

ANNUAL
REPORT
2009



Melbourne
College of Divinity

Qui est ex Deo verba Dei audit

ANNUAL REPORT 2009

prepared in accordance with *Melbourne College of Divinity Act 1910*,
The Financial Management Act 1994 (the Act), *Standing Directions* of the Minister
for Finance under the Act, and the *Financial Reporting Directions* of the Act.

for and on behalf of the Council:

Paul Beirne, Dean & CEO

22 March 2010



Report of the Council of the Melbourne College of Divinity, for the period
1 January to 31 December 2009, approved by the Council 22 March 2010

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Melbourne College of Divinity

Established by the Melbourne College of Divinity Act 1910

Affiliated with the University of Melbourne 1993

Qui est ex Deo verba Dei audit

LIST OF ACRONYMS AND ABBREVIATIONS

APA	Australian Postgraduate Award
AUGA	Australian Universities Quality Agency
ASHER	Australian Scheme for Higher Education Repositories
BD	Bachelor of Divinity
BTheol	Bachelor of Theology
BURF	Better Universities Renewal Funding
CCTC	Churches of Christ Theological College
CDTC	Committee of Deans of Theological Consortia
CTC	Catholic Theological College
CTS	Commercialisation Training Scheme
CWS	Coursework Studies
DEEWR	Department of Education, Employment and Workplace Relations
DIAC	Department of Immigration and Citizenship
DIISR	Department of Innovation, Industry, Science and Research
DMinStuds	Doctor of Ministry Studies
DTheol	Doctor of Theology
DEST	Department of Education, Science and Training
EFTSL	Effective Full Time Student Load
EIF	Education Investment Fund
EIPRS	Endeavour International Postgraduate Research Scholarship
FEE-HELP	Federal Education Entitlement - Higher Education Loan Program
GCTRE	Graduate Certificate of Teaching Religious Education
GDS	Graduate Destination Survey
GradDipTheol	Graduate Diploma in Theology
HDR	Higher Degree by Research
HEP	Higher Education Provider
HESA	Higher Education Support Act (2003)
HEW	Higher Education Worker
HOC	Heads of Colleges
HREC	Human Research Ethics Committee
IAPS	Implementation Assistance Program
ICSPF	Institute for Christian Spirituality and Pastoral Formation
IGS	Institutional Grant Scheme
IAF	Institutional Assessment Framework
JTC	Jesuit Theological College
LIAM	Libraries of Institutions Associated with MCD
MCD	Melbourne College of Divinity
MDiv	Master of Divinity
MIF	Minimum Indicative Fees
MMin	Master of Ministry
MoU	Memorandum of Understanding
MTheol	Master of Theology
MTS	Master of Theological Studies
NHMRC	National Health and Medical Research Council
P/G	Postgraduate
PSMEA	Public Sector Management and Employment Act (1998)
RQF	Research Quality Framework
RM&AC	Risk Management and Audit Committee
RTI	Recognized Teaching Institution
RTS	Research Training Scheme
SATC	The Salvation Army Training College
SRP	Supervised Research Project
TAMS	Theological Academic Management System
TLC	Teaching and Learning Capital Fund
TCTS	Trinity College Theological School
UG	Undergraduate
UCTC	Uniting Church Theological College
UFT	United Faculty of Theology
VTAC	Victorian Tertiary Admissions Centre
YTU	Yarra Theological Union

Compliance Index

The annual report of **Melbourne College of Divinity** is prepared in accordance with:

FMA	<i>Financial Management Act 1994</i>
FRD	A-IFRS Financial Reporting Directions
SD	Standing Directions of the Minister for Finance issued under the <i>Financial Management Act 1994</i>
AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
ETRA 2006	<i>Education and Training Reform Act 2006</i>
PAEC	Decision of Public Accounts and Estimates Committee of Parliament
RUG	Victorian Government response to the Review of University Governance
ESOS	<i>Education Services for Overseas Students Act 2000</i>
DEST	Commonwealth Government Department of Education, Science and Training
DEEWR	Commonwealth Government Department of Education, Employment and Workplace Relations

No.	Clause	Disclosure	Page(s)
STANDING DIRECTIONS FOR THE MINISTER FOR FINANCE (SD)			
1	SD 4.2(g)	Report of Operations contains general information about the entity and its activities, highlights for reporting period and future initiatives and is prepared on a basis consistent with financial statements pursuant to the <i>Financial Management Act, 1994</i> .	6-45
2	SD 4.2(h)	Report of Operations is prepared in accordance with Financial Reporting Directions.	6-45
3	SD 4.2(j)	Report of Operations is signed and dated by Chancellor or equivalent and includes date of Council Meeting at which Annual Report was approved.	1, 7
4	SD 4.2(a)	Financial Statements are prepared in accordance with: <ul style="list-style-type: none"> • Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements • Financial Reporting Directions • Business Rules. 	46-69
5	SD 4.2(b)	Financial Statements available, including: <ul style="list-style-type: none"> • Balance Sheet • Statement of Recognized Income and Expense • Cash Flows Statement • Notes to the Financial Statements. 	46-69
6	SD 4.2(c)	Signed and dated statement by Accountable Officer stating that Financial Statements: <ul style="list-style-type: none"> • Present fairly the financial transactions during the reporting period and the financial position at end of the period • Were prepared in accordance with Standing Direction 4.2 (c) and applicable Financial Reporting Directions • Comply with applicable Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements. 	70
7	SD 4.2(d)	Financial Statements are expressed in the nearest dollar except where the total assets, or revenue, or expenses of the institution are greater than: <ul style="list-style-type: none"> • \$10,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$1,000 • \$1,000,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$100,000. 	46-69
8	SD 4.2(e)	The financial statements were reviewed and recommended by the Audit Committee or Responsible Body prior to finalization and submission.	46-69
9	SD4.55	Attestation on compliance with the Australian / New Zealand Risk Management Standard.	32



No.	Clause	Disclosure	Page(s)
A-IFRS FINANCIAL REPORTING DIRECTIONS (FRD)			
10	10	Disclosure Index	3-5
11	11	Disclosure of Ex-gratia Payments	n/a
12	07A	Early Adoption of Authoritative Accounting Pronouncements	n/a
13	17A	Long Service Leave Wage Inflation and Discount Rates	n/a
14	19	Private Provision of Public Infrastructure	n/a
15	21A	Responsible Person and Executive Officer Disclosure in the Financial Report	64
16	22B	Standard Disclosures in the Report of Operations	45
17	25	Victorian Industry Participation Policy in the Report of Operations	n/a
18	26A	Accounting for VicFleet Motor Vehicle Lease Arrangements on or after 1 February 2004	n/a
19	102	Inventories	n/a
20	104	Foreign currency	n/a
21	106	Impairment of assets	n/a
22	107	Investment properties	n/a
23	109	Intangible assets	n/a
24	110	Cash Flow Statements	50
25	112A	Defined benefit superannuation obligations	n/a
26	113	Investments in Subsidiaries, Jointly Controlled Associates and Entities	n/a
27	114	Financial Investments	44,49,63
DEPARTMENT OF EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS (DEEWR)			
28	FRD 22B DEEWR	Analysis of the achievement of the entity's operational and budget objectives for the financial year; should include comparative analysis of indicators such as enrolments, graduations, student performance and satisfaction, staff profile, research performance and performance position.	6-45
29	DEEWR	Information with respect to the governance and administrative structure of the university, specifically council members and occupants of senior officers.	14-20
30	DEEWR	Outline of student and staff grievance procedures and number of complaints made to and investigated by the Ombudsman.	37
31	DEEWR	Details of information available on institution's website, including locations of current and previous Annual Reports.	45
32	DEEWR	Compliance of Financial Statements with the <i>Financial Statement Guidelines for Australian Higher Education Providers for 2007 Reporting Period</i> issued by DEEWR.	46-69

No.	Clause	Disclosure	Page(s)
FINANCIAL MANAGEMENT ACT 1994 (FMA)			
	FMA 1994	Financial Statements:	46-72
33	49(a)	• Contain such information as required by the Minister	
34	49 (b)	• Are prepared in a manner and form approved by the Minister	
35	49 (c)	• Present fairly the financial transactions of the department or public body during the relevant financial year to which they relate	
36	49 (d)	• Present fairly the financial position of the department or public body as at the end of that year	
37	49 (e)	• Are certified by the accountable officer in the manner approved by the Minister.	
GOVERNMENT RESPONSE TO THE REVIEW OF UNIVERSITY GOVERNANCE (RUG)			
38	RUG	Statement outlining that public funds allocated to the University have been allocated to the purposes specified by the Government or other public funding body. Statement is audited by the Auditor-General.	27 41-44 70-72
39	RUG	University Council's risk management strategy	32, 52-53
40	RUG	Summary of financial performance of Associates and Commercial Ventures	n/a
EDUCATIONAL SERVICES FOR OVERSEAS STUDENTS ACT (2000) (ESOS)			
41	ESOS (National Code 2007 - Sections C & D)	Statement indicating compliance with ESOS Act 2000 and the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students (National Code 2007).	35
EDUCATION AND TRAINING REFORM ACT 2006 (ETR)			
42	ETRA 2006,s. 3.2.8	Statement on compulsory non-academic fees, subscriptions and charges payable in the preceding financial year.	39-41
DECISION OF PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE OF PARLIAMENT			
43	PAEC (December 1997)	Financial and other information relating to institution's international operations.	35, 45

Section A: Report of Operations



President's statement



The life of the Melbourne College of Divinity continued to grow and expand in 2009 in a variety of ways which are recorded in the following pages of the 2009 Annual Report. Normally, some of the highlights of 2009 would be mentioned in the President's Statement. However, as these are adequately covered in the Dean's Statement, and other reports in this document, I thought that, at the end of my second and final year as President, as the MCD approaches its Centenary, I would take the opportunity to reflect on the reason why the MCD originally came into existence, and why it continues to fulfil its mission with such purpose and such passion. This fundamental reason is none other than the education and formation of women and men who come to the MCD to learn, and to grapple with questions which reside at the crossroads where life and reason encounter 'faith seeking understanding'.

The MCD website contains the following sentence, which in many ways sums up the approach that the MCD, its Recognized Teaching Institutions and faculty members take in their approach to theological education and ministerial formation: 'We walk with you as you ask the eternal questions.' This *raison d'être* implies a shared quest for knowledge firmly grounded in scholarship, yet permeated with life experiences which draw the seeker beyond human boundaries to eternal truths which reside at the core of our being. Viewed from above, the crossroads where faith and intellect meet reflect a symbol that lies at the very heart of Christianity—two beams of wood on which were nailed a broken figure with arms stretched wide to embrace all creation. This enigmatic human/divine symbol challenges us, sustains us, draws us closer together, and ultimately provides the answer to the eternal questions.

At the MCD we meet to discuss these questions not only in lecture halls, classrooms, libraries and common rooms. We also meet on the hallowed ground where our stories intersect, intertwine, and grow together. And when the time comes for us to move on, we take these stories, which have become our stories, with us and within us. These stories have been enriched immeasurably by the 'Christian story', grounded in the Hebrew Bible, the Gospels and the New Testament epistles, and the fields and disciplines to which they give birth. This sharing of stories and questing for answers at the crossroads where humanity and divinity meet is, by all accounts, a life-transforming experience.

In closing, I wish to personally thank past, present and future students of the Melbourne College of Divinity for affording me the opportunity to participate in their stories and in their journeys. And it is my privilege to continue to share this quest for knowledge and understanding with each and every member of the MCD community, and beyond, as the College moves confidently into its second century of existence.

Frank Rees, President

Dean's statement



In previous Dean's Reports, 2006 was labelled as a Year of Implementation following a thorough revision to the Melbourne College of Divinity Act (1910) in 2005; 2007 was described as a Year of Consolidation, and 2008 as a Year of Development and Planning. In this sequence, 2009, the 99th year in the history of the Melbourne College of Divinity, can be rightfully be regarded as a Year of Anticipation, as the College prepares to celebrate its Centenary in 2010. A Centenary Organizing Committee of Council has been preparing for this landmark year in the College's history four years, and four events are planned to celebrate the occasion. The Governor of Victoria, Professor David de Kretser and Mrs de Kretser will host a reception on 17th February 2010 to mark the Centenary of the College; a Centenary Dinner will be held on the evening of July 4th; a major conference, the MCD Centenary Conference will be held at Trinity College, the University of Melbourne, on July 5-7th under the title, *the Future of Religion in Australian Society*; and a Liturgical Ceremony will be held at St Paul's Cathedral on the December 17th, one hundred years to the day on which the Melbourne College of Divinity was established by an Act of the Parliament of the State of Victoria.

Some of the special events which occurred in 2009 were as follows:

- An Interim Agreement for a Mission Based Compact was signed with the Federal government, in anticipation of the signing a Compact with the government in 2010.
- MCD's governing Council gave its in-principle agreement for the MCD to pursue Specialist University Status under Section D7 of the National Protocols and the National Guidelines for Higher Education Institutions.
- A Triennial Review of the Academic Board and its two Committees (Research and Coursework Studies) was undertaken by an Academic Board Review Committee of Council.
- The MCD engaged the services of Mr Dennis Clark, a Risk Management consultant, to undertake a Risk Assessment Exercise of the College.
- Discussion continued with a number of Theological Colleges which are seeking Recognized Teaching Institution status with the MCD.
- The MCD received \$527,000 from the Federal government in the form of a Teaching and Learning Capital Fund. The Fund will be utilized to establish an internet wireless network across the MCD, and to renovate and refurbish the premises in Kew at which the MCD central administration is located.
- The Academic Audit Committee of Council conducted a 5 yearly Audit of the Catholic Theological College and the Yarra Theological Union.

- The MCD was the lead institution in the Australian Research Council's Journal Ranking Exercise, and in an application for a Competitive Grant from the Australian Learning and Teaching Council entitled *Incorporating Student Experience and Transformative Learning into Curriculum Design and Planning of Undergraduate Theological Degrees*. Both of these submissions were on behalf of the Council of Deans of Theology (Australasia), of which Council the Dean of the MCD is the current Chair.
- ...students graduated at the annual Conferral ceremony, 30 of these were higher degree by research students, made up of 15 doctoral and 15 masters graduands. The speaker for the evening was the Revd Dr Garry J Deverell, Professor of Worship and Preaching, United Faculty of Theology.
- Pursuant to the responsibility given by the Council of the MCD under Regulation 11, an Honorary Doctorate of Sacred Theology was bestowed on the Revd Professor Brian Leslie Howe AO, BA, GDIP (CRIM), MA, Uniting Church Minister and former Deputy Prime Minister of Australia, Revd Professor Howe was described in his Doctoral citation as a person who had '*gained a reputation for effecting change in society at the grass-roots level and for relating Christian theology to public issues of the day, particularly in relation to justice for the marginalized*' and is '*highly regarded as a committed, trustworthy individual, a person of integrity and magnanimity, and respected and admired in all walks of society not least because he deals with issues rather than personalities, and is known always to have the good of the people as his primary focus*'.
- Ms Liz Anderson completed a three year term as Registrar at the MCD, and was succeeded by Mr Jeff Reaney, who, following a restructuring of the MCD administration, was appointed Director: Finance and Administration (Registrar).
- On the evening of June 11th an MCD Centenary Colloquium was held at Trinity College, the University of Melbourne. Two speakers, The Revd Associated Professor Andrew McGowan, Warden and Munro Lecturer in Theology at Trinity College and President of the United Faculty of Theology, and The Revd Dr Rufus Black, Master of Ormond College, addressed the topic *Religion at the Crossroads: Engaging Global Challenges*, and then engaged the 100 member audience in discussion. The Colloquium was followed by supper, during which the discussion continued.



