The members of the Batchelor Institute of Indigenous Tertiary Education (BIITE) Council present their report on the economic entity for the year ended 31 December 2011.

Members

The following persons were members of the Council of BIITE during the year and up to the date of this report:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position and Office Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yvonne Cadet-James</td>
<td>appointed Chancellor on 17 July 2008 and continues in office at the date of this report</td>
</tr>
<tr>
<td>Terry Dunbar</td>
<td>appointed a member on 20 November 2008 and continues in office at the date of this report</td>
</tr>
<tr>
<td>Beverley O’Callaghan</td>
<td>appointed a member on 20 November 2008 and continues in office at the date of this report</td>
</tr>
<tr>
<td>Bronwyn Riedel</td>
<td>appointed a member on 10 September 2009 and continues in office at the date of this report</td>
</tr>
</tbody>
</table>

Executive Committee of Council

The Executive Committee of Council (ECC) which was established on the 21 August 2009, pursuant to Section 24 of the Batchelor Institute of Indigenous Tertiary Education Act, continued to discharge its obligations for the governance of BIITE throughout 2011, with membership as detailed below. The ECC met six times during 2011.

The Executive Committee comprise the following members:

Yvonne Cadet-James  Noelene McCormick  Bronwyn Riedel
Adrian Mitchell   Edward (Ted) Murphy

An extension to the ECC was approved by the Council until "such time as the revised Batchelor Institute of Indigenous Tertiary Education Act has been rewritten and passed by Parliament and the new Council is functional, or revoked in writing by the Council". As the tenure of some members had expired, advice was sought and provided by the Department of Chief Minister, Cabinet Office, Government Boards and Committees that as relevant members had been appointed to ECC prior to their membership expiring, it was satisfactory they could continue in the appointed role.

Meetings of Members

<table>
<thead>
<tr>
<th>Meetings of Members</th>
<th>Council Meetings</th>
<th>Executive Committee of Council Meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
</tr>
<tr>
<td>Yvonne Cadet-James</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Noelene McCormick</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Adrian Mitchell</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Edward (Ted) Murphy</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bronwyn Riedel</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

A = Number of meetings attended
B = Number of meetings held during the time the member held office during the year.
Principal Activities
During the year, the principal continuing activities of the economic entity consisted of:
a) the provision of Higher Education and Vocational Education and Training; and
b) the undertaking of research and consultancy services.

Review of Operations
Financial Performance
For 2011 BIITE recorded an operating surplus of $5.8 million (2010 deficit of $2.9 million) of which $2.8 million relates to core activities of the Institute. Income increased by 5.5% to $47.1 million over the prior year with increases relating to government funding. Employee expenditure increased in 2011 by 7.9% (or $1.8 million) due to a combination of the general increase in salaries and utilisation of the Australian Government’s Diversity and Structural Adjustment Fund. However, this increase was offset by a $7.6 million reduction in other expenses relating to the one off recognition of $6 million in unexpended grant funding in 2010 and a general reduction in 2011 in travel and contracted services. The Summary of Financials section of the 2011 Annual Report provides a comprehensive analysis of the financial performance.

Asset purchases and capital works
During 2011, BIITE undertook the following major asset purchases and capital projects:
• Completed the A3 Lecture Theatre upgrade in November 2011;
• Purchased a house and land in Katherine and a house in Wadeye;
• Commenced construction of the Arts and Craft Facility at the Desert Peoples Centre;
• Commenced planning for the new horticultural training facility; and
• Conducted various building renovations at the Batchelor and Alice Springs campuses.

Batchelor Institute agreement with TAFESA Adelaide South Institute
Following negotiations during 2011, BIITE and TAFESA Adelaide South Institute signed an agreement in February 2012 designed to improve learning delivery to Community Development Employment Program participants in remote Northern Territory and South Australian communities through resource sharing, innovative training methods, focus on employment pathways and implement a strong focus on foundation, literacy and numeracy and employability skills.

Significant Changes in the State of Affairs
Cessation of KordaMentha Appointment
KordaMentha ceased assistance to BIITE in August 2010 making 2011 the first full reporting period independent of KordaMentha’s appointment.

Batchelor Institute of Indigenous Tertiary Education Act
The review of the Batchelor Institute of Indigenous Tertiary Education Act was completed during 2011 and the amended Act was passed by Parliament in February 2012. Amendments included a reduction in the size of Governing Council, the creation of an Indigenous Advisory Council, and redefining the roles and responsibilities of Council.
Enterprise Bargaining

BIITE was actively engaged in negotiations during 2011 for a new enterprise bargaining agreement and is now in finalisation stages with the new agreement anticipated to be effective in March 2012.

Australian Centre for Indigenous Knowledges and Education

The Australian Centre for Indigenous Knowledges and Education (ACIKE) is a joint initiative between BIITE and Charles Darwin University (CDU) to provide a shared facility for the delivery of a specific range of higher education and post graduate study options. Acceptance of student enrolments under this arrangement commenced in 2012. Negotiations for shared services arrangements continued throughout 2011 and are yet to be finalised. The construction of the ACIKE building is being managed by CDU and will continue during 2012.

Matters Subsequent to the End of the Financial Year

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

Likely Developments and Expected Results of Operations

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

Insurance of Officers

The economic entity has insurance in place to insure the members of the Council and its Committees and Officers against claims arising from their involvement in the activities of the economic entity. BIITE maintains public liability insurance cover of $10 million.

Proceedings on Behalf of Batchelor Institute

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

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

Yvonne Cadet-James
Chair of Council Executive
Batchelor
23 May 2012
Donald Wunungmurra (Lake Evalla) has lived in a number of locations from Numbulwar, to Lake Evalla, Milingimbi, Daly River, Ti Tree and now back at Lake Evalla. Donald also has skills in spear making and woomeras. The paintings that Donald has produced are simple in form using his Yirritja motifs such as the long neck turtle and crab which often have a sense of symmetry and freshness of palette. Donald’s use of his totems in his paintings is becoming recognisable and his work has a distinct quirkiness about it giving it an appeal.
CONTENTS

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The financial report was authorised for issue by the members on 23 May 2012.
The Batchelor Institute of Indigenous Tertiary Education has the power to amend and reissue the financial report.
<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Note</th>
<th>2011 '000</th>
<th>2010 '000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income from continuing operations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Government financial assistance</td>
<td>3</td>
<td>30,399</td>
<td>29,166</td>
</tr>
<tr>
<td>Australian Government grants</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HECS-HELP Australian Government payments</td>
<td>3</td>
<td>357</td>
<td>1,127</td>
</tr>
<tr>
<td>HECS-HELP student payments</td>
<td>3</td>
<td></td>
<td>14</td>
</tr>
<tr>
<td>NT Government financial assistance</td>
<td>4</td>
<td>13,167</td>
<td>11,155</td>
</tr>
<tr>
<td>Fees and charges</td>
<td>5</td>
<td>288</td>
<td>351</td>
</tr>
<tr>
<td>Investment revenue</td>
<td>6</td>
<td>874</td>
<td>804</td>
</tr>
<tr>
<td>Consultancy and contracts</td>
<td>7</td>
<td>1,176</td>
<td>1,173</td>
</tr>
<tr>
<td>Other revenue</td>
<td>8</td>
<td>819</td>
<td>834</td>
</tr>
<tr>
<td><strong>Total income from continuing operations</strong></td>
<td></td>
<td>47,083</td>
<td>44,624</td>
</tr>
<tr>
<td><strong>Expenses from continuing operations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee related expenses</td>
<td>9</td>
<td>24,393</td>
<td>22,601</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>10</td>
<td>1,475</td>
<td>1,394</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>11</td>
<td>442</td>
<td>869</td>
</tr>
<tr>
<td>Impairment of assets</td>
<td>12</td>
<td>(17)</td>
<td>(14)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>13</td>
<td>15,023</td>
<td>22,652</td>
</tr>
<tr>
<td><strong>Total expenses from continuing operations</strong></td>
<td></td>
<td>41,316</td>
<td>47,502</td>
</tr>
<tr>
<td><strong>Operating result before income tax</strong></td>
<td></td>
<td>5,767</td>
<td>(2,878)</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>1(d)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating result after income tax for the period</strong></td>
<td></td>
<td>5,767</td>
<td>(2,878)</td>
</tr>
</tbody>
</table>

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

2011 2010
$'000 $'000

Income from continuing operations

Australian Government financial assistance 3 30,399 29,166
Australian government grants
hEcs-hELP Australian government payments 3 357 1,127
hEcs-hELP student payments 3 14
NT Government financial assistance 4 13,167 11,155
fees and charges 5 288 351
Investment revenue 6 874 804
consultancy and contracts 7 1,176 1,173
Other revenue 8 819 834

Total income from continuing operations 47,083 44,624

Expenses from continuing operations

Employee related expenses 9 24,393 22,601
depreciation and amortisation 10 1,475 1,394
Repairs and maintenance 11 442 869
Impairment of assets 12 (17) (14)
Other expenses 13 15,023 22,652

Total expenses from continuing operations 41,316 47,502

Operating result before income tax 5,767 (2,878)

Income tax expense 1(d) - -

Operating result after income tax for the period 5,767 (2,878)

Gain / (loss) on revaluation of heritage and cultural assets, net of tax 23 78 (24)

Total comprehensive income 5,845 (2,902)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.
## Statement of Financial Position As at 31 December 2011

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011 $’000</th>
<th>2010 $’000</th>
<th>2009 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Note</strong></td>
<td><strong>2011</strong></td>
<td><strong>2010</strong></td>
<td><strong>2009</strong></td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>15</td>
<td>16,026</td>
<td>15,361</td>
</tr>
<tr>
<td>Receivables</td>
<td>16</td>
<td>3,185</td>
<td>2,197</td>
</tr>
<tr>
<td>Other non-financial assets</td>
<td>17</td>
<td>330</td>
<td>926</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>19,541</strong></td>
<td><strong>18,484</strong></td>
<td><strong>18,610</strong></td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>18</td>
<td>31,301</td>
<td>30,800</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>19</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td><strong>31,301</strong></td>
<td><strong>30,800</strong></td>
<td><strong>30,498</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>50,842</strong></td>
<td><strong>49,284</strong></td>
<td><strong>49,108</strong></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>20</td>
<td>1,684</td>
<td>1,242</td>
</tr>
<tr>
<td>Provisions</td>
<td>21</td>
<td>3,809</td>
<td>3,716</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>22</td>
<td>1,700</td>
<td>6,529</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>7,193</strong></td>
<td><strong>11,487</strong></td>
<td><strong>8,399</strong></td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td>21</td>
<td>692</td>
<td>685</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td><strong>692</strong></td>
<td><strong>685</strong></td>
<td><strong>695</strong></td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>7,885</strong></td>
<td><strong>12,172</strong></td>
<td><strong>9,094</strong></td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td><strong>42,957</strong></td>
<td><strong>37,112</strong></td>
<td><strong>40,014</strong></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves</td>
<td>23</td>
<td>27,550</td>
<td>27,472</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>23</td>
<td>15,407</td>
<td>9,640</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td><strong>42,957</strong></td>
<td><strong>37,112</strong></td>
<td><strong>40,014</strong></td>
</tr>
</tbody>
</table>

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 2011

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Note</th>
<th>Reserves</th>
<th>Retained Earnings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 1 January 2010</strong></td>
<td></td>
<td>27,496</td>
<td>16,047</td>
<td>43,543</td>
</tr>
<tr>
<td>Retrospective changes</td>
<td>22,23</td>
<td>-</td>
<td>(3,529)</td>
<td>(3,529)</td>
</tr>
<tr>
<td><strong>Balance as restated</strong></td>
<td></td>
<td>27,496</td>
<td>12,518</td>
<td>40,014</td>
</tr>
<tr>
<td>Profit or loss</td>
<td></td>
<td>-</td>
<td>(2,878)</td>
<td>(2,878)</td>
</tr>
<tr>
<td>Other comprehensive income - revaluation of heritage and cultural assets</td>
<td>(24)</td>
<td>-</td>
<td>(24)</td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 31 December 2010</strong></td>
<td>23</td>
<td>27,472</td>
<td>9,640</td>
<td>37,112</td>
</tr>
<tr>
<td><strong>Balance at 1 January 2011</strong></td>
<td></td>
<td>27,472</td>
<td>9,640</td>
<td>37,112</td>
</tr>
<tr>
<td>Profit or loss</td>
<td></td>
<td>-</td>
<td>5,767</td>
<td>5,767</td>
</tr>
<tr>
<td>Other comprehensive income - revaluation of heritage and cultural assets</td>
<td>78</td>
<td>-</td>
<td>78</td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 31 December 2011</strong></td>
<td>23</td>
<td>27,550</td>
<td>15,407</td>
<td>42,957</td>
</tr>
</tbody>
</table>

