

ANNUAL  
REPORT  
2010



Melbourne  
College of Divinity

Qui est ex Deo verba Dei audit

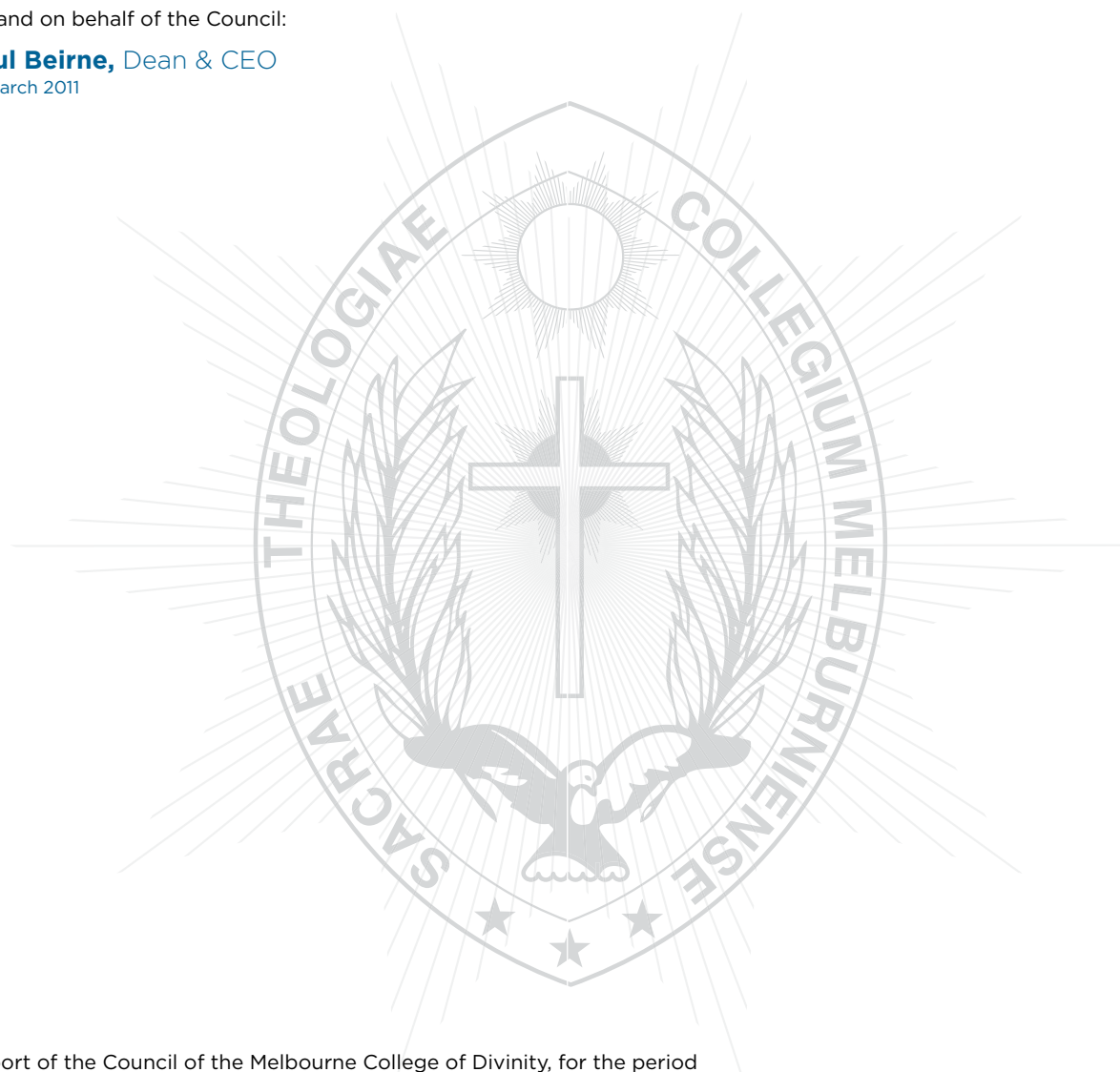
# ANNUAL REPORT 2010

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

16 March 2011



Report of the Council of the Melbourne College of Divinity, for the period  
1 January to 31 December 2010, approved by the Council 16 March 2011

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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

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

# Compliance Index

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

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

No.	Clause	Disclosure	Page(s)
<b>STANDING DIRECTIONS FOR THE MINISTER FOR FINANCE (SD)</b>			
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> .	6-47
2	SD 4.2(h)	Report of Operations is prepared in accordance with Financial Reporting Directions.	53
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"> <li>• Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements</li> <li>• Financial Reporting Directions</li> <li>• Business Rules.</li> </ul>	48-72
5	SD 4.2(b)	Financial Statements available, including: <ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Recognised Income and Expense</li> <li>• Cash Flows Statement</li> <li>• Notes to the Financial Statements.</li> </ul>	48-72
6	SD 4.2(c)	Signed and dated statement by Accountable Officer stating that Financial Statements: <ul style="list-style-type: none"> <li>• Present fairly the financial transactions during the reporting period and the financial position at end of the period</li> <li>• Were prepared in accordance with Standing Direction 4.2 (c) and applicable Financial Reporting Directions</li> <li>• Comply with applicable Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements.</li> </ul>	73
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"> <li>• \$10,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$1,000</li> <li>• \$1,000,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$100,000.</li> </ul>	48-72
8	SD 4.2(e)	The financial statements were reviewed and recommended by the Audit Committee or Responsible Body prior to finalisation and submission.	74-75
9	SD4.5.5	Attestation on compliance with the Australian / New Zealand Risk Management Standard.	47



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12	07A	Early Adoption of Authoritative Accounting Pronouncements	n/a
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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	
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# Section A: Report of Operations



# President's statement



2010, the Centenary year of the Melbourne College of Divinity, was an historic year for the MCD, for a variety of reasons.

Firstly, four events, detailed in the Dean's Statement, fittingly highlighted and celebrated the Centenary of the College: a Centenary Reception at Government House on 17 March; a Centenary Dinner at the Park Hyatt hotel on the evening of 4 July; a major Centenary Conference at Trinity College, the University of Melbourne, on July 5-7; and an Ecumenical Liturgical Service was at St. Paul's Cathedral on 17 December.

The date of the final event was particularly appropriate, as it was on December 17, 1910 that the Melbourne College of Divinity Act was passed into legislation by the Parliament of the State of Victoria, and the MCD was born. A year earlier, on 29th December, 1910, a meeting took place at this time, in the Archbishop's Vestry at St Paul's Cathedral, convened by the Church of England scholar and Archbishop, His Grace, Dr Henry Lowther Clarke. From this meeting a Committee of eight individuals representing the major Christian denominations was formed for a very specific purpose—to repeal of the words of 'except Divinity' from the University (of Melbourne) Act 1890, which precluded degrees in Divinity being awarded by the University. History tells us that the petition to the Committee to the University, rather fortuitously, was not successful, and the MCD came into existence by Act of Parliament for the purpose of awarding degrees, diplomas and certificates in Divinity and associated disciplines.

Secondly, on August 30, 2010, the Melbourne College of Divinity submitted an application to the Victorian Registration and Qualifications Authority for Specialised University status.

Thirdly, on December 1 and 2, an MOU was signed between Australian Lutheran College in Adelaide and the MCD, by which ALC became the eighth Recognised Teaching Institution of the MCD.

While one of these events, the Centenary of the College, celebrated the 100 year history of the MCD, the other two definitely looked to the immediate and long term future of the MCD. Different as each is in its own right, a *leit motif* permeates these events with characteristics that exist at the very core of the MCD, and define its identity. These characteristics are a fundamental commitment to ecumenism in teaching, learning, research, administration and governance, and, correlatively, a commitment to the scholarly pursuit of knowledge relating to 'Divinity and associated disciplines', defined in the MCD Act (1910) as 'studies in religion and ministry practice directly related to Divinity in its contemporary, historical, social and cultural contexts'.

The MCD has pursued these dual commitments with great distinction for a century, in accordance with its motto *Qui est ex Deo verba Dei audit* ("The one who is of God, hears the words of God"), and I would add—and lives them.

Looking back, there is much to look forward to as the Melbourne College of Divinity embarks on its second century of existence with a renewed commitment to the core principles that has served it, the Churches which it serves, and the society in which it is embedded, so well for 100 hundred years. *Ad multos annos.*

A handwritten signature in dark ink that reads "T. R. Curtin". The signature is written in a cursive, slightly slanted style.

**Terry Curtin, President**





## Dean's statement



The year 2010 witnessed a number of stellar events being celebrated at the Melbourne College of Divinity. Many of these events related to the Centenary of the College. These included:

- A Centenary Reception at Government House on February 17, attended appropriately by one hundred invited guests, and hosted very graciously by the Governor of Victoria, Professor David de Kretser and Mrs de Kretser.
- The 2010 MCD Centenary Conferral Ceremony at which the Vice-Chancellor of the University of Melbourne, Professor Glyn Davis, eloquently addressed the historical links and current relationship between the MCD and the University.
- A Centenary Dinner held at the Park Hyatt hotel on the evening of July 4. The dinner was attended by 122 people and was a very pleasant and convivial occasion which enhanced exchanges of conversation between people who had been involved with the MCD for over 50 years with recent graduates of the College, and all those in between.
- The very successful MCD Centenary Conference, under the theme *The Future of Religion in Australian Society*, was held at Trinity College, the University of Melbourne, from July 5-7. The Conference was attended by 270 academics from all Australian States and abroad. The presentations during the Conference were outstanding. Six Plenary speakers—three from Australia and three from abroad—and twenty-four topic keynote speakers set the tone for the Conference. An additional forty-eight papers were presented by academics from a wide variety of institutions underlined the quality and the diversity of the event.
- A Centenary edition of the Colleges academic journal, *Pacifica*, with articles showcasing the academy of the MCD written by five MCD academics who are leaders in their particular field of expertise, was published to coincide with the Centenary Conference.
- A final Centenary event, an Ecumenical Liturgical Service was held at St Paul's Cathedral on Friday, December 17, the date on which the MCD Act (1910) was passed into legislation by the Parliament of the State of Victoria, and the College was formally constituted. St Paul's Cathedral was chosen as the location for this event as it was at this site, on December 31, 1909, that a Committee met to discuss the establishment of a Faculty of Theology at the University of Melbourne. The Melbourne College of Divinity was created out of this initial meeting.

There was general agreement within and outside the College that the MCD Centenary had been appropriately and fulsomely celebrated in ways that would have won the approval of the founding fathers of the MCD.

The second seminal event that occurred in the Centenary year of the College was the submission of an application for Specialised University status by the MCD to the Victorian Registration and Qualifications Authority (VRQA) on August 30. Information relating to this application is contained in the Future Initiatives section of the Annual Report.

The third seminal event occurred on December 1-2 with the signing in Melbourne and Adelaide of an MOU between the Melbourne College of Divinity and Australian Lutheran College (ALC), by which ALC became a Recognised Teaching Institution of the MCD.

This signing followed five years of discussions and consultations between the two institutions. The MCD, on its part, is delighted and honoured to have such a reputable college as ALC as a Recognised Teaching Institution, with its lengthy tradition of excellence in teaching and learning, research, and ministry training. Australian Lutheran College is the sole provider of theological and ministerial education for the Lutheran Church in Australia.

Discussion continues with two other Colleges which have applied for Recognised Teaching Institution status with the MCD.

324 students graduated at the annual Conferral ceremony held at Wilson Hall, the University of Melbourne on 22 April, 2010. Professor Glyn Davis, AC, Vice Chancellor of the University of Melbourne delivered the Graduation Address.

The Strategic Planning, Finance and Investment, Academic Audit, and Risk Management and Audit, and Regulations and Procedures Committees of Council met on regular occasions, which exceed the required number of meetings in the Committees' Terms of Reference, due mainly to the changes that the College is currently undergoing, as noted above.

The MCD Strategic Planning Goals were revised in 2010 by the Strategic Planning Committee, and Operational Plan 2011 was compiled by the same Committee in consultation with the Academic Board of the MCD.