Paul Beirne, Dean and CEO



Establishment

The Melbourne College of Divinity (MCD) was constituted by an Act passed by the Parliament of the State of Victoria in December 1910, when the first members of the College were appointed. The College then represented the Church of England, the Baptist, Congregational, Methodist and Presbyterian churches, and by co-optation the Churches of Christ. The Act was amended in 1956, 1972, 1979 and 1990 to enable the MCD to become a more comprehensive body and was thoroughly revised in 2005. As a Higher Education Provider (HEP) established by Act of the Parliament of Victoria, the MCD is accountable to the Minister for Skills, and Workforce Participation.

In 1993 the MCD was affiliated with the University of Melbourne, while retaining autonomy and degree conferring status. The Bachelor of Arts/ Bachelor of Theology double degree is available in association with Monash University.

In 2003, the then Commonwealth Department of Education, Science and Training included the MCD in the list of Table B Higher Education Institutions with two private Australian universities. This listing enables the College to receive Federal funding for research, and access to the FEE-HELP scheme for all eligible MCD students.

The MCD is a complex organisation. Like Australian universities, there is a central administration, together with academic committees responsible for the maintenance of educational standards across the institution. The member colleges and other teaching bodies, like the faculties of a university, engage in teaching and learning activities with students. However, the MCD is unlike most universities in that although the teaching colleges are independent, they do not grant degrees. The MCD model parallels that of Oxford or Cambridge colleges in relation to the relevant university.

Today the MCD Council includes representatives of the Anglican, Baptist, Churches of Christ, Roman Catholic and Uniting churches, with The Salvation Army involved in MCD teaching programs, and membership of several MCD committees. A theologically diverse institution, the MCD is committed to ecumenical co-operation in theological education to enable each member institution to be true to its heritage and commitments, yet open to the enrichment of engagement with others. The opportunities created by such co-operation are available in few other places in the world. Students, faculty, alumni and friends of the MCD are proud participants in a collaborative effort that has helped to achieve collectively what member schools could not have accomplished individually.

Objectives, functions, powers and duties

The powers of the MCD derive from the MCD Act which established the College as a degree-granting educational body. The Council of the Melbourne College of Divinity authorizes the granting of degrees, approves the introduction of, and changes to MCD regulations, and monitors the governance of the College in accordance with State and Federal regulations and compliance structures.

The functions and duties of the MCD are best summarized in terms of the Vision, Mission and Values statements:

Vision of the MCD

Recognized nationally and internationally, the Melbourne College of Divinity commits to pursuing the highest standards in teaching and research in Christian theology and ministry. The College offers scholars and students alike the opportunity to anchor their faith in understanding and in a spirit of dialogue to engage with other religious traditions and wider social contexts.

The MCD **Mission Statement** reads,

The *Melbourne College of Divinity* is an ecumenical provider of quality tertiary education in the field of Divinity and associated disciplines, with commitment to

- quality in teaching and research
- the understanding of faith in secular contexts, and
- the integrity of the Christian churches

Studies in Theology and Divinity involve reflection and knowledge (*logos*) about God (*theos*) or the divine. Key disciplines include Philosophy, Biblical Studies (including the Hebrew and Greek languages), Systematic Theology, Church History, Ethics, Liturgy, Pastoral Studies, Religious Education and other areas of Applied Theology such as Spirituality and Counselling. These studies endeavour to assist students to examine their own convictions and to integrate them with a rational view and lifestyle. This blend of objective and subjective learning has characterized the MCD since its inception.

The following **values** express this vision and mission:

- Critical enquiry and open dialogue in the exploration of truth
- Active engagement with local, national and global social contexts
- Recognition and respect for the traditions of the member churches in an atmosphere of mutuality and ecumenical cooperation
- Interdependence in the development of all learning activities
- Honest professional relationships between students and staff
- Freedom from all forms of discrimination
- A climate of respect and openness
- Enthusiasm, flexibility and innovation.

The **objectives** of the College are described in the MCD Act as:

- a) the pursuit of the highest standards in teaching and research in Divinity and associated disciplines
- b) the offering to scholars and students of Divinity the opportunity to anchor faith in understanding, and in a spirit of dialogue to engage with society
- c) to respect, encourage, challenge and inform students who come to the College to learn
- d) to respond to the academic needs of the churches, and to promote their integrity
- e) to address issues from a sound and reasoned theological viewpoint, and to offer society opportunities for dialogue with traditions and values that have been refined over the centuries
- f) to aid, by research and other appropriate means, the advancement and development of knowledge and its practical application to the churches, to wider academic and community life, and public policy
- g) to confer degrees, diplomas and certificates and other awards in Divinity and associated disciplines.

Services

MCD offers academic services to the Christian churches, to the academic staff and students, and to the wider community. Whether candidates or not, MCD students generally pursue learning for its own sake, and the learning style which characterizes studies in Divinity is that of the humanities. The MCD thus serves its people, and the wider community, primarily through “dialogue with traditions and values that have been refined over the centuries” [MCD Objective e)].

In seeking to meet College objectives, and fulfil the mission of the College in accordance with the established values, the MCD functions in closely interwoven ways:

- through the teaching offered at the MCD’s recognized teaching institutions, authorized by the Council
- with internationally recognized research by the academic staff located throughout the MCD at RTIs and Colleges, all supported by the MCD Research Office
- through the central administration, providing the support, coordination, and facilitation of the administration of the College, and the MCD professional studies.

As the governing body of the MCD, the Council, in consultation with staff throughout the College, establishes the strategic direction of the institution. The RTIs are closely involved with the implementation, and their own operational management relevant to their individual goals. However, each objective represents a responsibility shared.

¹ ‘Associated disciplines’ are defined in the MCD Act as “studies in religion and ministry practice directly related to Divinity in its contemporary, historical, social and cultural contexts”.

In 2009 the following were member institutions of the MCD:

Catholic Theological College

278 Victoria Parade (PO Box 146),
East Melbourne 3002
(03) 9412 3333
email: ctc@ctc.edu.au
website: www.ctc.edu.au

CTC is the central body of federation of seminaries, diocesan and religious, in the archdioceses of Melbourne and Hobart, the dioceses of Ballarat, Sandhurst and Sale, the Oblates of Mary Immaculate, the Salesians of Don Bosco, and the Conventual Franciscan Friars.

The Churches of Christ Theological College (CCTC)

44-60 Jacksons Road, Mulgrave 3170
(03) 9790 1000
email: admin@cctc.edu.au
website: www.cctc.edu.au

CCTC, the College of the National Conference of Churches of Christ in Australia, was established in 1907. The College is both evangelical and ecumenical in approach to theology and faith, and has a passion to receive and share the good news of God in Christ. CCTC delights in having Christians from different backgrounds to enrich the life of the community.

The Institute for Christian Spirituality and Pastoral Formation

Campion Centre of Ignatian Spirituality,
175 Royal Parade, Parkville VIC 3052
(03) 9341 5800
email: smithm@mira.net
website www.icspf.edu.au

The ICSPF coordinates MCD courses in Spirituality and Spiritual Direction, and collaborates with other centres of spiritual formation, particularly the WellSpring Centre, Ashburton, and the Campion Ignatian Spirituality Centre, Kew, in offering specialist Graduate Certificate and Diploma courses in addition to the Master of Arts in Spirituality and Spiritual Direction.

The priorities of ICSPF include the study of the Christian tradition of spirituality, and providing opportunities for ongoing research and praxis in specific spiritual traditions. The Institute is supported by the Carmelite Library.

The Salvation Army Training College (SATC)

313 Royal Parade, Parkville 3052
(03) 9347 0299
email: satc@aus.salvationarmy.org
website: <http://www.salvationarmy.org.au/college/index.html>

Although the SATC ministry focuses on the training of Salvation Army officers, the MCD units are open for enrolment to anyone. The College seeks to prepare people who know God, know themselves, and know their mission. An integrated application

of personal spiritual formation, structured educational grounding and focused skills development offers realistic and effective preparation for the lifelong learning process.

United Faculty of Theology

1 Morrison Close, Parkville 3052
(03) 9347 5700
email: uft@uft.unimelb.edu.au
website: www.uft.unimelb.edu.au

UFT is a co-operative venture in theological education involving three independent theological institutions using a common timetable who share staff and teaching facilities: the Jesuit Theological College (Roman Catholic), Trinity College Theological School (Anglican) and the Uniting Church of Australia (Synod of Victoria and Tasmania) Theological College.

The UFT has provided ecumenically based education and research since 1969. Some students are preparing for ordination or lay ministry, however, the UFT also welcomes those wishing to pursue the study of theology without any necessary commitment to the Church or to its ministry.

Whitley College

271 Royal Parade, Parkville, 3052
(03) 9348 8023
email: whitley@whitley.unimelb.edu.au
website: www.whitley.unimelb.edu.au

Whitley College is the Baptist College of Victoria and a residential college of the University of Melbourne. A wide range of theological studies are possible at Whitley, whose mission is to equip women and men for leadership in church and society.

Since 1891 Whitley has been a college marked by academic excellence, a strong sense of Christian purpose and a lively community.

Yarra Theological Union

98 Albion Road (PO Box 79) Box Hill, 3128
(03) 9890 3771
email: admin@ytu.edu.au
website: www.ytu.edu.au

YTU is an institution arising from the cooperation of a number of provinces of religious institutes: Blessed Sacrament Congregation, Divine Word Missionaries, Discalced Carmelites, Dominicans, Franciscans (OFM), and Missionaries of the Sacred Heart, Pallottines, Passionists, and Redemptorists (Australia and New Zealand). As a centre of theological and ministerial education, YTU is initially concerned for students from the member institutes, and also accepts responsibility to provide such education for others. The ministerial aspect of the YTU program is not restricted to formation for priestly ministry.

Administrative structure

The MCD Act established the Council as the MCD governing body, advised by an Academic Board. Governing body: the Council (1 January – 31 December 2009):

Full Name	Position / Term ends	Mode of appointment	Years on Govern/g body	Expertise		Qualifications and/or relevant experience	Board Membership
				Finance	Commercial		
Frank Rees	President 31 Dec 2009	Internal, appointed by the Baptist Church	8	No	No	Dip Ed, BD, MA, MTheol, PhD	Member, Executive Council of the Baptist Union of Victoria; Principal, Whitley College Council; President, Pacifica Association for Theological Studies; Vice-Chair, Commission on Doctrine and Inter-Church Cooperation, Baptist World Alliance; Executive Member, Division of Study and Research, Baptist World Alliance.
Terence Curtin	Vice President 31 Dec 2009	Internal, appointed by the Roman Catholic Church	13	No	No	BEEd (Melb), STL (Pontif Urban), STD (Greg)	St Bridget's Parish, Greythorn Primary School Board St Bridget's Parish, Greythorn Parish Council; Master, Catholic Theological College.
Graeme Blackman	Council member, Honorary Treasurer 31 Dec 2011	External, appointed by the Anglican Church	19	Yes	Yes	BSc, BD, MTheol, PhD	Chairman, IDT Australia Ltd; Chairman, National Trust of Australia (Victoria); Chairman, Australian Council of National Trusts; Board Member, Trinity College University of Melbourne; Board Member, Medicines Australia
Paul Beirne	Dean Appointed until 31 March 2012	Ex officio	9	No	No	MA, MDiv, DMin, PhD	Chair, Council of Deans of Theology (Australasia); Council Member of the Australian and New Zealand Association of Theological Schools.
Peter Carpenter	Council member 31 Dec 2011	External, appointed by the Roman Catholic Church	4	No	No	BA(Hons), MA, PhD	Member, Senate of the Catholic Theological College; Chairman, Mercy Health and Aged Care Research Ethics Committee.
Timothy Gaden	Council member 31 Dec 2010	Internal, appointed by the Anglican Church	0	No	No	BA (Hons), BD (Hons)PhD	Dean, Trinity College Theological School.
Michael Kelly	Chair, Academic Appointed 18 March 2009 until 17 March 2011	Ex officio	0	No	No	BTheol, STM, MEd, PhD	Member Academic Board of Yarra Theological Union; Member of Council of Institute of Christian Spirituality and Pastoral Formation; Executive Member Victorian Association of Theological Field Education; Treasurer Australian Catholic Theological Association; Executive Secretary ASIOC Committee.

Full Name	Position / Term ends	Mode of appointment	Years on Govern/g body	Expertise		Qualifications and/or relevant experience	Board Membership
				Finance	Commercial		
Merrill Kitchen OAM	Council member 31 Dec 2010	Internal, appointed by the Churches of Christ	10	No	No	BAppSc, BTheol, MTheol	Principal, Churches of Christ Theological College; Board Member, Australian Theological Forum; Conference Management Group member, Conference of Churches of Christ (Vic-Tas); Treasurer, Grimshaw Warwick Trust; National Steering Committee member, Micah Challenge Australia; Director and Secretary, Paul Kitchen Pty Ltd; Board Member, WellSpring Spirituality Centre; Director, Wisteria Nominees Pty Ltd.
Christiaan Mostert	Council member 31 Dec 2010	Internal, appointed by the Uniting Church	13	No	No	BA, BD (Hons), MA, PhD	Ormond College Council; UCA Centre for Theology and Ministry
Sue Norman	Council member 31 Dec 2011	External, appointed by the Uniting Church	4	Yes	Yes	Dip Ed, BA, BBus	Director, UCA Cash Management Fund Limited; Director, UCA Growth Fund Limited; Director, Uniting Growth Fund Limited; Trustee, St Andrew's Foundation; Director and Chairperson, Uniting Care Housing Victoria Limited.
Joel Plotnek	Council member 31 Dec 2009	External, appointed by the Churches of Christ	2	Yes	No	CPA, BBus, BTheol (Hons)	Member, The Properties Corporation of the Churches of Christ; Senior Associate, FINSIA (Financial Services Institute of Australasia)
Bruce Rumbold OAM	Council member 31 Dec 2009	External, appointed by the Baptist Church	15	No	No	BD, MSc, MA, PhD, PhD	Director, Palliative Care Unit, La Trobe University Member, Healthcare Chaplaincy Council of Victoria Incorporated; Member, Accreditation Committee of NALAG Vic (National Association for Loss and Grief); Member, Academic Misconduct Committee of the La Trobe University Faculty of Health Sciences.
Loane Skene	Council member 31 Dec 2012	Appointed by Council	4	No	No	LLB(Hons), LLM, LLD	Member, Australian and New Zealand Institute of Health Law and Ethics (ANZ/HLE), Deputy Director of the Centre for Law and Genetics at the University of Tasmania and the University of Melbourne.
William Uren SJ	Council member 31 Dec 2011	Appointed by Council	4	No	No	BA(Hons), BD, Dip Juris, MA, MLitt(Oxon), DUniv	Rector, Newman College. Member, Newman College Council; Member, St. Mary's College Council; Member, Cabrini Health Board.

