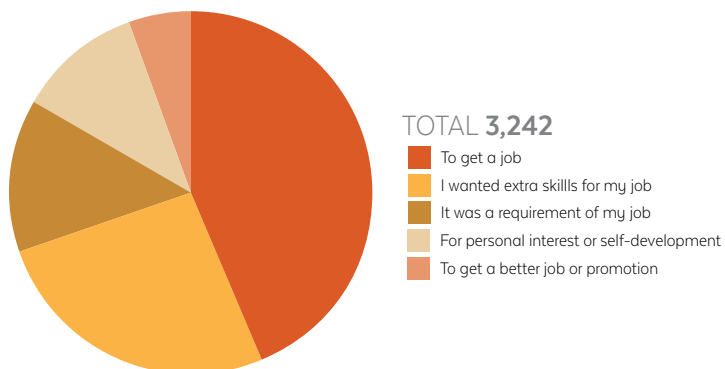


A Visual Arts student during a workshop at Batchelor campus.

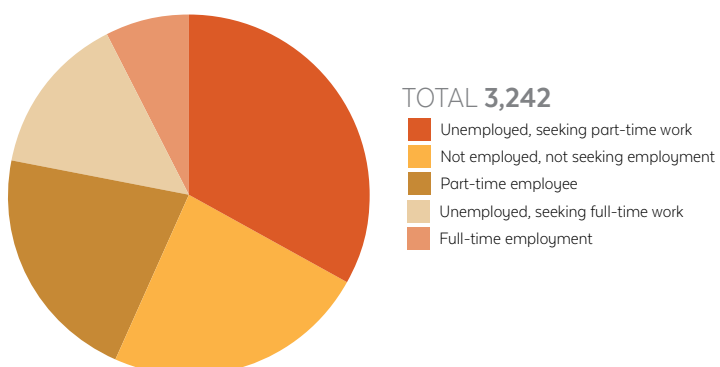


A Construction student at a Batchelor campus workshop.

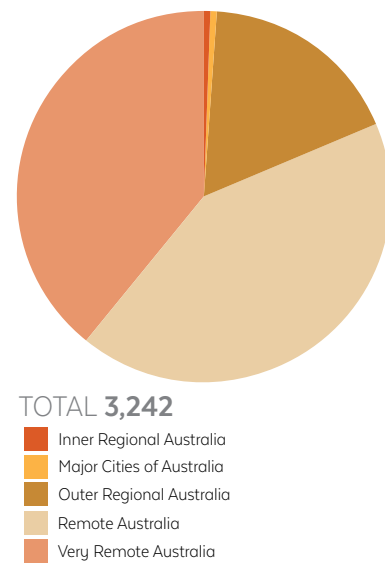
REASONS FOR CHOOSING TO STUDY



ENROLMENTS BY LABOUR FORCE PARTICIPATION



ENROLMENTS BY REMOTENESS INDICATOR





Courses Offered in 2015

VET Courses

Community Services

CHC10108	Certificate I in Work Preparation (Community services)
CHC20112	Certificate II in Community Services
CHC30112	Certificate III in Community Services Work

Business & Governance

BSB10112	Certificate I in Business
BSB10115	Certificate I in Business
BSB20112	Certificate II in Business
BSB20115	Certificate II in Business
BSB30112	Certificate III in Business
BSB30115	Certificate III in Business
BSB41910	Certificate IV in Business (Governance)
BSB41915	Certificate IV in Business (Governance)

Visual Arts

CUV10111	Certificate I in Visual Arts
CUV20111	Certificate II in Visual Arts
CUV30111	Certificate III in Visual Arts
CUV40111	Certificate IV in Visual Arts

Media

CUF20107	Certificate II in Creative Industries (Media)
CUF30107	Certificate III in Media
CUF40107	Certificate IV in Screen and Media
CUF50107	Diploma of Screen and Media

Literacy, Numeracy and Foundation Skills

FSK10113	Certificate I in Access to Vocational Pathways
FSK10213	Certificate I in Skills for Vocational Pathways
FSK20113	Certificate II in Skills for Work and Vocational Pathways
40650SA	Certificate I in Education and Skills Development

Resources and Infrastructure

RII20109	Certificate II in Resources and Infrastructure Work Preparation
RII20113	Certificate II in Resources and Infrastructure Work Preparation

Construction

CPC10111	Certificate I in Construction
CPC20112	Certificate II in Construction
MEM10105	Certificate I in Engineering

Conservation, Land Management and Horticulture

AHC10110	Certificate I in Conservation and Land Management
AHC10210	Certificate I in AgriFood Operations
AHC20410	Certificate II in Horticulture
AHC21010	Certificate II in Conservation and Land Management
AHC30710	Certificate III in Horticulture
AHC31410	Certificate III in Conservation and Land Management
AHC40410	Certificate IV in Horticulture
AHC40910	Certificate IV in Conservation and Land Management

Early Childhood Education and Care

CHC30113	Certificate III in Early Childhood Education and Care
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Education

CHC30213	Certificate III in Education Support
CHC40213	Certificate IV in Education Support
TAE40110	Certificate IV in Training and Assessment
CHC51308	Diploma of Education Support
10503NAT	Advanced Diploma of Education (Paraprofessional Education Worker)

Health and Wellbeing

40637SA	Certificate II in Family Wellbeing
SIT20312	Certificate II in Kitchen Operations
HLT20113	Certificate II in Aboriginal and/or Torres Strait Islander Primary Health Care
HLT21012	Certificate II in Indigenous Environmental Health
HLT32312	Certificate III in Indigenous Environmental Health
52547WA	Certificate III in Mentoring (Wirdanyiny)
HLT40113	Certificate IV in Aboriginal and/or Torres Strait Islander Primary Health Care
HLT40213	Certificate IV in Aboriginal and/or Torres Strait Islander Primary Health Care Practice
HLT50213	Diploma of Aboriginal and/or Torres Strait Islander Primary Health Care Practice

Languages and Linguistics

PSP52412	Diploma of Interpreting
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Higher Education

Preparation for Tertiary Success

- Preparation for Tertiary Success 1
- Preparation for Tertiary Success 2

Education

- Bachelor of Education (Primary Teaching) (BEDP)
- Bachelor of Education (Early Childhood Teaching) (BEDEC)

Health

- Bachelor of Health Science (BHSC)
- Bachelor of Nursing Pre-registration (BNUR)

Indigenous Languages, Knowledges and Policy

- Diploma of Aboriginal and Torres Strait Islander Knowledges (YATSII)
- Bachelor of Aboriginal and Torres Strait Islander Advocacy (BATSIA)
- Diploma of Creative and Indigenous Writing (YCIW01)
- Bachelor of Indigenous Languages and Linguistics (WINLLI)
- Graduate Certificate in Sustainable Indigenous Partnerships (GCSIP)
- Master by Research (Indigenous Perspectives)
- Doctor of Philosophy (Indigenous Perspectives)

Financial Report

Members' Report

The members of the Batchelor Institute of Indigenous Tertiary Education (Batchelor Institute) Council present their report on the economic entity for the year ended 31 December 2015.

The Batchelor Institute Council consists of ten specialist members. During 2015 several changes in composition occurred due to resignations and terms of appointment coming to an end. At the end of 2015, six members, including the Chairperson, were Indigenous. Professor Markham Rose is the Chairperson and, along with the other Council members, provide relevant and diverse industry and cultural representation.

The Council membership includes:

- Professor Markham Rose (Chairperson)
- Mr Peter Renehan (Deputy Chair)
- Mr Robert Somerville AM
- Mr Peter McCaffrey
- Professor Boni Robertson
- Professor Steven Larkin
- Dr Kevin Gillan
- Ms Catherine Curry
- Mr Costa Bulsey
- Ms Evelyn Schaber (resigned after second meeting of 2015)
- Ms Kerri-Anne Butler

Meetings of Members	Council Meetings		Finance, Audit and Risk Management Committee	
	A	B	A	B
Professor Markham Rose	4	4		
Mr Peter Renehan	3	4	3	4
Mr Robert Somerville	4	4	4	4
Mr Peter McCaffrey	4	4	4	4
Professor Boni Robertson	2	4		
Professor Steven Larkin	3	4		
Dr Kevin Gillan	4	4		
Ms Catherine Curry	3	3		
Mr Costa Bulsey	3	4		
Ms Evelyn Schaber	1	2		
Ms Kerri-Anne Butler	4	4		

A = Number of meetings attended

B = Number of meetings held during the time the member held office during the year

Principal Activities

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

- a) the provision of Higher Education and Vocational Education and Training; and
- b) the undertaking of research and consultancy services.