MOUs between the MCD and Catholic Theological College and Yarra Theological Union were finalised following a 5 year cyclic audit of both institutions in October 2009, under the supervision of the Academic Audit Committee of Council. Signing of the MOUs took place at Yarra Theological Union on 28 May and at Catholic Theological College on 3 June.

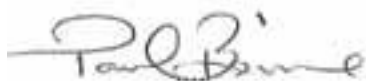
The MCD continued negotiations with the Commonwealth government with a view to signing a Mission Based Compact with the government for 2011-2013. A meeting between representatives of the government and office holders of the MCD is due to take place on 18 March, 2011.

In 2010, the MCD entered negotiations with the State Library of Victoria for the Library to become the repository of the MCD historical archives on the basis of a long term loan. The State Library views these archival documents which trace the Century long academic and governance history of the College to be important social and religious historical documents.

In regard to its collaborative relationships with Australian universities:

- MCD was the Lead Institution in 2010 in a \$6M submission for funding under the Collaborative Research Network scheme, together with the University of Melbourne, Monash University, Australian Catholic University and Charles Sturt University.
- MCD is the Lead Institution in a Council of Deans of Theology 2010-12 Australian and Learning and Teaching Competitive Grant Project under the title: *Incorporating Student Experience and Transformative Learning into Curriculum Design and Planning of Undergraduate Degrees*; this study involves three theological consortia, three university departments of theology, seven theological colleges, and the Australian and New Zealand Association of Theological Schools.
- Together with representatives from Australian Catholic University and the Australian College of Theology, the MCD played a leading role in formulating a Council of Deans of Theology submission to the Australian Research Council's Journal Ranking Project for Field of Research 2204: Religion and Religious Studies.
- The MCD undertook a benchmarking exercise in 2010 with the other Table B institutions—Bond University and the University of Notre Dame—through the Institutional Performance Portfolio Information Collection. Those results have shown that the MCD compares very favourably with its Table B partners, particularly in terms of research output.

On 23 November, 2010, the MCD administration moved its entire operations from its headquarters in Kew to the Study Centre at Yarra Theological Union, an RTI of the MCD, located in Box Hill, while extensive renovations and refurbishment are undertaken at the Kew premises. The renovations, which are being conducted under the supervision of Mr Jeff Reaney, the MCD Director: Finances and Administration (Registrar), were made possible by accessing part of a Federal government grant to the MCD in the form of a Teaching and Learning Capital Fund. It is expected that the MCD administration will move back into its refurbished premises at the end of February 2011.







## 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 Higher Education and Skills.

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 authorises 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 summarised in terms of the Vision, Mission and Values statements:

### Vision of the MCD

Recognised 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 characterised 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<sup>1</sup>
- 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 recognised teaching institutions, authorised by the Council
- with internationally recognised 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.

<sup>1</sup> ‘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 2010 the following were member institutions of the MCD:

#### Australian Lutheran College (ALC)

104 Jeffcott Street,  
North Adelaide SA 5006  
(08) 8267 7400  
email: [alc@alc.edu.au](mailto:alc@alc.edu.au)  
website: [www.alc.edu.au](http://www.alc.edu.au)

*ALC is the tertiary education provider of the Lutheran Church of Australia, and prepares people theologically and vocationally for service in the Church and the world. ALC is committed to the ongoing development of theological expertise and excellence in educational practice, achieving the best possible outcomes for students and the church in line with the Christian basis and the Lutheran Confession.*

*ALC became a Recognised Teaching Institution of MCD on December 1, 2010.*

#### Catholic Theological College

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

*CTC was established in 1972 by a group of dioceses and religious orders which agreed to act together as a confederated body in academic matters. This federation currently comprises the archdioceses of Melbourne and Hobart, the dioceses of Ballarat, Sandhurst and Sale, the Oblates of Mary Immaculate, the Salesians of Don Bosco, the Conventual Franciscan Friars, and the Dominican Friars. CTC is committed to the highest standards of teaching and research in philosophy and theology, within the Catholic tradition. It shares in the Church's mission to spread the Gospel, and provides academic formation for people committed to the pastoral service of the Church.*

#### The Churches of Christ Theological College (CCTC)

44-60 Jacksons Road, Mulgrave 3170  
(03) 9790 1000  
email: [admin@cctc.edu.au](mailto:admin@cctc.edu.au)  
website: [www.cctc.au](http://www.cctc.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,  
99 Studley Park Road, Kew, Vic 3101  
(03) 9341 5800  
email: [smithm@mira.net](mailto:smithm@mira.net)  
website [www.icspf.edu.au](http://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](mailto:satc@aus.salvationarmy.org)  
website: <http://www.salvationarmy.org.au>

*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

29 College Crescent, Parkville 3052  
(03) 9347 5700  
email: [admin@uft.edu.au](mailto:admin@uft.edu.au)  
website: [www.uft.edu.au](http://www.uft.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](mailto:whitley@whitley.unimelb.edu.au)  
website: [www.whitley.unimelb.edu.au](http://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](mailto:admin@ytu.edu.au)  
website: [www.ytu.edu.au](http://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, 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 2010):

Full Name	Position / Term ends	Mode of appointment	Years on Govern/g body	Expertise		Qualifications and/or relevant experience	Board Membership
				Finance	Commercial		
Terence Curtin	President 31 Dec 2011	Internal, appointed by the Roman Catholic Church	14	No	No	BEd (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	Vice President 31 Dec 2011	External, appointed by the Anglican Church	20	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
Sheila Bellamy	Council member, Honorary Treasurer 31 Dec 2012	External, appointed by Council	1	Yes	Yes	FCPA, DipFinMgt, BA, BEd, MCom, MBA, MEd, PhD	Board Member and Honorary Treasurer, UnitingCare Community Options; Member, UCA Assembly Reception of Ministers Committee; Board Member, UCA Centre for Theology and Ministry.
Paul Beirne	Dean and CEO Appointed until 31 March 2012	<i>Ex officio</i>	11	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	5	No	No	BEd, 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	1	No	No	BA (Hons), BD (Hons) PhD	Dean, Trinity College Theological School.
Michael Kelly	Chair, Academic Board Appointed 18 March 2009 until 17 March 2011	<i>Ex officio</i>	2	No	No	CSSR, 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	Com-mercial		
Andreas Loewe	Council member 31 Dec 2013	Internal, appointed by the Anglican Diocese of Melbourne	0	Yes	Yes	MA, MPhil (Oxon.), PhD (Cantab.)	College Chaplain and Gavan Lecturer in Theology, Trinity College, The University of Melbourne Member of Council, Trinity College, The University of Melbourne (2009-) Board member, Council for Chaplains in Tertiary Education (2010-)
Andrew Menzies	Council member 31 Dec 2012	Internal, appointed by the Churches of Christ	1	No	No	BA, BMin, MMin, DMin	Principal, Churches of Christ Theological College; Member Churches of Christ Theological College Board.
Robert John Morsillo	Council member 31 Dec 2012	External, appointed by the Baptist Union of Victoria	1	Yes	Yes	BSc, BD, Grad Dip Community Development, Dip Public Policy, MA (Communications)	Nil
Christiaan Mostert	Council member 31 Dec 2013	Internal, appointed by the Uniting Church	15	No	No	BA, BD (Hons), MA, PhD	Ormond College Council
Sue Norman	Council member 31 Dec 2011	External, appointed by the Uniting Church	5	Yes	Yes	CPA, Dip Ed, BA, BBus	Director, Wesley Mission Victoria ; Director and Chairperson, Uniting Housing Victoria.
Joel Plotnek	Council member 31 Dec 2012	External, appointed by the Churches of Christ	3	Yes	No	CPA, BBus, BTheol (Hons)	Member, The Properties Corporation of the Churches of Christ; Senior Associate, FINSIA (Financial Services Institute of Australasia)
Frank Rees	Council member 31 Dec 2012	Internal, appointed by the Baptist Church	9	No	No	Dip Ed, BA (Hons), BD (Hons), MA, M Theol, PhD.	Principal, Whitley College; Member, Council of the Baptist Union of Victoria; Vice-Chair, Commission on Doctrine and Inter-Church Cooperation, Baptist World Alliance; Executive Member, Division of Study and Research, Baptist World Alliance.
Loane Skene	Council member 31 Dec 2012	Appointed by Council	5	No	No	LLB(Hons), LL.M, LLD	Member, Australian and New Zealand Institute of Health Law and Ethics (ANZIHLE), Deputy Director of the Centre for Law and Genetics at the University of Tasmania.
William Uren sj	Council member 31 Dec 2011	Appointed by Council	5	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.

The Dean holds a salaried position; no *ex gratia* or other payments were made to Council members in relation to their duties as members of the governing body of the MCD during 2010. Rev Dr Terry Curtin was elected President and Dr Graeme Blackman was elected Vice-President for 2010 at the Council meeting on 2 December 2009. Professor Sheila Bellamy was welcomed into her role as Honorary Treasurer at the Council meeting on 10 February 2010.





## 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 an individual contract signed by both the Dean and the staff member. Individual contracts outline the remuneration and conditions of employment, which are in accordance with the Personnel Practices and Policies for academic staff and professional staff of the University of Melbourne, and which include an additional 5% employer contribution to superannuation. Extensive revision occurred to individual staff contracts during 2010 to ensure alignment of terms in new staff employment agreements with the Higher Education Industry-General Staff Award 2010 and the Higher Education Industry-Academic Staff Award 2010 for professional and academic staff respectively.

In 2010, the base remuneration for the executive staff positions listed below was that of a Higher Education Worker (Level 6.5, \$68,287) and Professor of the Melbourne College of Divinity (Level EO1, \$143,142). The actual remuneration, including superannuation and holiday leave loading, for the executive staff positions listed below was \$483,404. One position listed fell in the band \$150,000-\$160,000, one in the band \$90,000-\$100,000, one in the band \$80,000-\$90,000 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).

### Director, Finance and Administration (Registrar)

Mr Jeff Reaney, MBA, MProfEd&Trng, GDHRM, 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 is responsible for the research portfolio, including HDR students matters, supervisor training, research



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

**Director of Coursework**

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

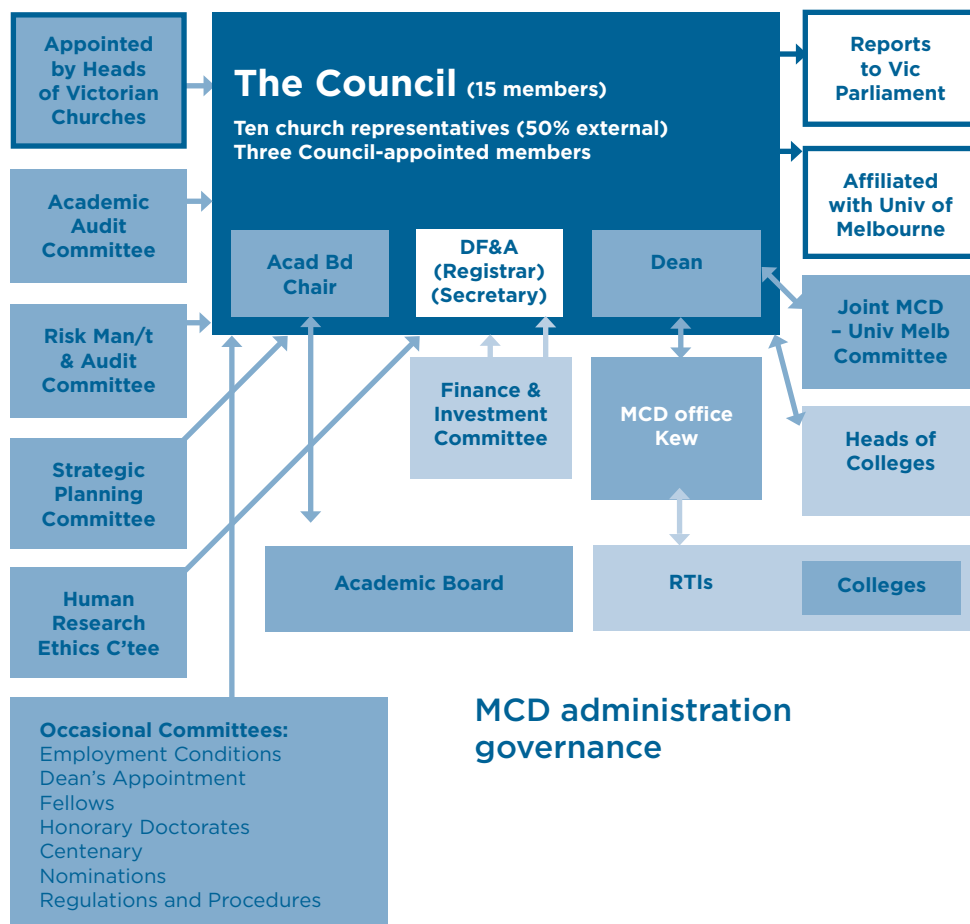
**Finance Manager**

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, Regulations and Procedures, Fellows, Honorary Doctorates, Centenary, Employment Conditions, and Nominations Committees meet when necessary, and then report to Council. The following diagram illustrates this structure:



## Academic governance

The Academic Audit Committee reports to the MCD Council. It provides a 'quality conscience' for the MCD, ensuring consistency of attention to academic integrity and quality assurance across the College, including academic audits. The Committee consists of four persons external to the College, appointed by the Council, and one member appointed by the Academic Board. All members are persons recognised as having expertise in matters of academic quality assurance.