MCD during 2009. Rev Dr Frank Rees was elected President, Rev Dr Terry Curtin was elected Vice-President and Dr Graeme Blackman Honorary Treasurer for 2009 at the Council meeting on 3 December 2008.



Indemnity

All MCD office holders and committee members are indemnified by the MCD Act Section 18B “against all actions or claims, whether such action or claim arises during or after the term of office of that member, in respect of any act or thing done or omitted to be done in good faith in the exercise or purported exercise of any of the powers or duty conferred or imposed upon the Council, committee or board or upon any member or members of the Council by or under this Act.”

This requirement is covered by the MCD insurance policy held with AON Risk Services Australia Ltd, which specifies up to \$10M (excess \$5,000) cover in respect of Professional Indemnity, the same cover for Directors’ and Officers’ Indemnity, \$1M (excess \$5,000) cover for Employment Practices Liability, \$100M (excess \$2,500 except Molestation \$50,000) for Public/Products Liability and \$100,000 (excess \$5,000) for Fiduciary Liability. These policies are renewed annually for the period 1 December to 30 November in the following year.

MCD senior officers

All MCD Central Administration staff are employed with a letter of appointment signed by the Dean, as well as a contract signed by both the Dean and the staff member. An individual contract also signed by the relevant staff member, outlines the remuneration and conditions which are in accord with the Personnel Practices and Policies for academic staff and professional staff of the University of Melbourne, and includes an additional 5% employer contribution to superannuation.

In 2009, the base remuneration for the executive staff positions listed below was that of a Higher Education Worker of the University of Melbourne (Level 6.5, \$63,414) and Associate Professor of the University of Melbourne (Level D-03, \$114,048). The Council resolved that in recognition of his substantial scholarly contribution, the Dean, Dr Paul Beirne, be appointed, from April 22nd 2009, a Professor of the Melbourne College of Divinity, in the discipline of Comparative Religion, for the duration of his time at the Melbourne College of Divinity. (Level EO1, \$140,335) The actual remuneration, including superannuation and holiday leave loading, for the executive staff positions listed below was \$481,288. One position listed fell in the band \$140,000-\$150,000, two in the band \$90,000-\$100,000 and two in the band \$70,000-\$80,000.

Dean

Professor Paul Beirne MA MDiv DMin PhD, Chief Executive Officer, exercises general oversight of the educational and administrative affairs of the College (MCD Regulation 1.1A).

Registrar

Ms Christine Elizabeth Anderson, Dip T Grad Dip, Senior Administrative Officer of the College and Secretary to Council, is responsible for the operation of the administrative services, finances, property, records and management, and publications of the College (MCD Regulation 1.1B).

Director of Research

Dr Mark Lindsay BA(Hons) PhD FRHistS was responsible for the research portfolio, including HDR students matters, supervisor training, research

seminars, grants and scholarships, and reporting to DEEWR on research matters.

Associate Registrar

Mr John Bartholomeusz (BA DipEd GradDipComp DipBus), is responsible for all coursework studies, including records, policy implementation, and general administration.

Finance Manager

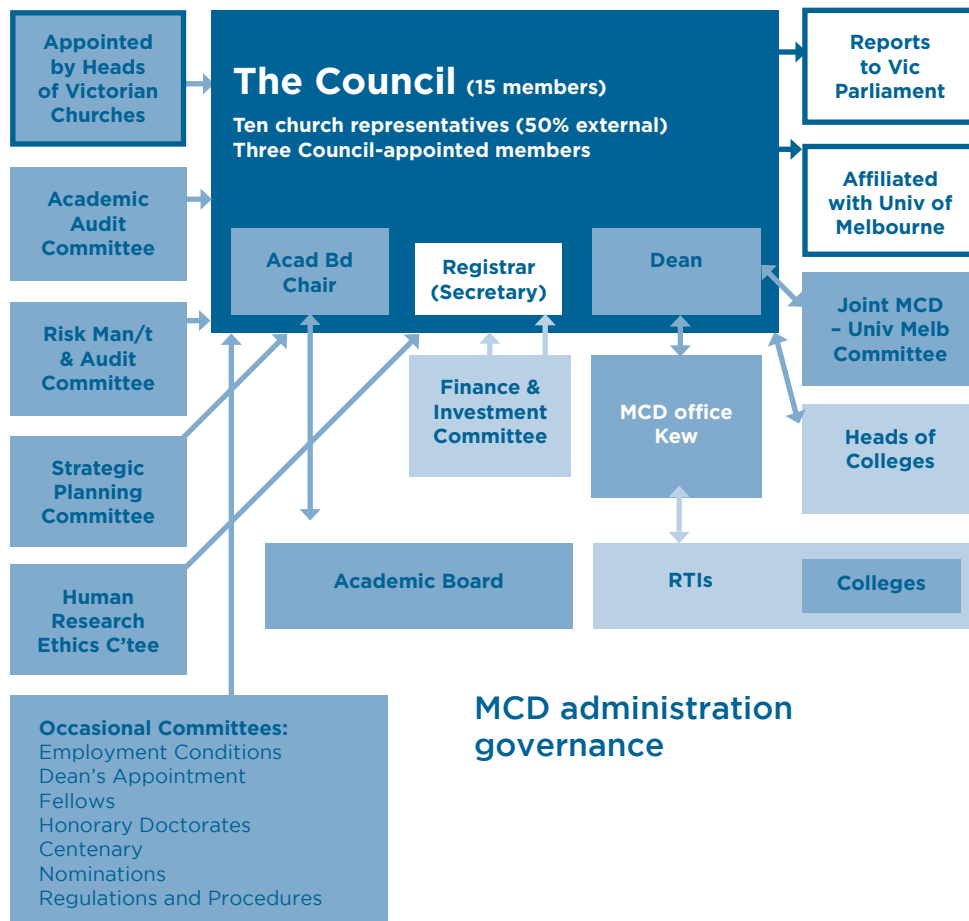
Ms Tricia Lewis BComm(Hons) is responsible for the administration of the finances of the Central Administration of the College, the MCD research funding and the implementation of funding policies established by the MCD Finance and Investment Committee.

MCD Council Committees

The Joint University of Melbourne and MCD Committee, the MCD Human Research Ethics Committee, the Academic Audit Committee, the Finance and Investment Committee, the Risk Management and Audit Committee, and the Strategic Planning Committee continued reporting to the Council. The H.F. Leatherland Committee, a joint body of the MCD and the Australian Academy of Liturgy, continues to meet annually to manage the Leatherland Trust funds.

In addition, the Dean’s Appointment Committee, the Fellows Committee, the Honorary Doctorates, Centenary, Employment Conditions, and Nominations Committees meet when necessary, and then report to Council. The Regulations and Procedures Committee was established by Council at the first MCD Council Meeting in 2008.

The following diagram illustrates this structure:



Academic governance

Chairs of Examiners are appointed annually by the MCD Academic Board for each MCD field of study; Humanities, Biblical Studies, Christian Thought and History, Theology: Mission and Ministry, Advanced Ministry Studies. The Chairs of Examiners are responsible for the assessment of theses, and the moderation of coursework results, which are administered by the MCD Registrar.

The Academic Board

The MCD Act established the Academic Board, which has two sub-committees, Coursework Studies and Research. The Board determines the academic policy of the College and monitors the academic work of the College, as follows:

a) Academic direction:

- considering the priorities and direction of MCD teaching and research, both by students and faculty, in light of the MCD Vision, Mission and Values, and the priorities of the RTIs
- fostering academic excellence throughout the College
- approving and reviewing RTIs; and
- managing academic relations between the MCD and other academic bodies.

b) General academic matters within the MCD:

- approving new courses, course revisions, and academic regulations
- being responsible for the MCD Teaching and Learning Management Plan, and the MCD Research and Research Training Management Report
- approving MCD teaching staff on the recommendation of the Coursework Studies and Research Committees
- recommending the awarding of academic scholarships, including APAs and EIPRSs.

c) Academic monitoring:

- recommending the names of graduands to Council
- considering regular reports from each Committee
- verifying compliance of all MCD academic procedures, including enrolment, academic records, quality assurance processes, academic grievances, statistics and DEEWR and DIISR reporting.



The membership of the Academic Board is:

Chair of the Academic Board

Deputy Chair of the Academic Board

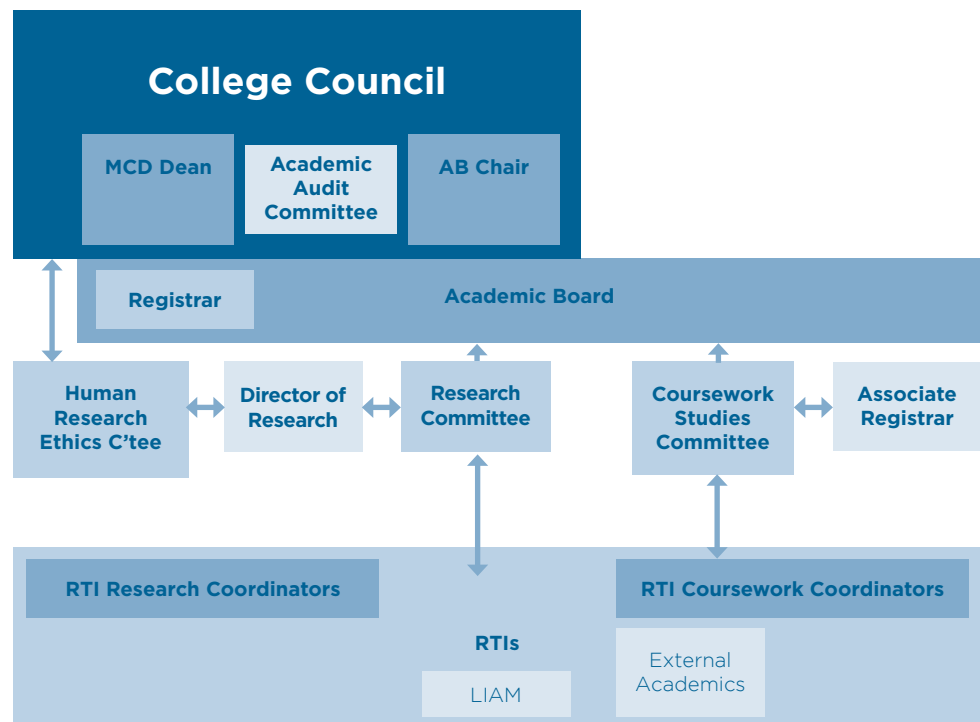
MCD Dean, MCD Registrar (ex officio)

Chairs and Deputy Chairs of the Coursework Studies and Research Committees

Four academics, at least two external to the College

In attendance: MCD Director of Research and the Associate Registrar (Coursework).

The following diagram illustrates the MCD academic governance.



MCD academic governance

Core business

The core business of the Melbourne College of Divinity is teaching, learning and research in Divinity and associated disciplines.

Awards

The College offers the following awards under the authority of the MCD Act:

	Theology	Ministry	Interdisciplinary
Diploma		Associate Diploma in Ministry Diploma in Ministry Diploma in Ministry (Special) ¹ Advanced Diploma in Ministry Advanced Diploma in Ministry (Special) ¹	
Undergraduate	Bachelor of Theology Bachelor of Theology/ Bachelor of Arts (Monash) Bachelor of Theology (Hons)		
Graduate	Graduate Certificate in Theology (Special) ² Graduate Diploma in Theology (Special) ³ Graduate Diploma in Counselling	Graduate Diploma in Ministry	Graduate Certificate in Theology Graduate Diploma in Theology
	Master of Divinity Master of Divinity (Honours) Master of Theological Studies		
Postgraduate	Master of Arts (Special) ³		Master of Arts (Theology)
Research	Master of Theology Doctor of Theology	Master of Ministry Doctor of Ministry Studies	Master of Arts Doctor of Philosophy
Senior	Doctor of Divinity Doctor of Sacred Theology (<i>honoris causa</i>)		

1 Disciplines currently available as specializations for the Diploma in Ministry and the Advanced Diploma in Ministry are: Pastoral Ministry, Philosophy and Social Justice.

2 Disciplines currently available as specializations for the Graduate Certificate in Theology are: Educational Chaplaincy, Ignatian Spirituality, Liturgy, Pastoral Care, Religious Education, Spiritual Direction and Teaching Religious Education.

3 Disciplines currently available as specializations for the Graduate Diploma in Theology (Special) and the Master of Arts (Special) are: Biblical Studies, Church History, Educational Chaplaincy, Faith Leadership, Liturgy, Missiology, Moral Theology, Pastoral Care, Philosophy, Religious Education, Social Justice, Spiritual Direction, Spirituality and Systemic Theology.

Strategic planning and review

The Strategic Planning Committee met three times in 2009, and, following consultation with the Academic Board and its Committees, and the MCD constituencies, prepared Operational Plan 2010, a key section of the College's overall Strategic Plan, which links annual targeted operational strategies with the section on the Goals of the College in the Strategic Plan.

At its meeting on August 6th, the Committee recommended to Council 'that an application for Specialist University status proceed with the aim of submitting an application to the Victorian Regulation and Qualifications Authority by the end of 2009'. Council, at its meeting on August 26th, gave its in-principle support for the MCD to pursue Specialist University status under Section D7 of the National Protocols and the National Guidelines for Higher Education Institutions. This significant development would be pursued in consultation with the Heads of participant Churches of the MCD on the issues of finance, governance and academic staffing. Specialist University status for the College would aim at enhancing the national and international reputation of the College, clarifying its status to align with the second of the three types of Higher Education Institutions outlined in the Bradley Report, and ensure the continued flow of Federal funding for research. It was agreed that the Centenary of the MCD would be the appropriate time to pursue such status.

A triennial review of the Academic Board was undertaken by the Academic Board Review Committee of Council in 2009. The Committee called for submissions from the MCD academic community, and from the Academic Board and its two Committees. The Committee recommended a restructuring of the Academic Board to include an increased number of external members (3), as well as a student representative. The Committee recommended to Council at its meeting on August 26th that it reconstitute the Academic Board membership structure so that the reconstituted Board could begin operations at the beginning of 2010. The recommendation was accepted by Council.

The Academic Board of the MCD conducted a review of the College's Advanced Ministry Studies Program with a view to incorporating the Master of Ministry and Doctor of Ministry Studies degrees into the MA PhD stream.

Quality assurance

The MCD Academic Audit Committee met four times in 2009. The Committee comprises external members from four Victorian universities, with the Dean. This Committee is chaired by Professor Richard James, Director of the Centre for the Study of Higher Education, University of Melbourne, and monitors and receives reports on MCD audits, including the participation of members in particular audits. Dr Norma Koehne fulfilled the position of MCD Quality Assurance Manager.

Two of the MCD's Recognized Teaching Institutions, Catholic Theological College and Yarra Theological Union participated in an audit conducted by the Academic Audit Committee in October 2009. These two institutions submitted Performance Portfolios in August 2009 to a panel of three auditors from the Academic Audit Committee: Professor Richard James, Professor Constant Mews Monash University, and Dr Anne

Gardner of La Trobe University.

