

Appendix G

Deficit Reduction Strategies

Review of The Faculties

Model: 6 Faculties

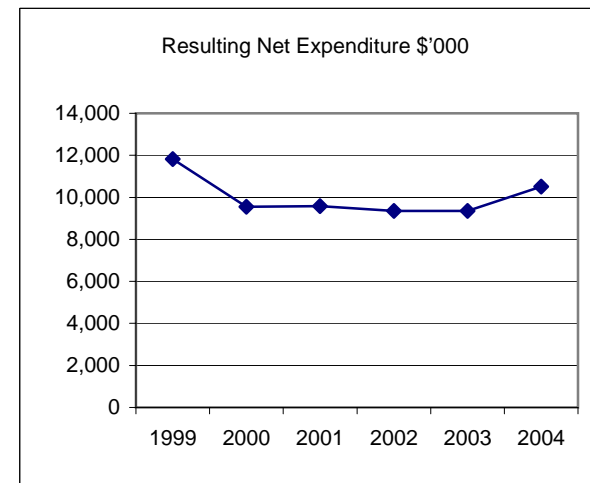
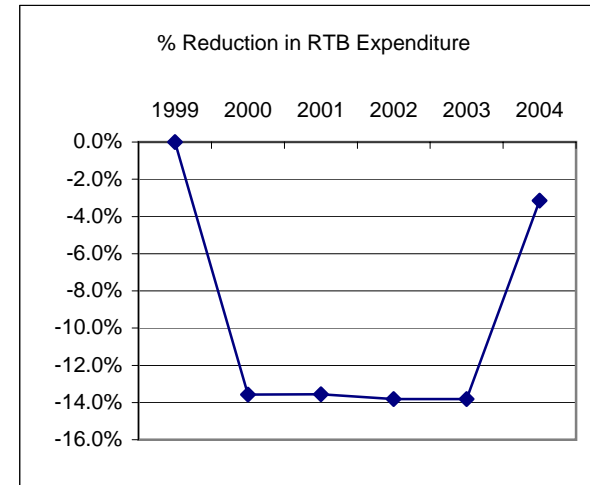
Strategy: 1 (Baseline, Five Year Projection)

Notes to the Attachments

- 1 Current Deficit Estimates - The figures shown here are derived from the Gold Book and are net of preserved funds. The amounts correspond exactly with the Gold Book schedules (at F38-F46) and can be further validated against the 31 August 1999 RTB submissions. The Accumulated Deficit totals for all years represent the expected cash results. Values for outyears 2003 and beyond have been held at 2002 levels, and therefore project existing patterns of revenue and expenditure.
- 2 Deficit Reduction Strategy - The model attached assumes six Faculties, no Council assistance and Faculty-wide uniform debt reduction over 5 years.
- 3 Fee Strategy - The calculation of increased fee income is illustrative only - in the cases of Law and Economics and Commerce, an increase over current fee levels has been factored in to the expected revenue projections.
- 4 The salary expenses and equivalent funding for current FRO staff have been included. Costs in respect of the Faculties' Resources Coordinator and the infrastructure group have not been included. However, staff costs for accounts payable and receivable, travel, Human Resource tasks, finance reporting, RTB exercises, inventory and Special Purpose Funds compliance activities, have been factored into the model.

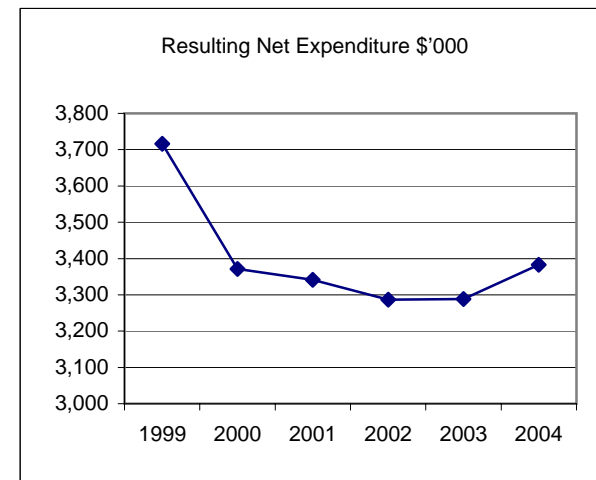
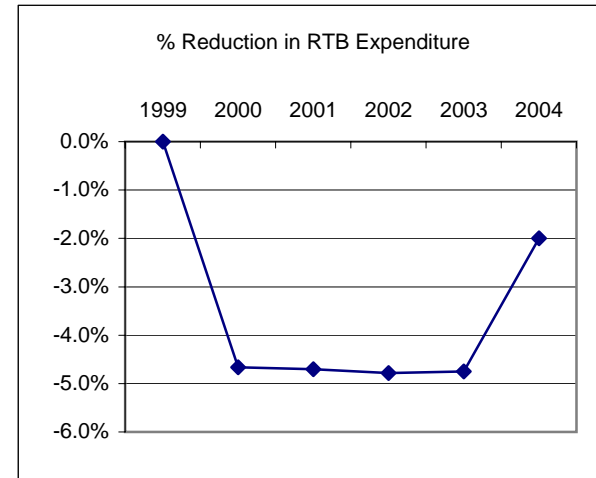
FACULTY of ARTS DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004
CURRENT ESTIMATES						
1 Expected Revenue	11,295	10,798	10,548	10,518	10,518	10,518
2 Planned RTB Expenditure	11,818	11,058	11,077	10,859	10,859	10,859
3 Recurrent Cash Deficit	-523	-260	-529	-341	-341	-341
4 Opening Deficit (1998 yr end)	-4,010					
5 Thus Accumulated Deficit	-4,533	-4,793	-5,322	-5,663	-6,004	-6,345
DEFICIT REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-4,533	-4,793	-5,322	-5,663	-6,004	-6,345
8 Reduction Target Needed	0	-1,501	-1,501	-1,501	-1,501	-341
9 As % of Planned RTB Expenditure	0.0%	-13.6%	-13.6%	-13.8%	-13.8%	-3.1%
10 Additional Annual Spending Cut	0.0%	-13.6%	0.0%	-0.3%	0.0%	10.7%
11 Resulting Net Expenditure	11,818	9,557	9,576	9,358	9,358	10,518
12 Resulting Recurrent Debt/Surplus	-523	1,241	972	1,160	1,160	0
13 Reducing Accumulated Debt	-4,533	-3,292	-2,320	-1,160	0	0
FEES STRATEGY						
14 Current Fee Income	825					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	41	43	43	46	48
17 Net Effect on Accumulated Deficit	-4,533	-3,251	-2,277	-1,117	46	48



FACULTY of ASIAN STUDIES DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004
CURRENT ESTIMATES						
1 Expected Revenue	3,606	3,510	3,393	3,383	3,383	3,383
2 Planned RTB Expenditure	3,716	3,536	3,506	3,452	3,452	3,452
3 Recurrent Cash Deficit	-110	-26	-113	-69	-69	-69
4 Opening Deficit (1998 yr end)	-272					
5 Thus Accumulated Deficit	-382	-408	-521	-590	-659	-728
DEFICIT REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-382	-408	-521	-590	-659	-728
8 Reduction Target Needed	0	-165	-165	-165	-164	-69
9 As % of Planned RTB Expenditure	0.0%	-4.7%	-4.7%	-4.8%	-4.8%	-2.0%
10 Additional Annual Spending Cut	0.0%	-4.7%	0.0%	-0.1%	0.0%	2.8%
11 Resulting Net Expenditure	3,716	3,371	3,341	3,287	3,288	3,383
12 Resulting Recurrent Debt/Surplus	-110	139	52	96	95	0
13 Reducing Accumulated Debt	-382	-243	-191	-95	0	0
FEES STRATEGY						
14 Current Fee Income	320					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	16	17	17	18	19
17 Net Effect on Accumulated Deficit	-382	-227	-174	-78	18	19



FACULTY of ECONOMICS & COMMERCE DEFICIT REDUCTION MODEL

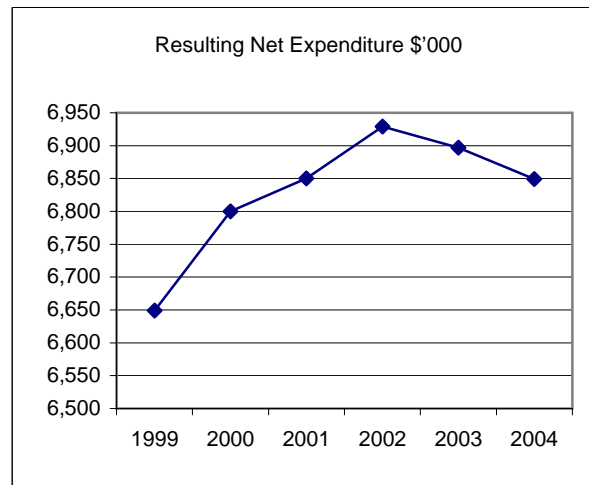
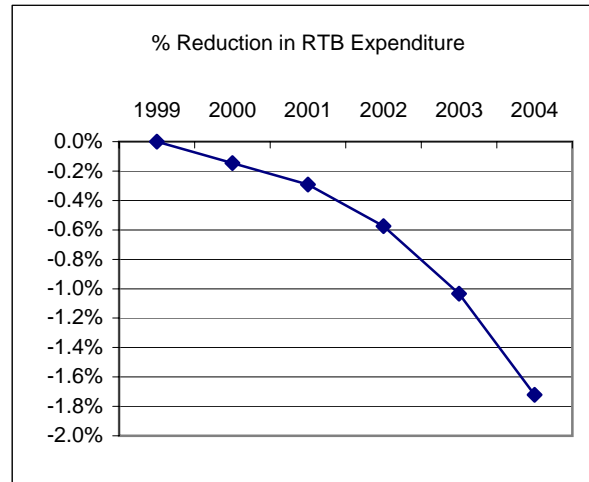
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	1999	2000	2001	2002	2003	2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	6,654	6,635	6,739	6,849	6,849	6,849
2 Planned RTB Expenditure	6,649	6,810	6,870	6,969	6,969	6,969
3 Recurrent Cash Deficit	5	-175	-131	-120	-120	-120
4 Opening Surplus (1998 yr end)	399					
5 Thus Accumulated Surplus/Deficit	404	229	98	-22	-142	-262

REDUCTION STRATEGY

6 Council Assistance	0					
7 Remaining Accumulated Surplus	404	229	98	-22	-142	-262
8 Reduction Target Needed	0	-10	-20	-40	-72	-120
9 As % of Planned RTB Expenditure	0.0%	-0.1%	-0.3%	-0.6%	-1.0%	-1.7%
10 Additional Annual Spending Cut	0.0%	-0.1%	-0.1%	-0.3%	-0.5%	-0.7%
11 Resulting Net Expenditure	6,649	6,800	6,850	6,929	6,897	6,849
12 Accumulated Deficit	5	-165	-111	-80	-48	0
13 Reducing Accumulated Surplus	404	239	128	48	0	0

FEES STRATEGY

14 Current Fee Income	1,207					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	60	63	64	67	70
17 Net Effect on Accumulated Deficit	5	-105	-48	-16	19	70



FACULTY of ENGINEERING & INFORMATION TECHNOLOGY
DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	5,422	5,264	5,620	5,640	5,640	5,640
2 Planned RTB Expenditure	5,137	5,495	5,558	5,618	5,618	5,618
3 Recurrent Cash Deficit	285	-231	62	22	22	22
4 Opening Deficit (1998 yr end)	-161					
5 Thus Accumulated Deficit	124	-107	-45	-23	-1	21

REDUCTION STRATEGY

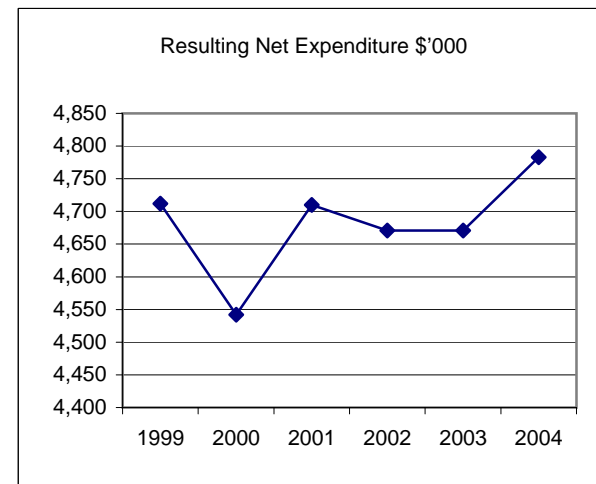
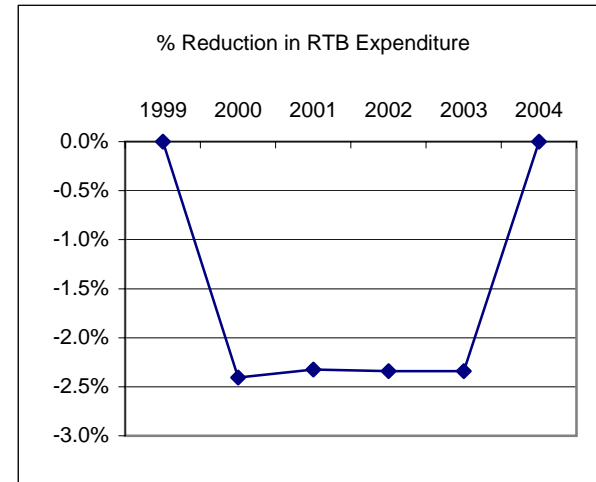
6 Council Assistance	0					
7 Remaining Accumulated Surplus	124	-107	-45	-23	-1	21
8 Reduction Target Needed	0	0	0	0	0	0
9 As % of Planned RTB Expenditure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Additional Annual Spending Cut	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Resulting Net Expenditure	5,137	5,495	5,558	5,618	5,618	5,618
12 Accumulated Surplus	21	21	21	21	21	21

FEES STRATEGY

13 Current Fee Income	400					
14 Assume a growth rate of	5%					
15 Thus Fees Growth	0	20	21	21	22	23
16 Net Effect on Accumulated Deficit	21	41	42	42	43	44

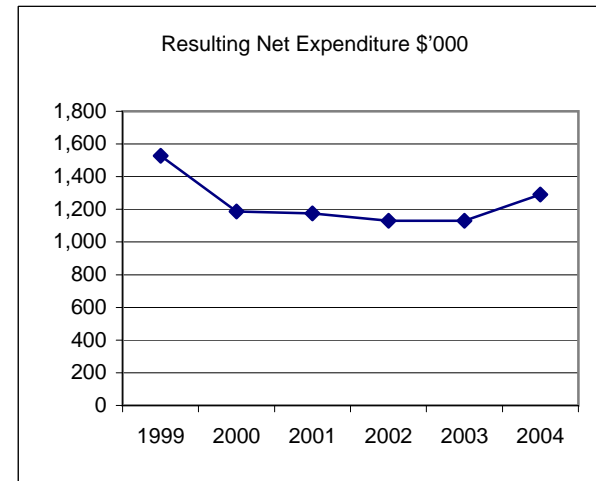
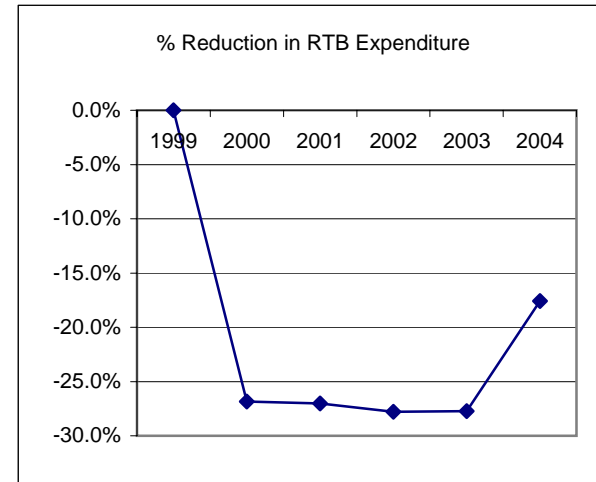
FACULTY of LAW DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	4,473	4,616	4,784	4,804	4,804	4,804
2 Planned RTB Expenditure	4,712	4,654	4,822	4,783	4,783	4,783
3 Recurrent Cash Deficit/Surplus	-239	-38	-38	21	21	21
4 Opening Deficit (1998 yr end)	-196					
5 Thus Accumulated Deficit	-435	-473	-511	-490	-469	-448
REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-435	-473	-511	-490	-469	-448
8 Reduction Target Needed	0	-112	-112	-112	-112	0
9 As % of Planned RTB Expenditure	0.0%	-2.4%	-2.3%	-2.3%	-2.3%	0.0%
10 Additional Annual Spending Cut	0.0%	-2.4%	0.1%	0.0%	0.0%	2.3%
11 Resulting Net Expenditure	4,712	4,542	4,710	4,671	4,671	4,783
12 Resulting Recurrent Debt/Surplus	-239	74	74	133	133	21
13 Resulting Accumulated Debt	-435	-361	-287	-154	-21	0
FEES STRATEGY						
14 Current Fee Income	465					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	23	24	24	26	27
17 Net Effect on Accumulated Deficit	-435	-338	-263	-130	5	27



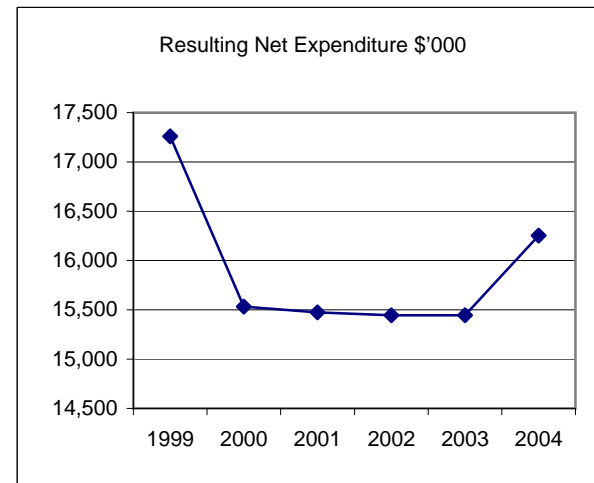
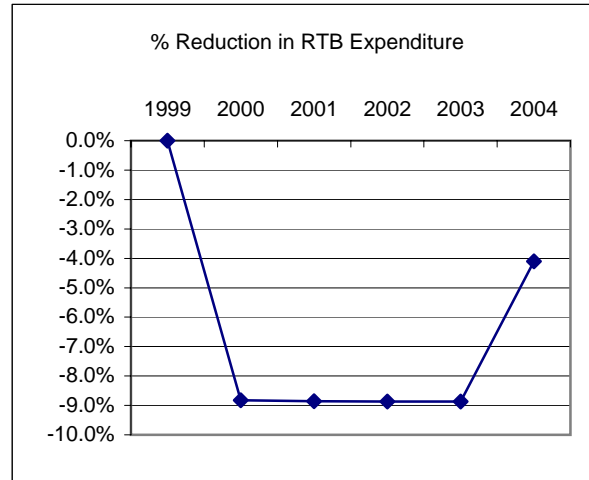
THE SCHOOL OF MATHEMATICAL SCIENCES DEFICIT REDUCTION MODEL