The Human Research Ethics Committee oversees the ethical conduct of research involving humans. It reviews the ethics of research projects submitted by candidates for degrees and other awards of the College, or by other researchers the Council or Committee deems appropriate, and approves and monitors those projects. The Committee advises the Council and Academic Board regarding categories of research that merit ethical review and provides annual reports to the Council and to the *National Health and Medical Research Council*, through the *Australian Health Ethics Committee*.

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, 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 Director, Finance & Administration (Registrar).

### The Academic Board

The MCD Act established the Academic Board, which has two sub-committees, Coursework Studies and Research. The Academic Board exercises oversight of academic programs and other academic affairs of the College and provides advice to the MCD Council on all such matters. It makes recommendations to the Council regarding instruction, studies, discipline, examinations, assessments, research, degrees, diplomas, certificates and other awards, and reports to the Council on all matters the Council submits to it. It prepares reports for the Council on proposals for regulations concerning courses of study before a regulation concerning a degree, diploma, certificate or other award is made, amended or revoked by the Council.

In accordance with the Act and the Regulations of the College, the Academic Board:

- determines the overall priorities and direction of teaching and research, as informed by the MCD Vision, Mission and Guiding Values Statement



- fosters and oversees academic relations between the MCD and other academic bodies
- establishes, oversees and reviews policies and procedures that promote academic excellence across the College
- ensures quality assurance in academic matters across the College, including compliance with statutory and legislative requirements
- advises the Council on the approval and review of Recognised Teaching Institutions
- conducts regular reviews of the awards of the College
- oversees the development and implementation of the MCD Learning and Teaching Management Plan, and of the MCD Research and Research Training Management Plan
- establishes, oversees and reviews academic policy and procedures, including admission to candidature, approval of credits and transfers, academic records, and academic grievances
- oversees the approval of teaching faculty and research supervisors
- oversees the approval of coursework units and research proposals
- oversees the appointment of examiners and the conduct of examinations
- certifies to the Council that the conditions prescribed for admission to degrees and awarding of diplomas and certificates of the College have been fulfilled, and on that basis recommends to the Council admission to those degrees and awarding of those diplomas and certificates
- through the Chair of the Academic Board, advises the Finance Committee on fees and payments associated with tuition, and on the dispersal of research funding
- oversees the award of academic scholarships and grants.

Membership of the Academic Board comprises:

The Chairperson, and the Deputy Chairperson, appointed by the Council on the recommendation of the Academic Board

The MCD Dean and the MCD Director, Finance & Administration (Registrar) (*ex officio*)

The Chairs of the Coursework Studies Committee and the Research Committee

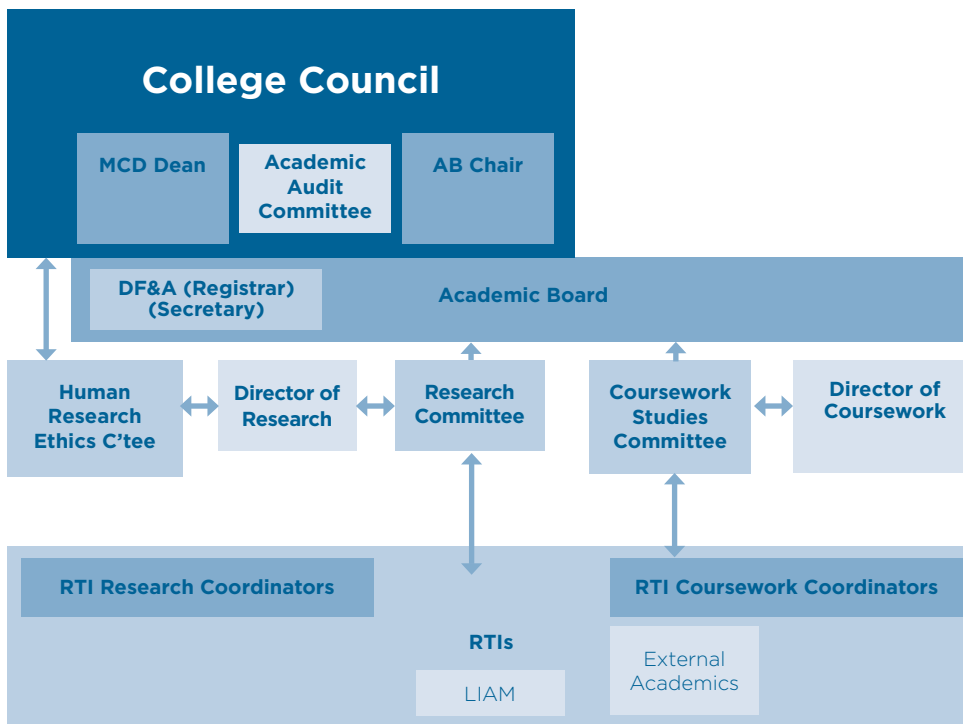
Three external members, co-opted by the Board

Three internal members, co-opted by the Board

One student member, co-opted by the Board

In attendance: MCD Director of Research and MCD Director of 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
<b>Diploma</b>		Associate Diploma in Ministry Diploma in Ministry Diploma in Ministry (Special) <sup>1</sup> Advanced Diploma in Ministry Advanced Diploma in Ministry (Special) <sup>1</sup>	
<b>Undergraduate</b>	Bachelor of Theology Bachelor of Theology/ Bachelor of Arts (Monash) Bachelor of Theology (Hons)		
<b>Graduate</b>	Graduate Certificate in Theology (Special) <sup>2</sup> Graduate Diploma in Theology (Special) <sup>3</sup> 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		
<b>Postgraduate</b>	Master of Arts (Special) <sup>3</sup>		Master of Arts (Theology)
<b>Research</b>	Master of Theology Doctor of Theology	Master of Ministry Doctor of Ministry Studies	Master of Arts Doctor of Philosophy
<b>Senior</b>	Doctor of Divinity Doctor of Sacred Theology ( <i>honoris causa</i> )		

<sup>1</sup> Disciplines currently available as specialisations for the Diploma in Ministry and the Advanced Diploma in Ministry are: Pastoral Ministry, Philosophy and Social Justice.

<sup>2</sup> Disciplines currently available as specialisations for the Graduate Certificate in Theology are: Educational Chaplaincy, Ignatian Spirituality, Liturgy, Pastoral Care, Religious Education, Spiritual Direction Supervision (Spiritual Direction) and Teaching Religious Education.

<sup>3</sup> Disciplines currently available as specialisations 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 Systematic Theology.



## Research

### *Research: Overview*

In 2010, the MCD continued its strong track record of producing high quality research, particularly through publications and conferences, and its higher degree by research programs. Despite strong competition from a growing number of public universities and private higher education providers, the MCD remained one of the leading institutions 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, 2010*), in 2009 the MCD accounted for 8.7% of all research doctorate EFTSL in the ASCED narrow discipline group *Philosophy and Religious Studies*, across all Australian Higher Education Providers, including all Table A and B universities. The MCD further accounted for 24.6% of all research masters EFTSL in the ASCED narrow discipline group *Philosophy and Religious Studies*, across all Australian Higher Education Providers, including all Table A and B universities. (<http://www.deewr.gov.au/HigherEducation/Publications/HEStatistics/Publications/Pages/2009FullYear.aspx> See table All Student Load)

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 2010 was the hosting of the MCD Centenary Conference in July, on the topic *The Future of Religion in Australian Society*. The conference attracted more than 200 delegates, and featured keynote addresses from four leading international theologians. In addition to the publication of the plenary lectures in the October 2010 edition of the A-ranked MCD journal *Pacifica*, the conference also stimulated the formation of a number of cross-institutional and interstate research networks, some of which are already working towards ARC grant applications.

As part of its strategic planning for 2010-2013, the MCD's Research and Research Training Management Plan was thoroughly revised during 2010.

A significant reason for MCD's strong position is the Commonwealth Funding for research it has received since 2002. In 2010, the MCD received funds from the Institutional Grant Scheme, Research Training Scheme, the Commercialisation Training Scheme, Australian Postgraduate Awards and International Postgraduate Research Awards. Systematic policy development and planning has supported the strategic and equitable disbursement of these funds, through the Grants and Scholarships Working Group of the MCD Research Committee. In 2010, MCD funded 9 APA students, and 4 IPRS students.

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

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

In December 2010, the MCD appointed Professor Bernard Muir as a research grant consultant. Professor Muir will work throughout 2011 with academic staff and HDR students, particularly to advise on and shepherd competitive research grant applications.

## *Course Reviews*

Following the comprehensive review of the Advanced Ministry Studies programs in 2009, a working group was convened to transition the Master of Ministry and the Doctor of Ministry Studies courses into the MA/PhD stream. The group worked solidly throughout 2010, in cooperation with the Research Committee, the Academic Board, and the Regulations and Procedures Committee, and completed its work in November. No new enrolments are being taken in the MMin or DMinStuds, but students currently in those courses will be allowed to complete their programs.

A further significant result of this process has been a thorough revision of the MA and PhD courses, with the addition of alternative options for the presentation of research findings. Most particularly, MA and PhD students will now be able to present their findings in thesis format, or through an exegeted creative work. The MCD has now also approved a PhD by publications portfolio.

Further revisions to the MCD's Higher Degree by Research courses will be implemented during 2011-12. These will include a simplifying of entry criteria consistent with standard Australian university practice, and the mandating of research methodology subjects for students enrolling in a Higher Degree by Research from January 2012, who have not completed a suitable equivalent subject in previous studies. It is expected that this initiative will strengthen the research training of the MCD's HDR students. (A thorough review of MCD's entry criteria in 2010 revealed that the MCD has set the eligibility conditions for entry to its research masters and doctoral programs at a higher level than that required by other Australian universities. This anomaly will be addressed during 2011.)

In addition, a comprehensive cycle of course reviews for all MCD research programs has been drafted, that will see each Higher Degree by Research course reviewed twice between 2011-2018.

### *Negotiations with the Federal Government*

Throughout the year, the MCD participated in roundtable discussions with representatives from DEEWR and DIISR regarding the new Commonwealth Government funding models, in particular the Sustainable Research Excellence (SRE) and Joint Research Engagement (JRE) schemes. These discussions have informed the drafting of the MCD's mission-based compact which, building upon the Interim Agreement for 2010, will be concluded with the Commonwealth in early 2011. In these negotiations, the role of research within the MCD's institutional profile was of key importance.