The Academic Audit Committee continues to oversee the preparation for the second quality audit of the MCD in 2012 under the auspices of the new Federal government regulatory body, the Tertiary Education Quality and Standards Agency (TEQSA).

The moderation of coursework grades and research thesis reports, under the oversight of the Chairs of Examiners, continued as in previous years. The Academic Board approved new units which had been scrutinized by two academics, and approved by the Coursework Studies Committee. MCD students may enrol in any of the RTIs, which provide a wide range of courses, teaching and theological diversity. Fees for undergraduate studies are consistent throughout the College.

Research

In 2009, the MCD continued its strong track record of offering higher degrees by research, and it remains the leading institution for enrolments in higher degrees by research, in the fields of Theology/Divinity/Religious Studies, across the entire Australian higher education sector. According to DEEWR (*Students: Selected Higher Education Statistics*), between 2004-2008 the MCD accounted for **20%** of all students enrolled in Theology/Divinity/Religious Studies research doctorates, across the 10 major Higher Education Providers in this field of research. In the case of masters by research programs, the MCD accounted for **53%** of all enrolments for the same period, across the same group of providers. During 2009, the MCD purchased a license for the ResearchMaster software, to enable more effective tracking of postgraduate research candidature for these HDR students.

A significant reason for MCD's strong position is the Commonwealth Funding for research it has received since 2002. In 2009, the MCD received funds from the Institutional Grant Scheme, Research Training Scheme, the Commercialisation Training Scheme, Australian Postgraduate Awards (APA) and International Postgraduate Research Scholarships (EIPRS). Systematic policy development and planning has supported the strategic and equitable disbursement of these funds. In 2009, MCD funded 6 APA students and 4 IPRS students.

A thriving research community continues to grow steadily at the MCD, building upon and enhancing the international reputation that has been established throughout the last hundred years. Of particular significance to the MCD research profile in 2009 was the completion and public launch of the MCD research repository. Established with Commonwealth Government Australian Scheme for Higher Education Repositories (ASHER) funding and in collaboration with the University of Southern Queensland Repository Service and the University of Southampton, the repository consists of an on-line searchable warehouse of MCD research output, and remains the only dedicated theological research repository in the world. The establishment of the repository was crucial to the MCD's successful participation in the Excellence in Research Australia ERA initiative (see below).

Course Reviews

In March 2009, the Academic Board authorized the establishment of a review panel to conduct a thorough review of the Advanced Ministry Studies programs, viz. the Graduate Diploma in Ministry, the Master of Ministry and the Doctor of Ministry Studies, the latter two of which are postgraduate research degrees. The review panel included external and internal members, as well as former and current student representatives. The panel considered all aspects of the three programs, including enrolment trends within the MCD and across the sector, the state of professional doctoral programs within Australian higher education, course structures and associated regulations. Feedback was sought from all stakeholder groups, including students, Churches, Recognised Teaching Institutions of the MCD, and other institutions with which the MCD has memoranda of understanding. The recommendation of the review panel, which was subsequently endorsed by the Academic Board and Council, was that the MMin and DMinStuds be gradually discontinued and incorporated into the MA/PhD stream. The procedures for enacting these changes will be a major focus for the Research Office in 2010.

Negotiations with the Federal Government

Throughout the year, the MCD participated in roundtable discussions with representatives from DEEWR and DIISR regarding future Commonwealth Government funding models, in particular the Sustainable Research Excellence (SRE) and Joint Research Engagement (JRE) schemes. Discussions were also held to progress the drafting of the Interim Agreement between the Commonwealth Government and the MCD, in preparation for the mission-based compact, which will be finalized during 2010. In both sets of negotiations, the role of research within the MCD's institutional profile was of key importance.

Personnel and Governance

The MCD research programs for both academic staff and postgraduate research students are overseen by the Director of Research, together with the MCD Research Committee. In addition, each of the 7 Recognised Teaching Institutions (RTIs) of the MCD has its own 0.2 FTE Research Coordinator, who works with the Director of Research to encourage faculty and postgraduate research. This cooperation between the central MCD administration and the RTIs is crucial to maintaining the overall research profile.

The Director is assisted by the Research Students' Support Officer, and the Repository Officer.

The MCD Director of Research is a member of the Australian Council of Deans and Directors of Graduate Studies.

Ms Sophia Soediro resigned as Manager of Research Administration in August 2009. She was succeeded by Dr Lindsay Hutchinson (Research Student Support Officer) in November 2009.

Report on Excellence in Research Australia (ERA)

The finalization and population of the research repository enabled the MCD to successfully lodge its ERA submission in August 2009, in Cluster Two (Humanities and Creative Arts). This was a trial submission, with the Australian Research Council administering a full roll-out of the assessment

exercise across all eight Clusters during 2010, in which the MCD will again participate.

Research Linkages

The MCD is actively collaborating in research and research training programs with institutions throughout Australia and around the world, in particular with:

- University of Melbourne: the MCD is affiliated by statute with the University of Melbourne; MCD research students and supervisors are able to access seminars and workshops that are run by the Melbourne School of Graduate Research; a number of MCD academic and administrative staff hold honorary research fellowships at the University, and some Melbourne staff act as co-supervisors for MCD research students
- Australian Catholic University, Christian Research Association, International Syriac Language Project, incorporating: MCD, Cambridge University, Vrije Universiteit (Amsterdam), University of Münster, Catholic University of America, Bar Ilan University (Israel), Peshitta Institute Leiden

Research Performance

Table 1: New Enrolments for HDRs 2008-2009

	Doctoral	Masters Research	Total
2008 (semester 1)	7	11	18
2008 (semester 2)	5	5	10
2008 (total)	12	16	28
2009 (semester 1)	7	10	17
2009 (semester 2)	1	5	6
2009 (total)	8	15	23
Upgrading masters to doctorate 2009	2		

Table 2: Comparative Enrolment Numbers for HDRs

		2005	2006	2007	2008	2009
MA	(P/T)	34	33	33	19	13
MA	(F/T)	5	10	2	10	5
MA	(Total)	39	43	35	29	18
MMin	(P/T)	13	13	8	4	3
MMin	(F/T)	0	0	0	1	1
MMin	(Total)	13	13	8	5	4
MTheol	(P/T)	25	27	36	26	22
MTheol	(F/T)	9	8	3	8	10
MTheol	(Total)	34	35	39	34	32
DMinStuds	(P/T)	20	23	23	16	15
DMinStuds	(F/T)	2	0	1	1	1
DMinStuds	(Total)	22	23	24	17	16
PhD	(P/T)	5	11	12	18	14
PhD	(F/T)	10	15	15	14	17
PhD	(Total)	15	26	27	32	31
DTheol	(P/T)	11	9	11	7	8
DTheol	(F/T)	12	16	13	10	7
DTheol	(Total)	23	25	24	17	15
Students	(Total)	146	165	157	134	116

*Table 2a
Comparative Enrolment for HDRs*

	2005	2006	2007	2008	2009
EFTSLs	82,085	96,668	86,334	71,1672	68,000

*Table 3
Higher Degree by Research completions 2008*

	Conferred 8 May 2009	
	Attending	In absentia
Master of Arts	7	1
Master of Theology	1	4
Master of Ministry	2	0
Doctor of Philosophy	8	0
Doctor of Theology	5	1
Doctor of Ministry Studies	1	0
Total (24)	24	6

There was a slight decline in the number of students enrolled in Higher Degrees by Research (HDRs), from to 134 in 2008 to 116 in 2009. There was a corresponding decrease in EFTSLs in masters by research programs from 2008 to 2009, reflecting the increasing popularity of part-time candidature. There was, however, a slight increase in EFTSLs across the three doctoral programs. One reason for the decrease in enrolments was the record number of HDR graduates (30) at the 2009 conferral ceremony. Nonetheless, the MCD will be actively seeking to increase its HDR enrolments throughout 2010.

*Table 4
Research funding: Industry Funding and Government Funding*

MCD commenced reporting Industry Funding, publications and HDR completions through the Higher Education Research Data Collection (HERDC) in 2004. Table 4 indicates the Research Funding by category from the Federal Government and the Industry Funding.

Funding Category	2002	2003	2004	2005	2006	2007	2008	2009
IGS	133,403	143,387	154,082	175,875	200,499	222,474	215,578	209,100
RTS	85,907	92,366	99,218	253,744	371,826	508,950	574,860	584,091
CTS	-	-	-	-	-	20,810	21,226	21,671
IAPS	-	-	-	-	-	26,275	52,634	53,572
ASHER	-	-	-	-	-	118,217	235,863	169,141
APA	35,968	87,568	153,071	184,898	174,634	173,942	151,098	142,157
IPRS	1,925	11,292	15,828	20,868	12,268	65,888	55,461	54,737
Total Govt. Research Funding	257,203	334,613	422,199	635,385	759,227	1,136,556	1,306,720	1,234,469
Industry Funding			1,009,907	1,518,336		2,035,968	1,867,899	1,785,404

Research funding: Industry Funding and Government Funding

The MCD has received Commonwealth Government funding for research since 2002, with a 479% increase in that funding for the period 2002-2009. These funds have been allocated to the purposes specified by the Government and MCD has complied with all reporting requirements.

Industry funding has been reported through the Higher Education Research Data Collection (HERDC) since 2004. The MCD's primary industry partners are the sponsoring churches and religious orders, which have also significantly increased the level of their funding, for the period 2004-2009.

In consultation and with the cooperation of all the MCD member institutions, a process has been established to ensure compliance with the HERDC Guidelines and similarly to ensure that all industry funding received by the MCD is acknowledged and recognized appropriately on behalf of the industry partners. This funding enables the MCD to continue to foster and develop the quality of the research at the College and to improve the services offered to both staff and students in the pursuit of their research.

Faculty Research

MCD faculty members are very active in research and are supported in this by the MCD Research Office. In addition to the provision of study leave by the teaching institutions, the MCD disburses conference and small grants funds to faculty members for individual and team research projects. Conference travel grants are available also to Higher Degree by Research students. In total, 31 faculty and HDR students were funded to attend and present papers at conferences during 2009, and 7 faculty small grants were approved. All of the theological libraries associated with the MCD received significant funding from MCD research monies to support research acquisitions. Research supervisors are also funded for supervision responsibilities.

Various training and support seminars were held for faculty throughout the year, including an HREC Information Seminar, a Research Supervisors Training Session, and two training seminars for the research repository. Postgraduate and doctoral research seminars were held throughout the year, providing a forum in which HDR students were able to present their research to peers and faculty.

The funding provided through Commonwealth Government research funds is of significant assistance to the strengthening of the MCD research culture. The table below demonstrates the increasing research productivity of academic staff and HDR students, as measured by HERDC returns.

*Table 5
Faculty Weighted Research Publications, 2005-2008*

2005	2006	2007	2008
33	41	46.06	57.18



Human Research Ethics Committee

The MCD HREC met 3 times in 2009 and considered 21 new applications. Of those 21 applications, 3 research proposals went before the meetings of the full Committee for approval of ethical clearance. The remaining applications were for projects substantially based on the published works and/or other material in the public domain and thereby required ethical notification, but not clearance. There were no applications in 2009 that were denied ethical approval. A change in meeting procedures in 2009 saw researchers and supervisors attend the meeting at which their applications were to be discussed. This proved very successful, and will be continued in 2010.

Data Management

In December 2008, MCD signed a contract with Research Master for the installation and maintenance of the Research Master software program that will enable MCD to maintain more efficient student records for HDR students. This development will assist the monitoring of student progress and implementation of intervention strategies as and when necessary.

Coursework Studies Committee

MCD offers a wide variety of undergraduate and postgraduate courses. The Coursework Studies Committee reports and makes recommendations to the Academic Board on the Bachelor of Theology, the Associate Diploma in Ministry, the Diploma in Ministry and the Advanced Diploma in Ministry, the Graduate Certificate and Graduate Diploma in Theology, the Graduate Diploma in Counselling, Master of Divinity, Master of Theological Studies and Master of Arts (coursework mode) degrees and the Graduate Diploma in Ministry, including the monitoring of the teaching and examination of these awards.

The Registrar, on behalf of the Chairs of Examiners, reported that examinations for the year 2009 had been conducted in accordance with the Regulations and Procedures of the College.

Enrolment Statistics

The following table lists undergraduate enrolments at RTIs for 2009

RTIs Course	CTC		CCTC		ICSPF		SATC		UFT		WHT		YTU		MCD Totals for Course	
	S	U	S	U	S	U	S	U	S	U	S	U	S	U	Student	Units
Ass Dip Min	5										11	46	1	2	17	48
DipMin	5	14	8	12			7	22	82	202	8	52			110	302
Adv Dip Min	4	4					77	414	7	33	10	97			98	548
B Theol	116	522	66	219					77	298	73	193	73	293	405	1525
B Theol (Hons)			1	2					4	9	1	2	1		7	13
Total for RTIs	130	540	75	233			84	436	170	542	103	390	75	295	637	2436

LEGEND S = Students U = Units

The following table lists postgraduate coursework enrolments at RTIs for 2009

RTIs Course	CTC		CCTC		ICSPF		SATC		UFT		WHT		YTU		MCD Totals for Course	
	S	U	S	U	S	U	S	U	S	U	S	U	S	U	Student	Units
Grad Cert	31	64			18	32			6	6			96	245	151	347
GradDip-Theol	54	132	30	44	11	30	4	4	92	174	48	184	52	91	291	659
GradDip-Couns			1	2					2	4			7	20	10	26
GradDip-Min			1	2					1	2					2	4
MA(Theol)	4	7	3	3	9	21			14	34	3	5	13	21	46	91
MDiv	2	4	16	52					63	196	14	38	2	3	97	293
MTS	18	51	6	15	1	3			27	79	13	32	18	45	83	225
Totals for RTI	109	258	57	118	39	86	4	4	205	495	78	259	188	425	680	1645

The following table lists Higher Degree by Research enrolments for 2009

Course	MCD Totals for Course	
	Student	Units
MA	18	30
MMin	4	7
MTheol	34	56
DMinStuds	16	32
PhD	31	57
DTheol	15	28
Totals for RTI	118	210

MCD Coursework Students 2009

Undergraduate students	Part-time	Full-time	Total students	Total EFTSL
Assoc Dip Min	14	3	17	7.375
Dip Min	88	22	110	98.348
Adv Dip Min	48	50	98	70.874
BTheol	268	137	405	191.500
BTheol (Hons)	6	1	7	2.
Total	420	217	637	370.097

Postgraduate coursework students	Part-time	Full-time	Total students	Total
EFTSL GradCert	147	4	151	74.389
GradDipTheol	270	21	291	116.871
GradDipCouns	10	0	10	4.334
GradDipMin	2	0	2	1.000
MA(Theol)	44	2	46	18.959
MDiv	75	22	97	54.342
MTS	51	32	83	50.337
Total	599	81	680	320.232

MCD Research Students 2009

Higher Degree by Research students	Part-time	Full-time	Total students	Total
MA	13	5	18	9.083
MMin	3	1	4	2.25
MTheol	24	10	34	17.000
DMinStuds	15	1	16	8.417
PhD	14	17	31	22.25
DTheol	8	7	15	9
Total	77	41	118	68.000

MCD Enrolment Summary 2009

	Coursework	Research
Full Time	298	41
Part Time	1,019	77
Total	1,317	118

Total number of students 1,435

Conferral Ceremony

The annual ceremony at which the College confers degrees and awards diplomas was held on 8 May 2009 in Wilson Hall, the University of Melbourne.