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	1,279	1,314	1,341	1,290	1,290	1,290
2 Planned RTB Expenditure	1,528	1,621	1,610	1,565	1,565	1,565
3 Recurrent Cash Deficit	-249	-307	-269	-275	-275	-275
4 Opening Deficit (1998 yr end)	-364					
5 Thus Accumulated Deficit	-613	-920	-1,189	-1,464	-1,739	-2,014
REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-613	-920	-1,189	-1,464	-1,739	-2,014
8 Reduction Target Needed	0	-435	-435	-435	-434	-275
9 As % of Planned RTB Expenditure	0.0%	-26.8%	-27.0%	-27.8%	-27.7%	-17.6%
10 Additional Annual Spending Cut	0.0%	-26.8%	-0.2%	-0.8%	0.1%	10.2%
11 Resulting Net Expenditure	1,528	1,186	1,175	1,130	1,131	1,290
12 Resulting Recurrent Debt/Surplus	-249	128	166	160	159	0
13 Resulting Accumulated Debt	-613	-485	-319	-159	0	0
FEES STRATEGY						
14 Current Fee Income	0					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	0	0	0	0	0
17 Net Effect on Accumulated Deficit	-613	-485	-319	-159	0	0



FACULTY of SCIENCE DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	16,917	16,439	16,389	16,253	16,253	16,253
2 Planned RTB Expenditure	17,261	17,035	16,978	16,948	16,948	16,948
3 Recurrent Cash Deficit	-344	-596	-589	-695	-695	-695
4 Opening Deficit (1998 yr end)	-3,095					
5 Thus Accumulated Deficit	-3,439	-4,035	-4,624	-5,319	-6,014	-6,709
REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-3,439	-4,035	-4,624	-5,319	-6,014	-6,709
8 Reduction Target Needed	0	-1,504	-1,504	-1,503	-1,503	-695
9 As % of Planned RTB Expenditure	0.0%	-8.8%	-8.9%	-8.9%	-8.9%	-4.1%
10 Additional Annual Spending Cut	0.0%	-8.8%	0.0%	0.0%	0.0%	4.8%
11 Resulting Net Expenditure	17,261	15,531	15,474	15,445	15,445	16,253
12 Resulting Recurrent Debt/Surplus	-344	908	915	808	808	0
13 Resulting Accumulated Debt	-3,439	-2,531	-1,616	-808	0	0
FEES STRATEGY						
14 Current Fee Income	750					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	38	39	39	41	44
17 Net Effect on Accumulated Deficit	-3,439	-2,494	-1,577	-769	41	44



THE FACULTIES' RESOURCES OFFICE DEFICIT REDUCTION MODEL

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	5,901	5,259	5,709	5,109	5,109	5,109
2 RTB Expenditure	5,362	5,060	5,504	4,918	4,918	4,918
3 Recurrent Cash Surplus	539	199	205	191	191	191
4 Opening Deficit (1998 yr end)	-1,392					
5 Thus Accumulated Deficit	-853	-654	-449	-258	-67	124
REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-853	-654	-449	-258	-67	124
8 Reduction Target Needed	0	0	0	0	0	0
9 As % of Planned RTB Expenditure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Additional Annual Spending Cut	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Resulting Net Expenditure	5,362	5,060	5,504	4,918	4,918	4,918
12 Resulting Accumulated Deficit	-853	-654	-449	-258	-67	124
FEES						
13 Current Fee Income	0					
14 Assume a growth rate of	5%					
15 Thus Fees Growth	0	0	0	0	0	0
16 Net Effect on Accumulated Deficit	-853	-654	-449	-258	-67	124

Review of The Faculties

Model: 6 Faculties

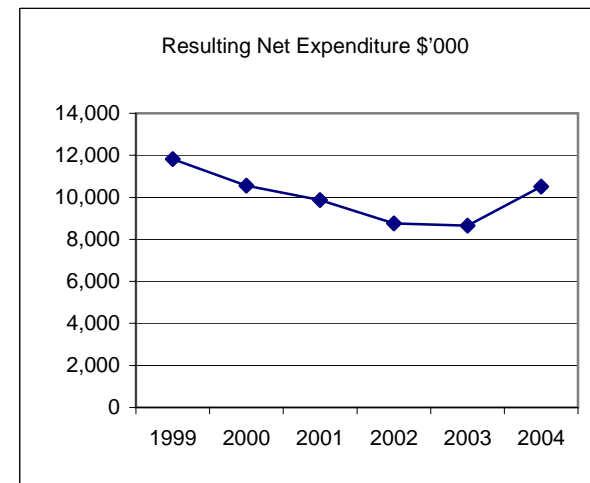
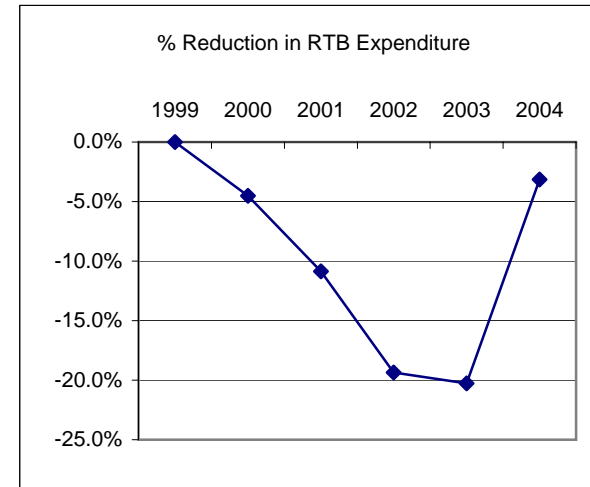
Strategy: 2 (No Council Assistance, Five Year Projection)

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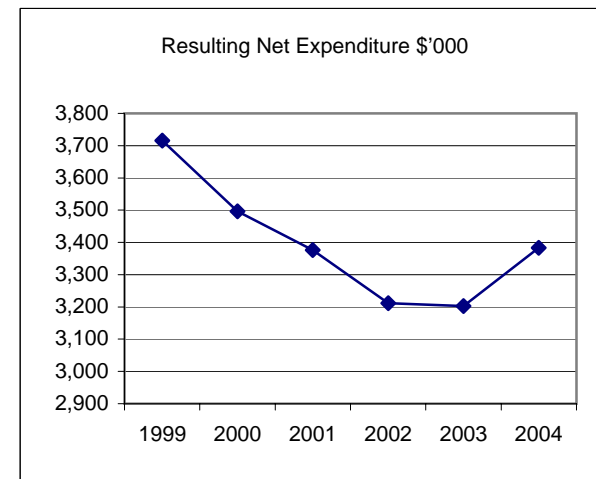
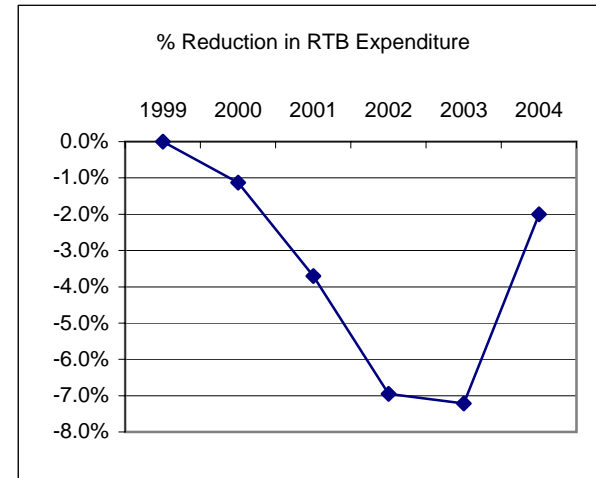
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4 Opening Deficit (1998 yr end)	-4,010					
5 Thus Accumulated Deficit	-4,533	-4,793	-5,322	-5,663	-6,004	-6,345
DEFICIT REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-4,533	-4,793	-5,322	-5,663	-6,004	-6,345
8 Reduction Target Needed	0	-500	-1,203	-2,101	-2,200	-341
9 As % of Planned RTB Expenditure	0.0%	-4.5%	-10.9%	-19.3%	-20.3%	-3.1%
10 Additional Annual Spending Cut	0.0%	-4.5%	-6.3%	-8.5%	-0.9%	17.1%
11 Resulting Net Expenditure	11,818	10,558	9,874	8,758	8,659	10,518
12 Resulting Recurrent Debt/Surplus	-523	240	674	1,760	1,859	0
13 Reducing Accumulated Debt	-4,533	-4,293	-3,619	-1,859	0	0
FEES STRATEGY						
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DEFICIT REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-382	-408	-521	-590	-659	-728
8 Reduction Target Needed	0	-40	-130	-240	-249	-69
9 As % of Planned RTB Expenditure	0.0%	-1.1%	-3.7%	-7.0%	-7.2%	-2.0%
10 Additional Annual Spending Cut	0.0%	-1.1%	-2.6%	-3.2%	-0.3%	5.2%
11 Resulting Net Expenditure	3,716	3,496	3,376	3,212	3,203	3,383
12 Resulting Recurrent Debt/Surplus	-110	14	17	171	180	0
13 Reducing Accumulated Debt	-382	-368	-351	-180	0	0
FEES STRATEGY						
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15 Assume a growth rate of	5%					
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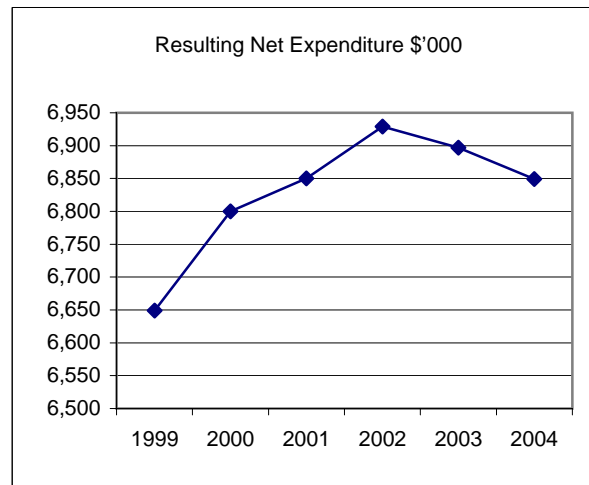
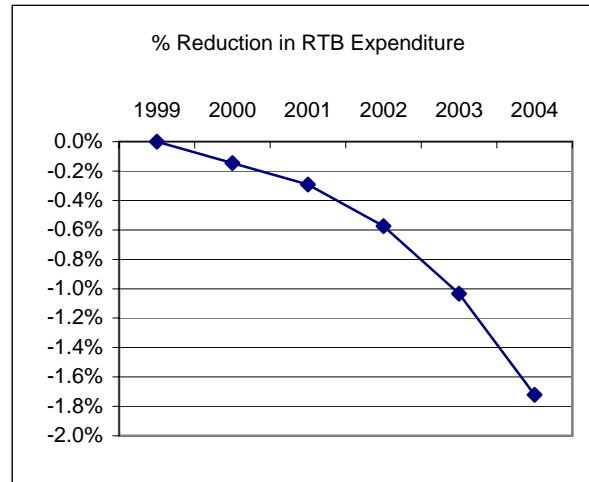
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8 Reduction Target Needed	0	-10	-20	-40	-72	-120
9 As % of Planned RTB Expenditure	0.0%	-0.1%	-0.3%	-0.6%	-1.0%	-1.7%
10 Additional Annual Spending Cut	0.0%	-0.1%	-0.1%	-0.3%	-0.5%	-0.7%
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REDUCTION STRATEGY

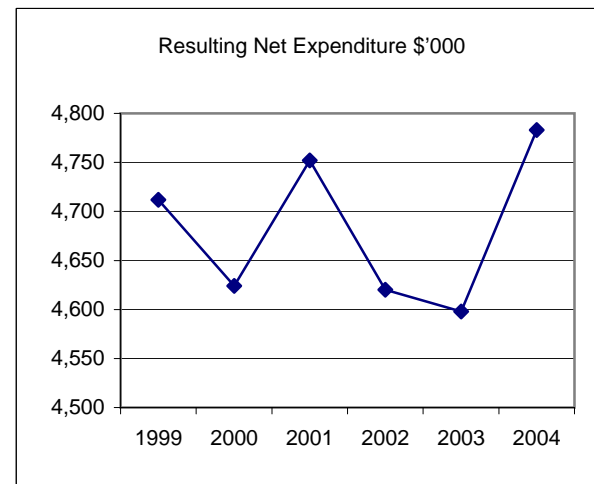
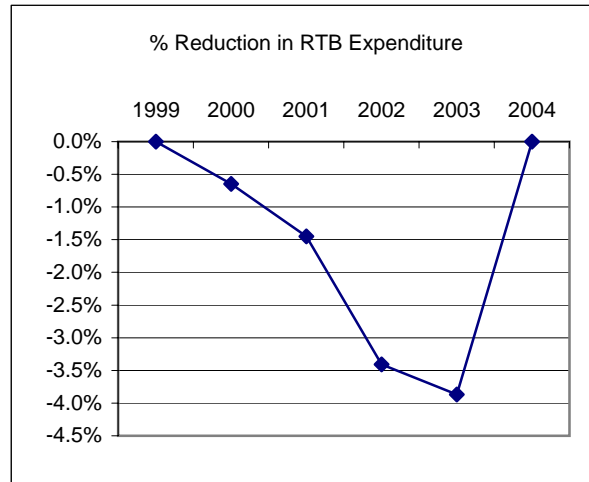
6 Council Assistance	0					
7 Remaining Accumulated Surplus	124	-107	-45	-23	-1	21
8 Reduction Target Needed	0	0	0	0	0	0
9 As % of Planned RTB Expenditure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Additional Annual Spending Cut	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Resulting Net Expenditure	5,137	5,495	5,558	5,618	5,618	5,618
12 Accumulated Surplus	21	21	21	21	21	21

FEES STRATEGY

13 Current Fee Income	400					
14 Assume a growth rate of	5%					
15 Thus Fees Growth	0	20	21	21	22	23
16 Net Effect on Accumulated Deficit	21	41	42	42	43	44

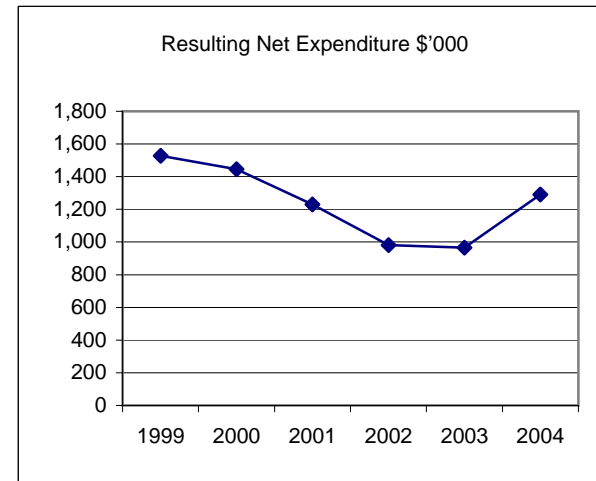
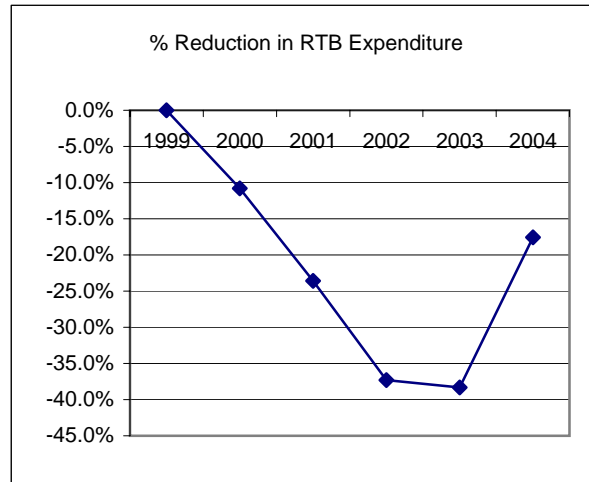
FACULTY of LAW DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	4,473	4,616	4,784	4,804	4,804	4,804
2 Planned RTB Expenditure	4,712	4,654	4,822	4,783	4,783	4,783
3 Recurrent Cash Deficit/Surplus	-239	-38	-38	21	21	21
4 Opening Deficit (1998 yr end)	-196					
5 Thus Accumulated Deficit	-435	-473	-511	-490	-469	-448
REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-435	-473	-511	-490	-469	-448
8 Reduction Target Needed	0	-30	-70	-163	-185	0
9 As % of Planned RTB Expenditure	0.0%	-0.6%	-1.5%	-3.4%	-3.9%	0.0%
10 Additional Annual Spending Cut	0.0%	-0.6%	-0.8%	-2.0%	-0.5%	3.9%
11 Resulting Net Expenditure	4,712	4,624	4,752	4,620	4,598	4,783
12 Resulting Recurrent Debt/Surplus	-239	-8	32	184	206	21
13 Resulting Accumulated Debt	-435	-443	-411	-227	-21	0
FEES STRATEGY						
14 Current Fee Income	465					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	23	24	24	26	27
17 Net Effect on Accumulated Deficit	-435	-420	-387	-203	5	27



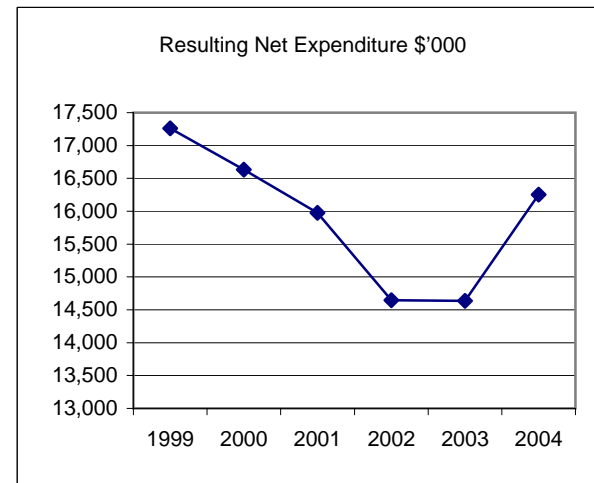
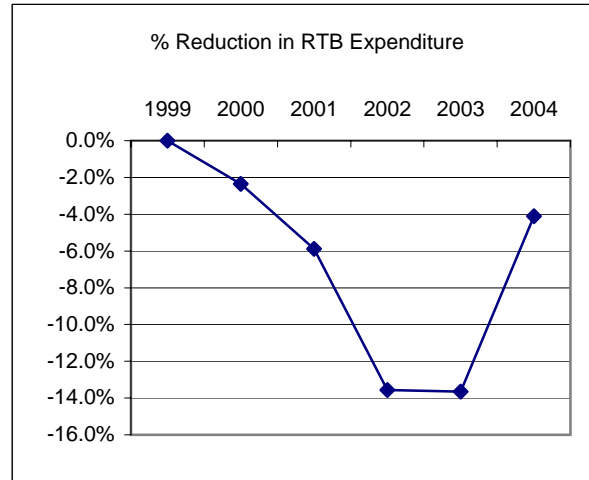
THE SCHOOL OF MATHEMATICAL SCIENCES DEFICIT REDUCTION MODEL