### *Report on Excellence in Research Australia (ERA)*

The MCD successfully participated in the 2010 ERA initiative, submitting within Cluster Two (Humanities and Creative Arts). The majority of eligible items were submitted in Field of Research 2204 (Religion and Religious Studies) and 2103 (Historical Studies). Results from the 2010 ERA exercise were sent to individual universities by the Australian Research Council on 27 January 2011, prior to the publication of the 2010 National Report on 31 January 2011.

The MCD was delighted to have received a ranking of 3—performing at world standard—in its assessed Field of Research (2204), Religion and Religious Studies, which was slightly above the national average for 2204 of 2.9.

Key to the MCD's successful submission was the purchase and utilisation of the ERA Assist module from ResearchMaster, and the ongoing work of populating the Repository.

### *Research Linkages*

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

In particular, the MCD was the lead institution in 2010 for a \$5.9M submission under the terms of the Collaborative Research Network scheme. Other participating institutions were the University of Melbourne, Monash University, the Australian Catholic University and Charles Sturt University. The MCD was the chief architect of the project which, if it is successful, will link established and early career researchers from five universities, across three states. Notification of the outcome of this submission will be made by the Commonwealth Government in the second quarter of 2011.

- 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: in September 2010, the MCD and ACU jointly sponsored an inaugural Postgraduate Conference in Theology and Philosophy, that also included research students from Charles Sturt University, the Australian College of Theology, and the Sydney College of Divinity
- Christian Research Association, with which the MCD is exploring the

possibility of entering into a more formalised partnership

- 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 2009-2010

	Doctoral	Masters Research	Total
<b>2009 (semester 1)</b>	7	10	17
<b>2009 (semester 2)</b>	1	5	6
<b>2009 (total)</b>	8	15	23
<b>2010 (semester 1)</b>	3	2	5
<b>2010 (semester 2)</b>	6	7	13
<b>2010 (total)</b>	9	9	18
<b>Upgrading masters to doctorate 2010</b>	5		

Table 2: Comparative Enrolment Numbers for HDRs

		2006	2007	2008	2009	2010
<b>MA</b>	(P/T)	33	33	19	13	11
<b>MA</b>	(F/T)	10	2	10	5	9
<b>MA</b>	(Total)	43	35	29	18	20
<b>MMin</b>	(P/T)	13	8	4	3	0
<b>MMin</b>	(F/T)	0	0	1	1	0
<b>MMin</b>	(Total)	13	8	5	4	0
<b>MTheol</b>	(P/T)	27	36	26	22	16
<b>MTheol</b>	(F/T)	8	3	8	10	8
<b>MTheol</b>	(Total)	35	39	34	32	24
<b>DMinStuds</b>	(P/T)	23	23	16	15	10
<b>DMinStuds</b>	(F/T)	0	1	1	1	1
<b>DMinStuds</b>	(Total)	23	24	17	16	11
<b>PhD</b>	(P/T)	11	12	18	14	13
<b>PhD</b>	(F/T)	15	15	14	17	17
<b>PhD</b>	(Total)	26	27	32	31	30
<b>DTheol</b>	(P/T)	9	11	7	8	11
<b>DTheol</b>	(F/T)	16	13	10	7	8
<b>DTheol</b>	(Total)	25	24	17	15	19
<b>Students</b>	(Total)	165	157	134	116	104

Table 2a

Comparative Enrolment for HDRs

	2006	2007	2008	2009	2010
<b>EFTSLs</b>	96.668	86.334	71.1672	68.000	61.500

*Table 3*  
*Higher Degree by Research completions 2009*

	Conferred 22 April 2010	
	Attending	In absentia
<b>Master of Arts</b>	4	3
<b>Master of Theology</b>	7	1
<b>Master of Ministry</b>	0	1
<b>Doctor of Philosophy</b>	2	1
<b>Doctor of Theology</b>	3	0
<b>Doctor of Ministry Studies</b>	3	0
<b>Total (25)</b>	19	6

There was a decline in the number of students enrolled in Higher Degrees by Research (HDRs), from 134 in 2008 to 104 in 2010. There was a corresponding decrease in EFTSLs in masters by research programs from 2009 to 2010, 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 has been the record number of HDR graduates (55) at the 2009-10 conferral ceremonies. Nonetheless, the MCD has actively prepared various strategies throughout 2010 to increase its HDR enrolments, and it is anticipated that these will pay dividends from 2011 forwards.

*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	2010
<b>IGS</b>	133,403	143,387	154,082	175,875	200,499	222,474	215,578	209,100	-
<b>JRE</b>	-	-	-	-	-	-	-	-	284,282
<b>RTS</b>	85,907	92,366	99,218	253,744	371,826	508,950	574,860	584,091	582,121
<b>CTS</b>	-	-	-	-	-	20,810	21,226	21,671	22,126
<b>IAPS</b>	-	-	-	-	-	26,275	52,634	53,572	22,473
<b>ASHER</b>	-	-	-	-	-	118,217	235,863	169,141	-
<b>APA</b>	35,968	87,568	153,071	184,898	174,634	173,942	151,098	142,157	172,427
<b>IPRS</b>	1,925	11,292	15,828	20,868	12,268	65,888	55,461	54,737	56,015
<b>SRE</b>	-	-	-	-	-	-	-	-	200,000
<b>Total Govt. Research Funding</b>	<b>257,203</b>	<b>334,613</b>	<b>422,199</b>	<b>635,385</b>	<b>759,227</b>	<b>1,136,556</b>	<b>1,306,720</b>	<b>1,234,469</b>	<b>1,339,444</b>
<b>Industry Funding</b>			<b>1,009,907</b>	<b>1,518,336</b>		<b>2,035,968</b>	<b>1,867,899</b>	<b>1,785,404</b>	<b>1,711,144</b>



## Research funding: Industry Funding and Government Funding

The MCD has received Commonwealth Government funding for research since 2002, with a 421% increase in that funding for the period 2002-2010. 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 doubled the level of their funding, for the period 2004-2010. Note that compliance with reporting requirements to DEST in 2007, according to which research income rather than industry-funded expenditure on research was reported, necessitated a report of zero audited funds for the 2007 HERDC submission. This change from previous reporting formats used by MCD was implemented with an assurance from DEST that the MCD would suffer a maximum of 5% reduction in research funding for 2008. The actual reduction was 3.7%.

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 recognised 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 and HDR Student 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 and other support by the Recognised 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, 23 faculty and HDR students were funded to attend and present papers at conferences during 2010, and 8 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, to a total of \$48,806. 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. In September, the MCD and the Australian Catholic University jointly sponsored a Postgraduate Conference for Theology and Philosophy.

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, 2005-2009*

2005	2006	2007	2008	2009
33	41	46.06	57.18	59.5

### **Human Research Ethics Committee**

The MCD HREC met 4 times in 2010 and considered 22 new applications. Of those 21 applications, 8 research proposals went before the meetings of the full Committee for approval of ethical clearance, and one was processed through an expedited review by the Chair of HREC and the Director of Research. 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 was 1 application in 2010 that was denied ethical approval, with 7 others requiring various levels of revision before being approved.

### **Coursework**

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 2010 had been conducted in accordance with the Regulations and Procedures of the College.

## Enrolment Statistics

The following table lists undergraduate enrolments for 2010

Undergraduate Coursework	Part-time	Full-time	Total students	Total EFTSL	Total units
Ass Dip Min	48	2	50	33.0216	161
DipMin	82	13	95	30.9564	266
Adv Dip Min	40	37	77	56.7495	459
B Theol	267	135	402	198.1245	1588
B Theol (Hons)	3	1	4	1.375	10
<b>Total</b>	<b>440</b>	<b>188</b>	<b>628</b>	<b>320.227</b>	<b>2484</b>

The following table lists postgraduate coursework enrolments for 2010

Postgraduate Coursework	Part-time	Full-time	Total students	Total EFTSL	Total units
Grad Cert	158	4	162	44.0149	321
Grad Dip Theol	264	15	279	89.0158	525
Grad Dip Couns	3	0	3	1.1669	7
Grad Dip Min	3	0	3	0.8335	5
MA (Theol)	45	2	47	14.8359	89
MDiv	90	26	116	55.6776	332
MTS	58	30	88	44.0073	231
<b>Total</b>	<b>621</b>	<b>77</b>	<b>698</b>	<b>249.5519</b>	<b>1510</b>

The following table lists Higher Degree by Research enrolments for 2010

Postgraduate Research	Part-time	Full-time	Total students	Total EFTSL
MA	11	9	20	10.2501
MMin	0	0	0	0
MTheol	16	8	24	13.8335
DMinStuds	10	1	11	5.75
PhD	13	17	30	19.9167
DTheol	11	8	19	11.75
<b>Total</b>	<b>61</b>	<b>43</b>	<b>104</b>	<b>61.5003</b>

## MCD Student Enrolment Summary 2010

	Coursework	Research
Full Time	265	43
Part Time	1061	61
<b>Total</b>	<b>1326</b>	<b>104</b>

Total number of students 1,430

## Conferral Ceremony

The annual ceremony at which the College confers degrees and awards diplomas was held on 22 April 2010 in Wilson Hall, the University of Melbourne.

The graduation address was delivered by Professor Glyn Davis, AC, Vice-Chancellor of the University of Melbourne.

The number of graduates was as follows:

Associate Diploma in Ministry	9
Diploma	19
Advanced Diploma	13
Bachelor of Theology	55
Bachelor of Theology (Hons)	4
Graduate Certificate	71
Graduate Diploma	79
Master of Divinity	12
Master of Divinity (Hons)	2
Master of Theological Studies	25
Master of Ministry	1
Master of Arts (Theology)	10
Master of Arts	7
Master of Theology	8
Doctor of Ministry Studies	3
Doctor of Philosophy	3
Doctor of Theology	3
Doctor of Sacred Theology	0
<b>Total</b>	<b>324</b>

## Future initiatives

### *Mission Based Compact Agreement*

With the rest of the university sector, the Melbourne College of Divinity in 2009 negotiated an Interim Agreement for a Mission-Based Compact with the Commonwealth Government. On March 18, 2011, the MCD will negotiate a Mission-Based Compact with the Commonwealth Government for 2011-13.

The aim of the Mission based compact is to demonstrate that the Commonwealth and the MCD have a shared and mutual commitment to provide students with high quality educational experiences and outcomes and to building research and innovation capabilities and international competitiveness.

The signing of the Mission Based Compact will usher in a new era of close cooperation between the Commonwealth government and the MCD, to the considerable benefit of its students.

### *Specialised University application*

The decision to proceed with a submission to VRQA for Specialised University status in accordance with Section D.7 of National Protocols for Higher Education Approval Processes, and the National Guidelines for Higher Education Approval Processes: Guidelines for Establishing

Australian Universities, followed four years of consultation across the MCD, and with the Churches and Religious Orders whose colleges form the Recognised Teaching Institutions of the MCD. The main reasons for making the submission for Specialised University status are as follows:

- To embed the MCD more completely within the University sector in which the College currently operates;
- To maximise federal funding for research, both in terms of Research Block Grant schemes such as Sustainable Research Excellence, Joint Research Engagement, Australian Postgraduate Awards, International Postgraduate Research Scholarships, Research Training Scheme;
- Specialist University status will encourage the MCD to lift to the next level of excellence academically, administratively, and structurally, without denigrating what the College has done, or is doing;
- In the short and long-term, Specialised University status would have positive effects on national and international recruitment of students and scholars, and on the establishment of relations with reputable overseas universities and research institutions.

MCD was very pleased that the Honorable Bronwyn Pike MP, the Minister for Education and the Minister for Skills and Workforce Participation, in recognition of the College's service since 1910 as a self-accrediting higher education institution in Victoria, approved funding by Skills Victoria of up to \$100,000 towards the cost of the application.

An Assessment Panel has been appointed to examine the MCD submission, to conduct site visits of the MCD and its RTIs and to make a recommendation to VRQA. A result is expected by the middle of 2011.