The graduation address was delivered by the Revd. Dr Garry Deverell, Professor of Worship and Preaching, Uniting Church Theological College. The degree of Doctor of Sacred Theology was conferred on The Revd. Professor Brian Leslie Howe.

The number of graduates was as follows:

Associate Diploma in Ministry	4
Diploma	15
Advanced Diploma	6
Bachelor of Theology	61
Bachelor of Theology (Hons)	2
Graduate Certificate	26
Graduate Diploma	61
Master of Divinity	6
Master of Divinity (Hons)	1
Master of Theological Studies	12
Master of Ministry	2
Master of Arts (Theology)	9
Master of Arts	8
Master of Theology	5
Doctor of Ministry Studies	1
Doctor of Philosophy	8
Doctor of Theology	6
Doctor of Sacred Theology	1
Total	234

Future initiatives

In December 2009, several months of discussion with the Commonwealth Government resulted in the MCD signing an Interim Agreement for a Compact with the Government, which Agreement will be used as a basis for a Compact between the MCD and the Government, due to be negotiated and signed in 2010. The Compact will outline the relationship between the Commonwealth and the MCD and provide a framework for jointly achieving the Government's reform agenda for Higher Education and the MCD's mission as a private, self-regulating Higher Education Institution.

Section 3c of the MCD's Strategic Plan relating to Proposed Planning Areas and Goals, under the section on Development, states that the College "judiciously and carefully undertake the expansion of the MCD through increasing the membership of Recognized Teaching Institutions within the MCD to institutions which accord with the MCD's philosophy, ecumenicity and academic standards." In 2009 this goal was progressed through discussion with two Colleges which explored the possibility of applying for Recognized Teaching Institution status with the MCD, specifically, Australian Lutheran College in Adelaide, and Saint Athanasius Coptic Orthodox Theological College in Melbourne. These discussions will continue in 2010.

The MCD will, in 2010, continue pursuing the possibility of becoming a Specialized University under Section D of the National Protocols, and under the National Guidelines for Establishing Australian Universities.

The MCD continues to prepare for its second Quality Audit in 2010, under the auspices of the Tertiary Education Quality and Standards Agency (TEQSA), and under the guidance of the College's Academic Audit Committee.

Four events are planned to celebrate the Centenary of the Melbourne College of Divinity in 2010, under the guidance of the MCD Centenary Organizing Committee: A reception at Government House on 17th February hosted by the Governor, Professor David de Kretser and Mrs de Kretser; a Centenary Dinner on the evening of July 4th; an MCD Centenary Conference at Trinity College, the University of Melbourne on July 5th - 7th; and a Liturgical Celebration at St Paul's Cathedral in Melbourne on December 17th, the date that the Melbourne College of Divinity Act 1910 passed into legislation.

The MCD is the lead institution in a two year study on the subject '*Incorporating student experience and transformative learning into curriculum design and planning of undergraduate theological degrees*'. This study is made possible by a successful submission for a Competitive Grant by the MCD, on behalf of the Council of Deans of Theology (Australasia), to the Australian Learning and Teaching Council (ALTC). ALTC has awarded the MCD and the Council of Deans \$150,000 to undertake the study, which will begin in May 2010.

Risk Management

The Risk Management and Audit Committee met 4 times in 2009. The Committee worked with the MCD administration to engage the services of Mr Dennis Clark, a Risk Management consultant, to undertake a Risk Assessment Exercise of the College, its administration, governance and finances. Mr Clark consulted with all levels of the MCD, including the Recognized Teaching Institutions of the College, and the Central Administration, and his Report was presented to, and discussed by Council at its meeting on August 26th 2009. Council requested the Risk Management and Audit Committee and the Finance and Investment Committee, as well as the management of the MCD, to respond to the Report and matters raised therein, to the Council in writing.

A combined meeting of representatives of these groups met, and formed a Report for Council, and this Report was received by Council's at its final meeting of the year on December 3rd 2009. The Dean submitted a Report from the management, with recommendations, at the same meeting of Council. In relation to the finances of the College, Council agreed to the recommendation to create an MCD Capital Reserve Fund for the purpose of maintaining the sustainability of the MCD and its administration, and an ad hoc Council Working Party consisting of the President, Honorary Treasurer and Dean was formed to contact the constituent Churches and Religious Orders of the MCD to contribute to the Fund.

Support services

Occupational health and safety

Each MCD member institution is responsible for the development and application of an Occupational Health and Safety Policy. Each RTI audit provides the opportunity for member institutions to review the safety of the buildings, the provision of access for all people, and the awareness of staff regarding occupational health issues.

The MCD Kew Office is under constant review for access and safety:

All furniture at the MCD Kew Office meets OH&S requirements, including desks, seating, heating, lighting and computers. All staff have LCD monitors for their computers.

No OH&S incidents were reported in 2009 at the MCD central administration office.

Provision for disabled students and staff

Facilities at the MCD Kew Office accommodate people with movement disabilities. Where required, student business is conducted on the ground floor, and meetings are transferred to a meeting room in the neighbouring church facility when necessary.

In the member institutions, students with special needs are asked to consult with the Dean concerned, prior to enrolment so that they can be accommodated as far as possible.

Recordkeeping

The Students records database TAMS (Theological Academic Management System) is reviewed regularly. All member institutions now use TAMS as their primary student records database. In association with the research for a written history of MCD for the centenary in 2010, Dr Pamela Oliver provided valuable assistance in archiving the historical MCD records.



MCD: the people

Student support

Student support is primarily a matter for the RTIs and their constituent colleges, who continue to create communities of scholarship for students and staff. Feedback from MCD internal audits show high degree of student satisfaction, facilitated not only by community events but class sizes usually less than 20, and academic staff who take considerable interest in promoting a climate of learning. Each RTI Handbook includes a statement of 'Your Rights as an MCD student'.

MCD enrolls those international students recommended by a church or similar body in their own country, and who will have support from a church or similar community in Australia during their stay. Few MCD international students are less than 30 years of age and most are effectively post-graduate in terms of theological education. Pastoral and educational support for coursework international students is the responsibility of the RTI in which they are enrolled. For research students, this responsibility is shared with the supervisor, and the MCD Research Office staff who arrange meetings and social gatherings for overseas students, to strengthen support networks. Arrangements are in place at each college for individual tutoring for students who need to improve their English language skills. Through Whitley College, MCD offers 'English for Theological Studies' to students from non-English speaking backgrounds. On occasions MCD students are enrolled at the Learning Skills Unit of the University of Melbourne. This unit administers the Diagnostic English Language Assessment (DELA).

MCD is compliant with the requirements of the Education Services for Overseas Students Act (2000) and the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students (National Code 2007). The Central Administration is responsible for the processing and reporting of international students enrolled at the MCD, and also processes the ESOS payments.

Workplace data and staffing

All MCD member institutions employ staff independently. The MCD Central Administration employs the staff based at the office in Kew: in 2009 there was a total of 14 staff equivalent to 11.44 fulltime. Each staff member receives a Letter of Appointment, describing the terms and conditions of their appointment, which specifies a probationary period of three calendar months. Conditions and remuneration follow the HEW or academic staff levels of the Personnel, Policy and Procedures Manual of the University of Melbourne, with an additional 5% employer



contribution to superannuation. Each staff member at the Central Administration completes a regular annual review, managed by the Dean or Registrar.

All other MCD staff, including teaching, administrative, library and support staff, are employed by the MCD RTIs. There are also external research supervisors with no institutional relationship to the colleges. The College continues to address the issue of staff succession planning as this was raised during the MCD AUQA audit.

The MCD is not an entity in the public sector; however, no situations have arisen during 2009 which would have brought MCD employees into conflict with the principles of conduct for public sector employees set down in the PSMEA.

Academic Staff

MCD academic staff are employed by the RTIs of the College. No person, including external HDR supervisors, who is not employed by a RTI of the MCD, is permitted to teach, supervise, examine for any MCD award, or for any unit which contributes to an MCD award, without the approval and permission of the Academic Board.

MCD faculty are well qualified academically, and in addition to their teaching and research responsibilities are often involved in significant ways in the life of the churches and religious orders associated with the MCD. Of those who held full time or fractional appointments within the RTIs in 2009, 73 held doctorates, while 28 held masters degrees or the equivalent.

There are numerous avenues by which academic staff are encouraged to interact with each other and with the MCD central administration, and to provide feedback. Each November, the Dean of the MCD convenes a Staff Consultation Day, while Chairs of Examiners organise Field meetings for academic staff in the respective discipline groups. In addition, there are regular departmental meetings in each RTI, and key academic staff are active on the MCD Academic Board, the two Committees of the Board, as well as various other MCD working groups.

The recruitment, review and development of faculty are the responsibility of teaching colleges, each of which currently provides for an annual review and study leave. The MCD Central Administration does not advise on staff recruitment, since the colleges seek to employ staff on the basis of their own needs, and those of their supporting bodies. As is common throughout the HE sector, succession planning was discussed actively in 2009, not least as one consequence of exploring specialist university status.

MCD academic staff are strongly encouraged to be research active, and a large number of faculty members were funded by the MCD Grants and Scholarships Working Group to undertake research projects, or speak at major international academic conferences.

MCD Faculty Profile

Age	21-30	31-40	41-50	51-60	61-70	71-80
Bachelor		1	5	7		1
Postgraduate/ Graduate Diploma			2	1	1	1
Master		3	6	10	9	0
Doctor		5	12	18	25	13
Other Degrees	1	1	5	5	3	
No Degree	1	3	3	1	2	1
Total	2	13	33	42	40	16

Grievances

The MCD Grievance Policies, and Harassment Policies and Procedures as approved by DEEWR, are listed on the MCD website, and are also made available at RTI and College administration offices.

In 2009 there were no staff or student grievances made to the Ombudsman.

Other statements of compliance

Publications and promotion

During 2009 the MCD continued to be the primary sponsor of the peer reviewed international journal *Pacifica: Australasian Theological Studies*.

MCD faculty and staff prepare and publish annually a list of publications, which meet the DEEWR definition of research.

The regular process of keeping member churches and the wider public informed about courses, enrolments and public lectures continued, with publicity initiated both from the Central Administration and from each RTI. A major development in 2009 consisted of completely revising and redeveloping, with external assistance, the MCD website. This was funded through the Better Universities Renewal Funding initiative of the Australian Government. As the public portal, the MCD website is the foundation of all aspects of the promotion of the College, the academic programs, the personnel, regulations, procedures and special events. Five editions of the MCD eLetter were emailed during 2009, in addition to one Research Newsletter each quarter.

To support their own individual promotional activities, each MCD member institution produces a wide range of brochures and publications. The MCD website links not only with all the member institutions but links each one to the other. The MCD advertises annually all MCD courses in the VTAC Guide primarily to school leavers.

Environmental performance

The staff and member institutions of the MCD are very cognisant of environmental issues, and are committed to living as stewards of God's creation. This commitment is reflected in the way buildings are designed and used for teaching and for research. The MCD operates as a network of member institutions with the Central Administration Office occupying leased premises. The MCD recognises that some of the physical buildings raise challenges for improving environmental performance. The Central Administration continues to monitor use of paper, the disposal of recyclable waste, and the process of providing an office environment conducive to harmonious and productive results.

Fees

Compulsory non-academic fees levied by the MCD during 2009 were \$150 for an HREC application and \$120 Conferral fee. The application fee for international students and for those applying for the Graduate Diploma in Counselling and the Graduate Diploma in Spiritual Direction was \$150. In accordance with the relevant DEEWR ruling regarding the latter there are the only two approved courses for which application fees were charged.

Fees for 2009 were increased by 10%. Payments to RTIs, supervisors and libraries increased in line with the fee increases.

Permission was granted by DEEWR, to continue to charge fees for international students which are below the required "minimum indicative fees" (MIF).

Tuition Fees for 2009

Undergraduate awards (Associate Diploma of Ministry, Diploma of Ministry, Advanced Diploma of Ministry, Bachelor of Theology)

Tuition	\$774	per 15 point unit
	\$516	per 10 point unit
	\$258	per 5 point unit

Graduate awards (Graduate Certificates, Graduate Diplomas, Master of Theological Studies, Master of Divinity, and Master of Arts in Theology)

Tuition	\$1032	per 15 point unit
	\$688	per 10 point unit
	\$344	per 5 point unit

Masters Degrees by Research (Master of Theology, Master of Arts, Master of Ministry)

Fulltime	\$2064	per semester
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Doctorates (Doctor of Philosophy, Doctor of Ministry Studies, Doctor of Theology)

Fulltime	\$3995	per semester
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Other fees for 2009

HREC There was no charge when ethical clearance was not necessary.

\$150 if ethical clearance was necessary.

The application fee for Conferral was \$120 for *in persona*.

Payments for 2009

To MCD Kew (UG fee)	\$84	per 15 point UG unit
To RTIs for teaching	\$690 \$460 \$230	per 15 point unit per 10 point unit per 5 point unit
To libraries	\$51.60	per 15 point graduate unit, with \$77.40 minimum per graduate student
5%		of research fees, theses less than 40,000 words
7.5%		of research fees, theses of 40,000 words or more
To Masters' supervisors	\$464	per semester (part-time minor thesis, up to 4 sem)
[Minor - 30% of tuition]	\$928	per semester (full-time minor thesis, up to 2 sem)
[Major - 35% of tuition]	\$542	per semester (part-time major thesis, up to 4 sem)
	\$1084	per semester (full-time major thesis, up to 2 sem)
To doctoral supervisors	\$1049	per semester (part-time, up to 12 semesters)
[35% of tuition]	\$2098	per semester (full-time, up to 6 semesters)

Note: payment to supervisors is augmented over tuition by 50% from Research Committee funding, which is dependent on DEEWR funding.

To examiners	\$103	(1/10 PG unit fee: 6,000 word essay)
	\$129	(1/8 PG unit fee: Panels, 10-12,000 word essays)
	\$259	(1/4 PG unit fee: 25-30,000 word theses)
	\$344	(1/3 PG unit fee: 40-50,000 word theses)
	\$516	(1/2 PG unit fee: 80-100,000 word theses)
	\$172	(1/6 PG unit fee: doctoral Oral Defence)

The following table indicates the fee for each award for 2009, the payments to RTIs, supervisors and libraries.