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	1,279	1,314	1,341	1,290	1,290	1,290
2 Planned RTB Expenditure	1,528	1,621	1,610	1,565	1,565	1,565
3 Recurrent Cash Deficit	-249	-307	-269	-275	-275	-275
4 Opening Deficit (1998 yr end)	-364					
5 Thus Accumulated Deficit	-613	-920	-1,189	-1,464	-1,739	-2,014
REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-613	-920	-1,189	-1,464	-1,739	-2,014
8 Reduction Target Needed	0	-175	-380	-584	-600	-275
9 As % of Planned RTB Expenditure	0.0%	-10.8%	-23.6%	-37.3%	-38.3%	-17.6%
10 Additional Annual Spending Cut	0.0%	-10.8%	-12.8%	-13.7%	-1.0%	20.8%
11 Resulting Net Expenditure	1,528	1,446	1,230	981	965	1,290
12 Resulting Recurrent Debt/Surplus	-249	-132	111	309	325	0
13 Resulting Accumulated Debt	-613	-745	-634	-325	0	0
FEES STRATEGY						
14 Current Fee Income	0					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	0	0	0	0	0
17 Net Effect on Accumulated Deficit	-613	-745	-634	-325	0	0



FACULTY of SCIENCE DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	16,917	16,439	16,389	16,253	16,253	16,253
2 Planned RTB Expenditure	17,261	17,035	16,978	16,948	16,948	16,948
3 Recurrent Cash Deficit	-344	-596	-589	-695	-695	-695
4 Opening Deficit (1998 yr end)	-3,095					
5 Thus Accumulated Deficit	-3,439	-4,035	-4,624	-5,319	-6,014	-6,709
REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-3,439	-4,035	-4,624	-5,319	-6,014	-6,709
8 Reduction Target Needed	0	-400	-1,000	-2,300	-2,314	-695
9 As % of Planned RTB Expenditure	0.0%	-2.3%	-5.9%	-13.6%	-13.7%	-4.1%
10 Additional Annual Spending Cut	0.0%	-2.3%	-3.5%	-7.7%	-0.1%	9.6%
11 Resulting Net Expenditure	17,261	16,635	15,978	14,648	14,634	16,253
12 Resulting Recurrent Debt/Surplus	-344	-196	411	1,605	1,619	0
13 Resulting Accumulated Debt	-3,439	-3,635	-3,224	-1,619	0	0
FEES STRATEGY						
14 Current Fee Income	750					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	38	39	39	41	44
17 Net Effect on Accumulated Deficit	-3,439	-3,598	-3,185	-1,580	41	44



THE FACULTIES' RESOURCES OFFICE DEFICIT REDUCTION MODEL

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	5,901	5,259	5,709	5,109	5,109	5,109
2 RTB Expenditure	5,362	5,060	5,504	4,918	4,918	4,918
3 Recurrent Cash Surplus	539	199	205	191	191	191
4 Opening Deficit (1998 yr end)	-1,392					
5 Thus Accumulated Deficit	-853	-654	-449	-258	-67	124
REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-853	-654	-449	-258	-67	124
8 Reduction Target Needed	0	0	0	0	0	0
9 As % of Planned RTB Expenditure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Additional Annual Spending Cut	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Resulting Net Expenditure	5,362	5,060	5,504	4,918	4,918	4,918
12 Resulting Accumulated Deficit	-853	-654	-449	-258	-67	124
FEES						
13 Current Fee Income	0					
14 Assume a growth rate of	5%					
15 Thus Fees Growth	0	0	0	0	0	0
16 Net Effect on Accumulated Deficit	-853	-654	-449	-258	-67	124

Review of The Faculties

Model: 6 Faculties

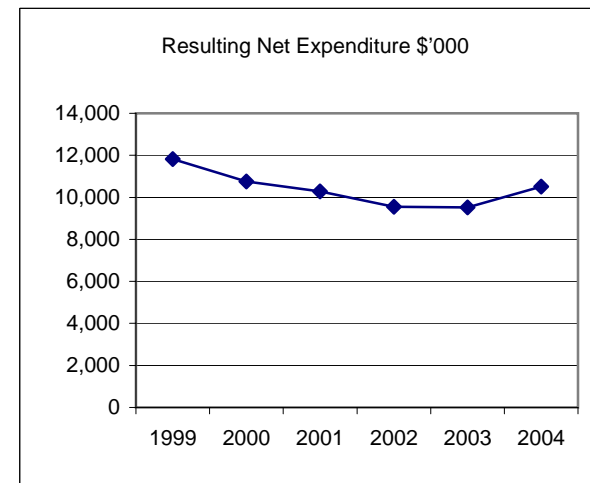
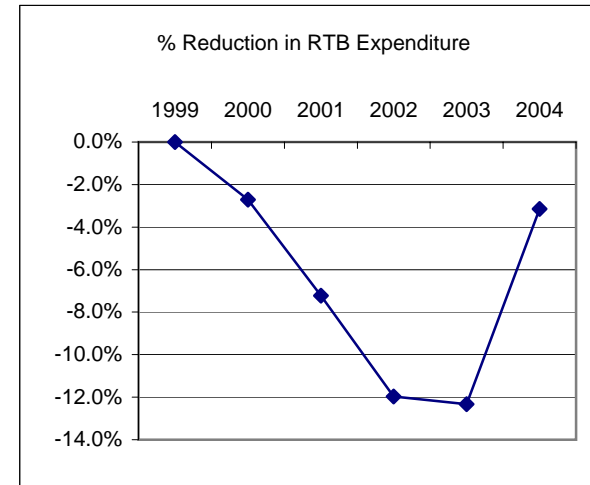
Strategy: 3 (\$5m Council Assistance, Five Year Projection)

Notes to the Attachments

- 1 Current Deficit Estimates - The figures shown here are derived from the Gold Book and are net of preserved funds. The amounts correspond exactly with the Gold Book schedules (at F38-F46) and can be further validated against the 31 August 1999 RTB submissions. The Accumulated Deficit totals for all years represent the expected cash results. Values for outyears 2003 and beyond have been held at 2002 levels, and therefore project existing patterns of revenue and expenditure.
- 2 Deficit Reduction Strategy - The model attached assumes six Faculties, Council assistance of \$5m and Faculty-wide debt reduction over 5 years.
- 3 Fee Strategy - The calculation of increased fee income is illustrative only - in the cases of Law and Economics and Commerce, an increase over current fee levels has been factored in to the expected revenue projections.
- 4 The salary expenses and equivalent funding for current FRO staff have been included. Costs in respect of the Faculties' Resources Coordinator and the infrastructure group have not been included. However, staff costs for accounts payable and receivable, travel, Human Resource tasks, finance reporting, RTB exercises, inventory and Special Purpose Funds compliance activities, have been factored into the model.
- 5 The \$5m of Council assistance has been pro rated across Faculties on the basis of individual Faculty indebtedness as at the 1998 year end. The 1998 Faculty-wide operating deficit totalled \$8,145k.

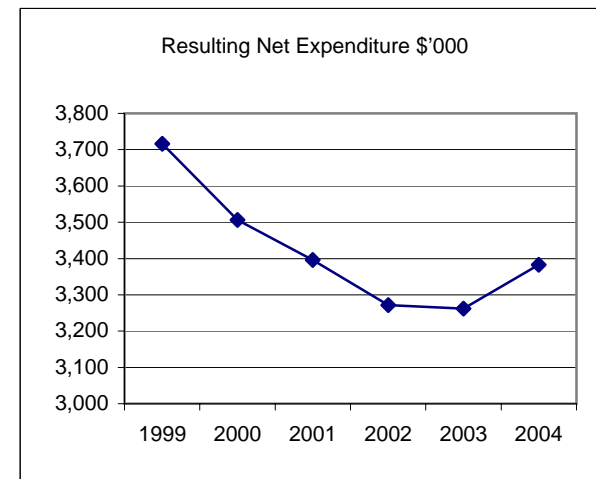
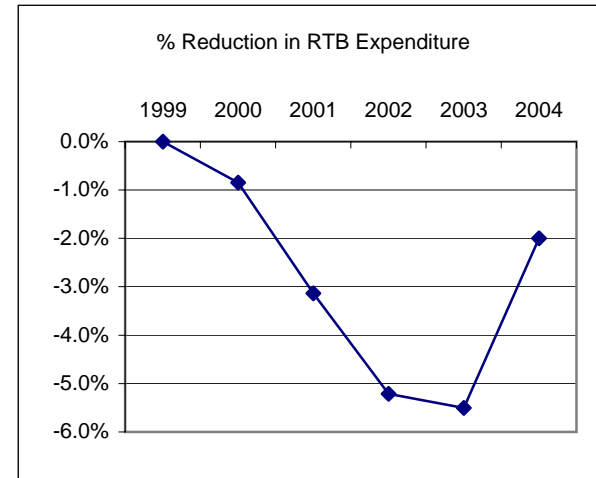
FACULTY of ARTS DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004
CURRENT ESTIMATES						
1 Expected Revenue	11,295	10,798	10,548	10,518	10,518	10,518
2 Planned RTB Expenditure	11,818	11,058	11,077	10,859	10,859	10,859
3 Recurrent Cash Deficit	-523	-260	-529	-341	-341	-341
4 Opening Deficit (1998 yr end)	-4,010					
5 Thus Accumulated Deficit	-4,533	-4,793	-5,322	-5,663	-6,004	-6,345
DEFICIT REDUCTION STRATEGY						
6 Council Assistance	2265	0	0	0	0	0
7 Remaining Accumulated Deficit	-2,268	-2,528	-3,057	-3,398	-3,739	-4,080
8 Reduction Target Needed	0	-300	-800	-1,300	-1,339	-341
9 As % of Planned RTB Expenditure	0.0%	-2.7%	-7.2%	-12.0%	-12.3%	-3.1%
10 Additional Annual Spending Cut	0.0%	-2.7%	-4.5%	-4.7%	-0.4%	9.2%
11 Resulting Net Expenditure	11,818	10,758	10,277	9,559	9,520	10,518
12 Resulting Recurrent Debt/Surplus	-523	40	271	959	998	0
13 Reducing Accumulated Debt	-2,268	-2,228	-1,957	-998	0	0
FEES STRATEGY						
14 Current Fee Income	825					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	41	43	43	46	48
17 Net Effect on Accumulated Deficit	-2,268	-2,187	-1,914	-955	46	48



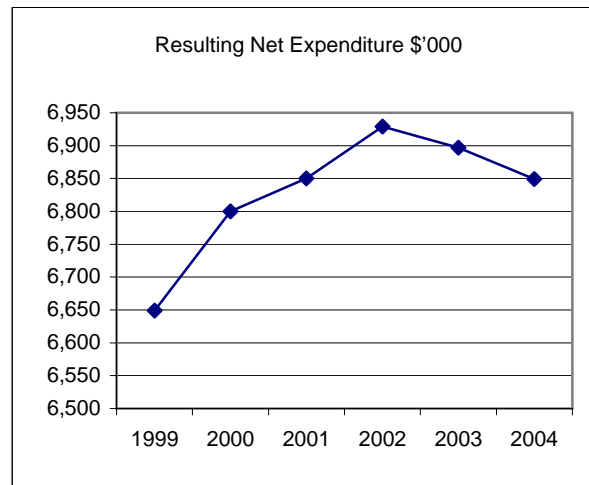
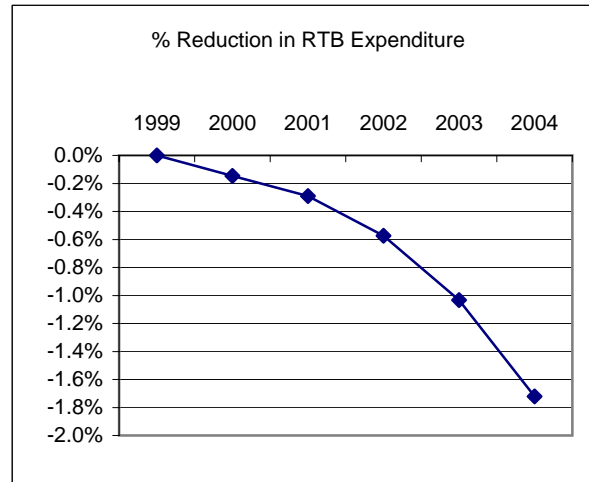
FACULTY of ASIAN STUDIES DEFICIT REDUCTION MODEL

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT ESTIMATES						
1 Expected Revenue	3,606	3,510	3,393	3,383	3,383	3,383
2 Planned RTB Expenditure	3,716	3,536	3,506	3,452	3,452	3,452
3 Recurrent Cash Deficit	-110	-26	-113	-69	-69	-69
4 Opening Deficit (1998 yr end)	-272					
5 Thus Accumulated Deficit	-382	-408	-521	-590	-659	-728
DEFICIT REDUCTION STRATEGY						
6 Council Assistance	149	0	0	0	0	0
7 Remaining Accumulated Deficit	-233	-259	-372	-441	-510	-579
8 Reduction Target Needed	0	-30	-110	-180	-190	-69
9 As % of Planned RTB Expenditure	0.0%	-0.8%	-3.1%	-5.2%	-5.5%	-2.0%
10 Additional Annual Spending Cut	0.0%	-0.8%	-2.3%	-2.1%	-0.3%	3.5%
11 Resulting Net Expenditure	3,716	3,506	3,396	3,272	3,262	3,383
12 Resulting Recurrent Debt/Surplus	-110	4	-3	111	121	0
13 Reducing Accumulated Debt	-233	-229	-232	-121	0	0
FEES STRATEGY						
14 Current Fee Income	320					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	16	17	17	18	19
17 Net Effect on Accumulated Deficit	-233	-213	-215	-104	18	19



FACULTY of ECONOMICS & COMMERCE DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	6,654	6,635	6,739	6,849	6,849	6,849
2 Planned RTB Expenditure	6,649	6,810	6,870	6,969	6,969	6,969
3 Recurrent Cash Deficit	5	-175	-131	-120	-120	-120
4 Opening Surplus (1998 yr end)	399					
5 Thus Accumulated Surplus/Deficit	404	229	98	-22	-142	-262
REDUCTION STRATEGY						
6 Council Assistance	0	0	0	0	0	0
7 Remaining Accumulated Surplus	404	229	98	-22	-142	-262
8 Reduction Target Needed	0	-10	-20	-40	-72	-120
9 As % of Planned RTB Expenditure	0.0%	-0.1%	-0.3%	-0.6%	-1.0%	-1.7%
10 Additional Annual Spending Cut	0.0%	-0.1%	-0.1%	-0.3%	-0.5%	-0.7%
11 Resulting Net Expenditure	6,649	6,800	6,850	6,929	6,897	6,849
12 Accumulated Deficit	5	-165	-111	-80	-48	0
13 Reducing Accumulated Surplus	404	239	128	48	0	0
FEES STRATEGY						
14 Current Fee Income	1,207					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	60	63	64	67	70
17 Net Effect on Accumulated Deficit	5	-105	-48	-16	19	70



FACULTY of ENGINEERING & INFORMATION TECHNOLOGY
DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	5,422	5,264	5,620	5,640	5,640	5,640
2 Planned RTB Expenditure	5,137	5,495	5,558	5,618	5,618	5,618
3 Recurrent Cash Deficit	285	-231	62	22	22	22
4 Opening Deficit (1998 yr end)	-161					
5 Thus Accumulated Deficit	124	-107	-45	-23	-1	21

REDUCTION STRATEGY

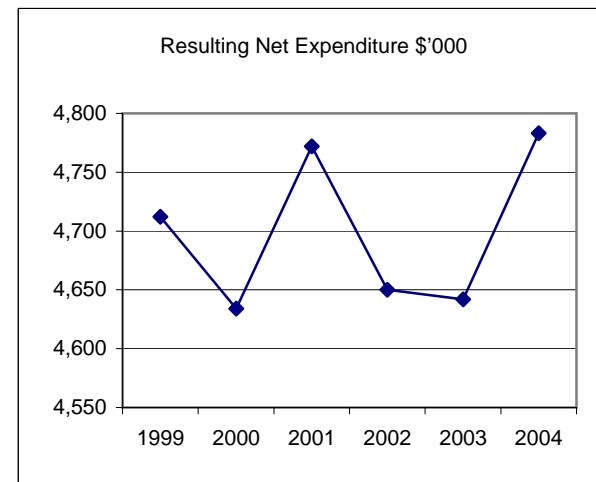
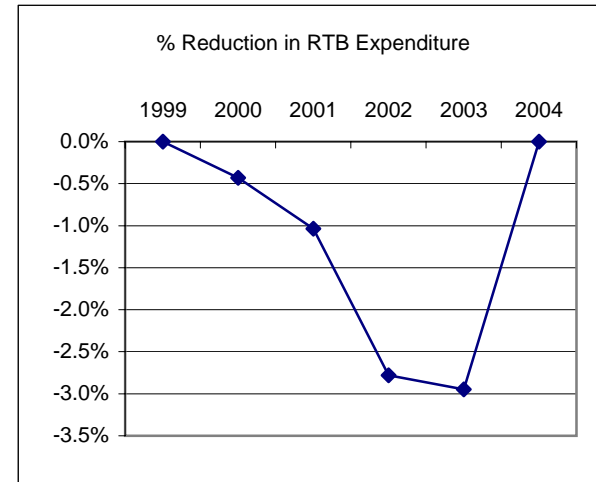
6 Council Assistance	0	0	0	0	0	0
7 Remaining Accumulated Surplus	124	-107	-45	-23	-1	21
8 Reduction Target Needed	0	0	0	0	0	0
9 As % of Planned RTB Expenditure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Additional Annual Spending Cut	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Resulting Net Expenditure	5,137	5,495	5,558	5,618	5,618	5,618
12 Accumulated Surplus	21	21	21	21	21	21

FEES STRATEGY

13 Current Fee Income	400					
14 Assume a growth rate of	5%					
15 Thus Fees Growth	0	20	21	21	22	23
16 Net Effect on Accumulated Deficit	21	41	42	42	43	44

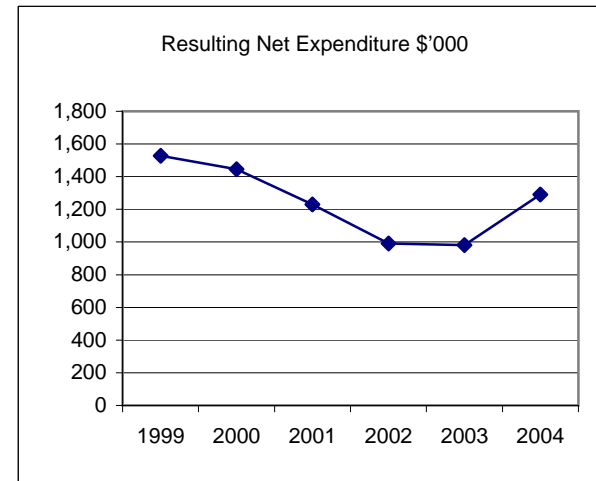
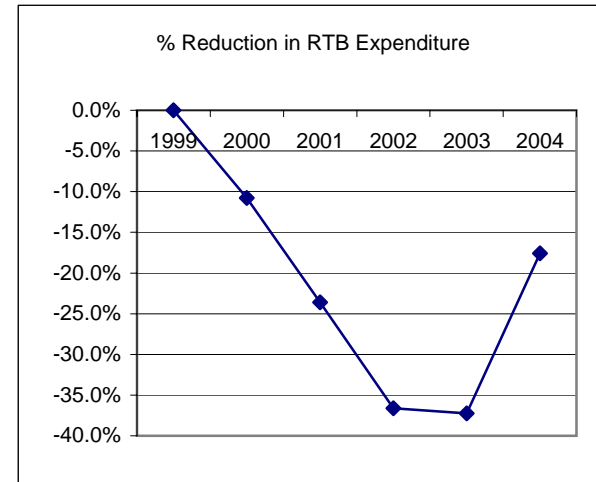
FACULTY of LAW DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	4,473	4,616	4,784	4,804	4,804	4,804
2 Planned RTB Expenditure	4,712	4,654	4,822	4,783	4,783	4,783
3 Recurrent Cash Deficit/Surplus	-239	-38	-38	21	21	21
4 Opening Deficit (1998 yr end)	-196					
5 Thus Accumulated Deficit	-435	-473	-511	-490	-469	-448
REDUCTION STRATEGY						
6 Council Assistance	104	0	0	0	0	0
7 Remaining Accumulated Deficit	-331	-369	-407	-386	-365	-344
8 Reduction Target Needed	0	-20	-50	-133	-141	0
9 As % of Planned RTB Expenditure	0.0%	-0.4%	-1.0%	-2.8%	-2.9%	0.0%
10 Additional Annual Spending Cut	0.0%	-0.4%	-0.6%	-1.7%	-0.2%	2.9%
11 Resulting Net Expenditure	4,712	4,634	4,772	4,650	4,642	4,783
12 Resulting Recurrent Debt/Surplus	-239	-18	12	154	162	21
13 Resulting Accumulated Debt	-331	-349	-337	-183	-21	0
FEES STRATEGY						
14 Current Fee Income	465					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	23	24	24	26	27
17 Net Effect on Accumulated Deficit	-331	-326	-313	-159	5	27