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 2011

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Government grants</td>
<td>3</td>
<td>31,149</td>
<td>26,154</td>
</tr>
<tr>
<td>NT Government grants</td>
<td></td>
<td>12,923</td>
<td>11,445</td>
</tr>
<tr>
<td>HECS-HELP Australian Government receipts</td>
<td>3</td>
<td>960</td>
<td>1,127</td>
</tr>
<tr>
<td>Receipts from student fees and other customers</td>
<td></td>
<td>1,890</td>
<td>2,423</td>
</tr>
<tr>
<td>Interest received</td>
<td></td>
<td>850</td>
<td>804</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td></td>
<td>(45,216)</td>
<td>(40,681)</td>
</tr>
<tr>
<td>GST recovered / (paid)</td>
<td>7</td>
<td></td>
<td>84</td>
</tr>
<tr>
<td><strong>Net cash provided by / (used in) operating activities</strong></td>
<td>30</td>
<td>2,563</td>
<td>1,356</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments for property, plant and equipment</td>
<td>18</td>
<td>(1,898)</td>
<td>(1,720)</td>
</tr>
<tr>
<td><strong>Net cash provided by / (used in) investing activities</strong></td>
<td></td>
<td>(1,898)</td>
<td>(1,720)</td>
</tr>
<tr>
<td><strong>Net increase / (decrease) in cash and cash equivalents</strong></td>
<td>665</td>
<td></td>
<td>(364)</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the financial year</td>
<td></td>
<td>15,361</td>
<td>15,725</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at the end of the financial year</strong></td>
<td>15</td>
<td>16,026</td>
<td>15,361</td>
</tr>
</tbody>
</table>

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

#### Income
- 1. **Summary of significant accounting policies**
- 2. **Disaggregated information**
- 3. Australian Government financial assistance including HECS-HELP and other Australian Government loan programs
- 4. Northern Territory Government financial assistance
- 5. Fees and charges
- 6. Investment revenue and income
- 7. Consultancy and contracts
- 8. Other revenue and income

#### Expenses
- 9. Employee related expenses
- 10. Depreciation and amortisation
- 11. Repairs and maintenance
- 12. Impairment of assets
- 13. Other expenses
- 14. Services received free of charge

#### Assets
- 15. Cash and cash equivalents
- 16. Receivables
- 17. Other non-financial assets
- 18. Property, plant and equipment
- 19. Intangible assets

#### Liabilities
- 20. Trade and other payables
- 22. Other liabilities

#### Equity
- 23. Reserves and retained earnings

#### Other Sections
- 24. Key management personnel disclosures
- 25. Remuneration of auditors
- 26. Contingencies
- 27. Commitments
- 28. Economic dependency
- 29. Events occurring after the balance sheet date
- 30. Reconciliation of operating result after income tax to net cash flows from operating activities
- 31. Financial risk management
- 32. Acquittal of Australian Government financial assistance
- 33. Disaggregated results by source of funds
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The Institute is a multi-campus, dual-sector institution, providing both Higher Education, and Vocational Education and Training courses.

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

(a) Basis of preparation
Section 46 of the Batchelor Institute of Indigenous Tertiary Education Act requires the Director, at the end of each financial year, to prepare and have audited, financial statements in respect of the financial year. The financial statements represent the audited general purpose financial statements, which have been prepared on a going concern and accrual basis in accordance with Australian Accounting Standards, Australian Accounting Standards Board Interpretations and the requirements of the Department of Education, Employment and Workplace Relations (DEEWR) and other State/Australian Government legislative requirements.

Compliance with IFRS
The financial statements and notes of BIITE comply with Australian Accounting Standards, some of which contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements.

Date of authorisation for issue
The financial statements were authorised for issue by the members of BIITE on 23 May 2012.

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

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

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

(b) Investments in other entities
BIITE, through a joint venture agreement with Centre for Appropriate Technology Inc., has a 50% interest in the Desert Peoples Centre Inc., an associated incorporate under the Associations Act. The fair value of this investment has been deemed to be $0 due to the non-profit status of the Desert Peoples Centre Inc. and its constitution which precludes any profits being shared between the partners.
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

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

(e) Leases
Leases of property, plant and equipment where BIITE, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset’s useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (Note 27). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis, over the period of the lease.

(f) Impairment of assets
Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

(h) Trade receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are due for settlement no more than 30 days from the date of recognition.

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

(i) Investments and other financial assets

Classification
BIITE classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified in this category if it is acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

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

(iii) Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that BIITE’s management has the positive intention and ability to hold to maturity.

(iv) Available-for-sale financial assets
Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are included in the income statement as gains and losses from investment securities.

The financial instruments of BIITE comprise cash, money market deposit accounts, bank bills, receivables and trade creditors. All the above were initially measured at cost, which is the fair value of the consideration given to acquire the financial asset or liability. All BIITE's financial assets are classified as loans and receivables and recorded at amortised cost.

**Subsequent measurement**

Available-for-sale financial assets and financial asset at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement within other income or other expenses in the period in which they arise.

**Fair value**

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), BIITE establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

**Impairment**

BIITE assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

**(j) Fair value estimation**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

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

**(k) Property, plant and equipment**

Land and buildings are shown at fair value based on periodic valuations by external independent valuers, but at least quinquennial, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation.
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include gains or losses that were recognised in other comprehensive income on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

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

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

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

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

Land, buildings and infrastructure in Alice Springs and Batchelor were revalued in January and March 2010 by the Australian Valuation Office, with values reflected as at 31 December 2009. Land, buildings and infrastructure in remote locations will be revalued in 2012.

The library collection was revalued in 2007 by Rushton Valuers Pty Ltd and is due to be revalued in 2012.

The artwork collection was revalued in December 2011 by Cross Cultural Art Exchange. This resulted in an increase of $78,000 in the collection which has been reflected in the financial statements.

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

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

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(iii) Amortisation of intangible assets
Preliminary expenses in respect of the development of computer software are capitalised as they are incurred but do not commence to be amortised until the software development is completed and ready for use. The following estimated useful life was used in the calculation of amortised of intangibles:
- Computer software 3 years

(l) Trade and other payables
These amounts represent liabilities for goods and services provided to BIITE prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(m) Provisions
Provisions are recognised when BIITE has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.
Provisions are not recognised for future operating losses.
Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.
Provisions are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost.

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

(ii) Annual leave
The liability for long-term employee benefits such as annual leave is recognised in current provisions for employee benefits as it is not due to be settled within 12 months after the end of the reporting period. It is measured at the amount expected to be paid when the liability is settled. Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

(iii) Long service leave
The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currently that match, as closely as possible, the estimated future cash outflows.
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(iv) Termination benefits
Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. BIITE recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance date are discounted to present value.

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

Until 30 June 1999 benefits from NTGPASS were supplemented by an additional productivity benefit from the Northern Territory Supplementary Superannuation Scheme (NTSSS). The NTSSS benefit was entirely employer funded and did not require employee contributions. It was provided to all employees whom completed at least three months service. From 1 July 1999 the Northern Territory Government revised its superannuation schemes so that staff commencing after 1 July 1999 were provided for through a new government scheme, Australian Government Employees Superannuation Trust (AGEST), which only recognises the rate of contribution required under the superannuation guarantee law. For this reporting period the rate is 9%. The NTGPASS, NTSSS and the defined contribution scheme provide lump sum benefits while the CSS provides a mixture of lump sum and pension benefits. In respect of the entity's superannuation plans, any contributions made to the superannuation plans by the entity are recognised against profits when due.

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

(p) Rounding of amounts
Amounts in the financial report have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

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

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

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

(r) Comparative amounts
Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Prior period errors
BIITE has made adjustments to correct accounting errors identified during the current year but relating to prior years, in accordance with AASB108 Accounting Policies, Changes in Accounting Estimates and Errors. In prior years, BIITE did not recognise a liability for unspent government funding which, under contractual obligations, were required to be repaid if unspent. BIITE has identified the portion of the error that relates to 2010 and has made retrospective changes to that year. The remaining portion has been recognised at the earliest date practicable, 1 January 2010.

<table>
<thead>
<tr>
<th>Statement of comprehensive income</th>
<th>2010 Previous Balance $’000</th>
<th>Adjustment for Errors $’000</th>
<th>2010 Adjusted Balance $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Government financial assistance income</td>
<td>26,154</td>
<td>3,012</td>
<td>29,166</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>(5,914)</td>
<td>3,012</td>
<td>(2,902)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Statement of financial position</th>
<th>2010 Previous Balance $’000</th>
<th>Adjustment for Errors $’000</th>
<th>2010 Adjusted Balance $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other liabilities</td>
<td>6,012</td>
<td>517</td>
<td>6,529</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>10,157</td>
<td>(517)</td>
<td>9,640</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Statement of changes in equity - retained earnings</th>
<th>2010 Previous Balance $’000</th>
<th>Adjustment for Errors $’000</th>
<th>2010 Adjusted Balance $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retrospective changes</td>
<td>-</td>
<td>(3,529)</td>
<td>(3,529)</td>
</tr>
<tr>
<td>Balance as restated for 1 January 2010</td>
<td>16,047</td>
<td>(3,529)</td>
<td>12,518</td>
</tr>
<tr>
<td>Profit or loss</td>
<td>(5,890)</td>
<td>3,012</td>
<td>(2,878)</td>
</tr>
<tr>
<td>Balance at 31 December 2010</td>
<td>10,157</td>
<td>(517)</td>
<td>9,640</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Statement of financial position</th>
<th>2009 Previous Balance $’000</th>
<th>Adjustment for Errors $’000</th>
<th>2009 Adjusted Balance $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other liabilities</td>
<td>-</td>
<td>3,529</td>
<td>3,529</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>16,047</td>
<td>(3,529)</td>
<td>12,518</td>
</tr>
</tbody>
</table>

(t) New Accounting Standards and Interpretations

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

(ii) Accounting Standards and Interpretations issued but not yet effective
New Accounting Standards and Interpretations were in issue at the date of authorisation of this financial report but are not mandatory for 31 December 2011 reporting periods. BIITE has not adopted any of these for the reporting period ended 31 December 2011. It is estimated that the impact of adopting these pronouncements when effective will have no material financial impact on BIITE in future reporting periods.
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

<table>
<thead>
<tr>
<th>Standard/ Interpretation</th>
<th>Effective for annual reporting periods beginning on or after</th>
<th>Expected to be initially applied in the financial year ending</th>
</tr>
</thead>
<tbody>
<tr>
<td>AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</td>
<td>1 January 2013</td>
<td>31 December 2013</td>
</tr>
<tr>
<td>AASB 10 Consolidated Financial Statements</td>
<td>1 January 2013</td>
<td>31 December 2013</td>
</tr>
<tr>
<td>AASB 11 Joint Arrangements</td>
<td>1 January 2013</td>
<td>31 December 2013</td>
</tr>
<tr>
<td>AASB 12 Disclosure of Interests in Other Entities</td>
<td>1 January 2013</td>
<td>31 December 2013</td>
</tr>
<tr>
<td>AASB 13 Fair Value Measurement and related AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 Fair Value Measurement</td>
<td>1 January 2013</td>
<td>31 December 2013</td>
</tr>
<tr>
<td>AASB 119 Employee Benefits, AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</td>
<td>1 January 2013</td>
<td>31 December 2013</td>
</tr>
<tr>
<td>AASB 127 Separate Financial Statements</td>
<td>1 January 2013</td>
<td>31 December 2013</td>
</tr>
<tr>
<td>AASB 128 Investments in Associates and Joint Ventures</td>
<td>1 January 2013</td>
<td>31 December 2013</td>
</tr>
<tr>
<td>AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</td>
<td>1 July 2013</td>
<td>31 December 2013</td>
</tr>
<tr>
<td>AASB 2010-8 Amendments to Australian Accounting Standards - Deferred Tax: Recovery of Underlying Assets</td>
<td>1 January 2012</td>
<td>31 December 2012</td>
</tr>
<tr>
<td>AASB 2010-10 Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters</td>
<td>1 January 2013</td>
<td>31 December 2013</td>
</tr>
<tr>
<td>AASB 2011-3 Amendments to Australian Accounting Standards - Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments</td>
<td>1 January 2012</td>
<td>31 December 2012</td>
</tr>
<tr>
<td>AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements</td>
<td>1 January 2013</td>
<td>31 December 2013</td>
</tr>
<tr>
<td>AASB 2011-6 Amendments to Australian Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation - Reduced Disclosure Requirement</td>
<td>1 July 2013</td>
<td>31 December 2013</td>
</tr>
<tr>
<td>AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards</td>
<td>1 January 2013</td>
<td>31 December 2013</td>
</tr>
<tr>
<td>AASB 2011-9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income</td>
<td>1 July 2012</td>
<td>31 December 2012</td>
</tr>
</tbody>
</table>
NOTE 2: DISAGGREGATED INFORMATION
(a) Industry - Dual Sector Providers (Economic Entity)

Operating revenues and expenses for Higher Education and Vocational Education and Training (VET) are shown in the following tables. They have been determined by identifying specific revenues and expenses for each sector, and apportioning the remainder relative to student capacity (Higher Education 46%; VET 54%). This is consistent with prior years.