MCD tuition fees 2009:

TUITION FEES AND PAYMENTS 2009						
MCD Award	Full-time 2009 fee	Total cost of the award	Paid to RTIs	Paid to supervisor (+ 50% supplement from Research Funds)	Paid to Library (total)	Paid to examiners
BTheol	\$6,192	\$18,576	\$16,560			
BTheol (Hons)	\$4,644	\$23,220	\$20,700			
Adv Dip Min	\$6,192	\$18,576	\$16,560			
Dip Min	\$6,192	\$12,384	\$11,040			
BTheol/DipMin	\$6,192	\$24,768	\$22,080			
BTheol/AdvDipMin	\$6,192	\$27,864	\$24,840			
GradCert	\$3,096	\$3,096	\$2,070		\$155	
Grad Dip Theol	\$6,192	\$6,192	\$4,140		\$310	
GradDipCouns	\$6,192	\$7,740	\$4,140	\$1,548	\$310	
GradDipMin	\$6,708	\$6,708	\$4,140		\$310	
MTS	\$5,160	\$10,320	\$6,900		\$516	
MDiv	\$6,192	\$18,576	\$12,420		\$929	
MA(Theol)	\$4,128	\$6,192	\$4,140		\$310	
MA: 2 units, minor thesis	\$4,128	\$6,192	\$1,380	\$1,858	\$310	\$518
MA: major thesis	\$4,128	\$6,192	\$0	\$3,251	\$464	\$688
MMin	\$4,128	\$6,192	\$690	\$1,858	\$310	\$518
MTheol: 2 units, minor thesis	\$4,128	\$6,192	\$1,380	\$1,858	\$310	\$518
MTheol: major thesis	\$4,128	\$6,192	\$0	\$3,251	\$464	\$688
DMinStuds	\$7,990	\$23,970	\$2,760	\$8,792	\$1,256	\$1,376
PhD	\$7,990	\$23,970	\$0	\$12,584	\$1,798	\$1,548
DTheol	\$7,990	\$23,970	\$0	\$12,584	\$1,798	\$1,548

Providing the eligibility criteria are met, all MCD students are eligible for FEE-HELP Funding. Austudy is available to students who meet the eligibility criteria, including designated courses. Research students may be eligible for assistance for Research Training Scheme funds, Australian Postgraduate Awards and Endeavour International Postgraduate Research Scholarships; specific criteria apply to each type of funding.

Financial

The MCD Central Administration manages funds for the Central Administration only. The MCD RTIs employ their own staff and similarly manage their own finances. The main budget responsibility of the MCD Finance and Investment Committee relates to the budget of the Central Administration and does not include the budgets of the member institutions. The Finance Manager, working with the Finance Department, is responsible for the collection of fees for postgraduate courses, managing the MCD FEE-HELP, and all payments which support the academic and research programs of the institution. The financial administration of the MCD, including the preparation and monitoring of the budget, is the responsibility of the Honorary Treasurer and the Registrar, working with the Finance and



Investment Committee, which reports to the MCD Council. The Committee met eight times during 2009 including one meeting with the auditors together with the Risk Management and Audit Committee and two meetings with Business Managers of the Recognized Teaching Institutions. The Finance Manager prepares the budget and all papers necessary for these two committees to meet their obligations.

In order to improve communication on a broad range of common issues the Finance and Investment Committee continued to meet twice a year with the RTI Business Managers, in May and November 2009. Strict compliance to DIISR and DEEWR guidelines and procedures and the involvement of the RTI Business Managers in this process, has resulted in wider understanding of not only the operations of each of the member institutions' finances, but also of the reporting mechanisms and obligations to the Federal Government.

In 2009 the MCD received research funding from DEEWR in the major categories (IGS, RTS, CTS, IAPS and ASHER) and funding to award two additional Australian Postgraduate Awards and one additional Endeavour International Postgraduate Research Scholarship. All such funds were allocated according to the DIISR guidelines of each scheme, which was subsequently reported to DIISR.

In 2009 all the projects utilizing the funding from the Better Universities Renewal Fund were completed. \$339,000 was received in 2008 and the expenditure occurred in 2008 and 2009 on capital projects to upgrade student study spaces and library facilities and to improve teaching and research facilities through audio-visual equipment, wireless internet access, a media streaming server and new websites.

MCD received \$527,000 in 2009 from the Teaching and Learning Capital Fund of the Federal Government. These funds have been recognized as income in the 2009 Financial Statements and transferred to a Reserve for expenditure in 2010 and 2011. The first approved project to be undertaken in 2010 is the establishment of a wireless internet network throughout the MCD. The second approved project to be undertaken in 2010 and 2011 is the renovation and refurbishment of the building occupied by the MCD Central Administration, the MCD Research Student Support Office and the Research Management Office.

All public funds allocated to MCD have been applied to the purposes specified by the Government or other public funding body and MCD has complied with all reporting requirements.

Assisted by comprehensive management accounting reports prepared

monthly for the Finance and Investment Committee and the Council, the Dean and the Registrar monitored the expenditure of the MCD Central Administration. In 2009 there was a 5% increase in expenses other than employment expenses and ongoing employment expenses increased by 6.6%. There was a significant payment (\$49,527) of payroll tax arrears from 2005 following the decision of the Victorian State Revenue Office that MCD was liable for payment of payroll tax to the Victorian Government.

The MCD Central Administration has funds invested with the Uniting Church in Australia Growth Fund. The market value of these investments increased by \$150,448 which was a significant improvement following the substantial decline in 2008.

The 2009 audited financial statements record a surplus of \$704,081. Included in this figure are significant non-operating items which should be taken out to determine the operating surplus. These items are the increase in the market value of investments (\$150,488), the funds received from the Teaching and Learning Capital Fund (\$527,000) which will be spent in 2010 and 2011 and Research Funds (\$64,028) which were received in 2009 but have not yet been spent. An amount of \$339,000 was received from the Better Universities Renewal Fund in 2008, but \$115,473 was not spent until 2009. This amount should be added to the adjusted surplus to determine the 2009 operating surplus. \$78,038 is a more accurate figure for the 2009 operating surplus. This surplus is 1.85% of the total of fees and Research grants.

Student numbers have continued to increase which is reflected in increased income from fees directly and through Fee-Help. In order to better understand the present position and to make informed decisions to build up the efficacy and efficiency of the administration, the Finance and Investment Committee initiated an Activity Based Costing Review of the operations of the MCD Central Administration. This was undertaken by an external consultant and the recommendations are still under consideration. Improvements will be implemented from 2010.

No events have occurred subsequent to December 31, 2009 that would require adjustment to, or disclosure in, the financial report.

The MCD does not conduct any consultancy services, or any other commercial activities.

The MCD has no commercial dealings, other than those necessary to conduct the regular operations of the College.

No member of the Council has a pecuniary interest in any company or institution with which the MCD has a financial or business relationship.

The MCD has no controlled entities, operates no commercial ventures and has no associate institutions involving the MCD in financial relationships.

The MCD was not involved in any major external reviews in 2009.

The following table summarizes the financial results for 2009 with comparative information for the preceding four years.

REVENUE FROM CONTINUING OPERATIONS	2009	2008	2007	2006	2005
Australian Government Grants	1,234,769	1,306,720	1,136,556	835,127	557,556
Australian Government Capital Grants	527,000	339,000	-	-	-
FEE-HELP	1,823,203	1,420,752	1,229,934	960,724	810,105
Fees	1,115,975	920,800	976,735	916,637	777,405
Investment Income	65,821	105,712	84,970	62,087	50,436
Industry funding (in accounts from 2007)	1,785,404	1,822,340	1,985,693		
Other revenue	27,963	204,392	110,164	18,140	114,582
Total Revenue	6,580,145	6,119,716	5,524,052	2,792,715	2,310,084

EXPENSES FROM CONTINUING OPERATIONS	2009	2008	2007	2006	2005
Employee benefits and oncosts	975,534	915,275	680,186	562,197	531,132
Payroll Tax (back dated to October 1, 2005)	61,201	-	-	-	-
Depreciation and amortisation	17,163	16,723	14,287	16,297	25,232
Repairs and maintenance	3,441	8,198	14,453	4,820	6,036
Bad and doubtful debts	4,776	10,507	5,741	1,730	15,889
Industry funding (in accounts from 2007)	1,785,404	1,822,340	1,985,693		
Capital expenditure, Government Grants	118,000	221,000	-	-	-
Other expenses	3,061,033	2,795,917	2,084,274	2,004,200	1,659,172
Total Expenses	6,026,552	5,789,960	4,784,634	2,589,244	2,237,461

Operating result before tax	553,593	329,756	739,418	203,471	72,623
Change in fair value of investments	150,488	(321,777)	(298,687)	97,414	59,748
Income tax expense	-	-	-	-	-
Net operating result attributable to members of the Melbourne College of Divinity	704,081	7,979	440,731	300,885	132,371

*In the Financial Statements the capital grants are included in Australian Government Grants. The expenditure is included in Other expenses. None of the \$527,000 received in 2009 has yet been spent.

**In the Financial Statements the Change in fair value of investments is included in Other revenue and Other expenses

Superannuation liabilities

Staff employed by the MCD administration are covered by the superannuation scheme of their choice: in 2009 these schemes included LUCRF, Unisuper, HESTA, Macquarie Investment Management Ltd, CARE and Australian Super. Contributions are made by the MCD at 5% above the minimum required by legislation: in 2009 the MCD made contributions at the level of 14% of gross salary for each employee.

The total cost to the MCD for superannuation during 2009 was **\$110,422**. During 2009 no loans were made by the MCD to any superannuation scheme.

Compliance with legislation

No applications were made by, or relating to, the MCD Central Administration under the Freedom of Information Act 1982 during 2009.

No building works or maintenance requiring compliance with the Building Act 1993 was undertaken by or on behalf of the MCD Central Administration during 2009.

No actions or operations in relation to the Whistleblowers Protection Act 2001 took place during 2009 in relation to the MCD, nor were any disclosures required by that Act made.

In 2009 there was no occasion which brought the MCD into breach with either the National Competition Policy, or the policy statement on competition policy issued by the Victorian Government.

There were no Industrial Relations actions or disputes in relation to both the State and Federal Legislation.

Consistent with the requirements of the Financial Management Act 1994, if applicable, the MCD has prepared material on the following items, details of which are available upon request:

- statement regarding declarations of pecuniary interest
- shares held beneficially by senior officers as nominees of a statutory authority or subsidiary
- staff overseas visits

The College attests to compliance with the Australian/New Zealand Risk Management Standards.

On publication, a PDF copy of this and all previous MCD Annual Reports, in addition to statements on all MCD Regulations and Course Guidelines and Policies, are available on the MCD website www.mcd.edu.au

Enquiries regarding details of the above should be addressed to:

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Section B:
Financial Statements



The MCD Financial Statements for the calendar year 2009 have been prepared using the guidelines supplied by DEEWR. They have been scrutinised by the Finance and Investment Committee and the Risk Management and Audit Committee of the College, and audited in accordance with the MCD Act.

Melbourne College of Divinity

Annual financial report

31 December 2009

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Note: all figures are expressed in the nearest dollar.

Statement of Comprehensive Income

For the year ended 31 December 2009

	Notes	2009 \$	2008 \$
REVENUE FROM CONTINUING OPERATIONS			
Australian Government financial assistance			
Australian Government grants	4	1,761,769	1,645,720
FEE-HELP	4	1,823,203	1,420,752
Fees and charges	5	1,115,975	920,800
Investment revenue	6	65,821	105,712
Industry Funding	1(g)	1,785,404	1,822,340
Other revenue	7	27,973	204,392
Total revenue from continuing operations		6,580,145	6,119,716
Other investment income	6	150,488	(321,777)
Total revenue and income from continuing operations		6,730,633	5,797,939
EXPENSES FROM CONTINUING OPERATIONS			
Employee related expenses	8	1,036,735	915,275
Depreciation and amortisation	9	17,163	16,723
Repairs and maintenance	10	3,441	8,198
Loss on disposal of assets		-	1,503
Industry Funding	1(g)	1,785,404	1,822,340
Other expenses	11	3,183,809	3,025,921
Total expenses from continuing operations		6,026,552	5,789,960
OPERATING RESULT BEFORE INCOME TAX		704,081	7,979
Income tax expense	12	-	-
Operating result from continuing operations		704,081	7,979
Operating result after income tax for the year		704,081	7,979
Operating result attributable to minority interest		-	-
Operating result attributable to members of the Melbourne College of Divinity	22(b)	704,081	7,979
Total comprehensive income		704,081	7,979
Total comprehensive income attributable to minority interest			
Total comprehensive income attributable to members of the Melbourne College of Divinity		704,081	7,979

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

Balance sheet

As at 31 December 2009

	Notes	2009 \$	2008 \$
ASSETS			
Current assets			
Cash and cash equivalents	13	1,807,633	1,169,868
Receivables	14	869,900	1,164,779
Other financial assets	15	671,447	509,870
Other non-financial assets	16	12,810	10,613
Total current assets		3,361,790	2,855,130
Non-current assets			
Property, plant and equipment	17	41,034	46,471
Total non-current assets		41,034	46,471
Total assets		3,402,824	2,901,601
LIABILITIES			
Current liabilities			
Trade and other Payables	18	868,688	1,139,061
Borrowings	19	-	-
Provisions	20	116,938	95,013
Other liabilities	21	52,165	19,055
Total current liabilities		1,037,791	1,253,129
Non-current liabilities			
Provisions	20	54,505	42,025
Total non-current liabilities		54,505	42,025
Total liabilities		1,092,296	1,295,154
Net assets		2,310,528	1,606,447
EQUITY			
Statutory funds			
Reserves	22(a)	1,316,884	776,912
Retained surplus	22(b)	993,644	829,535
Total equity		2,310,528	1,606,447

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

Statement of changes in equity

As at 31 December 2009

Consolidated/Parent	Reserves	Retained Surplus	Total
Balance at 1 January 2008	319,475	1,278,993	1,598,468
Total comprehensive income		7,979	7,979
Transfer to reserves	457,437	(457,437)	
Balance at 31 December 2008	776,912	829,535	1,606,447
Balance at 1 January 2009	776,912	829,535	1,606,447
Total Comprehensive income		704,081	704,081
Transfers to Reserves	539,972	(539,972)	-
Balance at 31 December 2009	1,316,884	993,644	2,310,528

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

Cash flow statement

For the year ended 31 December 2009

	Notes	2009 \$	2008 \$
Cash flows from operating activities			
Australian Government Grants received		3,907,112	3,229,466
Industry Funding		2,043,837	1,287,799
Receipts from student fees and other customers		1,271,989	1,338,455
Dividends received		30,592	80,126
Interest received		43,953	17,933
Payments to suppliers and employees (inclusive of goods and services tax)		(4,349,382)	(4,130,615)
Interest and other costs of finance paid		-	-
Industry Funding		(2,043,837)	(1,287,799)
GST recovered/paid		(243,683)	(199,419)
Income taxes paid		-	-
Net cash inflow (outflow) from operating activities	28	660,581	335,946
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	15,000
Payments for property, plant and equipment		(11,726)	(36,805)
Loans		-	3,000
Payments for investments		(11,090)	(13,236)
Net cash inflow (outflow) from investing activities		(22,816)	(32,041)
Net increase (decrease) in cash and cash equivalents		637,765	303,905
Cash and cash equivalents at the beginning of the financial year		1,169,868	865,963
Cash and cash equivalents at the end of the year	13	1,807,633	1,169,868

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

Notes to the financial statements

Note 1. Summary of significant accounting policies

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

(a) Basis of preparation

This financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with Australian Accounting Standards, AASB Interpretations, the Melbourne College of Divinity Act 1910, the Financial Management Act 1994 and the requirements of the Department of Education, Employment and Workplace Relations.