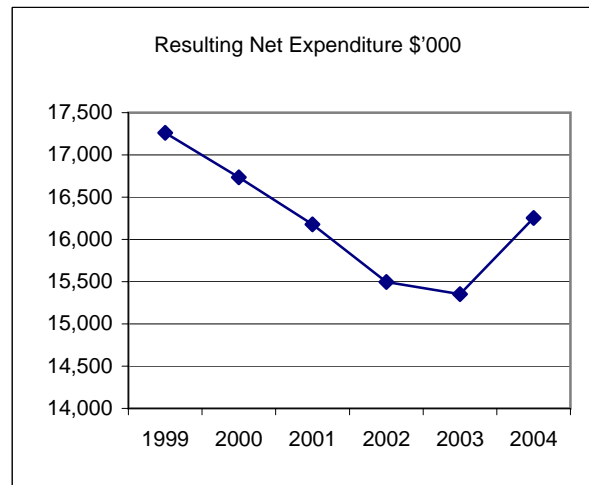
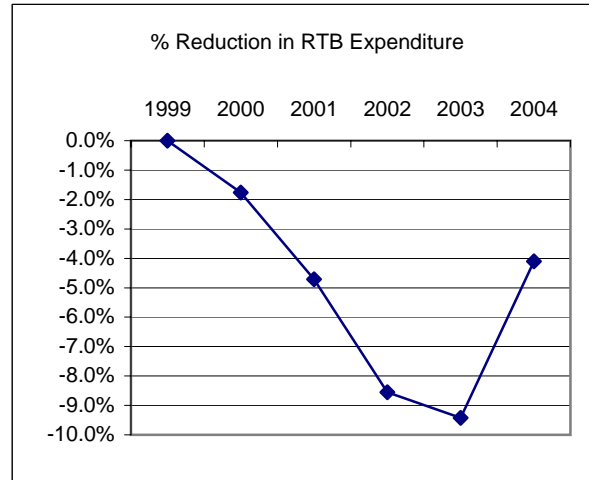
THE SCHOOL OF MATHEMATICAL SCIENCES DEFICIT REDUCTION MODEL

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	1,279	1,314	1,341	1,290	1,290	1,290
2 Planned RTB Expenditure	1,528	1,621	1,610	1,565	1,565	1,565
3 Recurrent Cash Deficit	-249	-307	-269	-275	-275	-275
4 Opening Deficit (1998 yr end)	-364					
5 Thus Accumulated Deficit	-613	-920	-1,189	-1,464	-1,739	-2,014
REDUCTION STRATEGY						
6 Council Assistance	28	0	0	0	0	0
7 Remaining Accumulated Deficit	-585	-892	-1,161	-1,436	-1,711	-1,986
8 Reduction Target Needed	0	-175	-380	-573	-583	-275
9 As % of Planned RTB Expenditure	0.0%	-10.8%	-23.6%	-36.6%	-37.3%	-17.6%
10 Additional Annual Spending Cut	0.0%	-10.8%	-12.8%	-13.0%	-0.6%	19.7%
11 Resulting Net Expenditure	1,528	1,446	1,230	992	982	1,290
12 Resulting Recurrent Debt/Surplus	-249	-132	111	298	308	0
13 Resulting Accumulated Debt	-585	-717	-606	-308	0	0
FEES STRATEGY						
14 Current Fee Income	0					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	0	0	0	0	0
17 Net Effect on Accumulated Deficit	-585	-717	-606	-308	0	0



FACULTY of SCIENCE DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	16,917	16,439	16,389	16,253	16,253	16,253
2 Planned RTB Expenditure	17,261	17,035	16,978	16,948	16,948	16,948
3 Recurrent Cash Deficit	-344	-596	-589	-695	-695	-695
4 Opening Deficit (1998 yr end)	-3,095					
5 Thus Accumulated Deficit	-3,439	-4,035	-4,624	-5,319	-6,014	-6,709
REDUCTION STRATEGY						
6 Council Assistance	1867	0	0	0	0	0
7 Remaining Accumulated Deficit	-1,572	-2,168	-2,757	-3,452	-4,147	-4,842
8 Reduction Target Needed	0	-300	-800	-1,450	-1,597	-695
9 As % of Planned RTB Expenditure	0.0%	-1.8%	-4.7%	-8.6%	-9.4%	-4.1%
10 Additional Annual Spending Cut	0.0%	-1.8%	-3.0%	-3.8%	-0.9%	5.3%
11 Resulting Net Expenditure	17,261	16,735	16,178	15,498	15,351	16,253
12 Resulting Recurrent Debt/Surplus	-344	-296	211	755	902	0
13 Resulting Accumulated Debt	-1,572	-1,868	-1,657	-902	0	0
FEES STRATEGY						
14 Current Fee Income	750					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	38	39	39	41	44
17 Net Effect on Accumulated Deficit	-1,572	-1,831	-1,618	-863	41	44



THE FACULTIES' RESOURCES OFFICE DEFICIT REDUCTION MODEL

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT DEFICIT ESTIMATES						
1 Expected Revenue	5,901	5,259	5,709	5,109	5,109	5,109
2 RTB Expenditure	5,362	5,060	5,504	4,918	4,918	4,918
3 Recurrent Cash Surplus	539	199	205	191	191	191
4 Opening Deficit (1998 yr end)	-1,392					
5 Thus Accumulated Deficit	-853	-654	-449	-258	-67	124
REDUCTION STRATEGY						
6 Council Assistance	587	0	0	0	0	0
7 Remaining Accumulated Deficit	-266	-67	138	329	520	711
8 Reduction Target Needed	0	0	0	0	0	0
9 As % of Planned RTB Expenditure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Additional Annual Spending Cut	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Resulting Net Expenditure	5,362	5,060	5,504	4,918	4,918	4,918
12 Resulting Accumulated Deficit	-266	-67	138	329	520	711
FEES						
13 Current Fee Income	0					
14 Assume a growth rate of	5%					
15 Thus Fees Growth	0	0	0	0	0	0
16 Net Effect on Accumulated Deficit	-266	-67	138	329	520	711

Review of The Faculties

Model: 6 Faculties

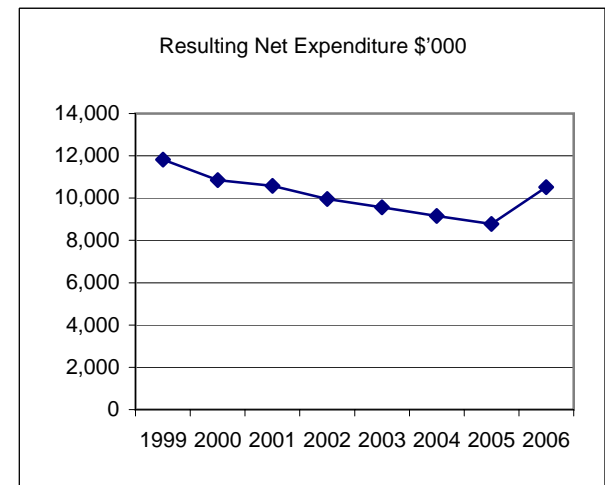
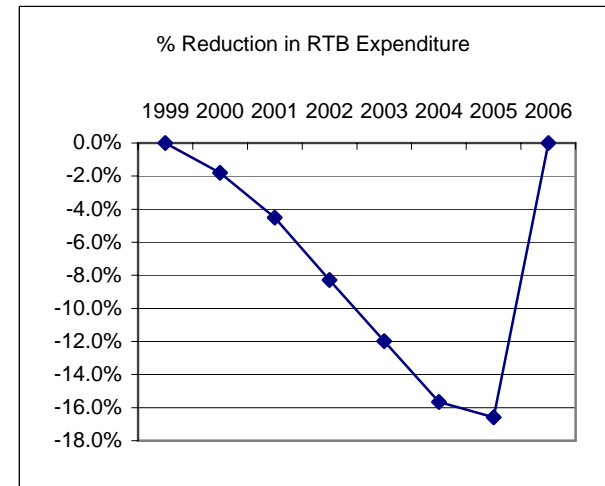
Strategy: 4 (No Council Assistance, Seven Year Projection)

Notes to the Attachments

- 1 Current Deficit Estimates - The figures shown here are derived from the Gold Book and are net of preserved funds. The amounts correspond exactly with the Gold Book schedules (at F38-F46) and can be further validated against the 31 August 1999 RTB submissions. The Accumulated Deficit totals for all years represent the expected cash results. Revenue and expenditure values for outyears 2003 and 2004 have been held at 2002 levels, and have been adjusted such that revenue and expenditure are equal for outyears 2005 and 2006.
- 2 Deficit Reduction Strategy - The model attached assumes six Faculties, no Council assistance and Faculty-wide debt reduction over 7 years.
- 3 Fee Strategy - The calculation of increased fee income is illustrative only - in the cases of Law and Economics and Commerce, an increase over current fee levels has been factored in to the expected revenue projections.
- 4 The salary expenses and equivalent funding for current FRO staff have been included. Costs in respect of the Faculties' Resources Coordinator and the infrastructure group have not been included. However, staff costs for accounts payable and receivable, travel, Human Resource tasks, finance reporting, RTB exercises, inventory and Special Purpose Funds compliance activities, have been factored into the model.

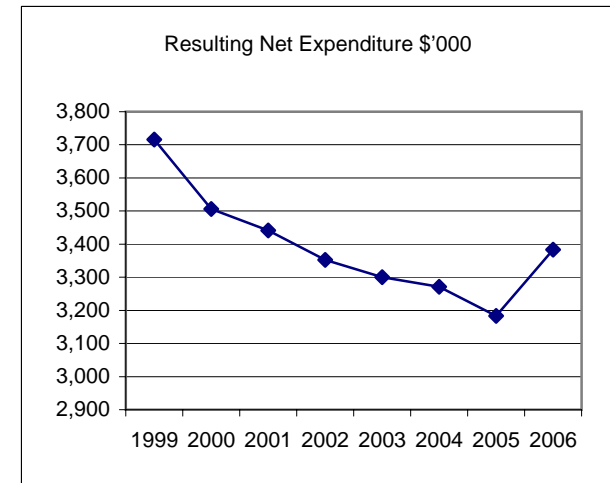
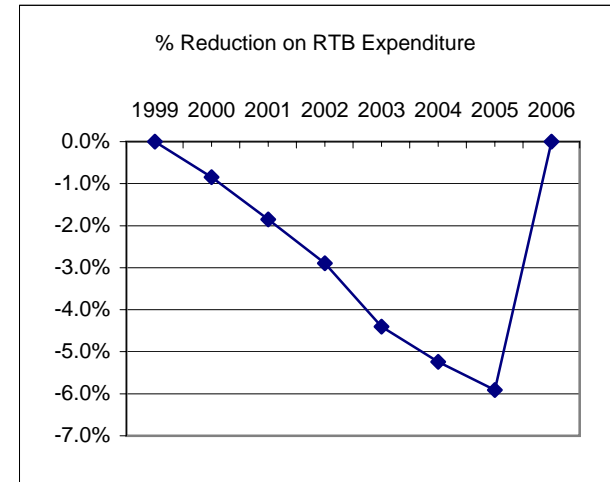
FACULTY of ARTS DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004	2005	2006
CURRENT ESTIMATES								
1 Expected Revenue	11,295	10,798	10,548	10,518	10,518	10,518	10,518	10,518
2 Planned RTB Expenditure	11,818	11,058	11,077	10,859	10,859	10,859	10,518	10,518
3 Recurrent Cash Deficit	-523	-260	-529	-341	-341	-341	0	0
4 Opening Deficit (1998 yr end)	-4,010							
5 Thus Accumulated Deficit	-4,533	-4,793	-5,322	-5,663	-6,004	-6,345	-6,345	-6,345
DEFICIT REDUCTION STRATEGY								
6 Council Assistance	0							
7 Remaining Accumulated Deficit	-4,533	-4,793	-5,322	-5,663	-6,004	-6,345	-6,345	-6,345
8 Reduction Target Needed	0	-200	-500	-900	-1,300	-1,700	-1,745	0
9 As % of Planned RTB Expenditure	0.0%	-1.8%	-4.5%	-8.3%	-12.0%	-15.7%	-16.6%	0.0%
10 Additional Annual Spending Cut	0.0%	-1.8%	-2.7%	-3.8%	-3.7%	-3.7%	-0.9%	16.6%
11 Resulting Net Expenditure	11,818	10,858	10,577	9,959	9,559	9,159	8,773	10,518
12 Resulting Recurrent Debt/Surplus	-523	-60	-29	559	959	1,359	1,745	0
13 Reducing Accumulated Debt	-4,533	-4,593	-4,622	-4,063	-3,104	-1,745	0	0
FEES STRATEGY								
14 Current Fee Income	825							
15 Assume a growth rate of	5%							
16 Thus Fees Growth	0	41	43	45	48	50	53	55
17 Net Effect on Accumulated Deficit	-4,533	-4,552	-4,579	-4,018	-3,056	-1,695	53	55



FACULTY of ASIAN STUDIES DEFICIT REDUCTION MODEL

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004	\$'000 2005	\$'000 2006
CURRENT ESTIMATES								
1 Expected Revenue	3,606	3,510	3,393	3,383	3,383	3,383	3,383	3,383
2 Planned RTB Expenditure	3,716	3,536	3,506	3,452	3,452	3,452	3,383	3,383
3 Recurrent Cash Deficit	-110	-26	-113	-69	-69	-69	0	0
4 Opening Deficit (1998 yr end)	-272							
5 Thus Accumulated Deficit	-382	-408	-521	-590	-659	-728	-728	-728
DEFICIT REDUCTION STRATEGY								
6 Council Assistance	0							
7 Remaining Accumulated Deficit	-382	-408	-521	-590	-659	-728	-728	-728
8 Reduction Target Needed	0	-30	-65	-100	-152	-181	-200	0
9 As % of Planned RTB Expenditure	0.0%	-0.8%	-1.9%	-2.9%	-4.4%	-5.2%	-5.9%	0.0%
10 Additional Annual Spending Cut	0.0%	-0.8%	-1.0%	-1.0%	-1.5%	-0.8%	-0.7%	5.9%
11 Resulting Net Expenditure	3,716	3,506	3,441	3,352	3,300	3,271	3,183	3,383
12 Resulting Recurrent Debt/Surplus	-110	4	-48	31	83	112	200	0
13 Reducing Accumulated Debt	-382	-378	-426	-395	-312	-200	0	0
FEES STRATEGY								
14 Current Fee Income	320							
15 Assume a growth rate of	5%							
16 Thus Fees Growth	0	16	17	18	19	19	20	21
17 Net Effect on Accumulated Deficit	-382	-362	-409	-377	-293	-181	20	21



FACULTY of ECONOMICS & COMMERCE DEFICIT REDUCTION MODEL

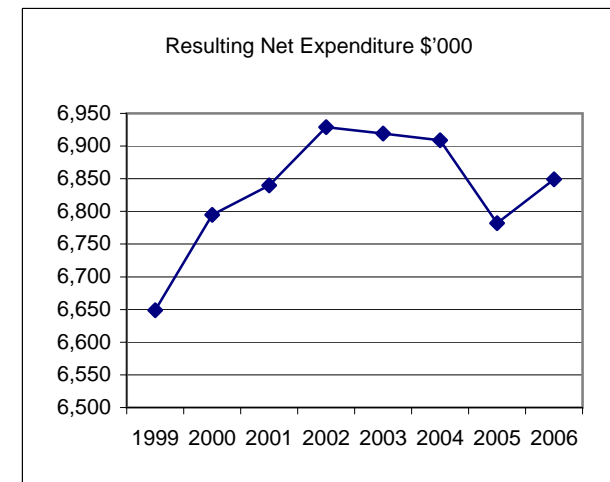
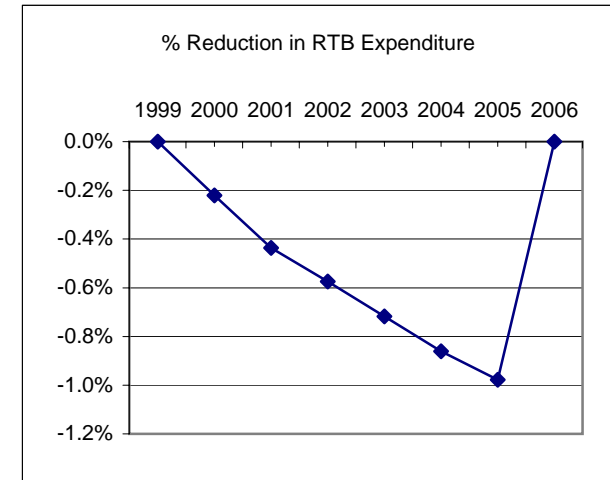
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004	2005	2006
CURRENT DEFICIT ESTIMATES								
1 Expected Revenue	6,654	6,635	6,739	6,849	6,849	6,849	6,849	6,849
2 Planned RTB Expenditure	6,649	6,810	6,870	6,969	6,969	6,969	6,849	6,849
3 Recurrent Cash Deficit	5	-175	-131	-120	-120	-120	0	0
4 Opening Surplus (1998 yr end)	399							
5 Thus Accumulated Surplus/Deficit	404	229	98	-22	-142	-262	-262	-262

REDUCTION STRATEGY

6 Council Assistance	0							
7 Remaining Accumulated Surplus	404	229	98	-22	-142	-262	-262	-262
8 Reduction Target Needed	0	-15	-30	-40	-50	-60	-67	0
9 As % of Planned RTB Expenditure	0.0%	-0.2%	-0.4%	-0.6%	-0.7%	-0.9%	-1.0%	0.0%
10 Additional Annual Spending Cut	0.0%	-0.2%	-0.2%	-0.1%	-0.1%	-0.1%	-0.1%	1.0%
11 Resulting Net Expenditure	6,649	6,795	6,840	6,929	6,919	6,909	6,782	6,849
12 Accumulated Deficit	5	-160	-101	-80	-70	-60	67	0
13 Reducing Accumulated Surplus	404	244	143	63	-7	-67	0	0