### *Preparation for Audit by TEQSA*

Under the guidance of its Academic Audit Committee, the MCD continues to prepare for its second quality audit, under the oversight of the Commonwealth Government's Tertiary Education Quality and Standards Agency. The Audit will take place in September 2012.

## **Risk Management**

The Risk Management and Audit Committee met 4 times in 2010. A combined meeting of the Risk Management and Audit Committee and the Finance and Investment Committee took place on March 10 to consider the 2009 Financial Accounts and Statements prepared for the Auditor.

On considering the Financial Accounts and Statements, the auditor stated that no adjustments were required to significant figures. In subsequent meetings the Committee examined and drew practical applications for such items as:

- risks involved in the application for Specialised University status;
- Compact negotiations with the Commonwealth government;
- Responses from RTIs in relation to Annual Financial Alert Protocols
- Ensuring MCD Central Administration staff contracts are in compliance with the Fair Work Act

- Updating the MCD Risk Matrix
- Succession planning for academic and administrative staff of the MCD
- Ensuring the long term financial viability for the College, in consultation with representatives of the RTI Business Managers and the Capital Reserve Fund Committee of Council

## 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.

All occupational health issues at MCD Kew Central Administration, including access and safety, are monitored regularly by the MCD Occupational Health and Safety Committee.

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 2010 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 comprehensive student records database TAMS (Theological Academic Management System) is reviewed regularly. All member institutions use TAMS as their primary student records database. During 2010, MCD's centenary year, Dr Pamela Oliver completed a draft history of the MCD and 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 a 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 section which informs students of their rights.

Most of the international students which the MCD enrolls are recommended and sponsored by a church or similar body in their own country, and the students 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 their theological education. Pastoral and academic support is offered to all international students in accordance with the standards set down by the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students (National Code 2007). Support for coursework international students is delivered by the RTI in which they are enrolled. International student support for those enrolled in higher degree by research programs is delivered by supervisors in conjunction with MCD administration staff. The MCD Research Office maintains regular communication with all of its HDR international students, inviting them to research seminars, postgraduate student information days and other networking opportunities. The MCD Quality & Compliance Office provides advice to both coursework and HDR international students about any student visa condition relating to their course progress and/or attendance. Arrangements are in place at each college for individual tutoring for students who need to improve their English language skills. Through Whitley College, the 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 2007. MCD Central Administration is responsible for admissions processing and the reporting of international students enrolled at the MCD, and also processes 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 2010 there was a total of 12 staff equivalent to 10.81 fulltime, and one casual appointment. 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 2010 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.

Of the 184 academics who held full-time or fractional appointments within the RTIs in 2010, 102 held Doctorates, while 61 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 2010, 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
<b>Bachelor</b>			1	1		1
<b>Postgraduate/ Graduate Diploma</b>			1	1		1
<b>Master</b>		1	1	10	11	2
<b>Doctor</b>		3	9	20	22	16
<b>Other Degrees</b>			1	4	1	
<b>No Degree</b>	1	1	2	1	2	
<b>Total</b>	<b>1</b>	<b>5</b>	<b>15</b>	<b>37</b>	<b>36</b>	<b>20</b>

### 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 2010 there were no staff or student grievances made to the Ombudsman.

## Other statements of compliance

### Publications and promotion

During 2010 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. 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. Four editions of the MCD eLetter were emailed during 2010, 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.

### 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

Non-academic fees levied by MCD during 2010 were \$150 for graduands attending the Conferral ceremony, the application fee for international students and for those applying for the Graduate Diploma in Counselling and the Graduate Diploma in Spiritual Direction was \$180. In accordance with the relevant DEEWR ruling regarding the latter these are the only two approved courses for which application fees were charged.

Fees for 2010 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 2010

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

Tuition	\$888	per 15 point unit
	\$592	per 10 point unit
	\$296	per 5 point unit

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

Tuition	\$1188	per 15 point unit
	\$792	per 10 point unit
	\$396	per 5 point unit

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

Fulltime	\$2376	per semester
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**Doctorates** (Doctor of Philosophy, Doctor of Ministry Studies, Doctor of Theology)

Fulltime	\$4594	per semester
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## Other fees for 2010

The application fee for Conferral was \$150 for *in persona*.

## Payments for 2010

To MCD Kew (UG fee)	\$96	per 15 point UG unit
To RTIs for teaching	\$792	per 15 point unit
	\$582	per 10 point unit
	\$264	per 5 point unit
To libraries	\$59.40	per 15 point graduate unit, with \$89.10 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	\$535	per semester (part-time minor thesis, up to 4 sem)
[Minor - 30% of tuition]	\$1069	per semester (full-time minor thesis, up to 2 sem)
[Major - 35% of tuition]	\$624	per semester (part-time major thesis, up to 4 sem)
	\$1247	per semester (full-time major thesis, up to 2 sem)
To doctoral supervisors	\$1206	per semester (part-time, up to 12 semesters)
[35% of tuition]	\$2412	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 DIISR funding.		
To examiners	\$119	(1/10 PG unit fee: 6,000 word essay)
	\$148	(1/8 PG unit fee: Panels, 10-12,000 word essays)
	\$297	(1/4 PG unit fee: 25-30,000 word theses)
	\$396	(1/3 PG unit fee: 40-50,000 word theses)
	\$594	(1/2 PG unit fee: 80-100,000 word theses)
	\$198	(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 2010:

TUITION FEES AND PAYMENTS 2010						
MCD Award	Full-time 2010 fee	Total cost of the award	Paid to RTIs	Paid to supervisor (+ 50% supplement from Research Funds)	Paid to Library (total)	Paid to examiners
<b>BTheol</b>	\$7,104	\$21,312	\$19,008			
<b>BTheol (Hons)</b>	\$5,328	\$26,640	\$23,760			
<b>Adv Dip Min</b>	\$7,104	\$21,312	\$19,008			
<b>Dip Min</b>	\$7,104	\$14,208	\$6,336			
<b>BTheol/DipMin</b>	\$7,104	\$28,416	\$25,344			
<b>BTheol/AdvDipMin</b>	\$7,104	\$31,968	\$28,512			
<b>GradCert</b>	\$3,564	\$7,128	\$4,752		\$178	
<b>Grad Dip Theol</b>	\$7,128	\$7,128	\$4,752		\$356	
<b>GradDipCouns</b>	\$7,128	\$8,910	\$4,752	\$1,782	\$356	
<b>GradDipMin</b>	\$7,722	\$7,722	\$4,752		\$356	
<b>MTS</b>	\$5,940	\$11,880	\$7,920		\$594	
<b>MDiv</b>	\$7,128	\$21,384	\$14,256		\$1,069	
<b>MA(Theol)</b>	\$4,752	\$7,128	\$4,752		\$356	
<b>MA: 2 units, minor thesis</b>	\$4,752	\$7,128	\$1,584	\$2,138	\$356	\$594
<b>MA: major thesis</b>	\$4,752	\$7,128	\$0	\$3,742	\$535	\$792
<b>MMin</b>	\$4,752	\$7,128	\$792	\$2,138	\$356	\$594
<b>MTheol: 2 units, minor thesis</b>	\$4,752	\$7,128	\$1,584	\$2,138	\$356	\$594
<b>MTheol: major thesis</b>	\$4,752	\$7,128	\$0	\$3,742	\$535	\$792
<b>DMinStuds</b>	\$9,188	\$27,564	\$3,168	\$9,647	\$1,378	\$1,584
<b>PhD</b>	\$9,188	\$27,564	\$0	\$14,471	\$2,067	\$1,782
<b>DTheol</b>	\$9,188	\$27,564	\$0	\$14,471	\$2,067	\$1,782

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.

In 2010 the annual tuition fees paid by a full-time overseas student were \$7,334 for undergraduate and postgraduate coursework degrees; \$7,434 for masters research degrees and \$9,588 for doctoral research degrees.

### 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 Director, Finance and Administration (Registrar), working with the Finance and Investment Committee, which reports to the MCD Council. The Committee met eleven times during 2010 including one meeting with the auditors together with the Risk Management and Audit Committee and two meetings with Business Managers of the Recognised 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 2010. 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 2010 the MCD received research funding from DEEWR in the major categories (JRE, RTS, CTS, IAPS and SRE) and funding to award three 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.

MCD received \$527,000 in 2009 from the Teaching and Learning Capital Fund of the Federal Government. These funds were recognised 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 is the renovation and refurbishment of the building occupied by the MCD Central Administration; building works commenced in November 2010 and will be completed by mid 2011.

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 Director, Finance and Administration (Registrar) monitored the expenditure of the MCD Central Administration. In 2010 ongoing employment expenses increased by 1.35% and there was a 9% reduction in other expenses.

The MCD Central Administration has funds invested with the Uniting Church in Australia Growth Fund. The market value of these investments was \$707,795 at 31 December 2010 compared to \$671,447 at 31 December 2009.

The 2010 audited financial statements record a surplus of \$379,121. 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 (\$24,508), Australian Government grants (\$362,447) and \$40,088 of the ALTC grant which were received in 2010 but have not yet been spent. \$351,051 was recorded as expenditure in 2010 but the funding sources were received in previous years; this includes \$163,153 from the Teaching and Learning Capital funds for the wireless internet projects and MCD Kew renovations, \$100,365 for research repository expenditure, \$62,533 returned to DIISR because MCD was not able to allocate these funds within the specifications and \$25,000 for projects associated with the MCD Centenary. This amount should be added to the adjusted surplus to determine the 2010 operating surplus. \$303,129 is a more accurate figure for the 2010 operating surplus. This surplus is 6.14% of the total of fees and Government grants.

The income retained by MCD from tuition fees increased by 15% in 2010. The Finance and Investment Committee has established a Working Group to review the structure of fees and the payments to RTIs. The Working Group includes the members of the Finance and Investment Committee and two RTI Business Managers and it will report to the MCD Council in 2011.

The Council of Deans of Theology (Australasia) received a competitive grant from the Australian Learning and Teaching Council for the Undergraduate Curriculum Design Project. MCD is the lead institution and is responsible for the administrative aspects of the funding with \$74,943 received in 2010 and \$75,057 receivable in 2011.

No events have occurred subsequent to December 31, 2010 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 2010.

The following table summarises the financial results for 2010 with comparative information for the preceding five years.

REVENUE FROM CONTINUING OPERATIONS	2010	2009	2008	2007	2006	2005
Australian Government Grants	1,439,444	1,234,769	1,306,720	1,136,556	835,127	557,556
Australian Government Capital Grants	-	527,000	339,000	-	-	-
FEE-HELP	2,166,549	1,823,203	1,420,752	1,229,934	960,724	810,105
Fees	1,327,048	1,115,975	920,800	976,735	916,637	777,405
Investment Income	124,236	65,821	105,712	84,970	62,087	50,436
Industry funding (in accounts from 2007)	1,711,144	1,785,404	1,822,340	1,985,693		
Other revenue	185,875	27,963	204,392	110,164	18,140	114,582
Victorian Government Financial Assistance	100,000					
<b>Total Revenue</b>	<b>7,054,296</b>	<b>6,580,145</b>	<b>6,119,716</b>	<b>5,524,052</b>	<b>2,792,715</b>	<b>2,310,084</b>

EXPENSES FROM CONTINUING OPERATIONS	2010	2009	2008	2007	2006	2005
Employee benefits and oncosts	988,751	975,534	915,275	680,186	562,197	531,132
Payroll Tax (back dated to October 1, 2005)	20,306	61,201	-	-	-	-
Depreciation and amortisation	15,297	17,163	16,723	14,287	16,297	25,232
Repairs and maintenance	2,177	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)	1,711,144	1,785,404	1,822,340	1,985,693		
Capital expenditure, Government Grants	163,153	118,000	221,000	-	-	-
Other expenses	3,798,855	3,061,033	2,795,917	2,084,274	2,004,200	1,659,172
<b>Total Expenses</b>	<b>6,699,683</b>	<b>6,026,552</b>	<b>5,789,960</b>	<b>4,784,634</b>	<b>2,589,244</b>	<b>2,237,461</b>

Operating result before tax	354,613	553,593	329,756	739,418	203,471	72,623
Change in fair value of investments	24,508	150,488	(321,777)	(298,687)	97,414	59,748
Income tax expense	-	-	-	-	-	-
<b>Net operating result attributable to members of the Melbourne College of Divinity</b>	<b>379,121</b>	<b>704,081</b>	<b>7,979</b>	<b>440,731</b>	<b>300,885</b>	<b>132,371</b>

\*In the Financial Statements the capital grants are included in Australian Government Grants. The expenditure is included in Other expenses. Of the \$527,000 received in 2009, \$163,153 has been spent in 2010, leaving \$363,847 to be spent in subsequent years.