Review of Operations

Financial Performance

For 2015 Batchelor Institute recorded an operating deficit of \$3.2 million (2014: \$1.3 million). Income was on par at \$41.3 million from the prior year with decreases relating to Australian Government funding and consultancy, and contracts and increases relating to Northern Territory Government funding and fees and charges. Employee expenditure increased in 2015 by \$1.5 million (5%) due to the general increase in salaries and tied projects.

Asset Purchases and Capital Works

During 2015, Batchelor Institute did not undertake any major asset purchases or capital projects.

Significant Changes in the State of Affairs

In the opinion of the members there were no significant changes in the state of affairs that occurred under the financial year under review.

Matters Subsequent to the End of the Financial Year

There were no material events after balance date required to be incorporated into the Financial Statements or disclosed in the Notes to the Financial Statements.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the economic entity and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the economic entity.

Insurance of Officers

The economic entity has insurance in place to insure the members of the Council and its Committees and Officers against claims arising from their involvement in the activities of the economic entity.

Proceedings on Behalf of Batchelor Institute

There were no proceedings ongoing against Batchelor Institute as at the end of the reporting period.

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



Professor Markham Rose
Chair of Council
Batchelor
16 May 2016

Batchelor Institute of Indigenous Tertiary Education
Income statement for the year ended 31 December 2015

	Note	Economic Entity	
		2015	2014
		\$'000	\$'000
Income from continuing operations			
Australian Government financial assistance	3	18,004	20,080
NT Government financial assistance	4	16,511	13,032
Fees and charges	5	2,206	1,214
Investment revenue	6	493	650
Consultancy and contracts	7	3,571	4,824
Other revenue	8	512	1,466
Total income from continuing operations		41,297	41,266
Expenses from continuing operations			
Employee related expenses	9	28,739	27,291
Depreciation and amortisation	10	1,631	1,657
Repairs and maintenance	11	561	335
Impairment of assets	12	6	4
Other expenses	13	13,546	13,296
Total expenses from continuing operations		44,483	42,583
Operating result before income tax		(3,186)	(1,317)
Income tax expense	1(d)	-	-
Operating result after income tax for the period		(3,186)	(1,317)

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

Batchelor Institute of Indigenous Tertiary Education
Statement of comprehensive income for the year ended 31 December 2015

	Note	Economic Entity	
		2015	2014
		\$'000	\$'000
Operating result after income tax for the period		(3,186)	(1,317)
Total comprehensive income		(3,186)	(1,317)

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

Batchelor Institute of Indigenous Tertiary Education
Statement of financial position for the year ended 31 December 2015

	Note	Economic Entity	
		2015	2014
		\$'000	\$'000
Assets			
Current assets			
Cash and cash equivalents	15	15,916	16,917
Receivables	16	2,126	2,229
Inventories	17	15	35
Other non-financial assets	18	451	504
Total current assets		18,508	19,685
Non-current assets			
Property, plant and equipment	19	33,060	34,166
Total non-current assets		33,060	34,166
Total assets		51,568	53,851
Liabilities			
Current liabilities			
Trade and other payables	21	1,114	749
Provisions	22	4,012	3,425
Other liabilities	23	2,377	2,540
Total current liabilities		7,503	6,714
Non-current liabilities			
Provisions	22	984	870
Total non-current liabilities		984	870
Total liabilities		8,487	7,584
Net assets		43,081	46,267
Equity			
Reserves	24	30,393	30,393
Retained earnings	24	12,688	15,874
Total equity		43,081	46,267

The above statement of financial position should be read in conjunction with the accompanying notes.

Batchelor Institute of Indigenous Tertiary Education
Statement of cash flows for the year ended 31 December 2015

	Note	Economic Entity	
		2015	2014
		\$'000	\$'000
Cash flows from operating activities			
Australian Government grants	2	17,997	23,277
NT Government grants		15,997	15,302
Receipts from student fees and other customers		6,752	6,460
Interest received		374	737
Payments to suppliers and employees		(41,736)	(41,344)
GST recovered / (paid)		139	(138)
Net cash (used in) operating activities/ provided by	31	(477)	4,294
Cash flows from investing activities			
Payments for property, plant and equipment	19	(524)	(429)
Net cash (used in) investing activities		(524)	(429)
Net (decrease)/ increase in cash and cash equivalents		(1,001)	3,865
Cash and cash equivalents at the beginning of the financial year		16,917	13,052
Cash and cash equivalents at the end of the financial year	15	15,916	16,917

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

Batchelor Institute of Indigenous Tertiary Education
Statement of changes in equity for the year ended 31 December 2015

	Note	Economic Entity		
		\$'000	\$'000	\$'000
		Reserves	Retained Earnings	Total
Balance at 1 January 2014		30,393	17,191	47,584
Profit or loss		-	(1,317)	(1,317)
Balance at 31 December 2014	24	30,393	15,874	46,267
Balance at 1 January 2015		30,393	15,874	46,267
Profit or loss		-	(3,186)	(3,186)
Balance at 31 December 2015	24	30,393	12,688	43,081

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

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Batchelor College was established as a Body Corporate on 1 July 1989 under Section 41 of the Education Act. On 1 April 1995 the College became an Agency under the Financial Management Act and the Public Sector Employment and Management Act. On 1 July 1999 the Batchelor Institute of Indigenous Tertiary Education Act (the Act) came into operation and the Batchelor Institute of Indigenous Tertiary Education (Batchelor Institute) was established. The functions of the Institute are detailed in Section 7 of the Act. The review of the Act was completed during 2011 and the amended Act was passed by Parliament in February 2012.

Batchelor Institute is a not-for-profit entity. It is a multi-campus, dual-sector institution, providing both Higher Education and Vocational Education and Training courses.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years reported unless otherwise stated.

(a) Basis of preparation

Section 46 of the Batchelor Institute of Indigenous Tertiary Education Act requires the Director, at the end of each financial year, to prepare and have audited, financial statements in respect of the financial year. The financial statements represent the audited general purpose financial statements of Batchelor Institute. They have been prepared on a going concern and accrual basis in accordance with Australian Accounting Standards, the Australian Charities and Not-for-Profits Commission Act 2012 (ACNC) Act and the requirements of the Department of Education and other State/Australian Government legislative requirements.

(i) Date of authorisation for issue

The financial statements were authorised for issue by the members of Batchelor Institute on 16 May 2016.

(ii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain classes of non-current assets, which are disclosed at fair value.

(iii) Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying Batchelor Institute's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.

Estimates and judgments incorporated into the financial report are based on historical knowledge and the best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within Batchelor Institute. No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

(b) Investments in other entities

Batchelor Institute, through a joint venture agreement with the Centre for Appropriate Technology Inc., has a 50% interest in the Desert Peoples Centre Inc., an association incorporated under the Associations Act. The fair value of this investment has been deemed to be \$0 due to the not-for-profit status of the Desert Peoples Centre Inc. and its constitution which precludes any profits being shared between the partners.

(c) Revenue recognition

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

(i) Government grants

Batchelor Institute treats operating grants received from Australian Government entities as income in the year of receipt. Grants are recognised at their fair value where Batchelor Institute obtains control of the right to receive a grant, it is probable that economic benefits will flow to Batchelor Institute and the grant can be reliably measured. A liability is recognised where there is a present obligation to repay unspent grants.

(ii) Student Fees and charges

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

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

(iii) Investment Revenue

Investment revenue is recognised on an accrual basis using the effective interest method.

(iv) Other Revenue

Non-government grants are recognised in accordance with the substance of the relevant agreements. Revenue in the form of donations and bequests is brought to account when received. Revenue from the sale of minor assets is recognised when the entity has passed control to the buyer.

(d) Income Tax

Batchelor Institute is a public authority within the meaning of Section 50-25 of the Income Tax Assessment Act 1997 and its income is exempt under the provisions of that Act.

(e) Leases

Leases of property, plant and equipment where Batchelor Institute, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Batchelor Institute does not have any finance leases. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (Note 28). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis, over the period of the lease.