FEES STRATEGY

14 Current Fee Income	1,207							
15 Assume a growth rate of	5%							
16 Thus Fees Growth	0	60	63	67	70	73	77	81
17 Net Effect on Accumulated Deficit	5	-100	-38	-13	0	13	144	81



FACULTY of ENGINEERING & INFORMATION TECHNOLOGY
DEFICIT REDUCTION MODEL

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004	2005	2006
CURRENT DEFICIT ESTIMATES								
1 Expected Revenue	5,422	5,264	5,620	5,640	5,640	5,640	5,640	5,640
2 Planned RTB Expenditure	5,137	5,495	5,558	5,618	5,618	5,618	5,618	5,618
3 Recurrent Cash Deficit	285	-231	62	22	22	22	22	22
4 Opening Deficit (1998 yr end)	-161							
5 Thus Accumulated Deficit	124	-107	-45	-23	-1	21	43	65

REDUCTION STRATEGY

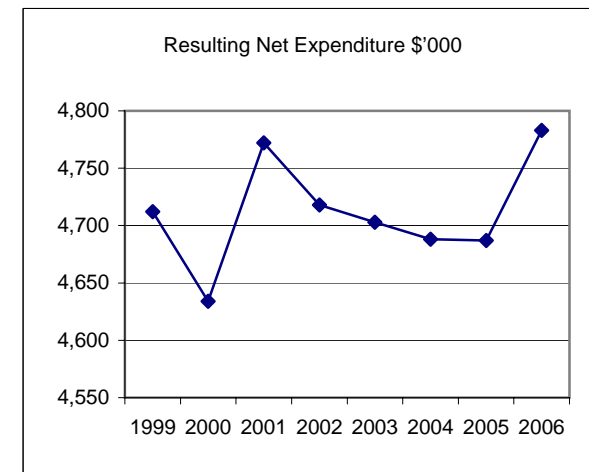
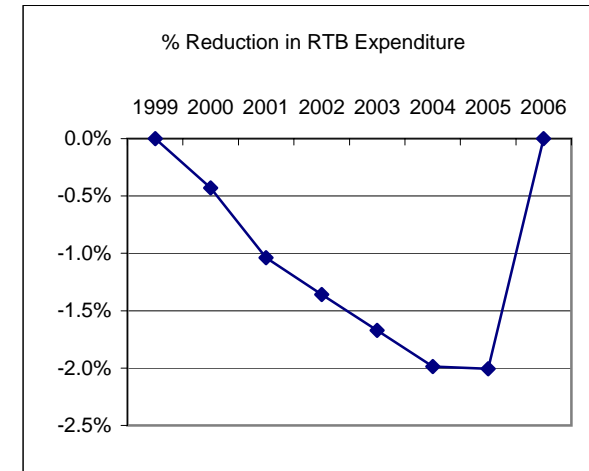
6 Council Assistance	0							
7 Remaining Accumulated Surplus	124	-107	-45	-23	-1	21	43	65
8 Reduction Target Needed	0	0	0	0	0	0	0	0
9 As % of Planned RTB Expenditure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Additional Annual Spending Cut	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Resulting Net Expenditure	5,137	5,495	5,558	5,618	5,618	5,618	5,618	5,618
12 Accumulated Surplus	65	65	65	65	65	65	65	65

FEES STRATEGY

13 Current Fee Income	400							
14 Assume a growth rate of	5%							
15 Thus Fees Growth	0	20	21	22	23	24	26	27
16 Net Effect on Accumulated Deficit	65	85	86	87	88	89	91	92

FACULTY of LAW DEFICIT REDUCTION MODEL

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004	\$'000 2005	\$'000 2006
CURRENT DEFICIT ESTIMATES								
1 Expected Revenue	4,473	4,616	4,784	4,804	4,804	4,804	4,804	4,804
2 Planned RTB Expenditure	4,712	4,654	4,822	4,783	4,783	4,783	4,783	4,783
3 Recurrent Cash Deficit/Surplus	-239	-38	-38	21	21	21	21	21
4 Opening Deficit (1998 yr end)	-196							
5 Thus Accumulated Deficit	-435	-473	-511	-490	-469	-448	-427	-406
REDUCTION STRATEGY								
6 Council Assistance	0							
7 Remaining Accumulated Deficit	-435	-473	-511	-490	-469	-448	-427	-406
8 Reduction Target Needed	0	-20	-50	-65	-80	-95	-96	0
9 As % of Planned RTB Expenditure	0.0%	-0.4%	-1.0%	-1.4%	-1.7%	-2.0%	-2.0%	0.0%
10 Additional Annual Spending Cut	0.0%	-0.4%	-0.6%	-0.3%	-0.3%	-0.3%	0.0%	2.0%
11 Resulting Net Expenditure	4,712	4,634	4,772	4,718	4,703	4,688	4,687	4,783
12 Resulting Recurrent Debt/Surplus	-239	-18	12	86	101	116	117	21
13 Resulting Accumulated Debt	-435	-453	-441	-355	-254	-138	-21	0
FEES STRATEGY								
14 Current Fee Income	465							
15 Assume a growth rate of	5%							
16 Thus Fees Growth	0	23	24	26	27	28	30	31
17 Net Effect on Accumulated Deficit	-435	-430	-417	-329	-227	-110	9	31



THE SCHOOL OF MATHEMATICAL SCIENCES DEFICIT REDUCTION MODEL

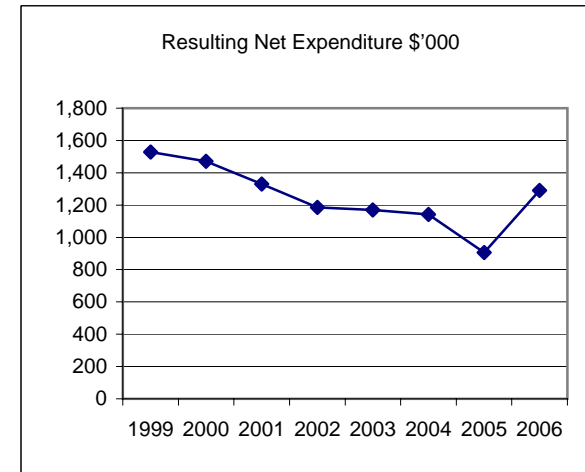
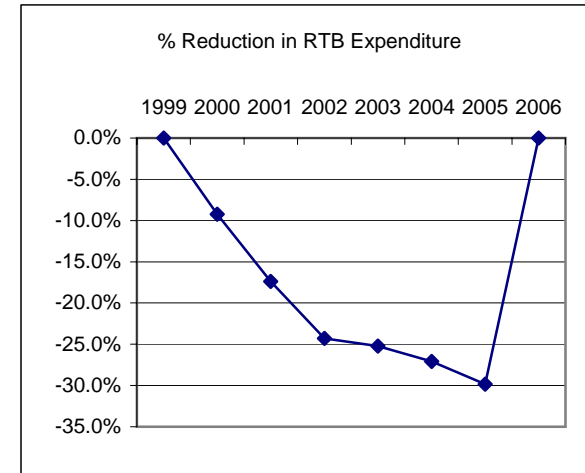
	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004	\$'000 2005	\$'000 2006
CURRENT DEFICIT ESTIMATES								
1 Expected Revenue	1,279	1,314	1,341	1,290	1,290	1,290	1,290	1,290
2 Planned RTB Expenditure	1,528	1,621	1,610	1,565	1,565	1,565	1,290	1,290
3 Recurrent Cash Deficit	-249	-307	-269	-275	-275	-275	0	0
4 Opening Deficit (1998 yr end)	-364							
5 Thus Accumulated Deficit	-613	-920	-1,189	-1,464	-1,739	-2,014	-2,014	-2,014

REDUCTION STRATEGY

6 Council Assistance	0							
7 Remaining Accumulated Deficit	-613	-920	-1,189	-1,464	-1,739	-2,014	-2,014	-2,014
8 Reduction Target Needed	0	-150	-280	-380	-395	-424	-385	0
9 As % of Planned RTB Expenditure	0.0%	-9.3%	-17.4%	-24.3%	-25.2%	-27.1%	-29.8%	0.0%
10 Additional Annual Spending Cut	0.0%	-9.3%	-8.1%	-6.9%	-1.0%	-1.9%	-2.8%	29.8%
11 Resulting Net Expenditure	1,528	1,471	1,330	1,185	1,170	1,141	905	1,290
12 Resulting Recurrent Debt/Surplus	-249	-157	11	105	120	149	385	0
13 Resulting Accumulated Debt	-613	-770	-759	-654	-534	-385	0	0

FEES STRATEGY

14 Current Fee Income	0							
15 Assume a growth rate of	5%							
16 Thus Fees Growth	0	0	0	0	0	0	0	0
17 Net Effect on Accumulated Deficit	-613	-770	-759	-654	-534	-385	0	0



FACULTY of SCIENCE DEFICIT REDUCTION MODEL

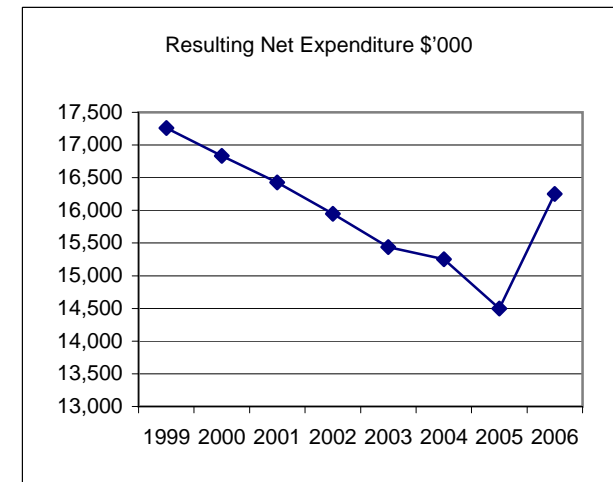
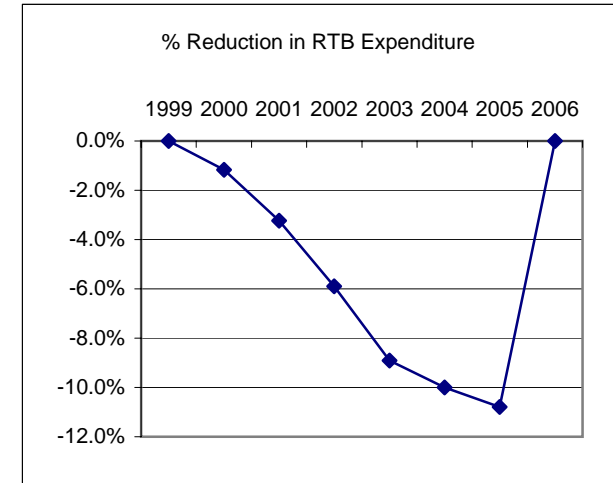
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1999	2000	2001	2002	2003	2004	2005	2006
CURRENT DEFICIT ESTIMATES								
1 Expected Revenue	16,917	16,439	16,389	16,253	16,253	16,253	16,253	16,253
2 Planned RTB Expenditure	17,261	17,035	16,978	16,948	16,948	16,948	16,253	16,253
3 Recurrent Cash Deficit	-344	-596	-589	-695	-695	-695	0	0
4 Opening Deficit (1998 yr end)	-3,095							
5 Thus Accumulated Deficit	-3,439	-4,035	-4,624	-5,319	-6,014	-6,709	-6,709	-6,709

REDUCTION STRATEGY

6 Council Assistance	0							
7 Remaining Accumulated Deficit	-3,439	-4,035	-4,624	-5,319	-6,014	-6,709	-6,709	-6,709
8 Reduction Target Needed	0	-200	-550	-1,000	-1,510	-1,695	-1,754	0
9 As % of Planned RTB Expenditure	0.0%	-1.2%	-3.2%	-5.9%	-8.9%	-10.0%	-10.8%	0.0%
10 Additional Annual Spending Cut	0.0%	-1.2%	-2.1%	-2.7%	-3.0%	-1.1%	-0.8%	10.8%
11 Resulting Net Expenditure	17,261	16,835	16,428	15,948	15,438	15,253	14,499	16,253
12 Resulting Recurrent Debt/Surplus	-344	-396	-39	305	815	1,000	1,754	0
13 Resulting Accumulated Debt	-3,439	-3,835	-3,874	-3,569	-2,754	-1,754	0	0

FEES STRATEGY

14 Current Fee Income	750							
15 Assume a growth rate of	5%							
16 Thus Fees Growth	0	38	39	41	43	46	48	50
17 Net Effect on Accumulated Deficit	-3,439	-3,798	-3,835	-3,528	-2,711	-1,708	48	50



THE FACULTIES' RESOURCES OFFICE DEFICIT REDUCTION MODEL

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004	\$'000 2005	\$'000 2006
CURRENT DEFICIT ESTIMATES								
1 Expected Revenue	5,901	5,259	5,709	5,109	5,109	5,109	5,109	5,109
2 RTB Expenditure	5,362	5,060	5,504	4,918	4,918	4,918	4,918	4,918
3 Recurrent Cash Surplus	539	199	205	191	191	191	191	191
4 Opening Deficit (1998 yr end)	-1,392							
5 Thus Accumulated Deficit	-853	-654	-449	-258	-67	124	315	506
REDUCTION STRATEGY								
6 Council Assistance	0							
7 Remaining Accumulated Deficit	-853	-654	-449	-258	-67	124	315	506
8 Reduction Target Needed	0	0	0	0	0	0	0	0
9 As % of Planned RTB Expenditure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10 Additional Annual Spending Cut	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11 Resulting Net Expenditure	5,362	5,060	5,504	4,918	4,918	4,918	4,918	4,918
12 Resulting Accumulated Deficit	-853	-654	-449	-258	-67	124	315	506
FEES								
13 Current Fee Income	0							
14 Assume a growth rate of	5%							
15 Thus Fees Growth	0	0	0	0	0	0	0	0
16 Net Effect on Accumulated Deficit	-853	-654	-449	-258	-67	124	315	506

Review of The Faculties

Model: 1 Institute

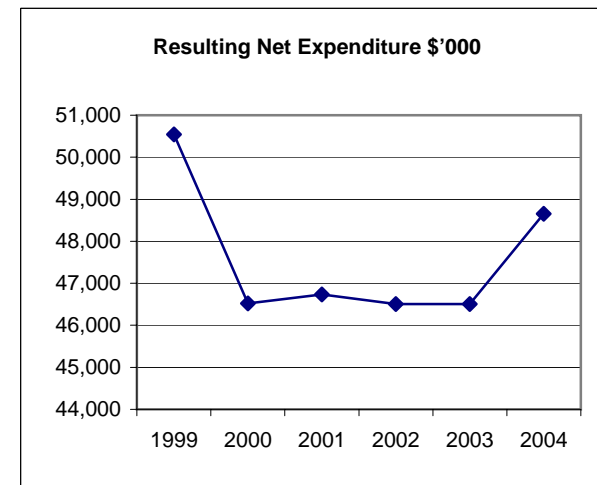
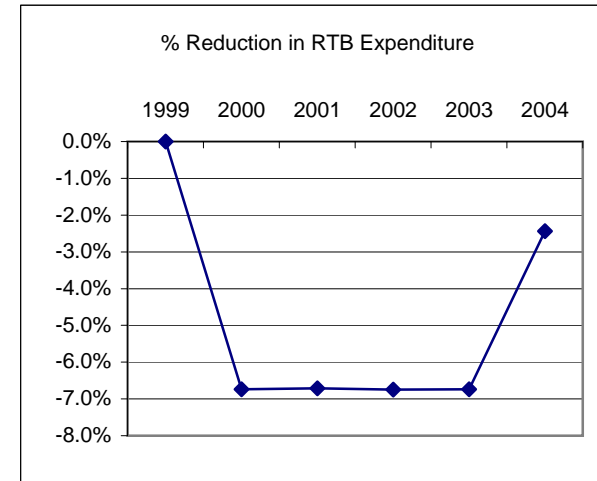
Strategy: 1 (Baseline, Five Year Projection)

Notes to the Attachments

- 1 Current Deficit Estimates - The figures shown here are derived from the Gold Book and are net of preserved funds. The amounts correspond exactly with the Gold Book schedules (at F38-F46) and can be further validated against the 31 August 1999 RTB submissions. The Accumulated Deficit totals for all years represent the expected cash results. Values for outyears 2003 and beyond have been held at 2002 levels, and therefore project existing patterns of revenue and expenditure.
- 2 Deficit Reduction Strategy - The model attached assumes one Institute, no Council assistance and Faculty-wide uniform debt reduction over 5 years.
- 3 Fee Strategy - The calculation of increased fee income is illustrative only - in the cases of Law and Economics and Commerce, an increase over current fee levels has been factored in to the expected revenue projections.
- 4 The salary expenses and equivalent funding for current FRO staff have been included. Costs in respect of the Faculties' Resources Coordinator and the infrastructure group have not been included. However, staff costs for accounts payable and receivable, travel, Human Resource tasks, finance reporting, RTB exercises, inventory and Special Purpose Funds compliance activities, have been factored into the model.