<table>
<thead>
<tr>
<th></th>
<th>Higher Education</th>
<th>VET</th>
<th>Total Economic Entity</th>
<th>Higher Education</th>
<th>VET</th>
<th>Total Economic Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note $'000</td>
<td>$000</td>
<td></td>
<td>$000</td>
<td>$000</td>
<td></td>
<td>$000</td>
</tr>
</tbody>
</table>

**INCOME STATEMENT**

**Income from continuing operations**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Government financial assistance</td>
<td>3</td>
<td>21,270</td>
<td>9,129</td>
<td>30,399</td>
<td>20,123</td>
<td>9,043</td>
</tr>
<tr>
<td>Australian government grants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HECS-Help Australian government payments</td>
<td>3</td>
<td>357</td>
<td>-</td>
<td>357</td>
<td>1,127</td>
<td>-</td>
</tr>
<tr>
<td>HECS-Help student payments</td>
<td>3</td>
<td>-</td>
<td>3</td>
<td>14</td>
<td>-</td>
<td>14</td>
</tr>
<tr>
<td>NT Government financial assistance</td>
<td>4</td>
<td>-</td>
<td>13,167</td>
<td>13,167</td>
<td>-</td>
<td>11,155</td>
</tr>
<tr>
<td>Fees and charges</td>
<td>5</td>
<td>132</td>
<td>156</td>
<td>288</td>
<td>162</td>
<td>189</td>
</tr>
<tr>
<td>Investment revenue</td>
<td>6</td>
<td>402</td>
<td>472</td>
<td>874</td>
<td>370</td>
<td>434</td>
</tr>
<tr>
<td>Consultancy and contracts</td>
<td>7</td>
<td>541</td>
<td>635</td>
<td>1,176</td>
<td>540</td>
<td>633</td>
</tr>
<tr>
<td>Other revenue</td>
<td>8</td>
<td>377</td>
<td>442</td>
<td>819</td>
<td>384</td>
<td>450</td>
</tr>
<tr>
<td><strong>Total income from continuing operations</strong></td>
<td>23,082</td>
<td>24,001</td>
<td>47,083</td>
<td>22,720</td>
<td>21,904</td>
<td>44,624</td>
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</tbody>
</table>

**Expenses from continuing operations**

<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Employee related expenses</td>
<td>9</td>
<td>11,221</td>
<td>13,172</td>
<td>24,393</td>
<td>10,396</td>
<td>12,205</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>10</td>
<td>678</td>
<td>797</td>
<td>1,475</td>
<td>641</td>
<td>753</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>11</td>
<td>203</td>
<td>239</td>
<td>442</td>
<td>400</td>
<td>469</td>
</tr>
<tr>
<td>Impairment of assets</td>
<td>12</td>
<td>(8)</td>
<td>(9)</td>
<td>(17)</td>
<td>(6)</td>
<td>(8)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>13</td>
<td>6,911</td>
<td>8,112</td>
<td>15,023</td>
<td>10,420</td>
<td>12,232</td>
</tr>
<tr>
<td><strong>Total expenses from continuing operations</strong></td>
<td>19,005</td>
<td>22,311</td>
<td>41,316</td>
<td>21,851</td>
<td>25,651</td>
<td>47,502</td>
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</tbody>
</table>

**Operating result before income tax expense**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating result before income tax expense</strong></td>
<td>4,077</td>
<td>1,690</td>
<td>5,767</td>
<td>869</td>
<td>(3,747)</td>
<td>(2,878)</td>
</tr>
</tbody>
</table>

**Operating result after income tax for the period**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating result after income tax for the period</strong></td>
<td>4,077</td>
<td>1,690</td>
<td>5,767</td>
<td>869</td>
<td>(3,747)</td>
<td>(2,878)</td>
</tr>
</tbody>
</table>

The above income statement should be read in conjunction with the accompanying notes.
NOTE 2: DISAGGREGATED INFORMATION (continued)

(a) Industry - Dual Sector Providers (Economic Entity) (continued)

<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
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<tr>
<td>(a)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

**STATEMENT OF FINANCIAL POSITION**

**Assets**

**Current assets**

- **Cash and cash equivalents**: 15, 26,312, (10,286), 16,026, 24,267, (8,906), 15,361
- **Receivables**: 16, 1,477, 1,708, 3,185, 1,011, 1,186, 2,197
- **Other non-financial assets**: 17, 152, 178, 330, 426, 500, 926

**Total current assets**: 27,941, (8,400), 19,541, 25,704, (7,220), 18,484

**Non-current assets**

- **Property, plant and equipment**: 18, 14,398, 16,903, 31,301, 14,168, 16,632, 30,800

**Total non-current assets**: 14,398, 16,903, 31,301, 14,168, 16,632, 30,800

**Total assets**: 42,339, 8,503, 50,842, 39,872, 9,412, 49,284

**Liabilities**

**Current liabilities**

- **Trade and other payables**: 20, 775, 909, 1,684, 571, 671, 1,242
- **Provisions**: 21, 1,752, 2,057, 3,809, 1,709, 2,007, 3,716
- **Other liabilities**: 22, 1,108, 592, 1,700, 3,003, 3,526, 6,529

**Total current liabilities**: 3,635, 3,558, 7,193, 5,283, 9,412, 14,487

**Non-current liabilities**

- **Provisions**: 21, 318, 374, 692, 315, 370, 685

**Total non-current liabilities**: 318, 374, 692, 315, 370, 685

**Total liabilities**: 3,953, 3,932, 7,885, 5,598, 6,574, 12,172

**Net assets**: 38,386, 4,571, 42,957, 34,274, 2,838, 37,112

**Equity**

- **Reserves**: 23, 22,153, 5,397, 27,550, 22,117, 5,355, 27,472
- **Retained earnings**: 23, 16,233, (826), 15,407, 12,156, (2,516), 9,640

**Total equity**: 38,386, 4,571, 42,957, 34,273, 2,839, 37,112

The above statement of financial position should be read in conjunction with the accompanying notes.
NOTE 2: DISAGGREGATED INFORMATION (continued)

(a) Industry - Dual Sector Providers (Economic Entity) (continued)

<table>
<thead>
<tr>
<th></th>
<th>Higher Education</th>
<th>VET</th>
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<tbody>
<tr>
<td></td>
<td>Reserves $'000</td>
<td>Retained Earnings $'000</td>
</tr>
<tr>
<td>Note</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>STATEMENT OF CHANGES IN EQUITY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 January 2010</td>
<td>22,269</td>
<td>12,911</td>
</tr>
<tr>
<td>Retrospective changes</td>
<td>- (1,624)</td>
<td>-</td>
</tr>
<tr>
<td>Balance as restated</td>
<td>22,269</td>
<td>11,287</td>
</tr>
<tr>
<td>Profit or loss</td>
<td>-</td>
<td>869</td>
</tr>
<tr>
<td>Other comprehensive income - revaluation of heritage and cultural assets</td>
<td>(11)</td>
<td>-</td>
</tr>
<tr>
<td>Other adjustment</td>
<td>(141)</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 31 December 2010</td>
<td>23</td>
<td>22,117</td>
</tr>
<tr>
<td>Balance at 1 January 2011</td>
<td>22,117</td>
<td>12,156</td>
</tr>
<tr>
<td>Profit or loss</td>
<td>-</td>
<td>4,077</td>
</tr>
<tr>
<td>Other comprehensive income - revaluation of heritage and cultural assets</td>
<td>36</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 31 December 2011</td>
<td>23</td>
<td>22,153</td>
</tr>
</tbody>
</table>

The above statement of changes in equity should be read in conjunction with the accompanying notes.
NOTE 2: DISAGGREGATED INFORMATION (continued)

(a) Industry - Dual Sector Providers (Economic Entity) (continued)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>(a)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**STATEMENT OF CASH FLOWS**

**Cash flows from operating activities**

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2011</th>
<th>2010</th>
<th>2010</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Government grants</td>
<td>21,494</td>
<td>9,655</td>
<td>31,149</td>
<td>18,737</td>
<td>7,417</td>
</tr>
<tr>
<td>NT Government grants</td>
<td>-</td>
<td>12,923</td>
<td>12,923</td>
<td>-</td>
<td>11,445</td>
</tr>
<tr>
<td>HECS-HELP Australian Government receipts</td>
<td>960</td>
<td>-</td>
<td>960</td>
<td>1,127</td>
<td>-</td>
</tr>
<tr>
<td>Receipts from student fees and other customers</td>
<td>869</td>
<td>1,021</td>
<td>1,890</td>
<td>1,115</td>
<td>1,308</td>
</tr>
<tr>
<td>Interest received</td>
<td>391</td>
<td>459</td>
<td>850</td>
<td>370</td>
<td>434</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(20,799)</td>
<td>(24,417)</td>
<td>(45,216)</td>
<td>(18,713)</td>
<td>(21,968)</td>
</tr>
<tr>
<td>GST recovered / (paid)</td>
<td>3</td>
<td>4</td>
<td>7</td>
<td>39</td>
<td>45</td>
</tr>
<tr>
<td><strong>Net cash provided by / (used in) operating activities</strong></td>
<td>2,918</td>
<td>(355)</td>
<td>2,563</td>
<td>2,674</td>
<td>(1,318)</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments for property, plant and equipment</td>
<td>(873)</td>
<td>(1,025)</td>
<td>(1,898)</td>
<td>(792)</td>
<td>(928)</td>
</tr>
<tr>
<td><strong>Net cash provided by / (used in) investing activities</strong></td>
<td>(873)</td>
<td>(1,025)</td>
<td>(1,898)</td>
<td>(792)</td>
<td>(928)</td>
</tr>
<tr>
<td><strong>Net increase / (decrease) in cash and cash equivalents</strong></td>
<td>2,045</td>
<td>(1,380)</td>
<td>665</td>
<td>1,882</td>
<td>(2,246)</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the financial year</td>
<td>24,267</td>
<td>(8,906)</td>
<td>15,361</td>
<td>22,385</td>
<td>(6,660)</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at the end of the financial year</strong></td>
<td>26,312</td>
<td>(10,286)</td>
<td>16,026</td>
<td>24,267</td>
<td>(8,906)</td>
</tr>
</tbody>
</table>