(f) Impairment of assets

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

(g) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective

interest method, less provision for impairment. Trade receivables are due for settlement no more than 30 days from the date of recognition.

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

(i) Inventories

Raw materials are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

(j) Investments and other financial assets

(i) Classification

Batchelor Institute classifies its investments in the following categories: loans and receivables. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(ii) Loans and receivables

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

Regular purchases and sales of financial assets are recognised on the trade-date, i.e. the date on which Batchelor Institute commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Batchelor Institute has transferred substantially all the risks and rewards of ownership.

The financial instruments of Batchelor Institute comprise deposits with banks, short term money market investments, receivables and trade creditors. All the above were initially measured at cost, which is the fair value of the consideration given to acquire the financial asset

or liability. All of Batchelor Institute's financial assets are classified as loans and receivables and are recorded at amortised cost.

(iii) Subsequent measurement

Investments are carried at amortised cost using the effective interest method.

(iv) Impairment

Batchelor Institute assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

(k) Fair value estimation

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

(l) Property, plant and equipment

Land and buildings are shown at fair value based on periodic, but at least quinquennial valuations by independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include gains or losses that were recognised in other comprehensive income on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in equity under the heading of revaluation surplus. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit and loss. Decreases that reverse previous increases of the same asset are also firstly recognised in other comprehensive income before reducing the balance of revaluation surpluses in equity, to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the income statement.

Batchelor Institute controls building assets that are situated on land where the legal title is held by entities other than Batchelor Institute. Buildings at Bloomfield Street, Alice Springs, are situated on Crown land that is controlled by the Commonwealth of Australia. Certain building assets that are situated in Batchelor township, but which do not form part of the main Batchelor Institute campus, are

located on Crown land that is controlled by the Northern Territory of Australia. All remote building assets are situated on land that is owned by entities other than Batchelor Institute.

Initial expenditure for buildings under construction are capitalised as incurred and depreciation commences once the building is complete and ready for use.

(i) Valuations

Batchelor Institute revalues property, plant and equipment once every five years by an external independent valuer. In addition to the external valuation every five years, the library and artwork collections are subject to periodic review by electronic means.

Land, buildings and infrastructure in Alice Springs and Batchelor were revalued in September 2012 by the Australian Valuation Office, with values reflected as at 31 December 2012. Land, buildings and infrastructure in remote locations were revalued in September 2012, with the values reflected as at 31 December 2012. This resulted in an increase of \$2.8 million which has been reflected in the financial statements.

The library collection was revalued in September 2012 by Rodney Hyman Asset Services Pty Ltd, with the values reflected as at 31 December 2012. This resulted in an increase of \$59,000 which is reflected in the comparative year's financial statements. Land, building and infrastructure assets have been measured using the fair value methodology. As there is no current active and liquid market for facilities of this type, and it is Batchelor Institute's intention to retain these assets in their current usage, fair value has been measured at depreciated replacement cost

(ii) Depreciation

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

- Buildings including demountables and improvements 7-50 years
- Infrastructure 10-40 years
- Plant and equipment 5-20 years
- Computer hardware 5 years
- Transport equipment 5-7 years

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

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

(iii) Amortisation of intangibles

Preliminary expenses in respect of the development of computer software are capitalised as they are incurred but amortisation does not commence until the software development is completed and ready for use. The following estimated useful life was used in the calculation of amortised intangibles:

- Computer software 3 years

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to Batchelor Institute prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Provisions

Provisions are recognised when Batchelor Institute has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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

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

(o) Employee benefits

(i) Wages and salaries

Liabilities for short-term employee benefits including wages and salaries and non-monetary benefits due to be settled within 12 months after the end of the period are measured at the amount expected to be paid when the liability is settled and recognised in other payables. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Annual leave

The liability for long-term employee benefits such as annual leave is recognised in current provisions for employee benefits if it is due to be settled within 12 months after the end of the reporting period. It is measured at the amount expected to be paid when the liability is settled. Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

(iii) Long service leave

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

(iv) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. Batchelor Institute recognises termination benefits when it is demonstrably committed to either terminating the employment of current

employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance date are discounted to present value.

(p) Superannuation

Batchelor Institute contributes to several superannuation schemes, including the Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS), the Commonwealth Superannuation Scheme (CSS) and various private sector schemes. Casual employees' superannuation benefits are provided for through approved contribution schemes.

Until 30 June 1999 benefits from NTGPASS were supplemented by an additional productivity benefit from the Northern Territory Supplementary Superannuation Scheme (NTSSS). The NTSSS benefit was entirely employer funded and did not require employee contributions. It was provided to all employees who completed at least three months service. NTGPASS closed to new employees commencing service with the Territory Government after 9 August 1999. New employees joining after 9 August 1999 will have full choice of the superannuation fund to which the employer will contribute the superannuation guarantee. For this reporting period the rate is 9% (9.50% from 1 July 2014). The NTGPASS, NTSSS and the defined contribution scheme provide lump sum benefits while the CSS provides a mixture of lump sum and pension benefits. In respect of the entity's superannuation plans, any contributions made to the superannuation plans by the entity are recognised against profits when due.

Employee contributions in respect of NTGPASS members are based on an elected rate of 2% to 6% of salary. CSS members must contribute 5% of salary and may elect to contribute up to an additional 5% of salary as supplementary contributions. Contributions to other approved contribution schemes are made at a rate of 9% (9.50% from 1 July 2014) of the employee's salary. Until 30 June 1999 the cost of employer financed benefits was met by the Northern Territory Government. Batchelor Institute was under no legal obligation to make up any shortfall in relation to payouts to employees or contributions on behalf of employees. Since 1 July 1999 Batchelor Institute has received funding directly from the Northern Territory and Commonwealth Governments to fund superannuation contributions to approved funds.

(q) Rounding of amounts

Amounts in the financial report have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

(r) Goods and Services Tax (GST)

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

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

or payables in the balance sheet.

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

(s) Comparative amounts

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

(t) New Accounting Standards and Interpretations

(i) Adoption of new and revised Accounting

Standards and Interpretations

Batchelor Institute has adopted all new and revised Accounting Standards and Interpretations as issued by the Australian Accounting Standards Board (AASB) effective for the current reporting period. The impact of adopting these pronouncements has had no material financial impact on Batchelor Institute.

(ii) Accounting Standards and Interpretations issued but not yet effective

New Accounting Standards and Interpretations were in issue at the date of authorisation of this financial report but are not mandatory for 31 December 2015 reporting periods. Batchelor Institute has not adopted any of these for the reporting period ended 31 December 2015. It is estimated that the impact of adopting these pronouncements when effective will have no material financial impact on Batchelor Institute in future reporting periods.

Standard/ Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9, approved in December 2014, replaces the existing guidance in AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets and the new general hedge accounting requirements. It also carries forward the guidance on recognition of financial instruments from AASB 139. AASB 9 is effective for annual reporting periods beginning on or after 1 January 2018. Batchelor Institute is assessing the potential impact on its financial statements resulting from the application of AASB 9.	1 January 2018	31 December 2018
AASB 2014-4 classification of acceptable Methods of Depreciation and Amortisation (Amendments to AASB116 and AASB138)	1 January 2016	31 December 2016
AASB 15 Revenue from contracts with customers	1 January 2017	31 December 2017

NOTE 2: DISAGGREGATED INFORMATION

Industry – Dual Sector Providers (Economic Entity)

Operating revenues and expenses for Higher Education and Vocational Education and Training (VET) are shown in the following tables. They have been determined by identifying specific revenues and expenses for each sector, and apportioning the remainder relative to direct costs of course delivery (Higher Education 22% : VET 78%).