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

\*\*\*Other Revenue in 2010 includes \$100,000 from the Government of Victoria to meet the expenses incurred in the submission to VRQA to become a Specialised University. \$109,349 was incurred in 2010 and this is included in Other Expenses. Other Revenue also includes the first of two annual payments of \$74,943 of a competitive grant from the Australian Learning and Teaching Council to the Council of Deans of Theology (Australasia) for a project which is being administered by MCD; the expenditure of \$34,855 is listed in Other Expenses and \$40,088 is recorded as a reserve which will be spent in 2011. The revenue of \$82,287 received for events in the MCD Centenary is included in Other Revenue and the expenses incurred for these events of \$96,390 are recorded in Other expenses, a net expense of \$14,103 in 2010.

## Superannuation liabilities

Staff employed by the MCD administration are covered by the superannuation scheme of their choice: in 2010 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 2010 the MCD made contributions at the level of 14% of gross salary for each employee.

The total cost to the MCD for superannuation during 2010 was **\$109,245**. During 2010 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 2010.

No building maintenance requiring compliance with the Building Act 1993 was undertaken by or on behalf of the MCD Central Administration during 2010. In November 2010, a complete refurbishment project began at MCD's Kew premises. All building works have been undertaken in accordance with all relevant statutes, regulations, by-laws and requirements of Commonwealth, State, and local Council, and in accordance with DEEWR policies.

No actions or operations in relation to the Whistleblowers Protection Act 2001 took place during 2010 in relation to the MCD, nor were any disclosures required by that Act made.

In 2010 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](http://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 calendar year 2010 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 2010

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Note: all figures are expressed in the nearest dollar.

## Statement of Comprehensive Income

For the year ended 31 December 2010

	Notes	2010 \$	2009 \$
<b>REVENUE FROM CONTINUING OPERATIONS</b>			
Australian Government financial assistance			
Australian Government grants	4	1,439,444	1,761,769
FEE-HELP	4	2,166,549	1,823,203
State and Local Government financial assistance	5	100,000	
Fees and charges	6	1,327,048	1,115,975
Investment revenue	7	124,236	65,821
Industry Funding	1(g)	1,711,144	1,785,404
Other revenue	8	103,588	27,973
Total revenue from continuing operations		6,972,009	6,580,145
Other investment income	7	24,508	150,488
Other income	8	82,287	-
Total revenue and income from continuing operations		7,078,804	6,730,633
<b>EXPENSES FROM CONTINUING OPERATIONS</b>			
Employee related expenses	9	1,009,057	1,036,735
Depreciation and amortisation	10	15,297	17,163
Repairs and maintenance	11	2,177	3,441
Loss on disposal of assets		429	-
Industry Funding	1(g)	1,711,144	1,785,404
Other expenses	12	3,961,579	3,183,809
Total expenses from continuing operations		6,699,683	6,026,552
<b>OPERATING RESULT BEFORE INCOME TAX</b>		379,121	704,081
Income tax expense	13	-	-
Operating result from continuing operations		379,121	704,081
<b>Operating result after income tax for the year</b>		379,121	704,081
Operating result attributable to minority interest		-	-
<b>Operating result attributable to members of the Melbourne College of Divinity</b>	23(b)	379,121	704,081
<b>Total comprehensive income</b>		379,121	704,081
Total comprehensive income attributable to minority interest			
<b>Total comprehensive income attributable to members of the Melbourne College of Divinity</b>		379,121	704,081

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

## Statement of Financial Position

As at 31 December 2010

	Notes	2010 \$	2009 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	14	2,238,314	1,807,633
Receivables	15	646,718	869,900
Other financial assets	16	707,795	671,447
Other non-financial assets	17	49,112	12,810
Total current assets		3,641,939	3,361,790
<b>Non-current assets</b>			
Property, plant and equipment	18	116,503	41,034
Total non-current assets		116,503	41,034
<b>Total assets</b>		<b>3,758,442</b>	<b>3,402,824</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other Payables	19	854,819	868,688
Borrowings	20	-	-
Provisions	21	175,145	116,938
Other liabilities	22	1,904	52,165
Total current liabilities		1,031,868	1,037,791
<b>Non-current liabilities</b>			
Provisions	21	36,925	54,505
Total non-current liabilities		36,925	54,505
<b>Total liabilities</b>		<b>1,068,793</b>	<b>1,092,296</b>
<b>Net assets</b>		<b>2,689,649</b>	<b>2,310,528</b>
<b>EQUITY</b>			
Reserves	23 (a)	1,433,387	1,316,884
Retained surplus	23 (b)	1,256,262	993,644
<b>Total equity</b>		<b>2,689,649</b>	<b>2,310,528</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity

For the year ended 31 December 2010

Consolidated/Parent	Reserves	Retained Surplus	Total
<b>Balance at 1 January 2009</b>	<b>776,912</b>	<b>829,535</b>	<b>1,606,447</b>
<b>Total comprehensive income</b>		<b>704,081</b>	<b>704,081</b>
<b>Transfer to reserves</b>	<b>539,972</b>	<b>(539,972)</b>	<b>-</b>
<b>Balance at 31 December 2009</b>	<b>1,316,884</b>	<b>993,644</b>	<b>2,310,528</b>
<b>Balance at 1 January 2010</b>	<b>1,316,884</b>	<b>993,644</b>	<b>2,310,528</b>
<b>Total Comprehensive income</b>	<b>-</b>	<b>379,121</b>	<b>379,121</b>
<b>Transfers to Reserves</b>	<b>116,503</b>	<b>(116,503)</b>	<b>-</b>
<b>Balance at 31 December 2010</b>	<b>1,433,387</b>	<b>1,256,262</b>	<b>2,689,649</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Statement of Cash Flows

For the year ended 31 December 2010

	Notes	2010 \$	2009 \$
<b>Cash flows from operating activities</b>			
Australian Government Grants		<b>3,861,022</b>	3,907,112
State Government Grants		<b>110,000</b>	-
Non Government Grants		<b>82,469</b>	-
Industry Funding		<b>1,866,530</b>	2,043,837
Receipts from student fees and other customers		<b>1,388,392</b>	1,271,989
Dividends received		<b>31,696</b>	30,592
Interest received		<b>64,192</b>	43,953
Payments to suppliers and employees (inclusive of goods and services tax)		<b>(5,028,880)</b>	(4,349,382)
Interest and other costs of finance paid		<b>-</b>	-
Industry Funding		<b>(1,866,530)</b>	(2,043,837)
GST recovered/paid		<b>24,824</b>	(243,683)
Income taxes paid		<b>-</b>	-
<b>Net cash inflow (outflow) from operating activities</b>	29	<b>533,715</b>	660,581
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		<b>14,050</b>	-
Payments for property, plant and equipment		<b>(105,245)</b>	(11,726)
Loans		<b>-</b>	-
Payments for investments		<b>(11,839)</b>	(11,090)
<b>Net cash inflow (outflow) from investing activities</b>		<b>(103,034)</b>	(22,816)
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>430,681</b>	637,765
Cash and cash equivalents at the beginning of the financial year		<b>1,807,633</b>	1,169,868
<b>Cash and cash equivalents at the end of the year</b>	14	<b>2,238,314</b>	1,807,633

The above Statement of Cash Flows 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 DIISR 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 2010 this is an amount of \$1,711,144 (2009 \$1,785,404). Amounts receivable and payable from/ to respective colleges, churches and religious communities as at 31 December 2010 are disclosed in notes 15 and 19 respectively.

**h) Grants and Contributions**

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date the unused grant or contribution is disclosed in notes 23 and 30. The notes also disclose the amount of unused grant or contribution from prior years that was expended during the current year.

## **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 31.3.

*Other price risk*

The College is exposed to other price risk relating to its investments in managed funds as disclosed in Note 16. 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 2010.

### **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 6,

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

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

	Notes	2010	2009 \$
<b>(a) Commonwealth Grants Scheme and Other Grants</b>	30.1		
Australian Higher Education Graduation Statement		100,000	-
Total Commonwealth Grants Scheme and other Grants		100,000	-
<b>(b) Higher Education Loan Programs</b>	30.2		
FEE-HELP		2,166,549	1,823,203
Total Higher Education Loan Programs		2,166,549	1,823,203
<b>(c) Scholarships</b>	30.3		
Australian Postgraduate Awards		172,427	142,457
International Postgraduate Research Scholarship		56,015	54,738
Total Scholarships		228,442	197,195
<b>(d) DIISR Research</b>	30.4		
Joint Research Engagement Program		284,282	209,100
Research Training Scheme		582,121	584,091
Implementation Assistance Programme		22,473	53,572
Australian Scheme for Higher Education Repositories		-	169,141
Commercialisation Training Scheme		22,126	21,670
Sustainable Research Excellence in Universities		200,000	-
Other		-	-
Total DIISR Research Grants		1,111,002	1,037,574
<b>(e) Voluntary Student Unionism</b>			
Total VSU		-	-
<b>(f) Other Capital Funding</b>	30.5		
Better Universities Renewal Funding		-	-
Teaching and Learning Capital Fund		-	527,000
Total Other Capital Funding		-	527,000
<b>(g) Australian Research Council</b>			
(i) Discovery			
Total Discovery		-	-
(ii) Linkages			
Total Linkages		-	-
(iii) Networks and Centres			
Total Networks and Centres		-	-
<b>(h) Other Australian Government financial assistance</b>			
Total other Australian Government financial assistance		-	-
<b>Total Australian Government financial assistance</b>		-	-
<b>Reconciliation</b>			
Australian Government grants [a + c + d + e + f + g + h]		1,439,444	1,761,769
HECS-HELP - Australian Government payments		-	-
Other Australian Government loan programmes [FEE-HELP]		2,166,549	1,823,203
<b>Total Australian Government financial assistance</b>		3,605,993	3,584,972
<b>(i) Australian Government Grants received - cash basis</b>			
CGS and Other DEEWR Grants		100,000	-
Higher Education Loan Programmes		2,388,174	1,838,062
Scholarships		228,442	197,195
DIISR research		1,111,002	1,037,574
Other Capital Funding Funding		-	527,000
<b>Total Australian Government Grants received - cash basis</b>		3,827,618	3,599,831
<b>OS-Help (Net)</b>		-	-
<b>Total Australian Government funding received - cash basis</b>		3,827,618	3,599,831

**Note 5. State and Local Government financial assistance**

	Notes	2010 \$	2009 \$
Specialist University Application		100,000	-
<b>Total State and Local Government financial assistance</b>		<b>100,000</b>	<b>-</b>

**Note 6. Fees and charges**

	Notes	2010 \$	2009 \$
<b>Course fees and charges</b>			
Fee-paying overseas students		227,434	132,501
Fee-paying domestic postgraduate students		875,128	816,087
Fee-paying domestic undergraduate students		170,235	135,566
Total course fees and charges		1,272,797	1,084,154
<b>Other fees and charges</b>			
Conferral and Other fees		25,751	15,221
RTI's Affiliation and Application fees		28,500	16,600
Total other fees and charges		54,251	31,821
<b>Total fees and charges</b>		<b>1,327,048</b>	<b>1,115,975</b>

**Note 7. Investment revenue and income**

	Notes	2010 \$	2009 \$
Interest		92,540	35,229
Dividends		31,696	30,592
<b>Total investment revenue</b>		<b>124,236</b>	<b>65,821</b>
Change in fair value of financial assets designated as at fair value through profit & loss		24,508	150,488
<b>Total other investment income</b>		<b>24,508</b>	<b>150,488</b>
<b>Net investment income</b>		<b>148,744</b>	<b>216,309</b>