The above statement of cash flows should be read in conjunction with the accompanying notes.
### NOTE 3: AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>(a) Commonwealth Grant Scheme and other grants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commonwealth Grant Scheme ¹</td>
<td>6,392</td>
<td>5,999</td>
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<tr>
<td>Indigenous Support Program</td>
<td>2,644</td>
<td>2,602</td>
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<tr>
<td>Partnership and Participation Program ²</td>
<td>621</td>
<td>489</td>
</tr>
<tr>
<td>Disability Support Program</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>National Institutes</td>
<td>2,293</td>
<td>2,257</td>
</tr>
<tr>
<td>Capital Development Pool</td>
<td>-</td>
<td>1,042</td>
</tr>
<tr>
<td>Diversity and Structural Adjustment Fund ³</td>
<td>1,535</td>
<td>-</td>
</tr>
<tr>
<td>Superannuation Program</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total Commonwealth Grant Scheme and other grants</strong></td>
<td><strong>13,493</strong></td>
<td><strong>12,419</strong></td>
</tr>
<tr>
<td>(b) Higher Education Loan Programs</td>
<td>32.2</td>
<td></td>
</tr>
<tr>
<td>HECS-HELP</td>
<td>357</td>
<td>1,127</td>
</tr>
<tr>
<td><strong>Total Higher Education Loan Programs</strong></td>
<td><strong>357</strong></td>
<td><strong>1,127</strong></td>
</tr>
<tr>
<td>(c) Scholarships</td>
<td>32.3</td>
<td></td>
</tr>
<tr>
<td>Australian Postgraduate Awards</td>
<td>51</td>
<td>-</td>
</tr>
<tr>
<td>Commonwealth Education Cost Scholarships ⁴</td>
<td>452</td>
<td>1,535</td>
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<tr>
<td>Commonwealth Accommodation Scholarships ⁴</td>
<td>41</td>
<td>36</td>
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<tr>
<td>Indigenous Access Scholarships</td>
<td>39</td>
<td>132</td>
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<tr>
<td><strong>Total Scholarships</strong></td>
<td><strong>583</strong></td>
<td><strong>1,703</strong></td>
</tr>
</tbody>
</table>
### NOTE 3: AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS (continued)

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Note</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(d) DIISR research grants</strong></td>
<td>32.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joint Research Engagement Program</td>
<td>3</td>
<td>112</td>
<td>116</td>
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<tr>
<td>Research Training Scheme</td>
<td></td>
<td>157</td>
<td>163</td>
</tr>
<tr>
<td>Research Infrastructure Block Grants</td>
<td></td>
<td>15</td>
<td>47</td>
</tr>
<tr>
<td>Implementation Assistance Program</td>
<td></td>
<td>-</td>
<td>20</td>
</tr>
<tr>
<td>Australian Scheme for Higher Education Repositories</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sustainable Research Excellence in Universities</td>
<td></td>
<td>17</td>
<td>232</td>
</tr>
<tr>
<td><strong>Total DIISR research grants</strong></td>
<td></td>
<td>301</td>
<td>578</td>
</tr>
<tr>
<td><strong>(e) Australian Research Council</strong></td>
<td>32.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>(i) Discovery</strong></td>
<td>32.5(a)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indigenous Researchers Development</td>
<td></td>
<td>84</td>
<td>98</td>
</tr>
<tr>
<td><strong>Total Discovery</strong></td>
<td></td>
<td>84</td>
<td>98</td>
</tr>
<tr>
<td><strong>(ii) Linkages</strong></td>
<td>32.5(b)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure</td>
<td></td>
<td>-</td>
<td>16</td>
</tr>
<tr>
<td><strong>Total Linkages</strong></td>
<td></td>
<td>-</td>
<td>16</td>
</tr>
<tr>
<td><strong>Total Australian Research Council</strong></td>
<td></td>
<td>84</td>
<td>114</td>
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<tr>
<td><strong>(f) Other Australian Government financial assistance</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Indigenous Education Agreement - Away From Base</td>
<td></td>
<td>8,259</td>
<td>8,410</td>
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<tr>
<td>Indigenous Education Agreement - National Indigenous English Literacy and Numeracy Strategy</td>
<td></td>
<td>1,797</td>
<td>1,763</td>
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<tr>
<td>Indigenous Education Agreement - Indigenous Tutorial Assistance Scheme</td>
<td></td>
<td>239</td>
<td>321</td>
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<tr>
<td>Indigenous Professional Support Unit</td>
<td></td>
<td>1,047</td>
<td>1,593</td>
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<tr>
<td>Office of the Arts Indigenous Broadcasting and Languages Projects</td>
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<td>694</td>
<td>740</td>
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<tr>
<td>Childcare support</td>
<td></td>
<td>549</td>
<td>825</td>
</tr>
<tr>
<td>Community Development Employment Projects</td>
<td></td>
<td>1,805</td>
<td>-</td>
</tr>
<tr>
<td>Collaborative Research Networks</td>
<td></td>
<td>409</td>
<td>-</td>
</tr>
<tr>
<td>Teaching and Learning Capital Fund</td>
<td></td>
<td>436</td>
<td>-</td>
</tr>
<tr>
<td>Other project funding</td>
<td></td>
<td>703</td>
<td>700</td>
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<tr>
<td><strong>Total other Australian Government financial assistance</strong></td>
<td></td>
<td>15,938</td>
<td>14,352</td>
</tr>
<tr>
<td><strong>Total Australian Government financial assistance</strong></td>
<td></td>
<td>30,756</td>
<td>30,293</td>
</tr>
</tbody>
</table>

1. Includes the basic CGS grant amount, CGS - Regional Loading and CGS - Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading
2. Includes Equity Support Program
3. Includes Collaboration and Structural Adjustment Program
4. Includes Grandfathered Scholarships and National Priority Scholarships respectively
5. Includes Institutional Grants Scheme
NOTE 3: AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS (continued)

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reconciliation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Government grants (a+c+d+e+f)</td>
<td>30,399</td>
<td>29,166</td>
</tr>
<tr>
<td>HECS-HELP - Australian Government payments (b)</td>
<td>357</td>
<td>1,127</td>
</tr>
<tr>
<td><strong>Total Australian Government financial assistance</strong></td>
<td>30,756</td>
<td>30,293</td>
</tr>
<tr>
<td>(g) Australian Government grants received - cash basis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commonwealth Grants Scheme and other DEEWR Grants</td>
<td>13,493</td>
<td>12,419</td>
</tr>
<tr>
<td>Higher Education Loan Programs</td>
<td>960</td>
<td>1,127</td>
</tr>
<tr>
<td>Scholarships</td>
<td>583</td>
<td>1,703</td>
</tr>
<tr>
<td>DIISR research</td>
<td>301</td>
<td>578</td>
</tr>
<tr>
<td>Australian Research Council - Discovery</td>
<td>84</td>
<td>98</td>
</tr>
<tr>
<td>Australian Research Council - Linkages</td>
<td>-</td>
<td>16</td>
</tr>
<tr>
<td>Other Australian Government grants</td>
<td>16,688</td>
<td>11,340</td>
</tr>
<tr>
<td><strong>Total Australian Government grants received - cash basis</strong></td>
<td>32,109</td>
<td>27,281</td>
</tr>
<tr>
<td>OS-HELP (Net)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Superannuation Supplement</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Australian Government funding received - cash basis</strong></td>
<td>32,109</td>
<td>27,281</td>
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</table>
### NOTE 4: NORTHERN TERRITORY GOVERNMENT FINANCIAL ASSISTANCE

<table>
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<th>Economic Entity</th>
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<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note $’000</td>
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<td>$’000</td>
</tr>
<tr>
<td><strong>General Purpose</strong></td>
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<tr>
<td>Operational funding</td>
<td>8,946</td>
<td>7,663</td>
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<tr>
<td><strong>Total General Purpose</strong></td>
<td>8,946</td>
<td>7,663</td>
</tr>
<tr>
<td><strong>Specific Purpose</strong></td>
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<td></td>
</tr>
<tr>
<td>Department of Employment and Training</td>
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<td></td>
</tr>
<tr>
<td>Supplementary Recurrent Assistance</td>
<td>792</td>
<td>792</td>
</tr>
<tr>
<td>Indigenous Tutorial Assistance Scheme (VET)</td>
<td>179</td>
<td>179</td>
</tr>
<tr>
<td>Repairs and Maintenance</td>
<td>490</td>
<td>245</td>
</tr>
<tr>
<td>Minor New Works</td>
<td>119</td>
<td>60</td>
</tr>
<tr>
<td>Capital Works</td>
<td>500</td>
<td>600</td>
</tr>
<tr>
<td>Vocational Education and Training Equipment Grant</td>
<td>105</td>
<td>170</td>
</tr>
<tr>
<td>Productivity Places Program</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Indigenous Training for Employment Program</td>
<td>-</td>
<td>93</td>
</tr>
<tr>
<td>Better Tertiary and Further Education Facilities</td>
<td>-</td>
<td>700</td>
</tr>
<tr>
<td>User Choice</td>
<td>275</td>
<td>119</td>
</tr>
<tr>
<td>Strong Literacy and Numeracy in Communities Pilot Program</td>
<td>6</td>
<td>53</td>
</tr>
<tr>
<td>Top End Education and Training Network</td>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>Workforce Capacity Early Childhood Education Project</td>
<td>79</td>
<td>120</td>
</tr>
<tr>
<td>Flexible Response Funding</td>
<td>128</td>
<td>52</td>
</tr>
<tr>
<td>Vocational Education and Training in Schools</td>
<td>54</td>
<td>40</td>
</tr>
<tr>
<td>Skills in Regions Program</td>
<td>-</td>
<td>(2)</td>
</tr>
<tr>
<td>Childcare Subsidy</td>
<td>13</td>
<td>-</td>
</tr>
<tr>
<td>VET Infrastructure for Indigenous People Program</td>
<td>436</td>
<td>-</td>
</tr>
<tr>
<td>Remote Early Childhood</td>
<td>41</td>
<td>-</td>
</tr>
<tr>
<td>Conductive Hearing Loss Project</td>
<td>45</td>
<td>-</td>
</tr>
<tr>
<td>Territory Health</td>
<td>-</td>
<td>16</td>
</tr>
<tr>
<td>Department of Children and Families</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daly River Flood Support</td>
<td>522</td>
<td>-</td>
</tr>
<tr>
<td>Family Support Package</td>
<td>181</td>
<td>-</td>
</tr>
<tr>
<td>Department of Construction and Infrastructure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alice Springs Prison Project</td>
<td>53</td>
<td>226</td>
</tr>
<tr>
<td>Officers Station Berrimah Project</td>
<td>-</td>
<td>67</td>
</tr>
<tr>
<td>Venndale Project</td>
<td>131</td>
<td>-</td>
</tr>
<tr>
<td>Department of Justice</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indigenous Training for Employment Program</td>
<td>56</td>
<td>-</td>
</tr>
<tr>
<td>Department of Health and Families</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tennant Creek Nursing (Refund)</td>
<td>-</td>
<td>(52)</td>
</tr>
<tr>
<td><strong>Total Specific Purpose</strong></td>
<td>4,221</td>
<td>3,492</td>
</tr>
<tr>
<td><strong>Total Northern Territory Government financial assistance</strong></td>
<td>13,167</td>
<td>11,155</td>
</tr>
</tbody>
</table>
### NOTE 5: FEES AND CHARGES

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Note</th>
<th>$'000</th>
<th>$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Course fees and charges</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Course fees</td>
<td></td>
<td>39</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total fees and charges</strong></td>
<td></td>
<td>39</td>
<td>12</td>
</tr>
<tr>
<td><strong>Other non-course fees and charges</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental charges</td>
<td></td>
<td>70</td>
<td>147</td>
</tr>
<tr>
<td>Accommodation</td>
<td></td>
<td>13</td>
<td>22</td>
</tr>
<tr>
<td>Childcare fees</td>
<td></td>
<td>61</td>
<td>36</td>
</tr>
<tr>
<td>Facility hire</td>
<td></td>
<td>85</td>
<td>104</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>20</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total other fees and charges</strong></td>
<td></td>
<td>249</td>
<td>339</td>
</tr>
<tr>
<td><strong>Total fees and charges</strong></td>
<td></td>
<td>288</td>
<td>351</td>
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</table>

### NOTE 6: INVESTMENT REVENUE AND INCOME

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Note</th>
<th>$'000</th>
<th>$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td></td>
<td>874</td>
<td>804</td>
</tr>
<tr>
<td><strong>Total investment revenue</strong></td>
<td></td>
<td>874</td>
<td>804</td>
</tr>
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</table>