Income statement

		Higher Education	VET	Total Economic Entity	Higher Education	VET	Total Economic Entity
		2015	2015	2015	2014	2014	2014
	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME STATEMENT							
Income from continuing operations							
Australian Government financial assistance	3	9,904	8,100	18,004	10,677	9,403	20,080
NT Government financial assistance	4	-	16,511	16,511	86	12,946	13,032
Fees and charges	5	485	1,721	2,206	316	898	1,214
Investment revenue	6	108	385	493	169	481	650
Consultancy and contracts	7	2,704	867	3,571	3,026	1,798	4,824
Other revenue	8	112	400	512	380	1,086	1,466
Total income from continuing operations		13,314	27,983	41,297	14,654	26,612	41,266
Expenses from continuing operations							
Employee related expenses	9	6,323	22,416	28,739	7,096	20,195	27,291
Depreciation and amortisation	10	359	1,272	1,631	431	1,226	1,657
Repairs and maintenance	11	123	438	561	87	248	335
Impairment of assets	12	1	5	6	1	3	4
Other expenses	13	3,401	10,145	13,546	4,056	9,240	13,296
Total expenses from continuing operations		10,207	34,276	44,483	11,671	30,912	42,583
Operating result before income tax expense		3,107	(6,293)	(3,186)	2,983	(4,300)	(1,317)
Income tax expense	1(d)	-	-	-	-	-	-
Operating result after income tax for the period		3,107	(6,293)	(3,186)	2,983	(4,300)	(1,317)

NOTE 2: DISAGGREGATED INFORMATION (continued)
Statement of financial position as at 31 December 2015

		Higher Education	VET	Total Economic Entity	Higher Education	VET	Total Economic Entity
		2015	2015	2015	2014	2014	2014
	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015							
Assets							
Current assets							
Cash and cash equivalents	15	33,873	(17,957)	15,916	30,448	(13,531)	16,917
Receivables	16	468	1,658	2,126	580	1,649	2,229
Inventories	17	-	15	15	-	35	35
Other non-financial assets	18	99	352	451	131	373	504
Total current assets		34,440	(15,932)	18,508	31,159	(11,474)	19,685
Non-current assets							
Property, plant and equipment	19	15,513	17,547	33,060	15,756	18,410	34,166
Total non-current assets		15,513	17,547	33,060	15,756	18,410	34,166
Total assets		49,953	1,615	51,568	46,915	6,936	53,851
Liabilities							
Current liabilities							
Trade and other payables	21	245	869	1,114	195	554	749
Provisions	22	883	3,129	4,012	890	2,535	3,425
Other liabilities	23	523	1,854	2,377	660	1,880	2,540
Total current liabilities		1,651	5,852	7,503	1,745	4,969	6,714
Non-current liabilities		399	585	984	374	496	870
Total non-current liabilities		399	585	984	374	496	870
Total liabilities		2,050	6,437	8,487	2,119	5,465	7,584
Net assets		47,903	(4,822)	43,081	44,796	1,471	46,267
Equity							
Reserves	24	23,457	6,936	30,393	23,457	6,936	30,393
Retained earnings	24	24,446	(11,758)	12,688	21,339	(5,465)	15,874
Total equity		47,903	(4,822)	43,081	44,796	1,471	46,267

NOTE 2: DISAGGREGATED INFORMATION (continued)
Statement of changes in equity

	Note	Higher Education			VET		
		Reserves	Retained Earnings	Total	Reserves	Retained Earnings	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
STATEMENT OF CHANGES IN EQUITY							
Balance at 1 January 2014		23,457	18,356	41,813	6,936	(1,165)	5,771
Profit or loss		-	2,983	2,983	-	(4,300)	(4,300)
Balance at 31 December 2014	24	23,457	21,339	44,796	6,936	(5,465)	1,471
Balance at 1 January 2015		23,457	21,339	44,796	6,936	(5,465)	1,471
Profit or loss		-	3,107	3,107	-	(6,293)	(6,293)
Balance at 31 December 2015	24	23,457	24,446	47,903	6,936	(11,758)	(4,822)

Statement of cash flows

	Note	Higher Education	VET	Total Economic Entity	Higher Education	VET	Total Economic Entity
		2015	2015	2015	2014	2014	2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
STATEMENT OF CASH FLOWS							
Cash Flows from Operating Activities							
Australian Government Grants	3	9,198	8,799	17,997	11,491	11,786	23,277
NT Government Grants		-	15,998	15,998	86	15,216	15,302
Receipts from student fees and other customers		3,405	3,347	6,752	3,451	3,009	6,460
Interest received		83	291	374	192	545	737
Payments to suppliers and employees		(9,177)	(32,560)	(41,737)	(10,744)	(30,600)	(41,344)
GST recovered / (paid)		31	108	139	(36)	(102)	(138)
Net cash provided by / (used in) operating activities	31	3,540	(4,017)	(477)	4,440	(146)	4,294
Cash flows from investing activities							
Payments for property, plant and equipment	19	(115)	(409)	(524)	(113)	(316)	(429)
Net cash / (used in) investing activities		(115)	(409)	(524)	(113)	(316)	(429)
Net increase / (decrease) in cash and cash equivalents		3,425	(4,426)	(1,001)	4,327	(462)	3,865
Cash and cash equivalents at the beginning of the financial year		30,448	(13,531)	16,917	26,121	(13,069)	13,052
Cash and cash equivalents at the end of the financial year	15	33,873	(17,957)	15,916	30,448	(13,531)	16,917

NOTE 3: AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS

	Note	Economic Entity	
		2015	2014
		\$'000	\$'000
(a) Commonwealth Grant Scheme and other grants	34.1		
Indigenous Support Program		2,791	2,776
Disability Support Program		1	1
National Institutes ¹		4,436	4,412
Promotion of Excellence in Learning and Teaching		30	30
Total Commonwealth Grant Scheme and other grants		7,258	7,219
(b) Scholarships	34.2		
Australian Postgraduate Awards		80	79
Total Scholarships		80	79
(c) EDUCATION research grants	34.3		
Joint Research Engagement Program		139	129
Research Training Scheme		140	146
Research Infrastructure Block Grants		3	9
Sustainable Research Excellence in Universities		6	16
Total EDUCATION research grants		288	300
(d) Other Australian Government financial assistance			
Indigenous Education Agreement - Away From Base		7,254	6,900
Indigenous Professional Support Unit		778	1,850
Office of the Arts Indigenous Broadcasting and Languages Projects		1,305	1,053
Childcare support		418	229
Community Development Employment Projects		-	1,358
Collaborative Research Networks		153	307
DIISRTE		405	540
Other project funding		65	245
Total other Australian Government financial assistance		10,378	12,482
Total Australian Government financial assistance		18,004	20,080

¹ Includes Indigenous Education Agreement - National Indigenous English Literacy and Numeracy Strategy

NOTE 3: AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS (continued)

	Economic Entity	
	2015	2014
	\$'000	\$'000
Reconciliation		
Australian Government grants (a+b+c+d)	18,004	20,080
Total Australian Government financial assistance	18,004	20,080
(g) Australian Government grants received - cash basis		
Commonwealth Grants Scheme and other DEEWR Grants	7,258	7,219
Higher Education Loan Programs	-	(1)
Scholarships	80	79
EDUCATION research	288	300
Other Australian Government grants	10,378	8,737
Total Australian Government grants received - cash basis	18,004	16,334
Total Australian Government funding received - cash basis	18,004	16,334

NOTE 4: NORTHERN TERRITORY GOVERNMENT FINANCIAL ASSISTANCE

	Economic Entity	
	2015	2014
	\$'000	\$'000
General Purpose		
	11,583	9,386
Total General Purpose	11,583	9,386
Specific Purpose		
Department of Business		
Supplementary Recurrent Assistance	806	806
Indigenous Tutorial Assistance Scheme (VET)	182	182
Capital Works	523	523
Work, Health and Safety fund	680	-
Structure Adjustment Training Fund	210	-
Vocational Education and Training Equipment Grant	149	153
User Choice	57	20
Support for Public Providers	-	150
Training Loan Scheme	-	244
Department of Education		
Repairs and Maintenance	-	266
Minor New Works	-	65
Vocational Education and Training in Schools	49	620
Remote Early Childhood	-	41
Training for Assistant Teachers in Remote Schools	909	-
Community Services	27	10
Venndale Project	-	474
Department of Children and Families	14	-
Department of Attorney-General and Justice	1,247	45
Other Revenue	75	47
Total Specific Purpose	4,928	3,646
Total Northern Territory Government financial assistance	16,511	13,032

NOTE 5: FEES AND CHARGES

	Economic Entity	
	2015	2014
	\$'000	\$'000
Course fees and charges		
Other domestic course fees and charges ¹	1,705	880
Total fees and charges	1,705	880
Other non-course fees and charges		
Rental charges	151	116
Facility hire	172	135
Other	178	83
Total other fees and charges	501	334
Total fees and charges	2,206	1,214