Compliance with IFRSs

The financial statements and notes of the Melbourne College of Divinity comply with Australian Accounting Standards, some of which contain requirements specific to not-for-profit entities that are inconsistent with International Financial Reporting Standards (IFRSs).

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Melbourne College of Divinity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

b) Property, plant and equipment

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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Melbourne College of Divinity 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.

All fixed assets are depreciated over their useful lives commencing from the time the asset is held ready for use.

c) Employee benefits

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in the current provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long service leave

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

d) Revenue recognition

Fees and income are recognised as revenue on an accruals basis.

Dividend revenue is recognised when the College has established that it has a right to receive a dividend.

Interest revenue is recognised on an accruals basis.

All revenue is stated net of the amount of Goods and Services Tax (GST).

e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

f) Bad and doubtful debts

Bad debts are written off as they arise. If a provision for bad and doubtful debts has been recognised in relation to a debtor, write-off for bad debts is made against the provision. If no provision for bad and doubtful debts has previously been recognised, write-offs for bad debts are charged as expenses in the Income Statement.

g) Industry funding

MCD submits annually the Higher Educational Research Data Collection.

This includes funding for research received from Colleges, Churches and religious communities for approved research activities at MCD. This is reported as Industry and Other Research income.

MCD must provide an Audit Certificate which certifies as correct the research income included in the Research Income Return for the category of Industry and Other Research Income.

It is a requirement of DEEWR that all research income must be consistent with the Higher Education Provider's financial statements.

All the industry funding received or receivable by MCD is recorded in the financial accounts of MCD and the corresponding distribution of this funding is also recorded.

In 2009 this is an amount of \$1,785,404 (2008 \$1,822,340). Amounts receivable and payable from/ to respective colleges, churches and religious communities as at 31 December 2009 are disclosed in notes 14 and 18 respectively.

Note 2. Financial risk management

The Melbourne College of Divinity's activities expose it to a variety of financial risks, as follows:

(a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

(b) Credit risk

Credit risk arises when there is the possibility of the College's debtors defaulting on their contractual obligations resulting in financial loss to the College. The College measures credit risk on a fair value basis and monitors risk on a regular basis.

Provision of impairment for financial assets is calculated based on past experience, and current and expected changes in client credit ratings.

The College does not engage in high risk hedging for its financial assets.

Currently the College does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

As at the reporting date, there is no event to indicate that any of the financial assets are impaired.

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

(c) Liquidity risk

Liquidity risk arises when the College is unable to meet its financial obligations as they fall due. The College operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, make payments within 30 days from the date of resolution. It also continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets and dealing in highly liquid markets.

The College's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from liquidation of available-for-sale financial investments.

(d) Market risk

The College's exposures to market risk are primarily through interest rate risk, foreign currency and other price risks relating to financial markets. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraphs below.

Interest rate risk

Exposure to interest rate risk might arise primarily through the College's financial assets. Minimisation of risk is achieved by diversification of investments in cash and managed fund investments. The College's exposure to interest rate risk is set out in the Table 30.3.

Other price risk

The College is exposed to other price risk relating to its investments in managed funds as disclosed in Note 15. This includes price risks from market indices in Australian and International share markets. In order to ensure that the College's investment portfolio works effectively towards achieving its financial objectives, the Finance and Investment Committee receives regular reports from institutions with whom

funds are invested and reviews the position to ensure the best possible investment options for the College.

Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the College believes the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from the Reserve Bank of Australia):

A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates; and

A parallel shift of +10% and -10% in financial market rates from year-end rates.

(e) Net Fair Values

The aggregate net fair values of financial assets and liabilities are not expected to be significantly different from each class of asset and liability as disclosed and recognised in the Balance Sheet as at 31 December 2009.

Note 3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The MCD Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below

(b) Critical judgements in applying the entity's accounting policies

Tuition fees for all MCD postgraduate students are paid to the MCD administration, which pays local campuses and HDR supervisors.

Fees for MCD undergraduate students using the FEE-HELP loan scheme are paid by DEEWR to the MCD, which pays the amounts less the capitation fee to the Recognized Teaching Institutions.

As a consequence, in the Statement of Comprehensive Income, and in Note 5,

- a) Only capitation fees are recognised as revenue for MCD undergraduate students, but
- b) Total tuition fees for upfront fee-paying domestic MCD postgraduate students are recognised as revenue.

Note 4. Australian Government financial assistance including HECS-HELP and other Australian Government loan programmes

	Notes	2009 \$	2008 \$
(a) Commonwealth Grants Scheme and Other Grants			
Total Commonwealth Grants Scheme and Other Grants		-	-
(b) Higher Education Loan Programs	29.1		
FEE-HELP		1,823,203	1,420,752
Total Higher Education Loan Programs		1,823,203	1,420,752
(c) Scholarships	29.2		
Australian Postgraduate Awards		142,457	151,098
International Postgraduate Research Scholarship		54,738	55,461
Total Scholarships		197,195	206,559
(d) DIISR Research	29.3		
Institutional Grants Scheme		209,100	215,578
Research Training Scheme		584,091	574,860
Implementation Assistance Programme		53,572	52,634
Australian Scheme for Higher Education Repositories		169,141	235,863
Commercialisation Training Scheme		21,670	21,226
Other			
Total DIISR Research Grants		1,037,574	1,100,161
(e) Voluntary Student Unionism			
Total VSU		-	-
(f) Other Capital Funding	29.4		
Better Universities Renewal Funding		-	339,000
Teaching and Learning Capital Fund		527,000	-
Total Other Capital Funding		527,000	339,000
(g) Australian Research Council			
(i) Discovery			
Total Discovery		-	-
(ii) Linkages			
Total Linkages		-	-
(iii) Networks and Centres			
Total Networks and Centres		-	-
(h) Other Australian Government financial assistance			
Total other Australian Government financial assistance		-	-
Total Australian Government financial assistance		-	-
Reconciliation			
Australian Government grants [a + c + d + e + f + g + h]		1,761,769	1,645,720
HECS-HELP – Australian Government payments		-	-
Other Australian Government loan programmes [FEE-HELP]		1,823,203	1,420,752
Total Australian Government financial assistance		3,584,972	3,066,472

	2009	2008
(i) Australian Government Grants received – cash basis		
CGS and Other DEEWR Grants	-	-
Higher Education Loan Programmes	1,838,062	1,320,976
Scholarships	197,195	206,559
DIISR research	1,037,574	1,100,161
Other Capital Funding Funding	527,000	339,000
Total Australian Government Grants received – cash basis	3,599,831	2,966,696
OS-Help (Net)	-	-
Total Australian Government funding received – cash basis	3,599,831	2,966,696

Note 5. Fees and charges

	Notes	2009 \$	2008 \$
Course fees and charges			
Fee-paying overseas students		132,501	87,849
Fee-paying domestic postgraduate students		816,087	700,157
Fee-paying domestic undergraduate students		135,566	107,016
Total course fees and charges		1,084,154	895,022
Other fees and charges			
Conferral and Transcript fees		31,821	25,778
Total other fees and charges		31,821	25,778
Total fees and charges		1,115,975	920,800

Note 6. Investment revenue and income

	Notes	2009 \$	2008 \$
Interest		35,229	67,640
Dividends		30,592	38,072
Total investment revenue		65,821	105,712
Change in fair value of financial assets designated as at fair value through profit & loss		150,488	(321,777)
Total other investment income		150,488	(321,777)
Net investment income		216,309	(216,065)

Note 7. Other revenue and income

	Notes	2009 \$	2008 \$
Other revenue			
Donations and bequests		27,973	204,392
Total other revenue		27,973	204,392

Note 8. Employee benefits and on costs

	Notes	2009 \$	2008 \$
Non-academic			
Salaries		803,962	749,499
Contribution to superannuation and pension schemes:			
Funded		110,423	102,982
Payroll tax		61,201	-
Worker's compensation		11,608	9,896
Long service leave expense		12,480	13,751
Annual leave (movement in provision)		10,920	28,343
Other		26,141	10,804
Total non-academic		1,036,735	915,275
Total employee related expenses		1,036,735	915,275
Deferred employee benefits for superannuation		-	-
Total employee related expenses, including deferred employee benefits for superannuation		1,036,735	915,275

Note 9. Depreciation and amortisation

Depreciation			
Buildings		-	-
Plant and equipment		17,163	16,723
Total depreciation		17,163	16,723
Total depreciation and amortisation		17,163	16,723

Note 10. Repairs and maintenance

Buildings		-	-
General Maintenance		3,441	8,198
Total repairs and maintenance		3,441	8,198

Note 11. Other expenses

	Notes	2009 \$	2008 \$
Scholarships, grants and prizes		350,718	329,111
Non-capitalised equipment		4,350	8,792
Advertising, marketing and promotional expenses		7,266	11,119
Professional Services		40,806	31,858
Insurances		11,206	11,373
Bad & Doubtful Debts		4,776	10,507
Printing and stationery		31,141	22,996
B Theol Expenses		789,210	602,924
Rental, hire and other leasing fees		25,909	25,365
Telecommunications		13,577	12,293
Travel		12,259	8,262
HDR Supervisors & Coordinators		270,275	243,231
Grad Dip / MA Expenses		636,255	514,908
Ministry Studies Expenses		4,830	4,368
M Div Expenses		194,580	157,872
MTS Expenses		134,726	112,944
Conferences		53,882	76,231
Library Funding		135,796	113,162
Exam Expenses		27,079	46,219
Conferral Expenses		18,539	17,450
Repository Expenses		11,839	74,771
IAPS Expenses		1,452	5,057
Better Universities Renewal Project		115,473	221,000
Donations & Bequests		29,197	176,472
Other		258,668	187,636
Total other expenses		3,183,809	3,025,921

Note 12. Income tax

The Melbourne College of Divinity is exempt from income tax under Items 1.2 and 1.4 of section 50.5 of the Income Tax Assessment Act 1997.

Note 13. Cash and cash equivalents

	Notes	2009 \$	2008 \$
Cash at bank and on hand		645,682	536,438
Deposits at call		1,161,951	633,430
Total cash and cash equivalents		1,807,633	1,169,868
(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:			
Balances as above		1,807,633	1,169,868
Less: OS-HELP balances		-	-
Less: Bank overdrafts		-	-
Balance per statement of cash flows		1,807,633	1,169,868
(b) Cash at bank and on hand			
These bank accounts earn interest at rates between 0.00% and 1.25%		645,682	536,438
(c) Deposits at call			
The deposits are bearing floating interest rates of approximately 4.5% (2008 - 7%). These deposits are at call.		1,161,951	633,430
(d) OS-HELP Balance			
The Melbourne College of Divinity receives no OS-HELP monies.		-	-

Note 14. Receivables

	Notes	2009 \$	2008 \$
Current			
Student fees		21,366	69,317
Less: Provision for impaired receivables		12,040	12,040
		9,326	57,277
Industry Funding (see Note 1g)		625,317	883,750
Other Debtors		235,257	223,752
Total current receivables		869,900	1,164,779
Non-current			
Student fees		-	-
Less: Provision for impaired receivables		-	-
Total non-current receivables		-	-
Total receivables		869,900	1,164,779

Impaired receivables

The Melbourne College of Divinity has recognised a loss of \$4,776 (2008: \$10,507) in respect of bad and doubtful trade receivables during the year ended 31 December 2009. The loss has been included in 'other expenses' in the income statement.

Note 15. Other financial assets

	Notes	2009 \$	2008 \$
Current			
Fair value through profit or loss		671,447	509,870
Total current other financial assets		671,447	509,870
Total non-current other financial assets		-	-
Total other financial assets		671,447	509,870

Changes in fair values of other financial assets at fair value through profit or loss are recorded in other income in the income statement (note 6 Investment Income).

Note 16. Other non-financial assets

	Notes	2009 \$	2008 \$
Current			
Prepayments		12,810	10,613
Total current other non-financial assets		12,810	10,613
Total other non-financial assets		12,810	10,613

Note 17. Property, plant and equipment

	Construction in progress	Freehold land	Freehold buildings	Plant and equipment	Leasehold improvements	Leased plant & equipment	Library	Other plant and equipment	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
At 1 January 2008									
- Cost	-	-	-	214,496	-	-	-	-	214,496
- Valuation	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	(171,604)	-	-	-	-	(171,604)
Net book amount	-	-	-	42,892	-	-	-	-	42,892
Year ended 31 December 2008									
Opening net book amount	-	-	-	42,892	-	-	-	-	42,892
Exchange differences	-	-	-	-	-	-	-	-	-
Revaluation surplus	-	-	-	-	-	-	-	-	-
Additions	-	-	-	36,805	-	-	-	-	36,805
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	(16,503)	-	-	-	-	(16,503)
Depreciation charge	-	-	-	(16,723)	-	-	-	-	(16,723)
Closing net book amount	-	-	-	46,471	-	-	-	-	46,471
At 31 December 2008									
- Cost	-	-	-	223,376	-	-	-	-	223,376
- Valuation	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	(176,905)	-	-	-	-	(176,905)
Net book amount	-	-	-	46,471	-	-	-	-	46,471

Note 17. Property, plant and equipment (continued)

	Construction in progress	Freehold land	Freehold buildings	Plant and equipment	Leasehold improvements	Leased plant & equipment	Library	Other plant and equipment	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Year ended 31 December 2009									
Opening net book amount	-	-	-	46,471	-	-	-	-	46,471
Exchange differences	-	-	-	-	-	-	-	-	-
Revaluation surplus	-	-	-	-	-	-	-	-	-
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-
Additions	-	-	-	11,726	-	-	-	-	11,726
Assets classified as held for sale and other disposals	-	-	-	-	-	-	-	-	-
Depreciation charge	-	-	-	(17,163)	-	-	-	-	(17,163)
Closing net book amount	-	-	-	41,034	-	-	-	-	41,034
At 31 December 2009									
- Cost	-	-	-	235,102	-	-	-	-	235,102
- Valuation	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	(194,068)	-	-	-	-	(194,068)
Net book amount	-	-	-	41,034	-	-	-	-	41,034

Note 18. Trade and other Payables

	Notes	2009 \$	2008 \$
Current			
Creditors & Accruals		243,371	255,311
Industry Funding, see note 1g		625,317	883,750
Total current payables		868,688	1,139,061
Non-current			
Total non-current payables		-	-
Total payables		868,688	1,139,061

Note 19. Borrowings

	Notes	2009 \$	2008 \$
Financing arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Credit standby arrangements			
Bank overdrafts		20,000	20,000
Unused at balance date			
Bank overdrafts		20,000	20,000

Note 20. Provisions

	Notes	2009 \$	2008 \$
Current			
Centenary		20,000	20,000
Employee benefits			
Annual leave		81,152	70,231
Long service leave		-	-
Study Leave		15,786	4,782
Total current provisions		116,938	95,013
Non-current			
Employee benefits			
Long service leave		54,505	42,025
Total non-current provisions		54,505	42,025
Total provisions		171,443	137,038
(a) Movements in provisions			
Movements in each class of provision during the financial year, other than, centenary provisions are set out below:			

2009	Annual Leave	Study Leave	Total \$
Current			
Carrying amount at start of year	70,231	4,782	75,013
Additional provisions recognised	10,921	11,004	21,925
Unused amounts reversed			
Carrying amount at end of year	81,152	15,786	96,938

	Long Service Leave	Total \$
Non-current		
Carrying amount at start of year	42,025	42,025
Additional provisions recognised	12,480	12,480
Unused amounts reversed	-	-
Carrying amount at end of year	54,505	54,505

Note 21. Other Liabilities

	Notes	2009 \$	2008 \$
Current			
Fees in Advance		52,165	19,055
GST Liabilities		-	-
Total current other liabilities		52,165	19,055
Non-current			
Advances Other		-	-
Total non-current other liabilities		-	-
Total other liabilities		52,165	19,055

Note 22. Reserves and retained surpluses

The College has set aside reserves, as listed below, for funding received for which future expenditure is expected.