### NOTE 7: CONSULTANCY AND CONTRACTS

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Note</th>
<th>$'000</th>
<th>$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultancy</td>
<td></td>
<td>1,068</td>
<td>874</td>
</tr>
<tr>
<td>Other contract revenue</td>
<td></td>
<td>108</td>
<td>299</td>
</tr>
<tr>
<td><strong>Total consultancy and contracts</strong></td>
<td></td>
<td>1,176</td>
<td>1,173</td>
</tr>
</tbody>
</table>
### NOTE 8: OTHER REVENUE AND INCOME

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note $'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Donations and bequests</td>
<td>5</td>
<td>9</td>
</tr>
<tr>
<td>Scholarships and prizes</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Non-government grants</td>
<td>434</td>
<td>623</td>
</tr>
<tr>
<td>Sales</td>
<td>171</td>
<td>194</td>
</tr>
<tr>
<td>Insurance rebates</td>
<td>201</td>
<td>-</td>
</tr>
<tr>
<td>Total other revenue and income</td>
<td>819</td>
<td>834</td>
</tr>
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</table>

### NOTE 9: EMPLOYEE RELATED EXPENSES

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note $'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td><strong>Employee related expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Academic</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>8,458</td>
<td>8,784</td>
</tr>
<tr>
<td>Contributions to superannuation and pension schemes</td>
<td>1,014</td>
<td>951</td>
</tr>
<tr>
<td>Payroll tax</td>
<td>567</td>
<td>632</td>
</tr>
<tr>
<td>Worker’s compensation</td>
<td>4</td>
<td>12</td>
</tr>
<tr>
<td>Long service leave</td>
<td>158</td>
<td>212</td>
</tr>
<tr>
<td>Annual leave</td>
<td>1,342</td>
<td>1,124</td>
</tr>
<tr>
<td>Fringe benefits tax</td>
<td>52</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total academic</strong></td>
<td>11,595</td>
<td>11,715</td>
</tr>
<tr>
<td><strong>Non-academic</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>9,423</td>
<td>8,108</td>
</tr>
<tr>
<td>Contributions to superannuation and pension schemes</td>
<td>1,037</td>
<td>878</td>
</tr>
<tr>
<td>Payroll tax</td>
<td>626</td>
<td>584</td>
</tr>
<tr>
<td>Worker’s compensation</td>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>Long service leave</td>
<td>190</td>
<td>196</td>
</tr>
<tr>
<td>Annual leave</td>
<td>1,456</td>
<td>1,036</td>
</tr>
<tr>
<td>Fringe benefits tax</td>
<td>57</td>
<td>73</td>
</tr>
<tr>
<td><strong>Total non-academic</strong></td>
<td>12,798</td>
<td>10,886</td>
</tr>
<tr>
<td><strong>Total employee related expenses</strong></td>
<td>24,393</td>
<td>22,601</td>
</tr>
</tbody>
</table>
### NOTE 10: DEPRECIATION AND AMORTISATION

<table>
<thead>
<tr>
<th></th>
<th>Economic Entity</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Note</td>
<td>2011</td>
<td>2010</td>
</tr>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td></td>
<td>1,194</td>
<td>1,178</td>
</tr>
<tr>
<td>Infrastructure</td>
<td></td>
<td>46</td>
<td>41</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td></td>
<td>62</td>
<td>52</td>
</tr>
<tr>
<td>Computer hardware</td>
<td></td>
<td>122</td>
<td>74</td>
</tr>
<tr>
<td>Transport equipment</td>
<td></td>
<td>51</td>
<td>49</td>
</tr>
<tr>
<td><strong>Total depreciation</strong></td>
<td></td>
<td>1,475</td>
<td>1,394</td>
</tr>
<tr>
<td><strong>Amortisation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total amortisation</strong></td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total depreciation and amortisation</strong></td>
<td></td>
<td>1,475</td>
<td>1,394</td>
</tr>
</tbody>
</table>

### NOTE 11: REPAIRS AND MAINTENANCE

<table>
<thead>
<tr>
<th></th>
<th>Economic Entity</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Note</td>
<td>2011</td>
<td>2010</td>
</tr>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
<tr>
<td>Repairs and maintenance on buildings</td>
<td></td>
<td>442</td>
<td>869</td>
</tr>
<tr>
<td><strong>Total repairs and maintenance</strong></td>
<td></td>
<td>442</td>
<td>869</td>
</tr>
</tbody>
</table>

### NOTE 12: IMPAIRMENT OF ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Economic Entity</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Note</td>
<td>2011</td>
<td>2010</td>
</tr>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
<tr>
<td>Bad and doubtful debts</td>
<td></td>
<td>(17)</td>
<td>(14)</td>
</tr>
<tr>
<td><strong>Total impairment of assets</strong></td>
<td></td>
<td>(17)</td>
<td>(14)</td>
</tr>
</tbody>
</table>
### NOTE 13: OTHER EXPENSES

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising, marketing and promotional expenses</td>
<td>223</td>
<td>154</td>
</tr>
<tr>
<td>Communications and utilities</td>
<td>2,250</td>
<td>2,098</td>
</tr>
<tr>
<td>Consumables 2</td>
<td>1,009</td>
<td>1,318</td>
</tr>
<tr>
<td>Contracted services 2</td>
<td>1,612</td>
<td>2,164</td>
</tr>
<tr>
<td>Insurance</td>
<td>679</td>
<td>650</td>
</tr>
<tr>
<td>Motor vehicles 1</td>
<td>1,120</td>
<td>1,069</td>
</tr>
<tr>
<td>Non-capitalised equipment</td>
<td>509</td>
<td>642</td>
</tr>
<tr>
<td>Property management</td>
<td>1,317</td>
<td>1,526</td>
</tr>
<tr>
<td>Recruitment</td>
<td>223</td>
<td>217</td>
</tr>
<tr>
<td>Refund of prior year grants</td>
<td>67</td>
<td>372</td>
</tr>
<tr>
<td>Rent and leasing 1</td>
<td>510</td>
<td>551</td>
</tr>
<tr>
<td>Scholarships, grants and prizes</td>
<td>464</td>
<td>661</td>
</tr>
<tr>
<td>Training and study 1</td>
<td>211</td>
<td>143</td>
</tr>
<tr>
<td>Travel 1</td>
<td>4,066</td>
<td>4,457</td>
</tr>
<tr>
<td>Unexpended grants</td>
<td>-</td>
<td>6,012</td>
</tr>
<tr>
<td>Other 1, 2</td>
<td>763</td>
<td>618</td>
</tr>
<tr>
<td><strong>Total other expenses</strong></td>
<td><strong>15,023</strong></td>
<td><strong>22,652</strong></td>
</tr>
</tbody>
</table>

1 A category for motor vehicles and training and study has been added in 2011 and figures for 2010 have been restated.

2 Reclassification of information technology equipment in 2011 has resulted in figures being reclassified for 2010.

### NOTE 14: SERVICES RECEIVED FREE OF CHARGE

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

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services received free of charge</td>
<td>644</td>
<td>679</td>
</tr>
<tr>
<td><strong>Total services received free of charge</strong></td>
<td><strong>644</strong></td>
<td><strong>679</strong></td>
</tr>
</tbody>
</table>
### NOTE 15: CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and on hand</td>
<td>2,722</td>
<td>5,457</td>
</tr>
<tr>
<td>Deposits at call</td>
<td>13,304</td>
<td>9,904</td>
</tr>
<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td><strong>16,026</strong></td>
<td><strong>15,361</strong></td>
</tr>
</tbody>
</table>

(a) Reconciliation to cash at the end of the year

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

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balances as above</td>
<td>16,026</td>
<td>15,361</td>
</tr>
<tr>
<td>Less: bank overdrafts</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance per statement of cash flows</strong></td>
<td><strong>16,026</strong></td>
<td><strong>15,361</strong></td>
</tr>
</tbody>
</table>

(b) Cash at bank and on hand

These are non-interest bearing.

(c) Deposits at call

The deposits are bearing floating interest rates between 5.41% and 5.81% (2010 – 4.84% and 5.44%). These deposits have an average maturity of 30 days.
NOTE 16: RECEIVABLES

<table>
<thead>
<tr>
<th>Note</th>
<th>Economic Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2011 $’000</td>
</tr>
<tr>
<td>Current</td>
<td></td>
</tr>
<tr>
<td>Trade receivables</td>
<td>2,592</td>
</tr>
<tr>
<td>Less: provision for impaired receivables</td>
<td>(98)</td>
</tr>
<tr>
<td>Accrued revenue</td>
<td>602</td>
</tr>
<tr>
<td>GST receivable</td>
<td>89</td>
</tr>
<tr>
<td>Total receivables</td>
<td>3,185</td>
</tr>
</tbody>
</table>

(a) Impaired receivables

As at 31 December 2011 current receivables with a nominal value of $98,339 (2010: $111,248) were impaired. The amount of the provision was $98,339 (2010: $111,248). The individually impaired receivables mainly relate to past students and staff of BIITE. The ageing of these receivables is as follows:

<table>
<thead>
<tr>
<th>Less than 3 months</th>
<th>14</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 to 6 months</td>
<td>2</td>
<td>71</td>
</tr>
<tr>
<td>Over 6 months</td>
<td>82</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td>98</td>
<td>111</td>
</tr>
</tbody>
</table>

As of 31 December 2011, trade receivables of $311,798 (2010: $96,281) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing of these receivables is as follows:

<table>
<thead>
<tr>
<th>Less than 3 months</th>
<th>238</th>
<th>11</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 to 6 months</td>
<td>65</td>
<td>83</td>
</tr>
<tr>
<td>Over 6 months</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>312</td>
<td>96</td>
</tr>
</tbody>
</table>

Movements in the provision for impaired receivables are as follows:

<table>
<thead>
<tr>
<th>At 1 January</th>
<th>111</th>
<th>125</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provisions for impairment recognised during the year</td>
<td>(18)</td>
<td>(14)</td>
</tr>
<tr>
<td>Receivables written off during the year as uncollectible</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>At 31 December</td>
<td>98</td>
<td>111</td>
</tr>
</tbody>
</table>

The creation and release of the provision for impaired receivables has been included in ‘impairment of assets expense’ in the income statement. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash.

The other amounts within receivables do not contain impaired assets and are not past due. Based on credit history, it is expected that these amounts will be received when due.
### NOTE 17: OTHER NON-FINANCIAL ASSETS

<table>
<thead>
<tr>
<th>Note</th>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>Prepayments</td>
<td></td>
<td>330</td>
<td>926</td>
</tr>
<tr>
<td>Total other non-financial assets</td>
<td></td>
<td>330</td>
<td>926</td>
</tr>
</tbody>
</table>

### NOTE 18: PROPERTY PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>Land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At fair value</td>
<td>1,272</td>
<td>1,200</td>
</tr>
<tr>
<td>Total land</td>
<td>1,272</td>
<td>1,200</td>
</tr>
<tr>
<td>Buildings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At fair value</td>
<td>28,956</td>
<td>27,780</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(3,458)</td>
<td>(2,264)</td>
</tr>
<tr>
<td>Total buildings</td>
<td>25,498</td>
<td>25,516</td>
</tr>
<tr>
<td>Infrastructure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At fair value</td>
<td>1,026</td>
<td>1,026</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(209)</td>
<td>(163)</td>
</tr>
<tr>
<td>Total infrastructure</td>
<td>817</td>
<td>863</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>1,063</td>
<td>1,048</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(491)</td>
<td>(429)</td>
</tr>
<tr>
<td>Total plant and equipment</td>
<td>572</td>
<td>619</td>
</tr>
<tr>
<td>Computer hardware</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>952</td>
<td>952</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(540)</td>
<td>(418)</td>
</tr>
<tr>
<td>Total computer hardware</td>
<td>412</td>
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<tr>
<td>Transport equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>826</td>
<td>826</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(644)</td>
<td>(593)</td>
</tr>
<tr>
<td>Total transport equipment</td>
<td>182</td>
<td>233</td>
</tr>
<tr>
<td>Heritage and cultural assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At fair value</td>
<td>1,913</td>
<td>1,835</td>
</tr>
<tr>
<td>Total heritage and cultural assets</td>
<td>1,913</td>
<td>1,835</td>
</tr>
<tr>
<td>Work in progress</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>635</td>
<td>-</td>
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<tr>
<td>Total work in progress</td>
<td>635</td>
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</tr>
<tr>
<td>Total property, plant and equipment</td>
<td>31,301</td>
<td>30,800</td>
</tr>
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</table>
NOTE 18: PROPERTY, PLANT AND EQUIPMENT (continued)