¹ Includes white card training, first aid training and short courses

NOTE 6: INVESTMENT REVENUE AND INCOME

	Economic Entity	
	2015	2014
	\$'000	\$'000
Interest	493	650
Total investment revenue	493	650

NOTE 7: CONSULTANCY AND CONTRACTS

	Economic Entity	
	2015	2014
	\$'000	\$'000
Consultancy	965	2,366
ACIKE - Charles Darwin University ²	2,460	2,394
Other contract revenue	146	64
Total consultancy and contracts	3,571	4,824

² Includes the basic CGS grant amount and CGS - Regional Loading, HECS

NOTE 8: OTHER REVENUE AND INCOME

	Economic Entity	
	2015	2014
	\$'000	\$'000
Donations and bequests	5	9
Scholarships and prizes	6	3
Non-government grants	236	1,129
Merchandise Sales	94	84
Insurance rebates and other revenue	167	220
Sale of Assets	4	21
Total other revenue and income	512	1,466

NOTE 9: EMPLOYEE RELATED EXPENSES

	Economic Entity	
	2015	2014
	\$'000	\$'000
Employee related expenses		
Academic		
Salaries	10,644	10,406
Contributions to superannuation and pension schemes	1,696	1,532
Payroll tax	762	660
Worker's compensation	62	125
Long service leave	295	198
Annual leave	1,686	1,466
Other	(2)	33
Total academic	15,143	14,420
Non-academic		
Salaries	10,083	9,489
Contributions to superannuation and pension schemes	1,179	1,110
Payroll tax	684	585
Worker's compensation	31	20
Long service leave	218	284
Annual leave	1,402	1,354
Other	(1)	29
Total non-academic	13,596	12,871
Total employee related expenses	28,739	27,291

NOTE 10: DEPRECIATION AND AMORTISATION

	Economic Entity	
	2015	2014
	\$'000	\$'000
Depreciation		
Buildings	1,406	1,367
Infrastructure	43	42
Plant and equipment	70	63
Computer hardware	68	120
Transport equipment	44	65
Total depreciation	1,631	1,657
Amortisation		
Intangible assets	-	-
Total amortisation	-	-
Total depreciation and amortisation	1,631	1,657

NOTE 11: REPAIRS AND MAINTENANCE

	Economic Entity	
	2015	2014
	\$'000	\$'000
Repairs and maintenance on buildings	561	335
Total repairs and maintenance	561	335

NOTE 12: IMPAIRMENT OF ASSETS

	Economic Entity	
	2015	2014
	\$'000	\$'000
Bad and doubtful debts	6	4
Total impairment of assets	6	4

NOTE 13: OTHER EXPENSES

	Economic Entity	
	2015	2014
	\$'000	\$'000
Advertising, marketing and promotional expenses	43	51
Communications and utilities	2,410	2,544
Consumables	1,125	849
Contracted services	1,442	1,919
Insurance	456	535
Motor vehicles	1,151	1,070
Non-capitalised equipment	930	667
Property management	1,312	1,235
Recruitment	156	107
Refund of prior year grants	171	369
Rent and leasing	436	412
Scholarships, grants and prizes	66	6
Training and study	120	117
Travel	2,843	2,594
Plant and equipment written off asset	-	7
Other	885	814
Total other expenses	13,546	13,296

NOTE 14: SERVICES RECEIVED FREE OF CHARGE

Batchelor Institute receives various human resources, payroll and financial services from the Northern Territory Government free of charge.

	Economic Entity	
	2015	2014
	\$'000	\$'000
Services received free of charge	822	768
Total services received free of charge	822	768

NOTE 15: CASH AND CASH EQUIVALENTS

	Economic Entity	
	2015	2014
	\$'000	\$'000
Cash at bank and on hand	2,916	3,417
Deposits at call	13,000	13,500
Total cash and cash equivalents	15,916	16,917

a) Reconciliation to cash at the end of the year

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

	Economic Entity	
	2015	2014
	\$'000	\$'000
Balances as above	15,916	16,917
Balance per statement of cash flows	15,916	16,917

b) Cash at bank and on hand

Cash at bank and on hand had an effective interest rate of 2.5% (2014: 2.5%).

c) Deposits at call

The deposits are bearing floating interest rates between 2.5 % and 2.9% (2014: 2.5% and 3.44%). These deposits have a maturity of 30-90 days.

NOTE 16: RECEIVABLES

	Economic Entity	
	2015	2014
	\$'000	\$'000
Current		
Trade receivables	1,946	2,043
Less: provision for impaired receivables	(7)	(10)
Accrued revenue	160	61
GST receivable	27	135
Total receivables	2,126	2,229

(g) Impaired receivables

As at 31 December 2015 current receivables with a nominal value of \$6,800.92 (2014: \$9,624) were impaired. The amount of the provision was \$6,800 (2014: \$9,624). The individually impaired receivables mainly relate to past students and staff of Batchelor Institute. The ageing of these receivables is as follows:

Less than 3 months	2	1
3 to 6 months	4	2
Over 6 months	1	7
	7	10

As of 31 December 2015, trade receivables of \$983,741 (2014: \$267,043) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing of these receivables is as follows:

Less than 3 months	800	110
3 to 6 months	38	157
Over 6 months	146	-
	984	267

Movements in the provision for impaired receivables are as follows:

At 1 January	4	9
Unused amount reversed	6	5
Receivables written off during the year as uncollectible	(3)	(4)
At 31 December	7	10

The creation and release of the provision for impaired receivables have been included in 'impairment of assets expense' in the income statement. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash. The other amounts within receivables do not contain impaired assets and are not past due. Based on credit history, it is expected that these amounts will be received when due.

NOTE 17: INVENTORIES

	Economic Entity	
	2015	2014
	\$'000	\$'000
Current	15	35
Total current inventories	15	35

NOTE 18: OTHER NON-FINANCIAL ASSETS

	Economic Entity	
	2015	2014
	\$'000	\$'000
Prepayments	451	504
Total other non-financial assets	451	504

NOTE 19: PROPERTY PLANT AND EQUIPMENT

	Economic Entity	
	2015	2014
	\$'000	\$'000
Land		
At fair value	1,272	1,272
Total land	1,272	1,272
Buildings		
At fair value	32,322	32,246
Less: accumulated depreciation	(4,076)	(2,670)
Total buildings	28,246	29,576
Infrastructure		
At fair value	891	816
Less: accumulated depreciation	(127)	(84)
Total infrastructure	764	732
Plant and equipment		
At cost	1,300	1,183
Less: accumulated depreciation	(764)	(694)
Total plant and equipment	536	489
Computer hardware		
At cost	1,190	952
Less: accumulated depreciation	(971)	(903)
Total computer hardware	219	49
Transport equipment		
At cost	919	900
Less: accumulated depreciation	(868)	(824)
Total transport equipment	51	76
Heritage and cultural assets		
At fair value	1,972	1,972
Total heritage and cultural assets	1,972	1,972
Total property, plant and equipment	33,060	34,166

NOTE 19: PROPERTY PLANT AND EQUIPMENT (continued)

	Land	Buildings	Infra-structure	Plant and equipment ¹	Computer hardware	Transport equipment	Heritage and cultural assets	Work in progress	Total property, plant and equipment
Economic entity	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2015									
Cost	-	2,312	-	1,183	952	900	-	-	5,347
Valuation	1,272	29,934	816	-	-	-	1,972	-	33,994
Accumulated depreciation	-	(2,670)	(84)	(694)	(903)	(824)	-	-	(5,175)
Net book amount	1,272	29,576	732	489	49	76	1,972	-	34,166
Year ended 31 December 2015									
Opening net book amount	1,272	29,576	732	489	49	76	1,972	-	34,166
Additions	-	76	75	117	238	19	-	-	525
Depreciation expense	-	(1,406)	(43)	(70)	(68)	(44)	-	-	(1,631)
Closing net book amount	1,272	28,246	764	536	219	51	1,972	-	33,060
At 31 December 2015									
Cost	-	2,388	75	1,300	1,190	919	-	-	5,872
Valuation	1,272	29,934	816	-	-	-	1,972	-	33,994
Accumulated depreciation	-	(4,076)	(127)	(764)	(971)	(868)	-	-	(6,806)
Net book amount	1,272	28,246	764	536	219	51	1,972	-	33,060

¹Plant and equipment includes all operational assets.