**Note 8. Other revenue and income**

	Notes	2010 \$	2009 \$
<b>Other revenue</b>			
Donations and bequests		28,645	27,973
Non-Government Grants		74,943	-
<b>Total other revenue</b>		<b>103,588</b>	<b>27,973</b>
<b>Other income</b>			
Centenary Conference & Functions		82,287	-
<b>Total other income</b>		<b>82,287</b>	<b>-</b>

**Note 9. Employee benefits and on costs**

	Notes	2010 \$	2009 \$
<b>Non-academic</b>			
Salaries		795,160	803,962
Contribution to superannuation and pension schemes:			
Funded		109,245	110,423
Payroll tax		20,306	61,201
Worker's compensation		9,609	11,608
Long service leave expense		32,634	12,480
Annual leave (movement in provision)		15,716	10,920
Other		26,387	26,141
Total non-academic		1,009,057	1,036,735
<b>Total employee related expenses</b>		<b>1,009,057</b>	<b>1,036,735</b>
Deferred employee benefits for superannuation		-	-
<b>Total employee related expenses, including deferred employee benefits for superannuation</b>		<b>1,009,057</b>	<b>1,036,735</b>

**Note 10. Depreciation and amortisation**

Depreciation			
Buildings		-	-
Plant and equipment		15,297	17,163
Total depreciation		15,297	17,163
<b>Total depreciation and amortisation</b>		<b>15,297</b>	<b>17,163</b>

**Note 11. Repairs and maintenance**

Buildings		-	-
General Maintenance		2,177	3,441
<b>Total repairs and maintenance</b>		<b>2,177</b>	<b>3,441</b>

## Note 12. Other expenses

	Notes	2010 \$	2009 \$
Scholarships, grants and prizes		483,247	350,718
Non-capitalised equipment		959	4,350
Advertising, marketing and promotional expenses		995	7,266
Professional Services		31,957	40,806
Insurances		11,597	11,206
Bad & Doubtful Debts		-	4,776
Printing and stationery		27,930	31,141
Undergraduate Expenses		1,031,311	789,210
Rental, hire and other leasing fees		26,354	25,909
Telecommunications		11,056	13,577
Travel		6,917	12,259
Supervision and Examination		285,196	321,878
Graduate Diploma & certificates		647,766	632,181
Masters Coursework		449,715	333,380
Masters Research		59,536	31,458
Conferences		37,900	53,882
Library Funding		205,213	180,029
Conferral Expenses		19,247	18,539
Better Universities Renewal Project		-	115,473
Teaching & Learning Capital Fund		99,517	-
Commercialization Training Scheme		67,533	7,900
Specialist University Application		109,349	-
Curriculum Development Project		34,855	-
Sustainable Research Excellence Project		29,313	-
Donations & Bequests		20,950	29,197
Centenary Conference & Functions		96,390	18,360
Other		166,776	150,314
<b>Total other expenses</b>		<b>3,961,579</b>	<b>3,183,809</b>

## Note 13. 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 14. Cash and cash equivalents

	Notes	2010 \$	2009 \$
Cash at bank and on hand		557,236	645,682
Deposits at call		1,681,078	1,161,951
<b>Total cash and cash equivalents</b>		<b>2,238,314</b>	<b>1,807,633</b>
<b>(a) Reconciliation to cash at the end of the year</b>			
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		2,238,314	1,807,633
Less: OS-HELP balances		-	-
Less: Bank overdrafts		-	-
Balance per statement of cash flows		2,238,314	1,807,633
<b>(b) Cash at bank and on hand</b>			
These bank accounts earn interest at rates between 0.1% and 4.75%		557,236	645,682
<b>(c) Deposits at call</b>			
The deposits are bearing floating interest rates of approximately 4.75% (2009 - 4.5%). These deposits are at call.		1,681,078	1,161,951
<b>(d) OS-HELP Balance</b>			
The Melbourne College of Divinity receives no OS-HELP monies.		-	-

**Note 15. Receivables**

	Notes	2010 \$	2009 \$
<b>Current</b>			
Student fees		27,512	21,366
Less: Provision for impaired receivables		12,040	12,040
		15,472	9,326
Industry Funding (see Note 1g)		605,352	625,317
Other Debtors		25,894	235,257
<b>Total current receivables</b>		<b>646,718</b>	869,900
<b>Total receivables</b>		<b>646,718</b>	869,900

**Impaired receivables**

The Melbourne College of Divinity has recognised a loss of nil (2009: \$4,776) in respect of bad and doubtful trade receivables during the year ended 31 December 2010. The loss has been included in 'other expenses' in the income statement.

**Note 16. Other financial assets**

	Notes	2010 \$	2009 \$
<b>Current</b>			
Fair value through profit or loss		707,795	671,447
<b>Total current other financial assets</b>		<b>707,795</b>	671,447
<b>Total other financial assets</b>		<b>707,795</b>	671,447

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 7 Investment Income).

**Note 17. Other non-financial assets**

	Notes	2010 \$	2009 \$
<b>Current</b>			
Prepayments		49,112	12,810
<b>Total current other non-financial assets</b>		<b>49,112</b>	12,810
<b>Total other non-financial assets</b>		<b>49,112</b>	12,810

## Note 18. 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
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>At 1 January 2009</b>									
- Cost	-	-	-	223,376	-	-	-	-	223,376
- Valuation	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	(176,905)	-	-	-	-	(176,905)
Net book amount	-	-	-	46,471	-	-	-	-	46,471
<b>Year ended 31 December 2009</b>									
Opening net book amount	-	-	-	46,471	-	-	-	-	46,471
Exchange differences	-	-	-	-	-	-	-	-	-
Revaluation surplus	-	-	-	-	-	-	-	-	-
Additions	-	-	-	11,726	-	-	-	-	11,726
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	-	-	-	-	-	-
Depreciation charge	-	-	-	(17,163)	-	-	-	-	(17,163)
Closing net book amount	-	-	-	41,034	-	-	-	-	41,034
<b>At 31 December 2009</b>									
- Cost	-	-	-	235,102	-	-	-	-	235,102
- Valuation	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	(194,068)	-	-	-	-	(194,068)
Net book amount	-	-	-	41,034	-	-	-	-	41,034



## Note 18. 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
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Year ended 31 December 2009</b>									
Opening net book amount	-	-	-	41,034	-	-	-	-	41,034
Exchange differences	-	-	-	-	-	-	-	-	-
Revaluation surplus	-	-	-	-	-	-	-	-	-
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-
Additions	-	-	-	41,609	63,636	-	-	-	105,245
Assets classified as held for sale and other disposals	-	-	-	(14,479)	-	-	-	-	(14,479)
Depreciation charge	-	-	-	(15,297)	-	-	-	-	(15,297)
Closing net book amount	-	-	-	52,867	63,636	-	-	-	116,503
<b>At 31 December 2010</b>									
- Cost	-	-	-	251,999	63,636	-	-	-	315,635
- Valuation	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	(199,132)	-	-	-	-	(199,132)
Net book amount	-	-	-	52,867	63,636	-	-	-	116,503

**Note 19. Trade and other Payables**

	Notes	2010 \$	2009 \$
<b>Current</b>			
Creditors & Accruals		249,467	243,371
Industry Funding, see note 1g		605,352	625,317
<b>Total current payables</b>		<b>854,819</b>	868,688
<b>Non-current</b>		-	-
<b>Total payables</b>		<b>854,819</b>	868,688

**Note 20. Borrowings**

	Notes	2010 \$	2009 \$
<b>Financing arrangements</b>			
Unrestricted access was available at balance date to the following lines of credit:			
<b>Credit standby arrangements</b>			
Bank overdrafts		20,000	20,000
Unused at balance date			
Bank overdrafts		20,000	20,000

**Note 21. Provisions**

	Notes	2010 \$	2009 \$
<b>Current</b>			
Centenary		-	20,000
Employee benefits			
Annual leave		<b>96,868</b>	81,152
Long service leave		<b>50,214</b>	-
Study Leave		<b>28,063</b>	15,786
<b>Total current provisions</b>		<b>175,145</b>	116,938
<b>Non-current</b>			
Employee benefits			
Long service leave		<b>36,925</b>	54,505
<b>Total non-current provisions</b>		<b>36,925</b>	54,505
<b>Total provisions</b>		<b>212,070</b>	171,443
<b>(a) Movements in provisions</b>			
Movements in each class of provision during the financial year, other than, centenary provisions are set out below:			

2010	Annual Leave	Study Leave	Long Service Leave	Total \$
<b>Current</b>				
Carrying amount at start of year	81,152	15,786	-	<b>96,938</b>
Additional provisions recognised	15,716	12,277	50,214	<b>78,207</b>
Unused amounts reversed				
Carrying amount at end of year	96,868	28,063	50,214	<b>175,145</b>

			Long Service Leave	Total \$
<b>Non-current</b>				
Carrying amount at start of year			54,505	<b>54,505</b>
Additional provisions recognised			32,634	<b>32,634</b>
Transferred to Current Liabilities			(50,214)	<b>(50,214)</b>
Carrying amount at end of year			36,925	<b>36,925</b>

**Note 22. Other Liabilities**

	Notes	2010 \$	2009 \$
<b>Current</b>			
Fees in Advance		<b>1,904</b>	52,165
<b>Total current other liabilities</b>		<b>1,904</b>	52,165

## Note 23. Reserves and retained surpluses

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

	Notes	2010 \$	2009 \$
<b>(a) Reserves</b>			
Building Fund Reserve, to enable the College to establish its own building.		312,617	289,724
<b>Movements</b>			
<i>Building Fund Reserve</i>			
Balance 1 January		289,724	222,781
Transfer (to)/from retained earnings		22,893	66,943
Balance 31 December		312,617	289,724
<b>Reserves</b>			
Scholarships Grants Reserve, funding through Australian Postgraduate Awards & Endeavour International Postgraduate Research Scholarships.		179,011	168,438
<b>Movements</b>			
<i>Scholarships Grants Reserve</i>			
Balance 1 January		168,438	118,180
Transfer from retained earnings		10,573	50,258
Balance 31 December		179,011	168,438
<b>Reserves</b>			
DIISR Research Grants Reserve, funding through Joint Research Engagement Program, Research Training Scheme, Commercialisation Training Scheme, & Australian Scheme for Higher Education Repositories and Sustainable Research Excellence		437,824	331,722
<b>Movements</b>			
<i>DIISR Research Grants Reserve</i>			
Balance 1 January		331,722	317,951
Transfer from retained earnings		106,102	13,771
Balance 31 December		437,824	331,722
<b>Reserves</b>			
Other Capital Funding : funding through the Teaching and Learning Capital Fund		363,847	527,000
<b>Movements</b>			
<i>Other Capital Funding</i>			
Balance 1 January		527,000	118,000
Transfer from retained earnings		(163,153)	409,000
Balance 31 December		363,847	527,000
<b>Reserves</b>			
Other Special Projects: funding through Australian Higher Education Graduation Statement and Australian Learning and Teaching Council		140,088	-
<b>Movements</b>			
<i>Other Capital Funding</i>			
Balance 1 January		-	-
Transfer from retained earnings		140,088	-
Balance 31 December		140,088	-
<b>Total Reserves</b>		<b>1,433,387</b>	<b>1,316,884</b>
<b>(b) Retained surplus</b>			
Movements in retained surplus were as follows:			
Retained surplus at 1 January		993,644	829,535
Net operating result for the year		379,121	704,081
Less transfer to BF Reserves		(22,893)	(66,943)
Less transfer to Scholarships Grants Reserves		(10,573)	(50,258)
Less transfer to DIISR Research Reserve		(106,102)	(13,771)
Less transfer from/ to Other Capital Funding Reserve		163,153	(409,000)
Less transfer to Other Special Projects Reserve		(140,088)	-
Retained surplus at 31 December		1,256,262	993,644

## Note 24. 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 to January 2010; Mr Jeffrey Reaney, Director Finance & Administration (Registrar); Mr John Bartholomeusz, Director of Coursework; Dr Mark Lindsay, Director of Research; Mrs Tricia Lewis, Finance Manager.