<table>
<thead>
<tr>
<th>Economic entity</th>
<th>Land</th>
<th>Buildings</th>
<th>Infrastructure</th>
<th>Plant and equipment 1</th>
<th>Computer hardware</th>
<th>Transport equipment</th>
<th>Heritage and cultural assets</th>
<th>Work in progress</th>
<th>Total property, plant and equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 1 January 2011</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Cost</td>
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<td>263</td>
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<td>952</td>
<td>826</td>
<td>-</td>
<td>-</td>
<td>3,475</td>
</tr>
<tr>
<td>Valuation</td>
<td>1,200</td>
<td>27,394</td>
<td>763</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-1,835</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>-</td>
<td>(2,264)</td>
<td>(163)</td>
<td>(429)</td>
<td>(418)</td>
<td>(593)</td>
<td>-</td>
<td>-</td>
<td>(3,867)</td>
</tr>
<tr>
<td><strong>Net book amount</strong></td>
<td>1,200</td>
<td>25,516</td>
<td>863</td>
<td>619</td>
<td>534</td>
<td>233</td>
<td>1,835</td>
<td>-</td>
<td>30,800</td>
</tr>
</tbody>
</table>

| **Year ended 31 December 2011** |      |           |                |                       |                  |                     |                               |                 |                                  |
| Opening net book amount | 1,200| 25,516    | 863            | 619                   | 534              | 233                 | 1,835                        | -               | 30,800                           |
| Additions        | 72   | 1,176     | -              | 15                    | -                | -                   | -                            | 1,443           | 2,706                            |
| Transfers        | -    | -         | -              | -                     | -                | -                   | -                            | -               | (808)                            |
| Disposals        | -    | -         | -              | -                     | -                | -                   | -                            | -               | -                                |
| Revaluation increment/ (decrement) | -   | -         | -              | -                     | -                | -                   | 78                           | -               | 78                               |
| Depreciation expense | -   | (1,194)   | (46)           | (62)                  | (122)            | (51)                | -                            | -               | (1,475)                          |
| **Closing net book amount** | 1,272| 25,498    | 817            | 572                   | 412              | 182                 | 1,913                        | 635             | 31,301                           |

| **At 31 December 2011** |      |           |                |                       |                  |                     |                               |                 |                                  |
| Cost              | 72   | 1,562     | 263            | 1,063                 | 952              | 826                 | -                            | 635             | 5,373                            |
| Valuation         | 1,200| 27,394    | 763            | -                     | -                | -                   | -                            | 1,913           | 31,270                           |
| Accumulated depreciation | -   | (3,458)   | (209)          | (491)                 | (540)            | (644)               | -                            | -               | (5,342)                          |
| **Net book amount** | 1,272| 25,498    | 817            | 572                   | 412              | 182                 | 1,913                        | 635             | 31,301                           |

1 Plant and equipment includes all operational assets.
### NOTE 18: PROPERTY, PLANT AND EQUIPMENT (continued)

<table>
<thead>
<tr>
<th>Economic entity</th>
<th>Land $'000</th>
<th>Buildings $'000</th>
<th>Infrastructure $'000</th>
<th>Plant and equipment 1 $'000</th>
<th>Computer hardware $'000</th>
<th>Transport equipment $'000</th>
<th>Heritage and cultural assets $'000</th>
<th>Work in progress $'000</th>
<th>Total property, plant and equipment $'000</th>
</tr>
</thead>
</table>

#### At 1 January 2010

<table>
<thead>
<tr>
<th>Cost</th>
<th>Valuation</th>
<th>Accumulated depreciation</th>
<th>Net book amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>1,200</td>
<td>-</td>
<td>1,200</td>
</tr>
<tr>
<td>-</td>
<td>27,394</td>
<td>-</td>
<td>26,308</td>
</tr>
<tr>
<td>-</td>
<td>763</td>
<td>-</td>
<td>641</td>
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<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>162</td>
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<td>10</td>
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<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>262</td>
</tr>
<tr>
<td>-</td>
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<td>-</td>
<td>1,859</td>
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<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>56</td>
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<tr>
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<td>1,755</td>
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<td>-</td>
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<td>1,200</td>
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<td>27,394</td>
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<td>26,308</td>
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<td>-</td>
<td>763</td>
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<td>262</td>
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<td>1,859</td>
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<td>31,216</td>
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</tbody>
</table>

#### Year ended 31 December 2010

<table>
<thead>
<tr>
<th>Opening net book amount</th>
<th>Additions</th>
<th>Transfers</th>
<th>Disposals</th>
<th>Revaluation increment/ (decrement)</th>
<th>Depreciation expense</th>
<th>Closing net book amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,200</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,200</td>
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<tr>
<td>26,308</td>
<td>386</td>
<td>-</td>
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<td>25,516</td>
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<td>641</td>
<td>162</td>
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<td>619</td>
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<td>10</td>
<td>262</td>
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<td>233</td>
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<tr>
<td>1,859</td>
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<td>-</td>
<td>1,835</td>
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<tr>
<td>56</td>
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</table>

#### At 31 December 2010

<table>
<thead>
<tr>
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<th>Valuation</th>
<th>Accumulated depreciation</th>
<th>Net book amount</th>
</tr>
</thead>
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<td>-</td>
<td>1,200</td>
<td>-</td>
<td>1,200</td>
</tr>
<tr>
<td>386</td>
<td>27,394</td>
<td>-</td>
<td>27,394</td>
</tr>
<tr>
<td>263</td>
<td>763</td>
<td>-</td>
<td>763</td>
</tr>
<tr>
<td>1,048</td>
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</tr>
<tr>
<td>952</td>
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<tr>
<td>826</td>
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<td>-</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,755</td>
</tr>
<tr>
<td>-</td>
<td>1,200</td>
<td>-</td>
<td>1,200</td>
</tr>
<tr>
<td>27,394</td>
<td>-</td>
<td>-</td>
<td>27,394</td>
</tr>
<tr>
<td>763</td>
<td>-</td>
<td>-</td>
<td>763</td>
</tr>
<tr>
<td>1,048</td>
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<td>1,048</td>
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<tr>
<td>952</td>
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<td>826</td>
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<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,475</td>
</tr>
<tr>
<td>-</td>
<td>1,200</td>
<td>-</td>
<td>1,200</td>
</tr>
<tr>
<td>27,394</td>
<td>-</td>
<td>-</td>
<td>27,394</td>
</tr>
<tr>
<td>763</td>
<td>-</td>
<td>-</td>
<td>763</td>
</tr>
<tr>
<td>1,048</td>
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<td>-</td>
<td>1,048</td>
</tr>
<tr>
<td>952</td>
<td>-</td>
<td>-</td>
<td>952</td>
</tr>
<tr>
<td>826</td>
<td>-</td>
<td>-</td>
<td>826</td>
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<td>-</td>
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</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>31,192</td>
</tr>
</tbody>
</table>

#### Footnote:

1 Plant and equipment includes all operational assets.
### NOTE 19: INTANGIBLES

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note $'000</td>
<td>$'000</td>
<td></td>
</tr>
<tr>
<td><strong>At 1 January</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost</td>
<td>201</td>
<td>201</td>
</tr>
<tr>
<td>Accumulated amortisation and impairment</td>
<td>(201)</td>
<td>(201)</td>
</tr>
<tr>
<td><strong>Net book amount</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Year ended 31 December</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening net book amount</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfers</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Revaluation increment/(decrement)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amortisation charge</td>
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<td>-</td>
</tr>
<tr>
<td><strong>Closing net book amount</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>At 31 December</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost</td>
<td>201</td>
<td>201</td>
</tr>
<tr>
<td>Accumulated amortisation and impairment</td>
<td>(201)</td>
<td>(201)</td>
</tr>
<tr>
<td><strong>Net book amount</strong></td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### NOTE 20: TRADE AND OTHER PAYABLES

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note $'000</td>
<td>$'000</td>
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</tr>
<tr>
<td><strong>Current</strong></td>
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<tr>
<td>Trade creditors</td>
<td>1,009</td>
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</tr>
<tr>
<td>Accrued expenses</td>
<td>82</td>
<td>571</td>
</tr>
<tr>
<td>Accrued salaries</td>
<td>593</td>
<td>647</td>
</tr>
<tr>
<td><strong>Total current trade and other payables</strong></td>
<td>1,684</td>
<td>1,242</td>
</tr>
</tbody>
</table>

Unearned revenue has been reclassified into other liabilities as they fall outside the definition of trade and other payables (AASB137.11).
## NOTE 21: PROVISIONS

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011 $'000</th>
<th>2010 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Note</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current provisions expected to be settled within 12 months</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual leave</td>
<td>1,902</td>
<td>1,808</td>
</tr>
<tr>
<td>Annual leave fares</td>
<td>13</td>
<td>-</td>
</tr>
<tr>
<td>Annual leave loading</td>
<td>334</td>
<td>307</td>
</tr>
<tr>
<td>Long service leave</td>
<td>929</td>
<td>859</td>
</tr>
<tr>
<td>Other provisions</td>
<td>631</td>
<td>742</td>
</tr>
<tr>
<td><strong>Total current provisions</strong></td>
<td>3,809</td>
<td>3,716</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011 $'000</th>
<th>2010 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Note</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-current provisions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long service leave</td>
<td>692</td>
<td>685</td>
</tr>
<tr>
<td><strong>Total non-current provisions</strong></td>
<td>692</td>
<td>685</td>
</tr>
<tr>
<td><strong>Total provisions</strong></td>
<td>4,501</td>
<td>4,401</td>
</tr>
</tbody>
</table>

1 Other provisions include fringe benefits tax, payroll tax, superannuation, and worker’s compensation provisions. These provisions have been reclassified from other liabilities due to the uncertain timing or amount (AASB137.10 and AASB137.11).

## NOTE 22: OTHER LIABILITIES

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011 $'000</th>
<th>2010 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Note</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current</strong></td>
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<td></td>
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<tr>
<td>Australian Government unspent grants</td>
<td>1,700</td>
<td>6,529</td>
</tr>
<tr>
<td><strong>Total current other liabilities</strong></td>
<td>1,700</td>
<td>6,529</td>
</tr>
</tbody>
</table>

Provisions previously recognised as other liabilities has now been reclassified to current provisions liability due to the uncertain timing or amount of these provisions (AASB137.10 and AASB137.11). Unearned revenue has been reclassified from trade and other payables into other liabilities as they fall outside the definition of trade and other payables (AASB137.11).
NOTE 23: RESERVES AND RETAINED EARNINGS

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Note</th>
<th>2011 $’000</th>
<th>2010 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Reserves</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment revaluation surplus</td>
<td></td>
<td>11,933</td>
<td>11,855</td>
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<tr>
<td>Gifted asset reserve</td>
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<tr>
<td>Total reserves</td>
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<td>27,550</td>
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<td><strong>Movements</strong></td>
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</tr>
<tr>
<td>Property, plant and equipment revaluation surplus</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 January</td>
<td></td>
<td>11,855</td>
<td>11,879</td>
</tr>
<tr>
<td>Revaluation - art collection</td>
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<td>78</td>
<td>(24)</td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
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<td>11,933</td>
<td>11,855</td>
</tr>
<tr>
<td>Gifted asset reserve</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 January</td>
<td></td>
<td>15,617</td>
<td>15,617</td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
<td></td>
<td>15,617</td>
<td>15,617</td>
</tr>
<tr>
<td>(b) Retained earnings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Movements in retained earnings were as follows:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained earnings at 1 January</td>
<td></td>
<td>9,640</td>
<td>16,047</td>
</tr>
<tr>
<td>Retrospective changes 1</td>
<td></td>
<td>-</td>
<td>(3,529)</td>
</tr>
<tr>
<td>Operating result for the period</td>
<td></td>
<td>5,767</td>
<td>(2,878)</td>
</tr>
<tr>
<td><strong>Retained earnings at 31 December</strong></td>
<td></td>
<td>15,407</td>
<td>9,640</td>
</tr>
</tbody>
</table>

1 Retrospective changes includes Australian Government funding for the Indigenous Tutorial Assistance and Away From Base Schemes which was unspent in prior years but not recognised as unearned revenue. During 2011 this was identified and has been recognised in these statements under retained earnings (AASB108.42).