	Land	Buildings	Infra-structure	Plant and equipment ¹	Computer hardware	Transport equipment	Heritage and cultural assets	Work in progress	Total property, plant and equipment
Economic entity	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2014									
Cost	-	1,056	-	1,142	952	900	-	868	4,918
Valuation	1,272	29,934	816	-	-	-	1,972	-	33,994
Accumulated depreciation	-	(1,303)	(42)	(631)	(783)	(759)	-	-	(3,518)
Net book amount	1,272	29,687	774	511	169	141	1,972	868	35,394
Year ended 31 December 2014									
Opening net book amount	1,272	29,687	773	512	169	141	1,972	868	35,394
Additions	-	388	-	48	-	-	-	-	436
Transfers	-	868	-	(7)	-	-	-	(868)	(7)
Depreciation expense	-	(1,367)	(42)	(63)	(120)	(65)	-	-	(1,657)
Closing net book amount	1,272	29,576	731	490	49	76	1,972	-	34,166
At 31 December 2014									
Cost	-	2,312	-	1,183	952	900	-	-	5,347
Valuation	1,272	29,934	816	-	-	-	1,972	-	33,994
Accumulated depreciation	-	(2,670)	(84)	(694)	(903)	(824)	-	-	(5,175)
Net book amount	1,272	29,576	732	489	49	76	1,972	-	34,166

¹Plant and equipment includes all operational assets.

NOTE 20: INTANGIBLES

	Economic Entity	
	2015	2014
	\$'000	\$'000
At 1 January		
Cost	201	201
Accumulated amortisation and impairment	(201)	(201)
Net book amount	-	-
At 31 December		
Cost	201	201
Accumulated amortisation and impairment	(201)	(201)
Net book amount	-	-

NOTE 21: TRADE AND OTHER PAYABLES

	Economic Entity	
	2015	2014
	\$'000	\$'000
Current		
Trade creditors	894	647
Accrued expenses	220	102
Total current trade and other payables	1,114	749

Unearned revenue has been reclassified into other liabilities as they fall outside the definition of trade and other payables (AASB137.11)

NOTE 22: PROVISIONS

	Economic Entity	
	2015	2014
	\$'000	\$'000
Current provisions expected to be settled within 12 months		
Annual leave	1,897	1,584
Annual leave fares	6	4
Annual leave loading	278	210
Long service leave	410	304
Other provisions ¹	701	601
Total current provisions to be settled within 12 months	3,292	2,703
Current provisions expected to be settled after more than 12 months		
Long service leave	720	722
Total current provisions to be settled after more than 12 months	720	722
Total current provisions	4,012	3,425
Non-current provisions		
Long service leave	984	870
Total non-current provisions	984	870
Total provisions	4,996	4,295

¹ Other provisions include fringe benefits tax, payroll tax, superannuation, and worker's compensation.

NOTE 22: PROVISIONS (continued)
Movements in provisions

As at 31 December 2015

Movements in each class of provision during the financial year are set out below:

	Annual leave	Annual leave fares	Annual leave loading	Long service leave	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current						
Carrying amount at start of year	1,584	4	210	1,026	601	3,425
Additional provisions recognised	2,762	-	324	399	577	4,062
Amounts used	(2,449)	1	(256)	(294)	(477)	(3,475)
Carrying amount at end of year	1,897	5	278	1,131	701	4,012

	Long service leave	Total
	\$'000	\$'000
Non-current		
Carrying amount at start of year	870	870
Additional provisions recognised	114	114
Non-current amount at end of year	984	984

As at 31 December 2014

Movements in each class of provision during the financial year are set out below:

	Annual leave	Annual leave fares	Annual leave loading	Long service leave	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current						
Carrying amount at start of year	1,826	11	325	989	798	3,949
Additional provisions recognised	2,578	-	242	386	366	3,572
Amounts used	(2,820)	(7)	(357)	(349)	(563)	(4,096)
Carrying amount at end of year	1,584	4	210	1,026	601	3,425

	Long service leave	Total
	\$'000	\$'000
Non-current		
Carrying amount at start of year	774	774
Additional provisions recognised	96	96
Non-current amount at end of year	870	870

NOTE 23: OTHER LIABILITIES

	Economic Entity	
	2015	2014
	\$'000	\$'000
Current		
Australian Government and NT Government unspent grants	2,377	2,540
Total current other liabilities	2,377	2,540

NOTE 24: RESERVES AND RETAINED EARNINGS

	Economic Entity	
	2015	2014
	\$'000	\$'000
(a) Reserves		
Property, plant and equipment revaluation surplus	14,776	14,776
Gifted asset reserve	15,617	15,617
Total reserves	30,393	30,393
Movements		
<i>Property, plant and equipment revaluation surplus</i>		
Balance at 1 January	14,776	14,776
Balance at 31 December	14,776	14,776
<i>Gifted asset reserve</i>		
Balance at 1 January	15,617	15,617
Balance at 31 December	15,617	15,617
(b) Retained earnings		
Movements in retained earnings were as follows:		
Retained earnings at 1 January	15,874	17,191
Operating result for the period	(3,186)	(1,317)
Retained earnings at 31 December	12,688	15,874

(c) Nature and purpose of reserves

Property, plant and equipment revaluation surplus

The property, plant and equipment revaluation surplus arises from the revaluation of non-current assets. Where a revalued asset is sold, the portion of the revaluation reserve which relates to that asset is transferred to retained earnings.

Gifted asset reserve

During the year ended 31 December 2002, the Northern Territory Government gifted to Batchelor Institute certain land and buildings which it occupied. The fair values of these land and buildings were determined on the basis of valuations performed by the Valuer-General as at 1 July 2002.

The valuation was determined on the basis of fair value for land amounting to \$290,000 and depreciated replacement cost for buildings of \$15,109,000 making a total of \$15,399,000. These values were recognised in the financial statements during 2002 via the gifted asset revaluation. These and other assets have been revalued in accordance with Batchelor Institute's revaluation policy as described in Note 1(i).

NOTE 25: KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Names of responsible persons and executive officers

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

COUNCIL MEMBERS			
Professor Markham Rose	Chair	Dr Kevin Gillan	Member
Mr Peter Renehan	Deputy Chair	Mr Costa Bulsey	Member
Mr Robert Somerville	Member	Ms Catherine Curry	Member
Mr Peter McCaffrey	Member	Ms Evelyn Schaber	Member
Professor Boni Robertson	Member	Ms Kerri-Anne Butler	Member
Professor Steven Larkin	Member		

(b) Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling activities of Batchelor Institute during the financial year:

Mr Robert Somerville	Chief Executive Officer
Mrs Dorothy Morrison	Deputy Chief Executive Officer
Mrs Naomi Bonson	Executive Director, Strategic and Shared Services
Dr Peter Stephenson	Executive Director, Higher Education and Research
Mr Peter Solly	Executive Director, Innovation and Business Development
Dr Jurg Bronnimann	Executive Director, Head of School—Higher Education and Research
Dr Melodie Bat	Director, Humanities
Ms Kim Davies	Director, Enterprise and Employment Pathways
Mr David Kirby	Director, Workforce Development
Ms Claire Kilgariff	Executive Consultant VET Policy and Learning
Mr Michael Crowe	Executive Director, Central Australia
Mr Cameron Wilson	Chief Financial Officer
Mr Ken Cunningham	Director, Human Resources and WHS
Mr Eike Pakeha	Director, Performance Monitoring and Review
Dr Anthony Bowland	Director, Workforce Development (resigned 30/10/2015)
Mrs Kirsty Kelly	Executive Director, Strategic and Shared Services (resigned 22/04/2015)

(c) Remuneration of board members and executives

Remuneration paid or payable or otherwise made available to responsible persons and executive officers of the entity:

	Economic Entity	
	2015	2014
	Number	Number
Remuneration of Council Members		
Nil to \$9,999 ¹	10	13
Remuneration of Executives		
Nil to \$69,999	4	1
\$100,000 to \$169,999	9	2
\$170,000 to \$179,999	2	1
\$180,000 to \$189,999	-	1
\$200,000 to \$209,999	-	1
\$270,000 to \$309,999	1	1

The remuneration of the CEO is disclosed in Remuneration of Executives as the remuneration relates to his role as the CEO.