### (b) Remuneration of Board Members and Executives

	Notes	2010 \$	2009 \$
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:		-	-
		<b>Number</b>	
<b>Remuneration of Board Members</b>			
Nil to \$9,999		14	14
\$10,000 to \$19,999		-	-
<b>Remuneration of Executives</b>			
Income paid or payable, or otherwise made available, to executive officers by entities in the consolidated entity and related parties:		489,713	481,288
<b>Remuneration of executive officers</b>			
\$140,000 to \$149,999		-	1
\$150,000 to \$159,999		1	-

## Note 25. Remuneration of auditors

	Notes	2010 \$	2009 \$
<b>1. Audit services</b>			
Fees paid to <i>UHY Haines Norton</i>			
Audit and review of financial reports and other audit work		10,450	10,200
Fees paid to related practices of <i>UHY Haines Norton</i>		-	-
<b>Total remuneration for audit services</b>		10,450	10,200

## Note 26. Contingencies

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

## Note 27. Subsequent Events

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

**Note 28. Commitments**

<b>(a) Capital commitments</b>		<b>2010</b>	2009
As at 31 December 2010, MCD had outstanding capital commitments of \$242,249 (2009 nil)			
<b>(b) Lease commitments</b>			
<b>Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities payable:</b>			
Within one year		<b>26,424</b>	25,644
Later than one year but not later than five years		-	26,413
Later than five years		-	-
		<b>26,424</b>	52,057

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 from 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.

A further lease is currently being negotiated between the Synod of Victoria and Tasmania, Uniting Church in Australia and MCD to commence from 2014 for 5 years with a 5 year option.

**Note 29. Reconciliation of operating result after income tax to net cash inflow from operating activities**

	Notes	<b>2010</b>	2009
		<b>\$</b>	<b>\$</b>
Operating result for the year		<b>379,121</b>	704,081
Depreciation and amortisation		<b>15,297</b>	17,163
Net (gain)/ loss on sale of non-current assets		<b>429</b>	-
Fair value (gains)/loss on other financial assets at fair value through profit or loss		<b>(24,508)</b>	(150,488)
Provision for Annual Leave		<b>15,716</b>	10,921
Provision for Long Service Leave		<b>32,634</b>	12,480
Provision for Study Leave		<b>12,277</b>	11,004
Provision for Centenary		<b>(20,000)</b>	-
Decrease (Increase) in trade debtors		<b>223,182</b>	294,879
Decrease (Increase) in other operating assets		<b>(36,303)</b>	(2,196)
Increase (decrease) in trade creditors		<b>(13,869)</b>	(270,373)
Increase (decrease) in other operating liabilities		<b>(50,261)</b>	33,110
Net cash inflow (outflow) from operating activities		<b>533,715</b>	660,581

### Note 30. Acquittal of Australian Government financial assistance

<b>30.1 Commonwealth Grants Scheme and Other DEEWR Grants</b>		<b>MCD</b>			
	Notes	Australian Higher Education Graduation Statement		Total	
		2010 \$	2009 \$	2010 \$	2009 \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)		100,000	-	100,000	-
Net accrual adjustments		-	-	-	-
Revenue for the period	4(e)	100,000	-	100,000	-
Surplus / (deficit) from the previous year		-	-	-	-
Total revenue including accrued revenue		100,000	-	100,000	-
Less expenses including accrued expenses		-	-	-	-
Surplus / (deficit) for reporting period		100,000	-	100,000	-
<b>30.2 Higher Education Loan Programmes</b>		<b>MCD</b>			
	Notes	FEE-HELP		Total	
		2010 \$	2009 \$	2010 \$	2009 \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)		2,388,174	1,838,062	2,388,174	1,838,062
Net accrual adjustments		(221,625)	(14,859)	(221,625)	(14,859)
Revenue for the period	4(b)	2,166,549	1,823,203	2,166,549	1,823,203
Surplus / (deficit) from the previous year		-	-	-	-
Total revenue including accrued revenue		2,166,549	1,823,203	2,166,549	1,823,203
Less expenses including accrued expenses		2,166,549	1,823,203	2,166,549	1,823,203
Surplus / (deficit) for reporting period		-	-	-	-



### Note 30. Acquittal of Australian Government financial assistance (continued)

MCD									
30.3 Scholarships		MCD							
	Notes	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Total			
		2010 \$	2009 \$	2010 \$	2009 \$	2010 \$	2009 \$	2010 \$	2009 \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)		<b>172,427</b>	142,457	<b>56,015</b>	54,738	<b>228,442</b>			197,195
Net accrual adjustments		-	-	-	-	-	-	-	-
Revenue for the period	4(c)	<b>172,427</b>	142,457	<b>56,015</b>	54,738	<b>228,442</b>			197,195
Surplus / (deficit) from the previous year		<b>91,250</b>	63,009	<b>77,188</b>	55,171	<b>168,438</b>			118,180
Total revenue including accrued revenue		<b>263,677</b>	205,466	<b>133,203</b>	109,909	<b>396,880</b>			315,375
Less expenses including accrued expenses		<b>181,359</b>	114,216	<b>36,510</b>	32,721	<b>217,869</b>			146,937
Surplus / (deficit) for reporting period		<b>82,318</b>	91,250	<b>96,693</b>	77,188	<b>179,011</b>			168,438
MCD									
30.4 DIISR Research									
	Notes	Joint Research Engagement Program		Research Training Scheme		Implementation Assistance Project			
		2010 \$	2009 \$	2010 \$	2009 \$	2010 \$	2009 \$	2010 \$	2009 \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)		<b>284,282</b>	209,100	<b>582,121</b>	584,091	<b>22,473</b>			53,572
Net accrual adjustments		-	-	-	-	-	-	-	-
Revenue for the period	4(d)	<b>284,282</b>	209,100	<b>582,121</b>	584,091	<b>22,473</b>			53,572
Surplus / (deficit) from the previous year		-	-	<b>175,550</b>	175,550	-			-
Total revenue including accrued revenue		<b>284,282</b>	209,100	<b>757,671</b>	759,641	<b>22,473</b>			53,572
Less expenses including accrued expenses		<b>284,282</b>	238,748	<b>463,021</b>	584,091	<b>22,473</b>			53,572
Surplus / (deficit) for reporting period		-	(29,648)	<b>294,650</b>	175,550	-			-
Surplus to be carried forward		-	-	<b>294,650</b>	175,550	-			-

**Note 30. Acquittal of Australian Government financial assistance (continued)**

		MCD			
		Australian Scheme for Higher Education Repositories		Commercialisation Training Scheme	
	Notes	2010 \$	2009 \$	2010 \$	2009 \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)		-	169,141	22,126	21,671
Net accrual adjustments		-	-	-	-
Revenue for the period	4(d)	-	169,141	22,126	21,671
Surplus / (deficit) from the previous year		100,365	100,365	55,807	42,036
Total revenue including accrued revenue		100,365	269,506	77,933	63,707
Less expenses including accrued expenses		100,365	169,141	67,533	7,900
Surplus / (deficit) for reporting period		-	100,365	10,400	55,807
Surplus to be carried forward		-	100,365	10,400	55,807

		MCD			
		Sustainable Research Excellence		Total	
	Notes	2010 \$	2009 \$	2010 \$	2009 \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)		200,000	-	1,111,002	1,037,574
Net accrual adjustments		-	-	-	-
Revenue for the period	4(d)	200,000	-	1,111,002	1,037,574
Surplus / (deficit) from the previous year		-	-	331,722	317,951
Total revenue including accrued revenue		200,000	-	1,442,724	1,355,525
Less expenses including accrued expenses		67,226	-	1,004,900	1,053,451
Surplus / (deficit) for reporting period		132,774	-	437,824	302,074
Surplus to be carried forward		132,774	-	437,824	331,722

\*Sustainable Research Excellence grant \$29,313 expensed and \$37,913 treated as a prepayment, totalling \$67,226.

## Note 30. Acquittal of Australian Government financial assistance (continued)

30.5 Other Capital Funding							
	Notes	Better Universities Renewal Funding		Teaching and Learning Capital Fund		Total	
		2010 \$	2009 \$	2010 \$	2009 \$	2010 \$	2009 \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)		-	-	-	527,000	-	527,000
Net accrual adjustments		-	-	-	-	-	-
Revenue for the period	4(d)	-	-	-	527,000	-	527,000
Surplus / (deficit) from the previous year		-	118,000	527,000	-	527,000	118,800
Total revenue including accrued revenue		-	118,000	527,000	527,000	527,000	645,800
Less expenses including accrued expenses		-	118,800	163,153	-	163,153	118,800
Surplus / (deficit) for reporting period		-	-	363,847	527,000	363,847	527,000
Surplus to be carried forward		-	-	363,847	527,000	363,847	527,000

\*Teaching and Learning Capital Fund \$99,517 expensed and \$63,636 capitalised, totalling \$163,153.

## Note 31. Financial instruments

Table 31.1: Interest rate exposure and maturity analysis of financial assets

\$									
	Weighted average effective interest rate	Nominal	Interest rate exposure			Past due by			
			Fixed interest rate	Variable interest rate	Non-interest bearing	Less than 1 Month	1-3 months	3 months - 1 year	1-5 years
<b>2010</b>	%								
Cash and cash equivalents	4.00	2,238,314		2,237,954	360				
Receivables	-	646,718			646,718	646,718			
Other financial assets at fair value	-	707,795			707,795				
<b>Total Financial Assets</b>		<b>3,592,827</b>		<b>2,237,954</b>	<b>1,354,873</b>	<b>646,718</b>			
<b>2009</b>									
<b>Cash and cash equivalents</b>	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				
<b>Total Financial Assets</b>		<b>3,348,980</b>		<b>1,807,273</b>	<b>1,541,707</b>	<b>869,900</b>			

**Note 31. Financial instruments (continued)**

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

**Table 31.2: 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
<b>2010</b>									
Payables	-	854,819			854,819	854,819			
<b>Total Financial Liabilities</b>		854,819			854,819	854,819			
<b>2009</b>									
Payables	-	868,688			868,688	868,688			
<b>Total Financial Liabilities</b>	-	868,688			868,688	868,688			

Table 31.3 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 31.3: 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
<b>2010</b>									
<b>Financial assets:</b>									
Cash and cash equivalents	2,238,314	(22,383)	(22,383)	22,383	22,383				
Receivables	646,718	-	-	-	-				
Other financial assets at fair value	707,795					(70,780)	(70,780)	70,780	70,780
<b>Financial liabilities:</b>									
Payables	854,819	-	-	-	-				
<b>Total increase/(decrease)</b>		(22,383)	(22,383)	22,383	22,383	(70,780)	(70,780)	70,780	70,780

March 2011

## FINANCIAL STATEMENTS FOR YEAR ENDING 31 December 2010

### Certification

In our opinion:

The attached financial statements of the **Melbourne College of Divinity** present fairly the financial performance for the year ended 31 December 2010 and the financial position as at 31 December 2010.

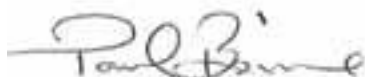
The attached financial statements and notes comply with the Financial Management Act 1994 and with Australian equivalents to International Financial Reporting Standards(A-IFRS), Australian Accounting Standards (AAS and AASB standards) and other mandatory reporting requirements, including, the requirements 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 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.



Revd Dr Terence Curtin  
President  
16 March 2011



Prof Paul Beirne  
Dean & CEO  
16 March 2011



Ms Tricia Lewis  
Finance Manager  
16 March 2011



**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 2010, 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 1998 and the Financial Management Act 2006. 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 those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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.

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**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 1910, including:
  - (i) giving a true and fair view of the College's financial position as at 31 December 2010 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 17 day of March 2011