INSTITUTE of THE FACULTIES

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT ESTIMATES						
1 Expected Revenue	49,646	48,576	48,814	48,737	48,737	48,737
2 Planned RTB Expenditure	50,546	49,886	50,098	49,871	49,871	49,871
3 Recurrent Cash Deficit	-900	-1,310	-1,284	-1,134	-1,134	-1,134
4 Opening Deficit (1998 yr end)	-7,699					
5 Thus Accumulated Deficit	-8,599	-9,909	-11,193	-12,327	-13,461	-14,595
DEFICIT REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-8,599	-9,909	-11,193	-12,327	-13,461	-14,595
8 Reduction Target Needed	0	-3,362	-3,362	-3,363	-3,362	-1,215
9 As % of Planned RTB Expenditure	0.0%	-6.7%	-6.7%	-6.7%	-6.7%	-2.4%
10 Additional Annual Spending Cut	0.0%	-6.7%	0.0%	0.0%	0.0%	4.3%
11 Resulting Net Expenditure	50,546	46,524	46,736	46,508	46,509	48,656
12 Resulting Recurrent Debt/Surplus	-900	2,052	2,078	2,229	2,228	81
13 Reducing Accumulated Debt	-8,599	-6,547	-4,469	-2,240	-12	69
FEES STRATEGY						
14 Current Fee Income	3,967					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	198	208	209	219	230
17 Net Effect on Accumulated Deficit	-8,599	-6,349	-4,261	-2,031	207	299



Review of The Faculties

Model: 1 Institute

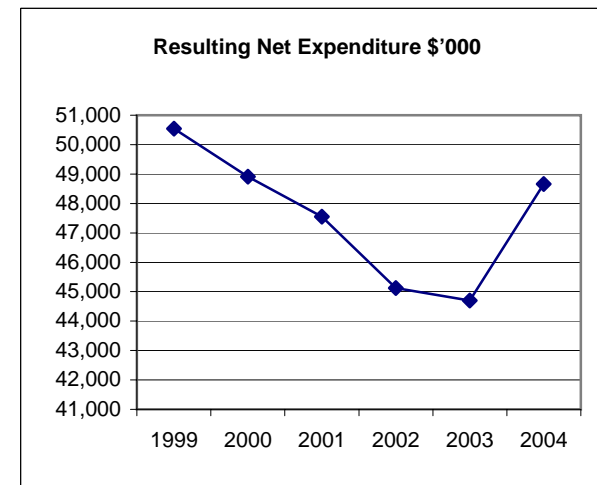
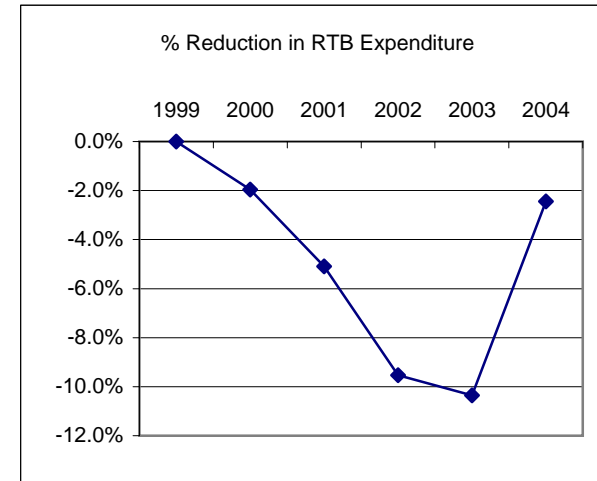
Strategy: 2 (No Council Assistance, Five Year Projection)

Notes to the Attachments

1. Current Deficit Estimates - The figures shown here are derived from the Gold Book and are net of preserved funds. The amounts correspond exactly with the Gold Book schedules (at F38-F46) and can be further validated against the 31 August 1999 RTB submissions. The Accumulated Deficit totals for all years represent the expected cash results. Values for outyears 2003 and beyond have been held at 2002 levels, and therefore project existing patterns of revenue and expenditure.
2. Deficit Reduction Strategy - The model attached assumes one Institute, no Council assistance and Faculty-wide debt reduction over 5 years.
3. Fee Strategy - The calculation of increased fee income is illustrative only - in the cases of Law and Economics and Commerce, an increase over current fee levels has been factored in to the expected revenue projections.
4. The salary expenses and equivalent funding for current FRO staff have been included. Costs in respect of the Faculties' Resources Coordinator and the infrastructure group have not been included. However, staff costs for accounts payable and receivable, travel, Human Resource tasks, finance reporting, RTB exercises, inventory and Special Purpose Funds compliance activities, have been factored into the model.

INSTITUTE of THE FACULTIES

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT ESTIMATES						
1 Expected Revenue	49,646	48,576	48,814	48,737	48,737	48,737
2 Planned RTB Expenditure	50,546	49,886	50,098	49,871	49,871	49,871
3 Recurrent Cash Deficit	-900	-1,310	-1,284	-1,134	-1,134	-1,134
4 Opening Deficit (1998 yr end)	-7,699					
5 Thus Accumulated Deficit	-8,599	-9,909	-11,193	-12,327	-13,461	-14,595
DEFICIT REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	-8,599	-9,909	-11,193	-12,327	-13,461	-14,595
8 Reduction Target Needed	0	-980	-2,552	-4,751	-5,166	-1,215
9 As % of Planned RTB Expenditure	0.0%	-2.0%	-5.1%	-9.5%	-10.4%	-2.4%
10 Additional Annual Spending Cut	0.0%	-2.0%	-3.1%	-4.4%	-0.8%	7.9%
11 Resulting Net Expenditure	50,546	48,906	47,546	45,120	44,705	48,656
12 Resulting Recurrent Debt/Surplus	-900	-330	1,268	3,617	4,032	81
13 Reducing Accumulated Debt	-8,599	-8,929	-7,661	-4,044	-12	69
FEES STRATEGY						
14 Current Fee Income	3,967					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	198	208	209	219	230
17 Net Effect on Accumulated Deficit	-8,599	-8,731	-7,453	-3,835	207	299



Review of The Faculties

Model:1 Institute

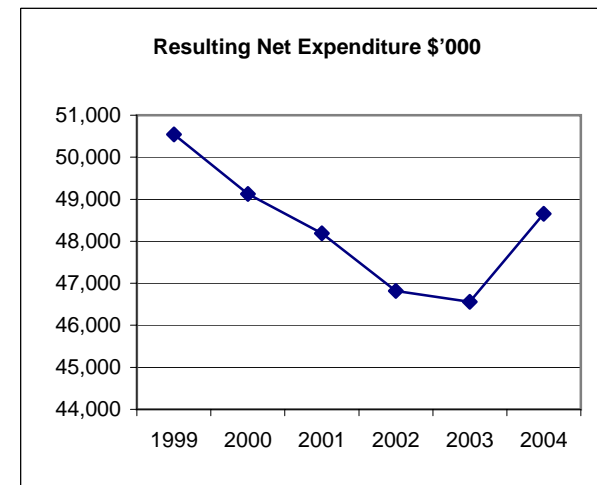
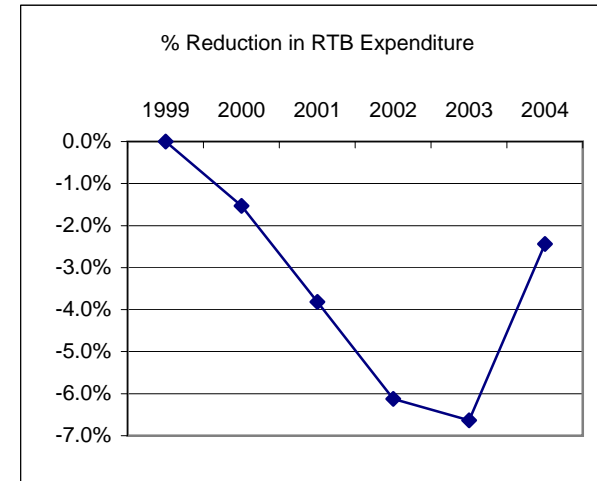
Strategy: 3 (\$5m Council Assistance, Five Year Projection)

Notes to the Attachments

- 1 Current Deficit Estimates - The figures shown here are derived from the Gold Book and are net of preserved funds. The amounts correspond exactly with the Gold Book schedules (at F38-F46) and can be further validated against the 31 August 1999 RTB submissions. The Accumulated Deficit totals for all years represent the expected cash results. Values for outyears 2003 and beyond have been held at 2002 levels, and therefore project existing patterns of revenue and expenditure.
- 2 Deficit Reduction Strategy - The model attached assumes one Institute, Council assistance of \$5m and Faculty-wide debt reduction over 5 years.
- 3 Fee Strategy - The calculation of increased fee income is illustrative only - in the cases of Law and Economics and Commerce, an increase over current fee levels has been factored in to the expected revenue projections.
- 4 The salary expenses and equivalent funding for current FRO staff have been included. Costs in respect of the Faculties' Resources Coordinator and the infrastructure group have not been included. However, staff costs for accounts payable and receivable, travel, Human Resource tasks, finance reporting, RTB exercises, inventory and Special Purpose Funds compliance activities, have been factored into the model.
- 5 The \$5m of Council assistance has been pro rated across Faculties on the basis of individual Faculty indebtedness as at the 1998 year end. The 1998 Faculty-wide operating deficit totalled \$8,145k.

INSTITUTE of THE FACULTIES

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT ESTIMATES						
1 Expected Revenue	49,646	48,576	48,814	48,737	48,737	48,737
2 Planned RTB Expenditure	50,546	49,886	50,098	49,871	49,871	49,871
3 Recurrent Cash Deficit	-900	-1,310	-1,284	-1,134	-1,134	-1,134
4 Opening Deficit (1998 yr end)	-7,699					
5 Thus Accumulated Deficit	-8,599	-9,909	-11,193	-12,327	-13,461	-14,595
DEFICIT REDUCTION STRATEGY						
6 Council Assistance	4,413	0	0	0	0	0
7 Remaining Accumulated Deficit	-4,186	-9,909	-11,193	-12,327	-13,461	-14,595
8 Reduction Target Needed	0	-762	-1,910	-3,056	-3,308	-1,215
9 As % of Planned RTB Expenditure	0.0%	-1.5%	-3.8%	-6.1%	-6.6%	-2.4%
10 Additional Annual Spending Cut	0.0%	-1.5%	-2.3%	-2.3%	-0.5%	4.2%
11 Resulting Net Expenditure	50,546	49,124	48,188	46,815	46,563	48,656
12 Resulting Recurrent Debt/Surplus	-900	-548	626	1,922	2,174	81
13 Reducing Accumulated Debt	-4,186	-4,734	-4,108	-2,186	-12	69
FEES STRATEGY						
14 Current Fee Income	3,967					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	198	208	209	219	230
17 Net Effect on Accumulated Deficit	-4,186	-4,536	-3,900	-1,977	207	299



Review of The Faculties

Model: 1 Institute

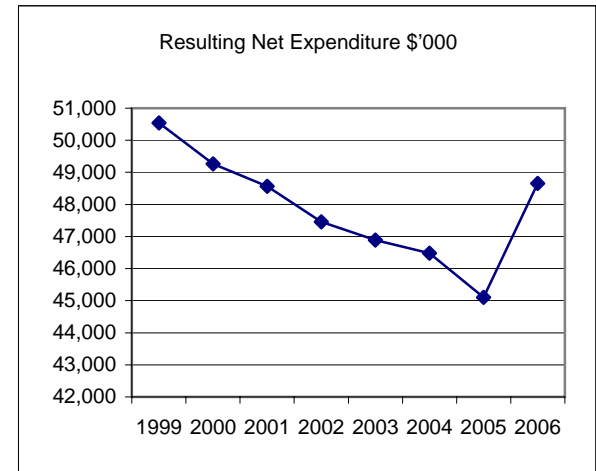
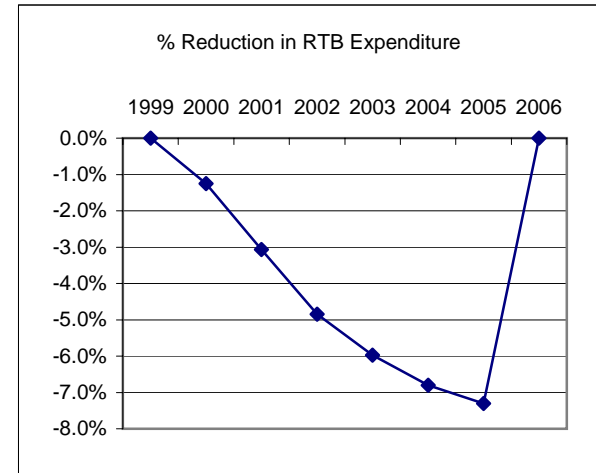
Strategy: 4 (No Council Assistance, Seven Year Projection)

Notes to the Attachments

- 1 Current Deficit Estimates - The figures shown here are derived from the Gold Book and are net of preserved funds. The amounts correspond exactly with the Gold Book schedules (at F38-F46) and can be further validated against the 31 August 1999 RTB submissions. The Accumulated Deficit totals for all years represent the expected cash results. Revenue and expenditure values for outyears 2003 and 2004 have been held at 2002 levels, and have been adjusted such that revenue and expenditure are equal for outyears 2005 and 2006.
- 2 Deficit Reduction Strategy - The model attached assumes one Institute, no Council assistance and Faculty-wide debt reduction over 7 years.
- 3 Fee Strategy - The calculation of increased fee income is illustrative only - in the cases of Law and Economics and Commerce, an increase over current fee levels has been factored in to the expected revenue projections.
- 4 The salary expenses and equivalent funding for current FRO staff have been included. Costs in respect of the Faculties' Resources Coordinator and the infrastructure group have not been included. However, staff costs for accounts payable and receivable, travel, Human Resource tasks, finance reporting, RTB exercises, inventory and Special Purpose Funds compliance activities, have been factored into the model.

INSTITUTE of THE FACULTIES

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004	\$'000 2005	\$'000 2006
CURRENT ESTIMATES								
1 Expected Revenue	49,646	48,576	48,814	48,737	48,737	48,737	48,737	48,737
2 Planned RTB Expenditure	50,546	49,886	50,098	49,871	49,871	49,871	48,656	48,656
3 Recurrent Cash Deficit	-900	-1,310	-1,284	-1,134	-1,134	-1,134	81	81
4 Opening Deficit (1998 yr end)	-7,699							
5 Thus Accumulated Deficit	-8,599	-9,909	-11,193	-12,327	-13,461	-14,595	-14,514	-14,433
DEFICIT REDUCTION STRATEGY								
6 Council Assistance	0							
7 Remaining Accumulated Deficit	-8,599	-9,909	-11,193	-12,327	-13,461	-14,595	-14,514	-14,433
8 Reduction Target Needed	0	-625	-1535	-2416	-2978	-3392	-3552	0
9 As % of Planned RTB Expenditure	0.0%	-1.3%	-3.1%	-4.8%	-6.0%	-6.8%	-7.3%	0.0%
10 Additional Annual Spending Cut	0.0%	-1.3%	-1.8%	-1.8%	-1.1%	-0.8%	-0.5%	7.3%
11 Resulting Net Expenditure	50,546	49,261	48,563	47,455	46,893	46,479	45,104	48,656
12 Resulting Recurrent Debt/Surplus	-900	-685	251	1,282	1,844	2,258	3,633	81
13 Reducing Accumulated Debt	-8,599	-9,284	-9,033	-7,751	-5,907	-3,649	-16	65
FEES STRATEGY								
14 Current Fee Income	3,967							
15 Assume a growth rate of	5%							
16 Thus Fees Growth	0	198	208	219	230	241	253	266
17 Net Effect on Accumulated Deficit	-8,599	-9,086	-8,825	-7,532	-5,677	-3,408	237	331



Review of The Faculties

Model: 3 Institutes

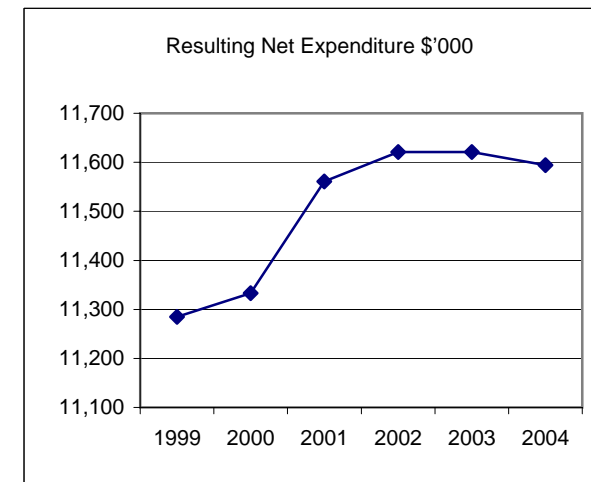
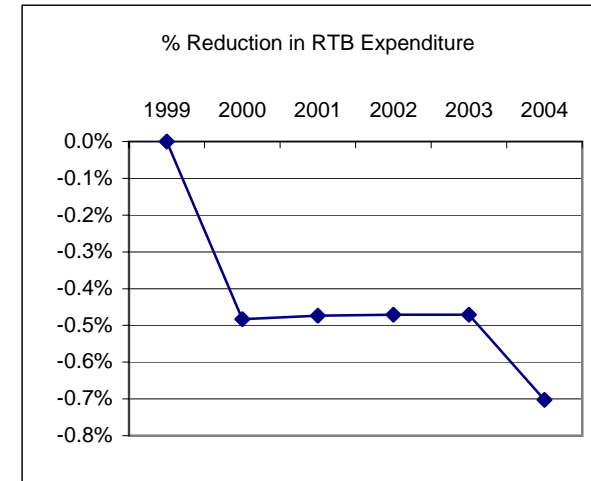
Strategy: 1 (Baseline, Five Year Projection)

Notes to the Attachments

- 1 Current Deficit Estimates - The figures shown here are derived from the Gold Book and are net of preserved funds. The amounts correspond exactly with the Gold Book schedules (at F38-F46) and can be further validated against the 31 August 1999 RTB submissions. The Accumulated Deficit totals for all years represent the expected cash results. Values for outyears 2003 and beyond have been held at 2002 levels, and therefore project existing patterns of revenue and expenditure.
- 2 Deficit Reduction Strategy - The model attached assumes three Institutes, no Council assistance and Faculty-wide uniform debt reduction over 5 years.
- 3 Fee Strategy - The calculation of increased fee income is illustrative only - in the cases of Law and Economics and Commerce, an increase over current fee levels has been factored in to the expected revenue projections.
- 4 The salary expenses and equivalent funding for current FRO staff have been included. Costs in respect of the Faculties' Resources Coordinator and the infrastructure group have not been included. However, staff costs for accounts payable and receivable, travel, Human Resource tasks, finance reporting, RTB exercises, inventory and Special Purpose Funds compliance activities, have been factored into the model.