(c) Nature and purpose of reserves

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

Gifted asset reserve
During the year ended 31 December 2002, the Northern Territory Government gifted to BIITE certain land and buildings which it occupied. The fair values of these land and buildings were determined on the basis of valuations performed by the Valuer-General as at 1 July 2002. The valuation was determined on the basis of fair value for land amounting to $290,000 and depreciated replacement cost for buildings of $15,109,000 making a total of $15,399,000. These values were recognised in the financial statements during 2002 via the gifted asset revaluation. These and other assets have been revalued in accordance with BIITE’s revaluation policy as described in Note 1(k).
NOTE 24: KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Names of responsible persons and executive officers

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

**COUNCIL MEMBERS**

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yvonne Cadet-James</td>
<td>Chancellor</td>
</tr>
<tr>
<td>Terry Dunbar</td>
<td>Member</td>
</tr>
<tr>
<td>Beverley O’Callaghan</td>
<td>Member</td>
</tr>
<tr>
<td>Bronwyn Riedel</td>
<td>Member</td>
</tr>
</tbody>
</table>

**EXECUTIVE COMMITTEE OF COUNCIL**

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yvonne Cadet-James</td>
<td>Chair</td>
</tr>
<tr>
<td>Noelene McCormick</td>
<td>Member</td>
</tr>
<tr>
<td>Adrian Mitchell</td>
<td>Member</td>
</tr>
<tr>
<td>Edward (Ted) Murphy</td>
<td>Member</td>
</tr>
<tr>
<td>Bronwyn Riedel</td>
<td>Member</td>
</tr>
</tbody>
</table>

(b) Other key management personnel

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

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adrian Mitchell</td>
<td>Director</td>
</tr>
<tr>
<td>Dr Peter Stephenson</td>
<td>Head of Division Research, Training and Learning</td>
</tr>
<tr>
<td>Claire Kilgariff</td>
<td>Head of Faculty Education, Arts and Social Science</td>
</tr>
<tr>
<td>Dr Jan Schmitzer</td>
<td>Head of Faculty Health, Business and Science</td>
</tr>
<tr>
<td>Karl Ashton</td>
<td>Academic Registrar/ Head of Corporate Services</td>
</tr>
</tbody>
</table>
NOTE 24: KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

(c) Remuneration of board members and executives

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

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011 Number</th>
<th>2010 Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remuneration of Council Members and Executive Committee of Council</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nil to $9,9991</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>Remuneration of Executives</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$90,000 to $99,999</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>$100,000 to $109,999</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>$130,000 to $139,999</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>$140,000 to $149,999</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>$160,000 to $169,999</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>$170,000 to $179,999</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>$180,000 to $189,999</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>$200,000 to $209,999</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>$240,000 to $249,999</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>$290,000 to $299,999</td>
<td>1</td>
<td>-</td>
</tr>
</tbody>
</table>

1 No remuneration was paid to any Council Member for 2010 and 2011.

(d) Key management personnel compensation

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011 $'000</th>
<th>2010 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term employee benefits</td>
<td>1,018</td>
<td>1,141</td>
</tr>
<tr>
<td>Termination benefits</td>
<td>-</td>
<td>72</td>
</tr>
<tr>
<td>Total</td>
<td>1,018</td>
<td>1,213</td>
</tr>
</tbody>
</table>

NOTE 25: REMUNERATION OF AUDITORS

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

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011 $'000</th>
<th>2010 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees payable to the Northern Territory Auditor-General’s Office</td>
<td>51</td>
<td>47</td>
</tr>
<tr>
<td>Audit and review of financial reports</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total remuneration for audit services</td>
<td>51</td>
<td>47</td>
</tr>
</tbody>
</table>
NOTE 26: CONTINGENCIES

There were no known material contingent liabilities as at the end of 2011.

NOTE 27: COMMITMENTS

(a) Capital commitments

Capital expenditure contract for at the reporting date but not recognised as liabilities is as follows:

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within one year</td>
<td>1,038</td>
<td>-</td>
</tr>
<tr>
<td>Total payable</td>
<td>1,038</td>
<td>-</td>
</tr>
</tbody>
</table>

(b) Lease commitments

All leases entered into by BIITE are operating leases. BIITE does not have any finance leases. Motor vehicle operating leases have been included in these statements as the Institute is contractually obliged. Figures for 2010 have been restated to include motor vehicle leases.

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating leases</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motor vehicles</td>
<td>739</td>
<td>986</td>
</tr>
<tr>
<td>Office equipment</td>
<td>724</td>
<td>279</td>
</tr>
<tr>
<td>Total operating leases</td>
<td>1,463</td>
<td>1,265</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within one year</td>
<td>638</td>
<td>798</td>
</tr>
<tr>
<td>Later than one year but not later than five years</td>
<td>825</td>
<td>467</td>
</tr>
<tr>
<td>Total lease commitments</td>
<td>1,463</td>
<td>1,265</td>
</tr>
</tbody>
</table>
NOTE 28: ECONOMIC DEPENDENCY

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

NOTE 29: EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

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

NOTE 30: RECONCILIATION OF OPERATING RESULT AFTER INCOME TAX TO NET CASH FLOWS FROM OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Note</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating result for the period</td>
<td></td>
<td>5,767</td>
<td>(2,878)</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td></td>
<td>1,475</td>
<td>1,394</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7,242</td>
<td>(1,484)</td>
</tr>
<tr>
<td>Change in operating assets and liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase)/ decrease in receivables</td>
<td></td>
<td>(988)</td>
<td>398</td>
</tr>
<tr>
<td>Decrease/ (increase) in other operating assets</td>
<td></td>
<td>596</td>
<td>(636)</td>
</tr>
<tr>
<td>Increase/ (decrease) in trade and other payables</td>
<td></td>
<td>442</td>
<td>(127)</td>
</tr>
<tr>
<td>Increase in provisions</td>
<td></td>
<td>100</td>
<td>205</td>
</tr>
<tr>
<td>(Decrease)/ increase in other operating liabilities</td>
<td></td>
<td>(4,829)</td>
<td>3,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(4,679)</td>
<td>2,840</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td></td>
<td>2,563</td>
<td>1,356</td>
</tr>
</tbody>
</table>
NOTE 31: FINANCIAL RISK MANAGEMENT

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

BIITE is almost entirely dependent on government funding, with only a small amount of student fees and no foreign exchange dealings. BIITE has a policy of investing surplus cash only in secured bank bills. Therefore, BIITE’s management of its financial risk is managed by ensuring cash flow is adequate through receiving government funds in a timely manner and investing in interest bearing bills that mature as required. This is managed by the financial services section of the Institute with all bills purchased through Territory Insurance Office.

(a) Credit risk
At the end of the financial year, BIITE’s maximum exposure to credit risk to each class of recognised financial asset is the carrying amount of those assets as indicated in the statement of financial position.

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

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

The following tables summarise the sensitivity of the economic entity’s financial assets to interest rate risk:

<table>
<thead>
<tr>
<th></th>
<th>Carrying amount</th>
<th>-1%</th>
<th>Interest rate risk</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td></td>
<td>$’000</td>
</tr>
<tr>
<td></td>
<td>Equity</td>
<td>1%</td>
<td>Equity</td>
</tr>
<tr>
<td>31 December 2011</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>16,026</td>
<td>(160)</td>
<td>(160)</td>
</tr>
<tr>
<td>Total increase/ (decrease)</td>
<td>16,026</td>
<td>(160)</td>
<td>(160)</td>
</tr>
<tr>
<td>31 December 2010</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>15,361</td>
<td>(154)</td>
<td>(154)</td>
</tr>
<tr>
<td>Total increase/ (decrease)</td>
<td>15,361</td>
<td>(154)</td>
<td>(154)</td>
</tr>
</tbody>
</table>

(c) Liquidity risk
The Institute receives over 90% of its funding in government grants and therefore is able to manage its liquidity risk based on known income and approximate payment dates. Funds which are surplus to operating requirements are invested until required. Budget management processes are in place so as to guard against the risk of over expenditure.
NOTE 31: FINANCIAL RISK MANAGEMENT (continued)

The following tables summarise the maturity of Biite’s financial assets and liabilities:

<table>
<thead>
<tr>
<th></th>
<th>Average Interest Rate</th>
<th>Variable Interest Rate</th>
<th>Fixed Interest Rate Maturity</th>
<th>Non-Interest Bearing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>$’000</td>
<td>Less than 1 Year $’000</td>
<td>1 to 5 Years $’000</td>
<td>More than 5 Years $’000</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>4.54</td>
<td>2,722</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Short term money market</td>
<td>4.60</td>
<td>2,804</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bank bills</td>
<td>5.61</td>
<td>-</td>
<td>10,500</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Receivables</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>-</td>
<td>5,526</td>
<td>10,500</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Payables</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total financial liabilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Average Interest Rate</th>
<th>Variable Interest Rate</th>
<th>Fixed Interest Rate Maturity</th>
<th>Non-Interest Bearing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>$’000</td>
<td>Less than 1 Year $’000</td>
<td>1 to 5 Years $’000</td>
<td>More than 5 Years $’000</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>4.47</td>
<td>5,457</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Short term money market</td>
<td>4.75</td>
<td>1,904</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bank bills</td>
<td>5.14</td>
<td>-</td>
<td>8,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Receivables</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>-</td>
<td>7,361</td>
<td>8,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Payables</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total financial liabilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
NOTE 31: FINANCIAL RISK MANAGEMENT (continued)

(d) Fair value of financial assets and liabilities

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

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Carrying Amount / Net Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2011</td>
</tr>
<tr>
<td></td>
<td>$'000</td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
</tr>
<tr>
<td>Cash at bank</td>
<td>2,722</td>
</tr>
<tr>
<td>Short term money market</td>
<td>2,804</td>
</tr>
<tr>
<td>Bank bills</td>
<td>10,500</td>
</tr>
<tr>
<td>Receivables</td>
<td>3,096</td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td><strong>19,122</strong></td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>1,684</td>
</tr>
<tr>
<td><strong>Total financial liabilities</strong></td>
<td><strong>1,684</strong></td>
</tr>
</tbody>
</table>

The carrying amount of assets and liabilities is equal to their net fair value. The following methods and assumptions have been applied:

**Recognised financial instruments**

Cash, cash equivalents and short term investments: the carrying amount approximates fair value because of their short-term to maturity.

receivables and payables: the carrying amount approximates fair value because of their short-term to maturity.

Other liabilities: the carrying amount approximates fair value because of their short-term to maturity.

Bank bills and short term money market are categorised as level 2 financial instruments.
### NOTE 32: ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

#### NOTE 32.1 DEEWR - CGS AND OTHER DEEWR GRANTS

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Commonwealth Grant Scheme 1</th>
<th>Indigenous Support Program</th>
<th>Partnership and Participation Program 2</th>
<th>Disability Support Program</th>
<th>National Institutes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2011 $'000</td>
<td>2010 $'000</td>
<td>2011 $'000</td>
<td>2010 $'000</td>
<td>2011 $'000</td>
</tr>
<tr>
<td>Financial Assistance received in CASH during</td>
<td>6,392</td>
<td>5,999</td>
<td>2,644</td>
<td>2,602</td>
<td>621</td>
</tr>
<tr>
<td>reporting period (total cash received from the</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Government for the Programs)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net accrual adjustments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Revenue for the period</td>
<td>6,392</td>
<td>5,999</td>
<td>2,644</td>
<td>2,602</td>
<td>621</td>
</tr>
<tr>
<td>Surplus/ (deficit) from the previous year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total revenue including accrued revenue</td>
<td>6,392</td>
<td>5,999</td>
<td>2,644</td>
<td>2,602</td>
<td>621</td>
</tr>
<tr>
<td>Less expenses including accrued expenses</td>
<td>6,392</td>
<td>5,999</td>
<td>2,644</td>
<td>2,602</td>
<td>621</td>
</tr>
<tr>
<td>Surplus/ (deficit) for reporting period</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Capital Development Pool</th>
<th>Diversity and Structural Adjustment Fund 3</th>
<th>Superannuation Program</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2011 $'000</td>
<td>2010 $'000</td>
<td>2011 $'000</td>
<td>2010 $'000</td>
</tr>
<tr>
<td>Financial Assistance received in CASH during</td>
<td>-</td>
<td>1,042</td>
<td>1,535</td>
<td>-</td>
</tr>
<tr>
<td>reporting period (total cash received from the</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Government for the Programs)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net accrual adjustments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Revenue for the period</td>
<td>-</td>
<td>1,042</td>
<td>1,535</td>
<td>-</td>
</tr>
<tr>
<td>Surplus/ (deficit) from the previous year</td>
<td>1,042</td>
<td>-</td>
<td>(295)</td>
<td>-</td>
</tr>
<tr>
<td>Total revenue including accrued revenue</td>
<td>1,042</td>
<td>1,042</td>
<td>1,240</td>
<td>-</td>
</tr>
<tr>
<td>Less expenses including accrued expenses</td>
<td>835</td>
<td>-</td>
<td>670</td>
<td>295</td>
</tr>
<tr>
<td>Surplus/ (deficit) for reporting period</td>
<td>207</td>
<td>1,042</td>
<td>570</td>
<td>(295)</td>
</tr>
</tbody>
</table>

1 Includes the basic CGS grant amount, CGS - Regional Loading and CGS - Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.