	Notes	2009 \$	2008 \$
(a) Reserves			
Building Fund Reserve, to enable the College to establish its own building.		289,724	222,781
Movements <i>Building Fund Reserve</i>			
Balance 1 January		222,781	319,475
Transfer (to)/from retained earnings		66,943	(96,694)
Balance 31 December		289,724	222,781
Reserves Scholarships Grants Reserve, funding through Australian Postgraduate Awards & Endeavour International Postgraduate Research Scholarships.		168,438	118,180
Movements <i>Scholarships Grants Reserve</i>			
Balance 1 January		118,180	-
Transfer from retained earnings		50,258	118,180
Balance 31 December		168,438	118,180
Reserves DIISR Research Grants Reserve, funding through Research Training Scheme, Commercialisation Training Scheme, & Australian Scheme for Higher Education Repositories		331,722	317,951
Movements <i>DIISR Research Grants Reserve</i>			
Balance 1 January		317,951	-
Transfer from retained earnings		13,771	317,951
Balance 31 December		331,722	317,951
Other Capital Funding: Other Capital fundings: funding through the Better Universities Fund and the Teaching and Learning Capital Fund.		527,000	118,000
Movements <i>Other Capital Funding</i>			
Balance 1 January		118,000	-
Transfer from retained earnings		409,000	118,000
Balance 31 December		527,000	118,000
Total Reserves		1,316,884	776,912
(b) Retained surplus			
Movements in retained surplus were as follows:			
Retained surplus at 1 January		829,535	1,278,993
Net operating result for the year		704,081	7,979
Less transfer to Building Fund Reserves		(66,943)	96,694
Less transfer to Scholarships Grants Reserves		(50,258)	(118,180)
Less transfer to DIISR Research Reserve		(13,771)	(317,951)
Less transfer to Other Capital Funding		(409,000)	(118,000)
Retained surplus at 31 December		993,644	829,535

Note 23. Key management personnel disclosures

(a) Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of the Melbourne College of Divinity during the year:

Dr Paul Beirne, Dean; Mrs Elizabeth Anderson, Registrar; Mr John Bartholomeusz, Associate Registrar (Coursework); Dr Mark Lindsay, Director of Research; Mrs Tricia Lewis, Finance Manager.

(b) Remuneration of Board Members and Executives

	Notes	2009 \$	2008 \$
Income paid or payable, or otherwise made available, to Board Members by entities in the consolidated entity and related parties in connection with the management of affairs of the parent entity or its controlled entities:		-	-
		Number	
Remuneration of Board Members			
Nil to \$9,999		14	15
\$10,000 to \$19,999		-	-
Remuneration of Executives			
Income paid or payable, or otherwise made available, to executive officers by entities in the consolidated entity and related parties:		481,288	439,767
Remuneration of executive officers			
\$110,000 to \$119,999		-	1
\$140,000 to \$149,999		1	-

Note 24. Remuneration of auditors

	Notes	2009 \$	2008 \$
1. Audit services			
Fees paid to <i>UHY Haines Norton</i>			
Audit and review of financial reports and other audit work		10,200	15,230
Fees paid to related practices of <i>UHY Haines Norton</i>		-	-
Total remuneration for audit services		10,200	15,230
2. Other assurance services			
Fees paid to <i>UHY Haines Norton</i> :			
Audit of regulatory returns		-	-
Due diligence services		-	-
Controls assurance services		-	-
IFRS accounting services		-	-
Fees paid to related practices of <i>UHY Haines Norton</i>		-	-
Total remuneration for other assurance services		-	-
Total remuneration for assurance services		10,200	15,230

Note 25. Contingencies

At the date of this report there are no contingent liabilities.

Note 26. Subsequent Events

Since the end of the financial year, there have been no significant subsequent events that would materially effect the financial statements.

Note 27. Commitments

(a) Capital commitments			
As at 31 December 2009, MCD had no outstanding capital commitments (2008 nil)			
(b) Lease commitments			
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities payable:			
Within one year		25,644	25,200
Later than one year but not later than five years		26,413	50,400
Later than five years		-	-
		52,057	75,600

The above commitment relates to the lease of the College's premises. The College exercised its first option to renew the lease of its premises for a further 3 years for 1 January 2009. There is a further option of 3 years available under the terms of the lease. The annual lease is subject to annual CPI increases.

Note 28. Reconciliation of operating result after income tax to net cash inflow from operating activities

	Notes	2009 \$	2008 \$
Operating result for the year		704,081	7,979
Depreciation and amortisation		17,163	16,723
Net (gain)/ loss on sale of non-current assets			1,503
Fair value (gains)/loss on other financial assets at fair value through profit or loss		(150,488)	321,777
Provision for Annual Leave		10,921	28,343
Provision for Long Service Leave		12,480	13,751
Provision for Study Leave		11,004	(8,442)
Provision for Centenary			
Decrease (Increase) in trade debtors		294,879	(633,226)
Decrease (Increase) in other operating assets		(2,196)	6
Increase (decrease) in trade creditors		(270,373)	579,353
Increase (decrease) in other operating liabilities		33,110	8,179
Net cash inflow (outflow) from operating activities		660,581	335,946

Note 29. Acquittal of Australian Government financial assistance

	29.1 Higher Education Loan Programmes		MCD			
	Notes	FEE-HELP*	2009	2008	2009	2008
			\$	\$	\$	\$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)			1,838,062	1,320,976	1,838,062	1,320,976
Net accrual adjustments			(14,859)	99,776	(14,859)	99,776
Revenue for the period	4(b)		1,823,203	1,420,752	1,823,203	1,420,752
Surplus / (deficit) from the previous year			-	-	-	-
Total revenue including accrued revenue			1,823,203	1,420,752	1,823,203	1,420,752
Less expenses including accrued expenses			1,823,203	1,420,752	1,823,203	1,420,752
Surplus / (deficit) for reporting period			-	-	-	-

	29.2 Scholarships		MCD				
	Notes	Australian Postgraduate Awards	International Postgraduate Research Scholarships	2009	2008	2009	2008
			\$	\$	\$	\$	
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)			142,457	151,098	54,738	55,461	206,559
Net accrual adjustments			-	-	-	-	-
Revenue for the period	4(c)		142,457	151,098	54,738	55,461	206,559
Surplus / (deficit) from the previous year			63,009	35,285	55,171	26,316	61,601
Total revenue including accrued revenue			205,466	186,383	109,909	81,777	268,160
Less expenses including accrued expenses			114,216	123,374	32,721	26,606	149,980
Surplus / (deficit) for reporting period			91,250	63,009	77,188	55,171	118,180

Note 29. Acquittal of Australian Government financial assistance (continued)

		MCD					
		Institutional Grants Scheme		Research Training Scheme		Implementation Assistance Project	
Notes	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$	
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)			215,578		584,091	574,860	52,634
Net accrual adjustments		-	-	-	-	-	-
Revenue for the period	4(d)	209,100	215,578	584,091	574,860	53,572	52,634
Surplus / (deficit) from the previous year		-	-	175,550	154,216	-	-
Total revenue including accrued revenue		209,100	215,578	759,641	729,076	53,572	52,634
Less expenses including accrued expenses		238,748	248,750	584,091	553,526	53,572	52,634
Surplus / (deficit) for reporting period		(29,648)	(33,172)	175,550	175,550	-	-
Surplus to be carried forward		-	-	175,550	175,550	-	-

		MCD					
		Australian Scheme for Higher Education Repositories		Commercialisation Training Scheme		Total	
Notes	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$	
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)		169,141	235,863	21,671	21,226	1,037,574	1,100,161
Net accrual adjustments		-	-	-	-	-	-
Revenue for the period	4(d)	169,141	235,863	21,671	21,226	1,037,574	1,100,161
Surplus / (deficit) from the previous year		100,365	72,108	42,036	20,810	317,951	247,134
Total revenue including accrued revenue		269,506	307,971	63,707	42,036	1,355,525	1,347,295
Less expenses including accrued expenses		169,141	207,606	7,900	-	1,053,451	1,062,516
Surplus / (deficit) for reporting period		100,365	100,365	55,807	42,036	302,074	284,779
Surplus to be carried forward		100,365	100,365	55,807	42,036	331,722	317,951

Note 29. Acquittal of Australian Government financial assistance (continued)

29.4 Other Capital Funding					
		Better Universities Renewal Funding		Teaching and Learning Capital Fund	
	Notes	2009 \$	2008 \$	2009 \$	2008 \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)		-	339,000	527,000	-
Net accrual adjustments		-	-	-	-
Revenue for the period	4(e)		339,000	527,000	-
Surplus / (deficit) from the previous year		118,800	-	-	-
Total revenue including accrued revenue		-	339,000	527,000	-
Less expenses including accrued expenses		118,000	221,000	-	-
Surplus / (deficit) for reporting period		-	118,000	527,000	-

Note 30. Financial instruments

The following table discloses the ageing only of financial assets that are past due but not impaired:

Table 30.1: Interest rate exposure and maturity analysis of financial assets

\$									
			Interest rate exposure			Past due by			
	Weighted average effective interest rate %	Carrying amount	Fixed interest rate	Variable interest rate	Non-interest bearing	Less than 1 Month	1-3 months	3 months - 1 year	1-5 years
2009									
Cash and cash equivalents	3.45	1,807,633		1,807,273	360				
Receivables	-	869,900			869,900	869,900			
Other financial assets at fair value	-	671,447			671,447				
Total Financial Assets		3,348,980		1,807,273	1,541,707	869,900			
2008									
Cash and cash equivalents	4.98	1,169,868		1,169,608	260				
Receivables	-	1,164,779			1,164,779	1,164,779			
Other financial assets at fair value	-	509,870			509,870				
Total Financial Assets		2,844,517		1,169,608	1,674,909	1,164,779			

Note 30. Financial instruments (continued)

The following table discloses the contractual maturity analysis for the College's financial liabilities:

Table 30.2: Interest rate exposure and maturity analysis of financial liabilities

\$									
	Weighted average effective interest rate%	Nominal amount	Interest rate exposure			Maturity dates			
			Fixed interest rate	Variable interest rate	Non-interest bearing	Less than 1 Month	1-3 months	3 months - 1 year	1-5 years
2009									
Payables	-	868,688			868,688	868,688			
Total Financial Liabilities		868,688			868,688	868,688			
2008									
Payables	-	1,139,061			1,139,061	1,139,061			
Total Financial Liabilities	-	1,139,061			1,139,061	1,139,061			

Table 30.3 discloses the impact on net operating result and equity for each category of financial instrument held by the College at year-end as presented to key management personnel, if the above movements were to occur.

Table 30.3: Market risk exposure

\$									
	Carrying amount	Interest rate risk				Other price risk			
		-1% (100 basis points)		+1% (100 basis points)		-10%		+10%	
		Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
2009									
Financial assets:									
Cash and cash equivalents	1,807,633	(18,076)	(18,076)	18,076	18,076				
Receivables	869,900	-	-	-	-	-	-	-	-
Other financial assets at fair value	671,447					(67,145)	(67,145)	67,145	67,145
Financial liabilities:									
Payables	868,688	-	-	-	-	-	-	-	-
Total increase/(decrease)		(18,076)	(18,076)	18,076	18,076	(67,145)	(67,145)	67,145	67,145

24 March 2010

FINANCIAL STATEMENTS FOR YEAR ENDING 31 December 2009

Certification

In our opinion:

The attached financial statements of the **Melbourne College of Divinity** and the consolidated entity present fairly the financial transactions during the reporting period 31 December 2009 and the financial position for the year ended 31 December 2009.

The attached financial statements and notes comply with the Financial Management Act 1994 and with Australian equivalents to International Financial Reporting Standards(A-IFRS), Australian Accounting Standards (AAS and AASB standards) and other mandatory reporting requirements, including Urgent Issues Group Consensus Views, the requirements of the Department of Education, Employment and Workplace Relations, Financial Reporting Directions, Standing Directions and Business Rules;

At the date of this certification, there are reasonable grounds to believe that the Melbourne College of Divinity and the consolidated entity will be able to pay its debts as and when they fall due; and the amount of Australian Government financial assistance expended during the reporting period was for the purposes for which it was intended and Melbourne College of Divinity has complied fully with the requirements of applicable legislation, contracts, agreements and various programme guidelines that apply to the Australian Government financial assistance identified in these financial statements.

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



Very Revd Dr Terence Curtin
President
22 March 2010



Dr Paul Beirne
Dean & CEO
22 March 2010



Ms Tricia Lewis
Finance Manager
22 March 2010



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MELBOURNE COLLEGE OF DIVINITY**

Report on the financial report

We have audited the accompanying financial report of Melbourne College of Divinity (the College), which comprises the Balance Sheet as at 31 December 2009, and the Comprehensive Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Members of the Council.

Members' responsibility for the financial report

The members of the Council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Melbourne College of Divinity Act 1980 and the Financial Management Act 1994. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making these risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

UHY HAINES NORTON IS A MEMBER OF THE UHY NETWORK OF MEMBER FIRMS

Paul S. McLuckie (Lead)	1 - 40 (1 800 0 000)	Chartered Accountant	100 - 40 00 00 00
Matthew J. Pitt	1 - 40 (1 800 0 000)	Chartered Accountant	100 - 40 00 00 00
Michael J. Pitt	4 - 100 (1 800 0 000)	Chartered Accountant	100 - 40 00 00 00
Matthew J. Pitt	4 - 100 (1 800 0 000)	Chartered Accountant	100 - 40 00 00 00

UHY HAINES NORTON IS A MEMBER OF THE UHY NETWORK OF MEMBER FIRMS

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MELBOURNE COLLEGE OF DIVINITY**

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's opinion

In our opinion:

- a. the financial report of Melbourne College of Divinity is in accordance with the Melbourne College of Divinity Act 2002 including:
 - (i) giving a true and fair view of the College's financial position as at 31 December 2009 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and other mandatory professional reporting requirements in Australia.


 UHY Haines Norton
 Chartered Accountants


 A.C. Roberts
 Partner

Melbourne

Dated this 26 day of March 2010

UHY Haines Norton is a member of the UHY network of member firms of the UHY Global Limited

MCD
2010
CENTENARY



Melbourne College of Divinity

Established by the Melbourne College of Divinity Act (Victoria) 1910.

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