INSTITUTE of BUSINESS and LAW

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT ESTIMATES						
1 Expected Revenue	11,127	11,251	11,523	11,653	11,653	11,653
2 Planned RTB Expenditure	11,285	11,388	11,616	11,676	11,676	11,676
3 Recurrent Cash Deficit	-158	-137	-93	-23	-23	-23
4 Opening Surplus (1998 yr end)	203	0	0	0	0	0
5 Thus Accumulated Surplus	45	-92	-185	-208	-231	-254
DEFICIT REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	45	-92	-185	-208	-231	-254
8 Reduction Target Needed	0	-55	-55	-55	-55	-82
9 As % of Planned RTB Expenditure	0.0%	-0.5%	-0.5%	-0.5%	-0.5%	-0.7%
10 Additional Annual Spending Cut	0.0%	-0.5%	0.0%	0.0%	0.0%	-0.2%
11 Resulting Net Expenditure	11,285	11,333	11,561	11,621	11,621	11,594
12 Resulting Recurrent Debt/Surplus	-158	-82	-38	32	32	59
13 Reducing Accumulated Surplus	45	-37	-75	-43	-11	48
FEES STRATEGY						
14 Current Fee Income	1,672					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	84	88	88	92	97
17 Net Effect on Accumulated Deficit	45	47	13	45	81	145



INSTITUTE of HUMANITIES and SOCIAL SCIENCE

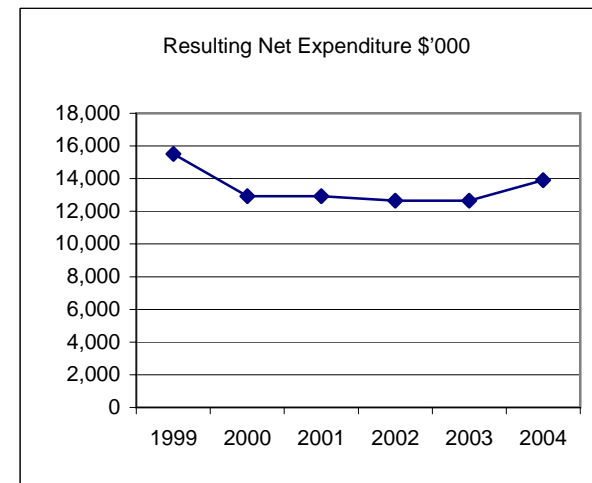
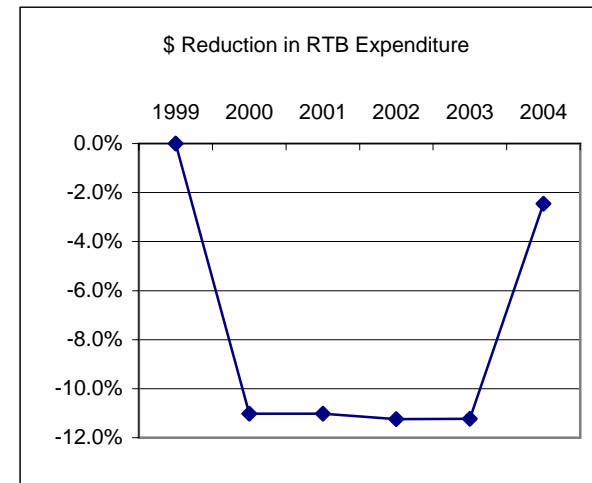
	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT ESTIMATES						
1 Expected Revenue	14,901	14,308	13,941	13,901	13,901	13,901
2 Planned RTB Expenditure	15,521	14,533	14,522	14,250	14,250	14,250
3 Recurrent Cash Deficit	-620	-225	-581	-349	-349	-349
4 Opening Deficit (1998 yr end)	-4,282	0	0	0	0	0
5 Thus Accumulated Deficit	-4,902	-5,127	-5,708	-6,057	-6,406	-6,755

DEFICIT REDUCTION STRATEGY

6 Council Assistance	0					
7 Remaining Accumulated Deficit	-4,902	-5,127	-5,708	-6,057	-6,406	-6,755
8 Reduction Target Needed	0	-1,602	-1,601	-1,602	-1,601	-349
9 As % of Planned RTB Expenditure	0.0%	-11.0%	-11.0%	-11.2%	-11.2%	-2.4%
10 Additional Annual Spending Cut	0.0%	-11.0%	0.0%	-0.2%	0.0%	8.8%
11 Resulting Net Expenditure	15,521	12,931	12,921	12,648	12,649	13,901
12 Resulting Recurrent Debt/Surplus	-620	1,377	1,020	1,253	1,252	0
13 Reducing Accumulated Debt	-4,902	-3,525	-2,505	-1,252	0	0

FEES STRATEGY

14 Current Fee Income	1,145					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	57	60	60	63	66
17 Net Effect on Accumulated Deficit	-4,902	-3,468	-2,445	-1,192	63	66



INSTITUTE of SCIENCE and ENGINEERING (and SMS)

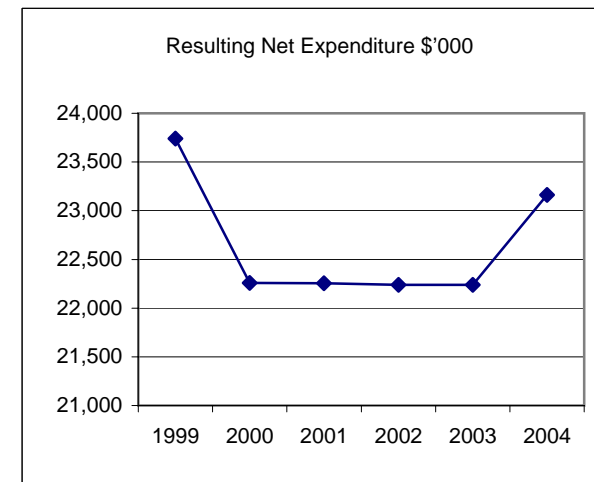
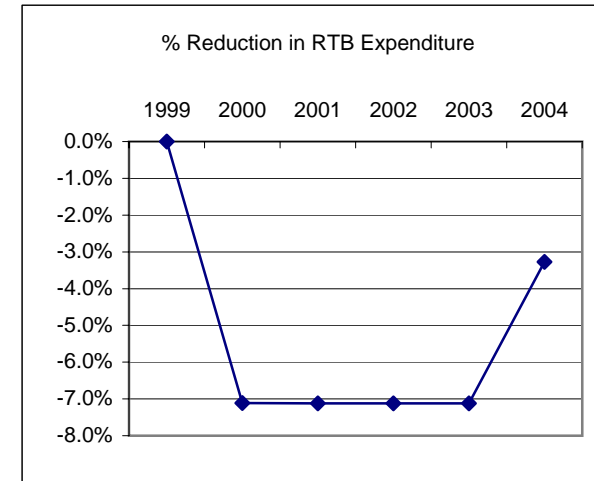
	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT ESTIMATES						
1 Expected Revenue	23,618	23,017	23,350	23,183	23,183	23,183
2 Planned RTB Expenditure	23,740	23,965	23,960	23,945	23,945	23,945
3 Recurrent Cash Deficit	-122	-948	-610	-762	-762	-762
4 Opening Deficit (1998 yr end)	-3,620	0	0	0	0	0
5 Thus Accumulated Deficit	-3,742	-4,690	-5,300	-6,062	-6,824	-7,586

DEFICIT REDUCTION STRATEGY

6 Council Assistance	0					
7 Remaining Accumulated Deficit	-3,742	-4,690	-5,300	-6,062	-6,824	-7,586
8 Reduction Target Needed	0	-1,705	-1,706	-1,706	-1,706	-784
9 As % of Planned RTB Expenditure	0.0%	-7.1%	-7.1%	-7.1%	-7.1%	-3.3%
10 Additional Annual Spending Cut	0.0%	-7.1%	0.0%	0.0%	0.0%	3.9%
11 Resulting Net Expenditure	23,740	22,260	22,254	22,239	22,239	23,161
12 Resulting Recurrent Debt/Surplus	-122	757	1,096	944	944	22
13 Reducing Accumulated Debt	-3,742	-2,985	-1,889	-945	-1	21

FEES STRATEGY

14 Current Fee Income	1,150					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	58	60	61	64	67
17 Net Effect on Accumulated Deficit	-3742	-2928	-1829	-884	63	88



Review of The Faculties

Model: 3 Institutes

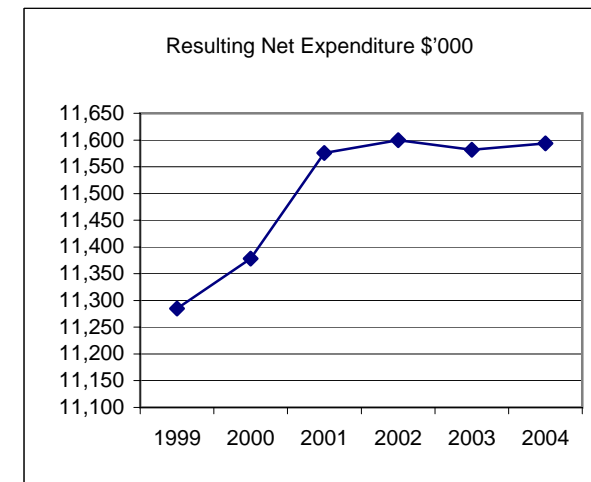
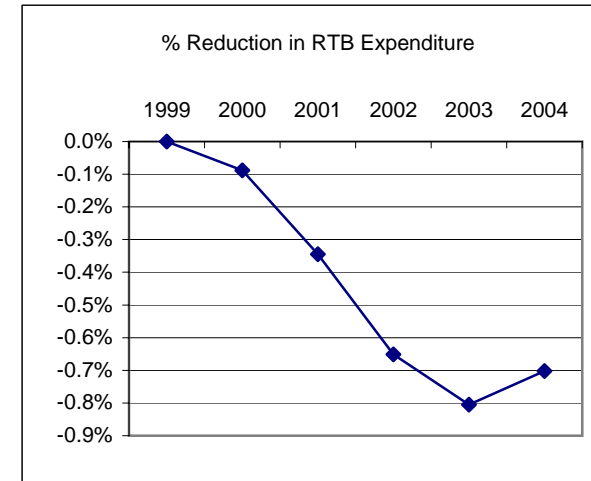
Strategy: 2 (No Council Assistance, Five Year Projection)

Notes to the Attachments

- 1 Current Deficit Estimates - The figures shown here are derived from the Gold Book and are net of preserved funds. The amounts correspond exactly with the Gold Book schedules (at F38-F46) and can be further validated against the 31 August 1999 RTB submissions. The Accumulated Deficit totals for all years represent the expected cash results. Values for outyears 2003 and beyond have been held at 2002 levels, and therefore project existing patterns of revenue and expenditure.
- 2 Deficit Reduction Strategy - The model attached assumes three Institutes, no Council assistance and Faculty-wide debt reduction over 5 years.
- 3 Fee Strategy - The calculation of increased fee income is illustrative only - in the cases of Law and Economics and Commerce, an increase over current fee levels has been factored in to the expected revenue projections.
- 4 The salary expenses and equivalent funding for current FRO staff have been included. Costs in respect of the Faculties' Resources Coordinator and the infrastructure group have not been included. However, staff costs for accounts payable and receivable, travel, Human Resource tasks, finance reporting, RTB exercises, inventory and Special Purpose Funds compliance activities, have been factored into the model.

INSTITUTE of BUSINESS and LAW

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT ESTIMATES						
1 Expected Revenue	11,127	11,251	11,523	11,653	11,653	11,653
2 Planned RTB Expenditure	11,285	11,388	11,616	11,676	11,676	11,676
3 Recurrent Cash Deficit	-158.00	-137.00	-93.00	-23.00	-23.00	-23.00
4 Opening Surplus (1998 yr end)	203	0	0	0	0	0
5 Thus Accumulated Surplus	45	-92	-185	-208	-231	-254
DEFICIT REDUCTION STRATEGY						
6 Council Assistance	0					
7 Remaining Accumulated Deficit	45	-92	-185	-208	-231	-254
8 Reduction Target Needed	0	-10	-40	-76	-94	-82
9 As % of Planned RTB Expenditure	0.0%	-0.1%	-0.3%	-0.7%	-0.8%	-0.7%
10 Additional Annual Spending Cut	0.0%	-0.1%	-0.3%	-0.3%	-0.2%	0.1%
11 Resulting Net Expenditure	11,285	11,378	11,576	11,600	11,582	11,594
12 Resulting Recurrent Debt/Surplus	-158	-127	-53	53	71	59
13 Reducing Accumulated Surplus	45	-82	-135	-82	-11	48
FEES STRATEGY						
14 Current Fee Income	1,672					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	84	88	88	92	97
17 Net Effect on Accumulated Deficit	45	2	-47	6	81	145



INSTITUTE of HUMANITIES and SOCIAL SCIENCE

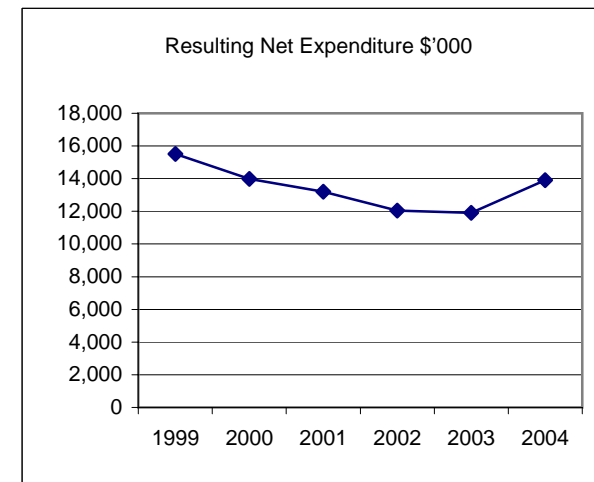
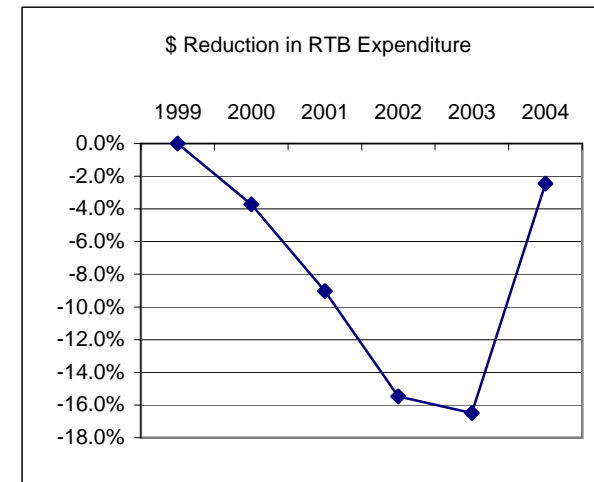
	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT ESTIMATES						
1 Expected Revenue	14,901	14,308	13,941	13,901	13,901	13,901
2 Planned RTB Expenditure	15,521	14,533	14,522	14,250	14,250	14,250
3 Recurrent Cash Deficit	-620	-225	-581	-349	-349	-349
4 Opening Deficit (1998 yr end)	-4,282	0	0	0	0	0
5 Thus Accumulated Deficit	-4,902	-5,127	-5,708	-6,057	-6,406	-6,755

DEFICIT REDUCTION STRATEGY

6 Council Assistance	0					
7 Remaining Accumulated Deficit	-4,902	-5,127	-5,708	-6,057	-6,406	-6,755
8 Reduction Target Needed	0	-540	-1,312	-2,205	-2,349	-349
9 As % of Planned RTB Expenditure	0.0%	-3.7%	-9.0%	-15.5%	-16.5%	-2.4%
10 Additional Annual Spending Cut	0.0%	-3.7%	-5.3%	-6.4%	-1.0%	14.0%
11 Resulting Net Expenditure	15,521	13,993	13,210	12,045	11,901	13,901
12 Resulting Recurrent Debt/Surplus	-620	315	731	1,856	2,000	0
13 Reducing Accumulated Debt	-4,902	-4,587	-3,856	-2,000	0	0

FEES STRATEGY

14 Current Fee Income	1,145					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	57	60	60	63	66
17 Net Effect on Accumulated Deficit	-4,902	-4,530	-3,796	-1,940	63	66



INSTITUTE of SCIENCE and ENGINEERING (and SMS)

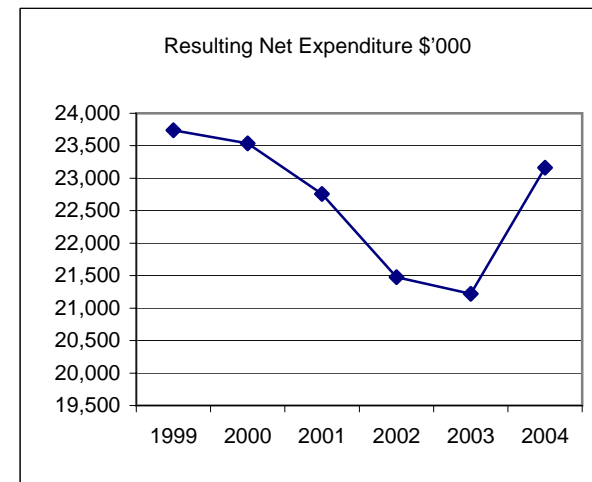
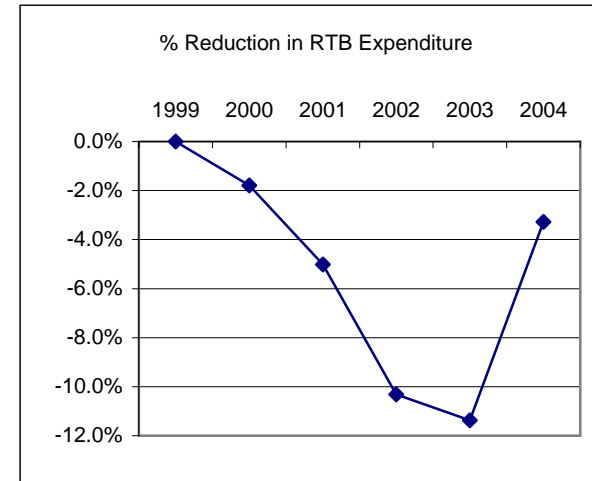
	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT ESTIMATES						
1 Expected Revenue	23,618	23,017	23,350	23,183	23,183	23,183
2 Planned RTB Expenditure	23,740	23,965	23,960	23,945	23,945	23,945
3 Recurrent Cash Deficit	-122	-948	-610	-762	-762	-762
4 Opening Deficit (1998 yr end)	-3,620	0	0	0	0	0
5 Thus Accumulated Deficit	-3,742	-4,690	-5,300	-6,062	-6,824	-7,586

DEFICIT REDUCTION STRATEGY

6 Council Assistance	0					
7 Remaining Accumulated Deficit	-3,742	-4,690	-5,300	-6,062	-6,824	-7,586
8 Reduction Target Needed	0	-430	-1200	-2470	-2723	-784
9 As % of Planned RTB Expenditure	0.0%	-1.8%	-5.0%	-10.3%	-11.4%	-3.3%
10 Additional Annual Spending Cut	0.0%	-1.8%	-3.2%	-5.3%	-1.1%	8.1%
11 Resulting Net Expenditure	23,740	23,535	22,760	21,475	21,222	23,161
12 Resulting Recurrent Debt/Surplus	-122	-518	590	1,708	1,961	22
13 Reducing Accumulated Debt	-3,742	-4,260	-3,670	-1,962	-1	21

FEES STRATEGY

14 Current Fee Income	1,150					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	58	60	61	64	67
17 Net Effect on Accumulated Deficit	-3742	-4203	-3610	-1901	63	88



Review of The Faculties

Model: 3 Institutes

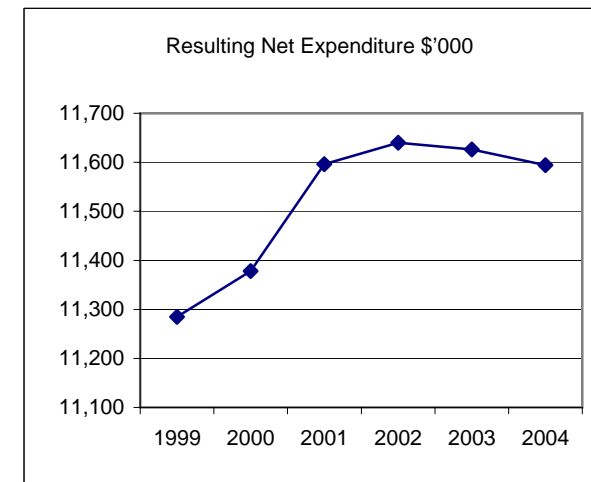
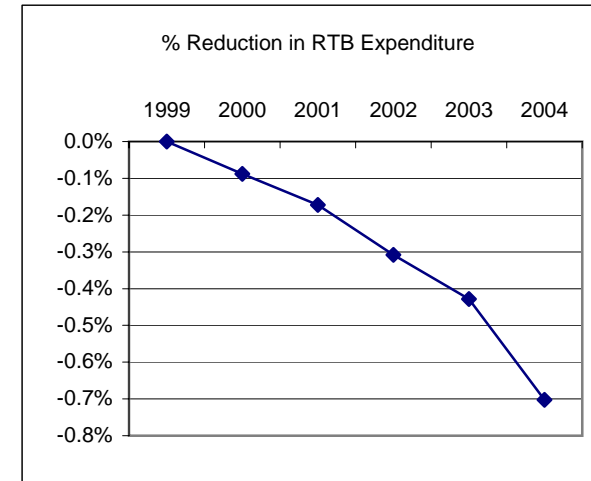
Strategy: 3 (\$5m Council Assistance, Five Year Projection)

Notes to the Attachments

1. Current Deficit Estimates - The figures shown here are derived from the Gold Book and are net of preserved funds. The amounts correspond exactly with the Gold Book schedules (at F38-F46) and can be further validated against the 31 August 1999 RTB submissions. The Accumulated Deficit totals for all years represent the expected cash results. Values for outyears 2003 and beyond have been held at 2002 levels, and therefore project existing patterns of revenue and expenditure.
2. Deficit Reduction Strategy - The model attached assumes three Institutes, Council assistance of \$5m and Faculty-wide debt reduction over 5 years.
3. Fee Strategy - The calculation of increased fee income is illustrative only - in the cases of Law and Economics and Commerce, an increase over current fee levels has been factored in to the expected revenue projections.
4. The salary expenses and equivalent funding for current FRO staff have been included. Costs in respect of the Faculties' Resources Coordinator and the infrastructure group have not been included. However, staff costs for accounts payable and receivable, travel, Human Resource tasks, finance reporting, RTB exercises, inventory and Special Purpose Funds compliance activities, have been factored into the model.
5. The \$5m of Council assistance has been pro rated across Faculties on the basis of individual Faculty indebtedness as at the 1998 year end. The 1998 Faculty-wide operating deficit totalled \$8,145k.