2 Includes Equity Support Program

3 Includes Collaboration and Structural Adjustment Program
### NOTE 32: ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)
#### NOTE 32.2 HIGHER EDUCATION LOAN PROGRAMS

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>HECS-HELP (Australian Government payments only)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2011</td>
<td>2010</td>
</tr>
<tr>
<td>Financial Assistance received in CASH during reporting period (total cash received from the Australian Government for the Programs)</td>
<td>960</td>
<td>1,127</td>
</tr>
<tr>
<td>Net accrual adjustments</td>
<td>(603)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Revenue for the period</strong></td>
<td>357</td>
<td>1,127</td>
</tr>
<tr>
<td>Surplus/ (deficit) from the previous year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenue including accrued revenue</strong></td>
<td>357</td>
<td>1,127</td>
</tr>
<tr>
<td>Less expenses including accrued expenses</td>
<td>357</td>
<td>1,127</td>
</tr>
<tr>
<td><strong>Surplus/ (deficit) for reporting period</strong></td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

#### NOTE 32.3 SCHOLARSHIPS

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Australian Postgraduate Awards</th>
<th>Commonwealth Education Cost Scholarships 4, 5</th>
<th>Commonwealth Accommodation Scholarships 4, 5</th>
<th>Indigenous Access Scholarships 5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2011 $'000</td>
<td>2010 $'000</td>
<td>2011 $'000</td>
<td>2010 $'000</td>
<td>2011 $'000</td>
</tr>
<tr>
<td>Financial Assistance received in CASH during reporting period (total cash received from the Australian Government for the Programs)</td>
<td>51</td>
<td>-</td>
<td>452</td>
<td>1,535</td>
<td>41</td>
</tr>
<tr>
<td>Net accrual adjustments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Revenue for the period</strong></td>
<td>51</td>
<td>-</td>
<td>452</td>
<td>1,535</td>
<td>41</td>
</tr>
<tr>
<td>Surplus/ (deficit) from the previous year</td>
<td>68</td>
<td>125</td>
<td>(131)</td>
<td>4,289</td>
<td>14</td>
</tr>
<tr>
<td><strong>Total revenue including accrued revenue</strong></td>
<td>119</td>
<td>125</td>
<td>321</td>
<td>5,824</td>
<td>55</td>
</tr>
<tr>
<td>Less expenses including accrued expenses</td>
<td>44</td>
<td>57</td>
<td>321</td>
<td>5,955</td>
<td>55</td>
</tr>
<tr>
<td><strong>Surplus/ (deficit) for reporting period</strong></td>
<td>75</td>
<td>68</td>
<td>- (131)</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

4 Includes Grandfathered Scholarships and National Priority Scholarships respectively.
5 Surplus figures from the previous years and 'expenses including accrued expenses' for 2010 have been restated in accordance with funding acquittals.
### NOTE 32: ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

#### NOTE 32.4  RESEARCH

<table>
<thead>
<tr>
<th>Joint Research Engagement Programme 6</th>
<th>Economic Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011 $'000</td>
<td>2010 $'000</td>
</tr>
<tr>
<td>Financial Assistance received in CASH during reporting period (total cash received from the Australian Government for the Programs)</td>
<td>112</td>
</tr>
<tr>
<td>Net accrual adjustments</td>
<td>-</td>
</tr>
<tr>
<td>Revenue for the period</td>
<td>112</td>
</tr>
<tr>
<td>Surplus/ (deficit) from the previous year</td>
<td>135</td>
</tr>
<tr>
<td>Total revenue including accrued revenue</td>
<td>247</td>
</tr>
<tr>
<td>Less expenses including accrued expenses</td>
<td>188</td>
</tr>
<tr>
<td>Surplus/ (deficit) for reporting period</td>
<td>59</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Economic Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Scheme for Higher Education Repositories</td>
</tr>
<tr>
<td>2011 $'000</td>
</tr>
<tr>
<td>Financial Assistance received in CASH during reporting period (total cash received from the Australian Government for the Programs)</td>
</tr>
<tr>
<td>Net accrual adjustments</td>
</tr>
<tr>
<td>Revenue for the period</td>
</tr>
<tr>
<td>Surplus/ (deficit) from the previous year</td>
</tr>
<tr>
<td>Total revenue including accrued revenue</td>
</tr>
<tr>
<td>Less expenses including accrued expenses</td>
</tr>
<tr>
<td>Surplus/ (deficit) for reporting period</td>
</tr>
</tbody>
</table>

6 Includes Institutional Grants Scheme
NOTE 32: ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

NOTE 32.5  AUSTRALIAN RESEARCH COUNCIL GRANTS

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Indigenous Researchers Development</th>
<th>Securing the Future</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2011 $'000</td>
<td>2010 $'000</td>
<td>2011 $'000</td>
</tr>
<tr>
<td>(a) Discovery</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Assistance received in CASH during reporting period (total cash received from the Australian Government for the Programs)</td>
<td>84</td>
<td>98</td>
<td>-</td>
</tr>
<tr>
<td>Net accrual adjustments</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Revenue for the period</td>
<td>84</td>
<td>98</td>
<td>-</td>
</tr>
<tr>
<td>Surplus/ (deficit) from the previous year</td>
<td>3</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>Total revenue including accrued revenue</td>
<td>87</td>
<td>98</td>
<td>3</td>
</tr>
<tr>
<td>Less expenses including accrued expenses</td>
<td>96</td>
<td>95</td>
<td>3</td>
</tr>
<tr>
<td>Surplus/ (deficit) for reporting period</td>
<td>(9)</td>
<td>3</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Infrastructure</th>
<th>Building the Future</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2011 $'000</td>
<td>2010 $'000</td>
<td>2011 $'000</td>
</tr>
<tr>
<td>(b) Linkages</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Assistance received in CASH during reporting period (total cash received from the Australian Government for the Programs)</td>
<td>-</td>
<td>16</td>
<td>-</td>
</tr>
<tr>
<td>Net accrual adjustments</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Revenue for the period</td>
<td>-</td>
<td>16</td>
<td>-</td>
</tr>
<tr>
<td>Surplus/ (deficit) from the previous year</td>
<td>15</td>
<td>-</td>
<td>27</td>
</tr>
<tr>
<td>Total revenue including accrued revenue</td>
<td>15</td>
<td>16</td>
<td>27</td>
</tr>
<tr>
<td>Less expenses including accrued expenses</td>
<td>6</td>
<td>1</td>
<td>52</td>
</tr>
<tr>
<td>Surplus/ (deficit) for reporting period</td>
<td>9</td>
<td>15</td>
<td>(25)</td>
</tr>
</tbody>
</table>
NOTE 33: DISAGGREGATED RESULTS BY SOURCE OF FUNDS

BIITE classifies all activity into three sources: core, Away From Base (AFB), and project funding sources. AFB and project funding arise from monies received where the use of which is subject to contractual obligations and include activity reporting and acquittal of finances. Away From Base is an Australian Government funded program designed to cover travel costs for Vocational Education and Training and higher education students studying an approved nationally accredited course that is delivered through a combination of distance education and face-to-face teaching. Core funding encompasses activities for which AFB and project funds may not be utilised.

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Core 2011</th>
<th>AFB 2011</th>
<th>Project 2011</th>
<th>Total 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total income from continuing operations</td>
<td>25,565 $’000</td>
<td>8,259 $’000</td>
<td>13,259 $’000</td>
<td>47,083 $’000</td>
</tr>
<tr>
<td>Total expenses from continuing operations</td>
<td>22,794 $’000</td>
<td>8,259 $’000</td>
<td>10,263 $’000</td>
<td>41,316 $’000</td>
</tr>
<tr>
<td>Operating result</td>
<td>2,771 $’000</td>
<td>-</td>
<td>2,996 $’000</td>
<td>5,767 $’000</td>
</tr>
<tr>
<td>Gain/ (loss) on revaluation</td>
<td>78 $’000</td>
<td>-</td>
<td>-</td>
<td>78 $’000</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>2,849 $’000</td>
<td>-</td>
<td>2,996 $’000</td>
<td>5,845 $’000</td>
</tr>
</tbody>
</table>

Cash and cash equivalents at 31 December 2011: 15,361 $’000

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Core 2010</th>
<th>AFB 2010</th>
<th>Project 2010</th>
<th>Total 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total income from continuing operations</td>
<td>24,730 $’000</td>
<td>8,410 $’000</td>
<td>11,484 $’000</td>
<td>44,624 $’000</td>
</tr>
<tr>
<td>Total expenses from continuing operations</td>
<td>24,641 $’000</td>
<td>8,410 $’000</td>
<td>14,451 $’000</td>
<td>47,502 $’000</td>
</tr>
<tr>
<td>Operating result</td>
<td>89 $’000</td>
<td>-</td>
<td>(2,967) $’000</td>
<td>(2,878) $’000</td>
</tr>
<tr>
<td>Gain/ (loss) on revaluation</td>
<td>(24) $’000</td>
<td>-</td>
<td>-</td>
<td>(24) $’000</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>65 $’000</td>
<td>-</td>
<td>(2,967) $’000</td>
<td>(2,902) $’000</td>
</tr>
</tbody>
</table>

Cash and cash equivalents at 1 January 2010: 15,725 $’000

Net increase/ (decrease) in cash and cash equivalents at 31 December 2010: (364) $’000
1. In my opinion:

(a) the accompanying financial statements of the Batchelor Institute of Indigenous Tertiary Education (BIITE) are drawn up so as to give a true and fair view of the state of affairs as at 31 December 2011, and the results for the year ended on that date, of BIITE, and

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

2. The accompanying financial statements and notes thereto of BIITE have been made out in accordance with the *Batchelor Institute of Indigenous Tertiary Education Act*, Australian Accounting Standards and as per the Department of Education, Employment and Workplace Relations Financial Statement Guidelines for Australian Higher Education Providers for the 2011 Reporting Period.

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

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

Signed at Batchelor this 23rd day of **May** 2012.

A Mitchell
Adrian Mitchell
Director
Independent Auditor’s Report to
the Minister for Education and Training
Batchelor Institute of Indigenous Tertiary Education
Year ended 31 December 2011

Page 1 of 2

I have audited the accompanying financial report of Batchelor Institute of Indigenous Tertiary Education ("the Institute"), which comprises the statement of financial position as at 31 December 2011, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies, other explanatory notes and the statement by the Director.

The Responsibility of the Director for the Financial Report
The Director of the Institute is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Batchelor Institute of Indigenous Tertiary Education Act and for such internal controls as the Director determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on my 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, I considered internal controls relevant to the Institute'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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Director, as well as evaluating the overall presentation of the financial report.

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

Independence
I am independent of Batchelor Institute of Indigenous Tertiary Education and, in conducting my audit, I followed applicable independence requirements of the Audit Act and of Australian professional ethical pronouncements.
Audit Opinion

In my opinion, the financial report of Batchelor Institute of Indigenous Tertiary Education presents fairly, in all material respects, the financial position of Batchelor Institute of Indigenous Tertiary Education as of 31 December 2011, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the Batchelor Institute of Indigenous Tertiary Education Act.

F. McGuiness
Auditor-General for the Northern Territory

Darwin, Northern Territory
24 May 2012