	Economic Entity	
	2015	2014
	\$'000	\$'000
(d) Key management personnel compensation		
Short-term employee benefits	2,057	1,145
Post-employment benefits ¹	197	111
Other long-term benefits ²	32	7
Termination benefits	25	-
Total	2,311	1,263

^{1,2} Post-employment benefits and other long-term benefits have been included as part of key management personnel compensation (AASB124.19)

NOTE 26: REMUNERATION OF AUDITORS

During the year, the following fees were payable for services provided by the auditor to Batchelor Institute:

	Economic Entity	
	2015	2014
	\$'000	\$'000
Audit services		
Fees payable to the Northern Territory Auditor-General's Office		
Audit and review of financial reports	68	57
Total remuneration for audit services	68	57
Other audit services		
Fees payable for other audit services		
Fees payable to KPMG	9	-
Fees payable to Merit Partners	42	28
Fees payable to other services	5	10
Total remuneration for other services	56	38

NOTE 27: CONTINGENCIES

There were no known material contingent liabilities as at the end of 2015.

NOTE 28: COMMITMENTS

Lease commitments

All leases entered into by Batchelor Institute are operating leases. Batchelor Institute does not have any finance leases. Motor vehicle operating leases have been included in these statements as the Batchelor Institute is contractually obliged to pay.

	Economic Entity	
	2015	2014
	\$'000	\$'000
Operating leases		
Motor vehicles	1,164	1,235
Office equipment	246	533
Total operating leases	1,410	1,768

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

Within one year	842	839
Later than one year but not later than five years	568	929
Total lease commitments	1,410	1,768

NOTE 29: ECONOMIC DEPENDENCY

Batchelor Institute is funded predominantly by annual appropriations from both the Australian and Northern Territory Governments to meet proposed cash expenditure on both operational and capital items in the current financial year. Also, the Northern Territory Government Department of Corporate and Information Services (DCIS) provides certain services and resources to Batchelor Institute at no charge (see Note 14). This general purpose financial report has been prepared on a going concern basis in the expectation that such funding and support will continue.

NOTE 30: EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There were no material events after balance date required to be incorporated into the Financial Statements or disclosed in the Notes to the Financial Statements.

NOTE 31: RECONCILIATION OF OPERATING RESULT AFTER INCOME TAX TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	Economic Entity	
	2015	2014
	\$'000	\$'000
Operating result for the period	(3,186)	(1,317)
Depreciation and amortisation	1,631	1,657
	(1,555)	340
Change in operating assets and liabilities		
Decrease/ (increase) in receivables	103	2,275
Decrease/ (increase) in other operating assets	71	61
(Decrease) in trade and other payables	364	(60)
(Decrease) in provisions	702	(429)
Increase in other operating liabilities	(162)	2,107
	1,078	3,954
Net cash provided by operating activities	(477)	4,294

NOTE 32: FINANCIAL RISK MANAGEMENT

Batchelor Institute's financial instruments consist mainly of deposits with banks, short term money market investments, accounts receivable and payables. The main risks that Batchelor Institute are exposed to through financial instruments is credit risk and interest rate risk. As set out below, these risks are minimal.

Batchelor Institute is almost entirely dependent on government funding, with only a small amount of student fees and no foreign exchange dealings. Batchelor Institute has a policy of investing surplus cash only in secured term deposits. Therefore, Batchelor Institute's management of its financial risk is by ensuring cash flow is adequate through receiving government funds in a timely manner and investing in interest bearing bills that mature as required. This is managed by the Financial Services section of Batchelor Institute with all bills purchased through National Australia Bank.

(a) Credit risk

At the end of the financial year, Batchelor Institute's maximum exposure to credit risk to each class of recognised financial asset is the carrying amount of those assets as indicated in the statement of financial position.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to Batchelor Institute. The carrying amount of the financial assets recorded in the statement of financial position, net of any provision for losses, represents Batchelor Institute's maximum exposure to credit risk. To manage credit risk associated with its cash balances, Batchelor Institute deposits its funds with Australia's Big 4 banks or government guaranteed financial institutions. Batchelor Institute also requires students to pay all debts prior to graduating. All other debts, including those of students who have discontinued their studies, are sent to a debt collector after 60 days if there is a reasonable chance of collection. Minor debts are written off, however students cannot re-enrol until they have settled any previous outstanding debt. All debts managed by the debt collector are recorded in the provision for doubtful debts as disclosed in Note 16.

(b) Interest rate risk

Batchelor Institute has no debt and therefore no interest rate risk in this regard. In terms of investment, the level of risk relates to the movement in interest rates earned on income deposited and the timeliness of grant payments paid to the Institute. The impact on Batchelor Institute is immaterial.

Summarised sensitivity analysis

The following tables summarise the sensitivity of the financial assets to interest rate risk.

31 December 2015	Interest rate risk				
	Carrying amount	+1% Result	+1% Equity	-1% Result	-1% Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	1,196	1,197	1,197	(3,414)	(3,414)
Term deposits	13,000	13,013	13,013	(13,487)	(13,487)
Total increase/(decrease)	14,196	14,210	14,210	(16,901)	(16,901)

31 December 2014	Interest rate risk				
	Carrying amount	+1% Result	+1% Equity	-1% Result	-1% Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	3,417	3,420	3,420	(3,414)	(3,414)
Term deposits	13,500	13,514	13,514	(13,487)	(13,487)
Total increase/(decrease)	16,917	16,934	16,934	(16,901)	(16,901)

(c) Liquidity risk

The Institute receives over 84% of its funding in government grants and therefore is able to manage its liquidity risk based on known income and approximate payment dates. Funds which are surplus to operating requirements are invested until required. Budget management processes are in place so as to guard against the risk of over expenditure.

The following tables summarise the maturity of Batchelor Institute's financial assets and liabilities:

2015	Average Interest Rate	Variable Interest Rate	Fixed Interest Rate Maturity			Non-Interest Bearing	Total
	%	\$'000	Less than 1 Year	1 to 5 Years	More than 5 Years	\$'000	\$'000
Financial assets							
Cash at bank	2.00	1,196	-	-	-	-	1,196
Short term money market	-	-	-	-	-	-	-
Term deposits	2.57	-	13,000	-	-	-	13,000
Receivables	-	-	-	-	-	2,126	2,126
Total financial assets	-	1,196	13,000	-	-	2,126	16,322
Financial liabilities							
Payables	-	-	-	-	-	1,114	1,114
Total financial liabilities	-	-	-	-	-	1,114	1,114

2014	Average Interest Rate	Variable Interest Rate	Fixed Interest Rate Maturity			Non-Interest Bearing	Total
	%	\$'000	Less than 1 Year	1 to 5 Years	More than 5 Years	\$'000	\$'000
Financial assets							
Cash at bank	2.50	3,417	-	-	-	-	3,417
Short term money market	-	-	-	-	-	-	-
Term deposits	3.44	-	13,500	-	-	-	13,500
Receivables	-	-	-	-	-	2,229	2,229
Total financial assets	-	3,417	13,500	-	-	2,229	19,146
Financial liabilities							
Payables	-	-	-	-	-	749	749
Total financial liabilities	-	-	-	-	-	749	749

NOTE 33: FAIR VALUE MEASUREMENTS

(a) Fair value measurements

The fair value financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The carrying amount of cash, cash equivalents and short term investments approximates their fair value because of their short-term to maturity. Due to the short-term nature of the current receivables, their carrying value is assumed to approximate their fair value and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due.

The carrying amount of payables is assumed to approximate their fair value due to the short-term to maturity.

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

Economic Entity	Carrying Amount / Net Fair Value	
	2015	2014
	\$'000	\$'000
Financial assets		
Cash at bank	1,196	3,417
Short term money market	-	-
Term deposits	13,000	13,500
Receivables	2,126	2,229
Total financial assets	16,322	19,146
Financial liabilities		
Payables	1,114	749
Total financial liabilities	1,114	749

Batchelor Institute measures and recognises the following assets at fair value on a recurring basis:

- Land and buildings
- Infrastructure
- Heritage and cultural assets.

(b) Fair value hierarchy

Batchelor Institute categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurements.

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Recognised fair value measurements

Fair value measurements recognised in the balance sheet are categorised into the following levels at 31 December 2014. Comparative information for non-financial assets has not been provided as permitted by the transitional provisions of the new standard.