INSTITUTE of BUSINESS and LAW

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT ESTIMATES						
1 Expected Revenue	11,127	11,251	11,523	11,653	11,653	11,653
2 Planned RTB Expenditure	11,285	11,388	11,616	11,676	11,676	11,676
3 Recurrent Cash Deficit	-158	-137	-93	-23	-23	-23
4 Opening Surplus (1998 yr end)	203	0	0	0	0	0
5 Thus Accumulated Surplus	45	-92	-185	-208	-231	-254
DEFICIT REDUCTION STRATEGY						
6 Council Assistance	104					
7 Remaining Accumulated Deficit	149	12	-81	-104	-127	-150
8 Reduction Target Needed	0	-10	-20	-36	-50	-82
9 As % of Planned RTB Expenditure	0.0%	-0.1%	-0.2%	-0.3%	-0.4%	-0.7%
10 Additional Annual Spending Cut	0.0%	-0.1%	-0.1%	-0.1%	-0.1%	-0.3%
11 Resulting Net Expenditure	11,285	11,378	11,596	11,640	11,626	11,594
12 Resulting Recurrent Debt/Surplus	-158	-127	-73	13	27	59
13 Reducing Accumulated Surplus	149	22	-51	-38	-11	48
FEES STRATEGY						
14 Current Fee Income	1,672					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	84	88	88	92	97
17 Net Effect on Accumulated Deficit	149	106	37	50	81	145



INSTITUTE of HUMANITIES and SOCIAL SCIENCE

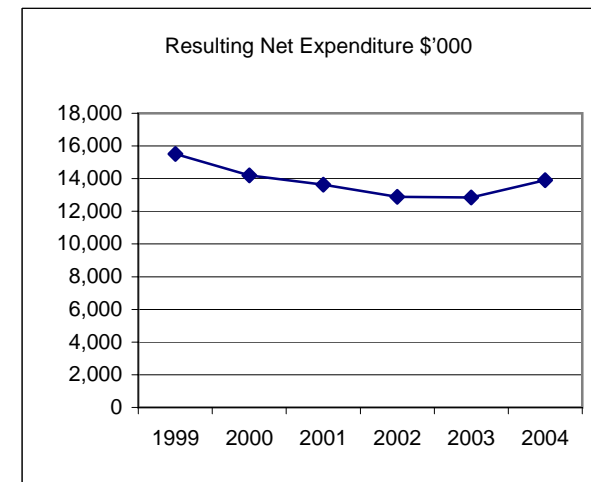
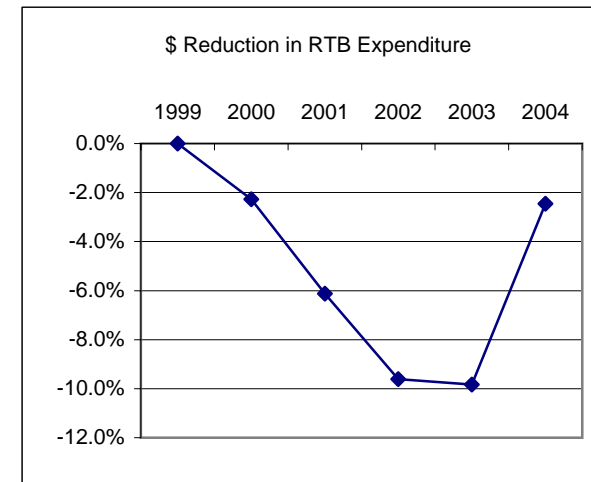
	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT ESTIMATES						
1 Expected Revenue	14,901	14,308	13,941	13,901	13,901	13,901
2 Planned RTB Expenditure	15,521	14,533	14,522	14,250	14,250	14,250
3 Recurrent Cash Deficit	-620	-225	-581	-349	-349	-349
4 Opening Deficit (1998 yr end)	-4,282	0	0	0	0	0
5 Thus Accumulated Deficit	-4,902	-5,127	-5,708	-6,057	-6,406	-6,755

DEFICIT REDUCTION STRATEGY

6 Council Assistance	2,414					
7 Remaining Accumulated Deficit	-2,488	-2,713	-3,294	-3,643	-3,992	-4,341
8 Reduction Target Needed	0	-330	-890	-1,370	-1,402	-349
9 As % of Planned RTB Expenditure	0.0%	-2.3%	-6.1%	-9.6%	-9.8%	-2.4%
10 Additional Annual Spending Cut	0.0%	-2.3%	-3.9%	-3.5%	-0.2%	7.4%
11 Resulting Net Expenditure	15,521	14,203	13,632	12,880	12,848	13,901
12 Resulting Recurrent Debt/Surplus	-620	105	309	1,021	1,053	0
13 Reducing Accumulated Debt	-2,488	-2,383	-2,074	-1,053	0	0

FEES STRATEGY

14 Current Fee Income	1,145					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	57	60	60	63	66
17 Net Effect on Accumulated Deficit	-2,488	-2,326	-2,014	-993	63	66



INSTITUTE of SCIENCE and ENGINEERING (and SMS)

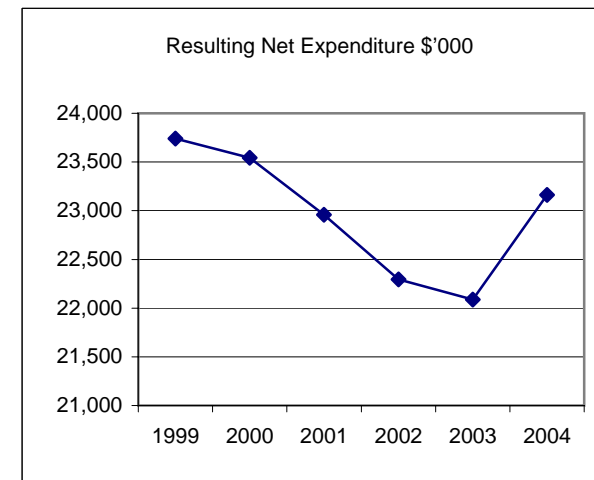
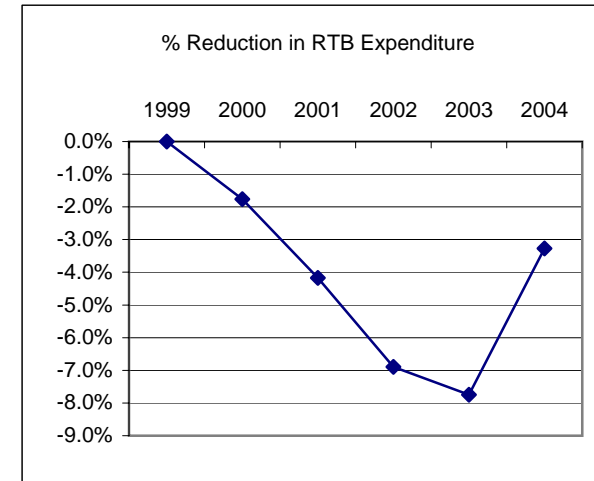
	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004
CURRENT ESTIMATES						
1 Expected Revenue	23,618	23,017	23,350	23,183	23,183	23,183
2 Planned RTB Expenditure	23,740	23,965	23,960	23,945	23,945	23,945
3 Recurrent Cash Deficit	-122	-948	-610	-762	-762	-762
4 Opening Deficit (1998 yr end)	-3,620	0	0	0	0	0
5 Thus Accumulated Deficit	-3,742	-4,690	-5,300	-6,062	-6,824	-7,586

DEFICIT REDUCTION STRATEGY

6 Council Assistance	1,895					
7 Remaining Accumulated Deficit	-1,847	-2,795	-3,405	-4,167	-4,929	-5,691
8 Reduction Target Needed	0	-422	-1,000	-1,650	-1,856	-784
9 As % of Planned RTB Expenditure	0.0%	-1.8%	-4.2%	-6.9%	-7.8%	-3.3%
10 Additional Annual Spending Cut	0.0%	-1.8%	-2.4%	-2.7%	-0.9%	4.5%
11 Resulting Net Expenditure	23,740	23,543	22,960	22,295	22,089	23,161
12 Resulting Recurrent Debt/Surplus	-122	-526	390	888	1,094	22
13 Reducing Accumulated Debt	-1,847	-2,373	-1,983	-1,095	-1	21

FEES STRATEGY

14 Current Fee Income	1,150					
15 Assume a growth rate of	5%					
16 Thus Fees Growth	0	58	60	61	64	67
17 Net Effect on Accumulated Deficit	-1847	-2316	-1923	-1034	63	88



Review of The Faculties

Model: 3 Institutes

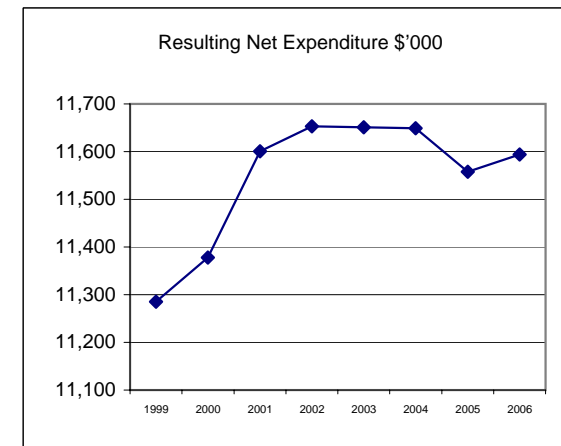
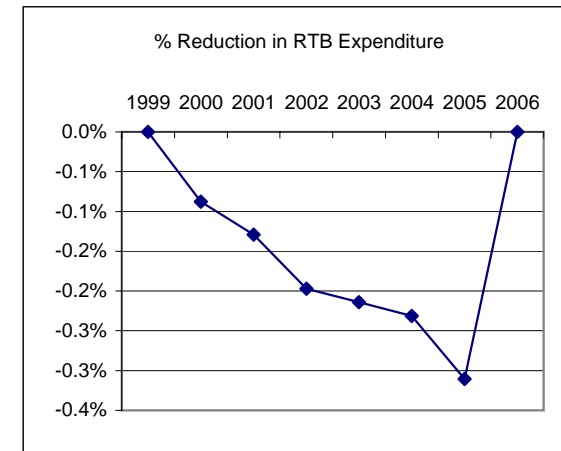
Strategy: 4 (No Council Assistance, Seven Year Projection)

Notes to the Attachments

- 1 Current Deficit Estimates - The figures shown here are derived from the Gold Book and are net of preserved funds. The amounts correspond exactly with the Gold Book schedules (at F38-F46) and can be further validated against the 31 August 1999 RTB submissions. The Accumulated Deficit totals for all years represent the expected cash results. Revenue and expenditure values for outyears 2003 and 2004 have been held at 2002 levels, and have been adjusted such that revenue and expenditure are equal for outyears 2005 and 2006.
- 2 Deficit Reduction Strategy - The model attached assumes three Institutes, no Council assistance and Faculty-wide debt reduction over 7 years.
- 3 Fee Strategy - The calculation of increased fee income is illustrative only - in the cases of Law and Economics and Commerce, an increase over current fee levels has been factored in to the expected revenue projections.
- 4 The salary expenses and equivalent funding for current FRO staff have been included. Costs in respect of the Faculties' Resources Coordinator and the infrastructure group have not been included. However, staff costs for accounts payable and receivable, travel, Human Resource tasks, finance reporting, RTB exercises, inventory and Special Purpose Funds compliance activities, have been factored into the model.

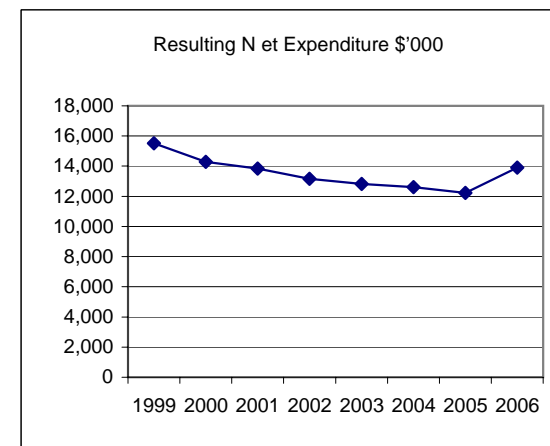
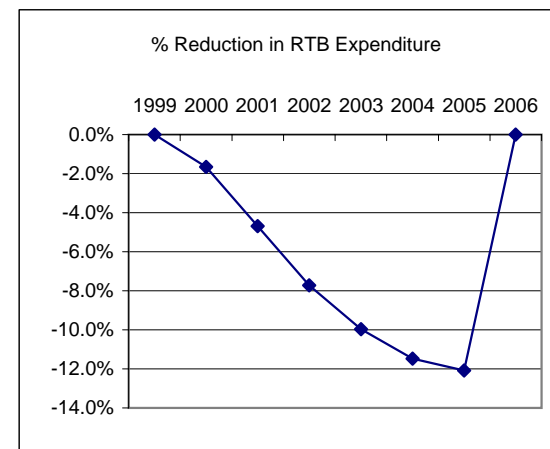
INSTITUTE of BUSINESS and LAW

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004	\$'000 2005	\$'000 2006
CURRENT ESTIMATES								
1 Expected Revenue	11,127	11,251	11,523	11,653	11,653	11,653	11,653	11,653
2 Planned RTB Expenditure	11,285	11,388	11,616	11,676	11,676	11,676	11,594	11,594
3 Recurrent Cash Deficit	-158	-137	-93	-23	-23	-23	59	59
4 Opening Surplus (1998 yr end)	203							
5 Thus Accumulated Surplus	45	-92	-185	-208	-231	-254	-195	-136
DEFICIT REDUCTION STRATEGY								
6 Council Assistance	0							
7 Remaining Accumulated Deficit	45	-92	-185	-208	-231	-254	-195	-136
8 Reduction Target Needed	0	-10	-15	-23	-25	-27	-36	0
9 As % of Planned RTB Expenditure	0.0%	-0.1%	-0.1%	-0.2%	-0.2%	-0.2%	-0.3%	0.0%
10 Additional Annual Spending Cut	0.0%	-0.1%	0.0%	-0.1%	0.0%	0.0%	-0.1%	0.3%
11 Resulting Net Expenditure	11,285	11,378	11,601	11,653	11,651	11,649	11,558	11,594
12 Resulting Recurrent Debt/Surplus	-158	-127	-78	0	2	4	95	59
13 Reducing Accumulated Surplus	45	-82	-160	-160	-158	-154	-59	0
FEES STRATEGY								
14 Current Fee Income	1,672							
15 Assume a growth rate of	5%							
16 Thus Fees Growth	0	84	88	92	97	102	107	112
17 Net Effect on Accumulated Deficit	45	2	-72	-68	-61	-52	48	112



INSTITUTE of HUMANITIES and SOCIAL SCIENCE

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004	\$'000 2005	\$'000 2006
CURRENT ESTIMATES								
1 Expected Revenue	14,901	14,308	13,941	13,901	13,901	13,901	13,901	13,901
2 Planned RTB Expenditure	15,521	14,533	14,522	14,250	14,250	14,250	13,901	13,901
3 Recurrent Cash Deficit	-620	-225	-581	-349	-349	-349	0	0
4 Opening Deficit (1998 yr end)	-4282							
5 Thus Accumulated Deficit	-4902	-5127	-5708	-6057	-6406	-6755	-6755	-6755
DEFICIT REDUCTION STRATEGY								
6 Council Assistance	0							
7 Remaining Accumulated Deficit	-4902	-5127	-5708	-6057	-6406	-6755	-6755	-6755
8 Reduction Target Needed	0	-240	-680	-1100	-1420	-1635	-1680	0
9 As % of Planned RTB Expenditure	0.0%	-1.7%	-4.7%	-7.7%	-10.0%	-11.5%	-12.1%	0.0%
10 Additional Annual Spending Cut	0.0%	-1.7%	-3.0%	-3.0%	-2.2%	-1.5%	-0.6%	12.1%
11 Resulting Net Expenditure	15,521	14,293	13,842	13,150	12,830	12,615	12,221	13,901
12 Resulting Recurrent Debt/Surplus	-620	15	99	751	1,071	1,286	1,680	0
13 Reducing Accumulated Debt	-4,902	-4,887	-4,788	-4,037	-2,966	-1,680	0	0
FEES STRATEGY								
14 Current Fee Income	1,145							
15 Assume a growth rate of	5%							
16 Thus Fees Growth	0	57	60	63	66	70	73	77
17 Net Effect on Accumulated Deficit	-4,902	-4,830	-4,728	-3,974	-2,900	-1,610	73	77



INSTITUTE of SCIENCE and ENGINEERING (and SMS)

	\$'000 1999	\$'000 2000	\$'000 2001	\$'000 2002	\$'000 2003	\$'000 2004	\$'000 2005	\$'000 2006
CURRENT ESTIMATES								
1 Expected Revenue	23,618	23,017	23,350	23,183	23,183	23,183	23,183	23,183
2 Planned RTB Expenditure	23,740	23,965	23,960	23,945	23,945	23,945	23,161	23,161
3 Recurrent Cash Deficit	-122	-948	-610	-762	-762	-762	22	22
4 Opening Deficit (1998 yr end)	-3620							
5 Thus Accumulated Deficit	-3742	-4690	-5300	-6062	-6824	-7586	-7564	-7542
DEFICIT REDUCTION STRATEGY								
6 Council Assistance	0							
7 Remaining Accumulated Deficit	-3742	-4690	-5300	-6062	-6824	-7586	-7564	-7542
8 Reduction Target Needed	0	-375	-840	-1293	-1533	-1730	-1836	0
9 As % of Planned RTB Expenditure	0.0%	-1.6%	-3.5%	-5.4%	-6.4%	-7.2%	-7.9%	0.0%
10 Additional Annual Spending Cut	0.0%	-1.6%	-1.9%	-1.9%	-1.0%	-0.8%	-0.7%	7.9%
11 Resulting Net Expenditure	23,740	23,590	23,120	22,652	22,412	22,215	21,325	23,161
12 Resulting Recurrent Debt/Surplus	-122	-573	230	531	771	968	1,858	22
13 Reducing Accumulated Debt	-3,742	-4,315	-4,085	-3,554	-2,783	-1,815	43	65
FEES STRATEGY								
14 Current Fee Income	1,150							
15 Assume a growth rate of	5%							
16 Thus Fees Growth	0	58	60	63	67	70	73	77
17 Net Effect on Accumulated Deficit	-3742	-4258	-4025	-3491	-2716	-1745	116	142