	Note	2015	Level 1	Level 2	Level 3
		\$'000	\$'000		
Recurring fair value measurements					
Non-financial assets					
Land and buildings	19	29,518	-	30,848	-
Infrastructure	19	764	-	731	-
Heritage and cultural assets	19	1,972	-	1,972	-
Total non-financial assets		32,254	-	33,551	-

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year. Batchelor Institute's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(c) Valuation techniques used to derive Level 2 fair values

The fair value of non-financial assets is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Land and buildings, infrastructure, and heritage and cultural assets are shown at fair value based on periodic, but at least quinquennial valuations by independent valuers, less subsequent depreciation for buildings and infrastructure. At the end of each reporting period, Batchelor Institute updates the assessment of the fair value of each property, taking into account the most recent independent valuations. Batchelor Institute determines the property's value within a range of reasonable fair value estimates. Any accumulated depreciation at the date of revaluation is eliminated against the

gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available Batchelor Institute considers information from a variety of sources, including:

- depreciated replacement cost for land and buildings, and infrastructure. It involves a calculation for the current cost of replacing an asset with its modern equivalent asset, and less deductions for all physical deterioration and all relevant forms of obsolescence and optimisation.
- a sales comparison approach for heritage and cultural assets, based on secondary-market evidence and depreciation trends. It considers the sales of similar or substitute properties and related market data, and establishes a value estimate by processes involving comparison. In general, a property being valued is compared with sales of similar properties that have been transacted in the open market.

NOTE 34: ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

NOTE 34.1: DEEWR - CGS and other DEEWR grants

	Economic Entity							
	Disability Support Program		National Institutes ¹		Indigenous Support Program		Capital Development Pool	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assistance received in CASH during reporting period (total cash received from the Australian Government for the Programs)	1	1	4,436	4,412	2,791	2,776	-	-
Net accrual adjustments	-	-	-	-	-	-	-	-
Revenue for the period	1	1	4,436	4,412	2,791	2,776	-	-
Surplus from the previous year	-	-	-	-	-	-	(27)	(27)
Total revenue including accrued revenue	1	1	4,436	4,412	2,791	2,776	(27)	(27)
Less expenses including accrued expenses	1	1	4,436	4,412	2,791	2,776	(27)	(27)
Surplus for reporting period	-	-	-	-	-	-	-	(54)

	Economic Entity					
	Diversity and Structural Adjustment Fund ²		Promotion of Excellence in Learning and Teaching in HE		Total	
	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assistance received in CASH during reporting period (total cash received from the Australian Government for the Programs)	-	-	30	30	7,258	7,219
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	-	-	30	30	7,258	7,219
Surplus/ (deficit) from the previous year	53	92	5	3	(122)	(112)
Total revenue including accrued revenue	53	92	35	33	7,136	7,107
Less expenses including accrued expenses	53	39	28	28	7,282	7,229
Surplus/ (deficit) for reporting period	-	53	7	5	(146)	(122)

¹ Includes National Indigenous English Literacy and Numeracy Strategy Program

² Includes Collaboration and Structural Adjustment Program.

NOTE 34.2: SCHOLARSHIPS

	Economic Entity			
	Australian Postgraduate Awards		Total	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Financial Assistance received in CASH during reporting period (total cash received from the Australian Government for the Programs)	80	79	80	79
Net accrual adjustments	-	-	-	-
Revenue for the period	80	79	80	79
Surplus from the previous year	152	79	152	79
Total revenue including accrued revenue	232	158	232	158
Less expenses including accrued expenses	64	6	64	6
Surplus for reporting period	168	152	168	152

NOTE 34.3: RESEARCH

	Economic Entity									
	Joint Research Engagement Program ³		Research Training Scheme		Research Infrastructure Block Grants		Sustainable Research Excellence in Universities		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assistance received in CASH during reporting period (total cash received from the Australian Government for the Programs)	139	129	140	146	3	9	6	16	288	300
Net accrual adjustments	(11)	-	-	-	(1)	-	(1)	-	(13)	-
	128	129	140	146	2	9	5	16	275	300
Surplus from the previous year	36	39	148	166	17	45	(2)	16	199	266
Total revenue including accrued revenue	164	168	288	312	19	54	3	32	474	566
Less expenses including accrued expenses	80	132	85	164	13	37	-	34	178	367
Surplus for reporting period	84	36	203	148	6	17	3	(2)	296	199

NOTE 35: DISAGGREGATED RESULTS BY SOURCE OF FUNDS

Batchelor Institute classifies all activity into three sources: core, Away From Base (AFB), and project funding sources. AFB and project funding arise from monies received where the use of which is subject to contractual obligations and include activity reporting and acquittal of finances. Away From Base is an Australian Government funded program designed to cover travel costs for Vocational Education and Training and higher education students studying an approved nationally accredited course that is delivered through a combination of distance education and face-to-face teaching. Core funding is utilised to provide the primary delivery of Higher Education, Vocational Education and Training and Research activities of the Institute.

		Economic Entity			
		Core	AFB	Project	Total
		2015	2015	2015	2015
	Note	\$'000	\$'000	\$'000	\$'000
Total income from continuing operations		27,894	7,254	10,593	45,741
Total expenses from continuing operations		25,083	7,254	12,146	44,483
Operating result		2,811	-	(1,553)	1,258
Gain/ (loss) on revaluation		-	-	-	-
Total comprehensive income		2,811	-	(1,553)	1,258
Cash and cash equivalents at 1 January 2015		12,485	778	3,654	16,917
Net increase/ (decrease) in cash and cash equivalents		(90)	(77)	(834)	(1,001)
Cash and cash equivalents at 31 December 2015	15	12,395	701	2,820	15,916

		Economic Entity			
		Core	AFB	Project	Total
		2014	2014	2014	2014
	Note	\$'000	\$'000	\$'000	\$'000
Total income from continuing operations		20,903	6,900	13,463	41,266
Total expenses from continuing operations		22,849	6,900	12,834	42,583
Operating result		(1,946)	-	629	(1,317)
Gain/ (loss) on revaluation		-	-	-	-
Total comprehensive income		(1,946)	-	629	(1,317)
Cash and cash equivalents at 1 January 2014		10,276	(2,191)	4,967	13,052
Net increase/ (decrease) in cash and cash equivalents		2,209	2,969	(1,313)	3,865
Cash and cash equivalents at 31 December 2014	15	12,485	778	3,654	16,917

CEO's Statement

Batchelor Institute of Indigenous Tertiary Education Statement by the CEO

1. In my opinion:

(a) the accompanying financial statements of the Batchelor Institute of Indigenous Tertiary Education (Batchelor Institute) are drawn up so as to give a true and fair view of the state of affairs as at 31 December 2015, and the results for the year ended on that date, of Batchelor Institute, and

(b) at the date of this statement there are reasonable grounds to believe that Batchelor Institute will be able to pay its debts as and when they fall due.

2. The accompanying financial statements and notes thereto of Batchelor Institute have been made out in accordance with the Batchelor Institute of Indigenous Tertiary Education Act, Australian Accounting Standards, The Australian Charities and Not-for-Profits Commission Act 2012 (ACNC) Act and as per the Department of Industry, Innovation, Science, Research and Tertiary Education Financial Statement Guidelines for Australian Higher Education Providers for the 2015 Reporting Period.

3. The amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was provided.

4. Batchelor Institute has complied with the requirements of various program guidelines that apply to the Australian Government financial assistance identified in the financial statements.

Signed at Batchelor this 16th day of May 2016.



Robert Somerville AM
Chief Executive Officer

Auditor's Report



Auditor-General

Independent Auditor's Report to the Members of the Council Batchelor Institute of Indigenous Tertiary Education Year Ended 31 December 2015

I have audited the accompanying financial report of Batchelor Institute of Indigenous Tertiary Education ("the Entity"), which comprises the statement of financial position as at 31 December 2015, the income statement, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the Director.

The Director's responsibility for the Financial Report

The Director of the Entity is responsible for the preparation of the financial report that gives a true and fair view in accordance with *Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Director determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the financial report of Batchelor Institute of Indigenous Education has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Entity's financial position as at 31 December 2014, and of its financial performance and its cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

A handwritten signature in blue ink, appearing to read 'Julie Crisp'.

Julie Crisp
Auditor-General for the Northern Territory
Darwin, Northern Territory

17 May 2016



**Batchelor
Institute**

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