

ANZ
29.77
+0.24

BHP
26.50
-0.23

AGY
0.26
+2.00

TCL
11.81
-0.67

COE
0.27
0.00

AY
2.
0.



University of
South Australia

2021 ANNUAL REVIEW

ANNUAL FINANCIAL STATEMENTS





University of South Australia

Report by the members of the University Council

Members of the University Council present their report on the Group consisting of University of South Australia (the University) and the entities it controlled at the end of, or during, the year ended 31 December 2021.

2021 Council members

The following persons were members of University Council during the year and up to the date of this report (unless otherwise noted):

Ms Pauline Carr, Chancellor
Professor David Lloyd, Vice Chancellor and President
Hon John Hill, Deputy Chancellor
Mr Jim Hazel, Pro Chancellor
Mr Michael Abbott AO QC
Mr Noah Beckmann (until 31 December 2021)
Ms Karen Hunt (until 31 December 2021)
Professor Caroline McMillen AO
Mr Dinuk Nanayakkara (until 31 December 2021)
Associate Professor Barbara Parker (until 31 December 2021)
Ms Mary Patetsos
Ms Nicolle Rantanen Reynolds
Mr Ian Smith AM
Professor Vicki Waye
Mr Jim Whalley

The remuneration of Council members is detailed in Note 26(b) of the Financial Statements.

Changes in Council membership since 31 December 2021

Dr Kit MacFarlane (term commenced 1 January 2022)
Ms Vanessa Matthews (term commenced 1 January 2022)
Mr William (Bill) Muirhead AM (term commenced 1 January 2022)
Mr Isaac Solomon (term commenced 1 January 2022)
Mr Ayrton Hogan (term commenced 6 February 2022)

Meetings of members of the University Council

The numbers of meetings of the members of the University Council and of each Council committee held during the year ended 31 December 2021, and the numbers of meetings attended by each member were:

Member of Council	Meetings of Council Committees													
	Council Meetings		Academic Board		Audit, Finance and Risk		Urgent Business		Senior Remuneration		Governance and Nominations		Student Appeals Committee	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Ms Pauline Carr	7	7			5	5	11	11	3	3	3	3		
Professor David Lloyd	6	6	6	8	5	5	10	10	3	3	3	3		
Professor Allan Evans *	1	1					1	1						
Hon John Hill	7	7					11	11	3	3	3	3		
Mr Jim Hazel	7	7			5	5	11	11	3	3				
Mr Michael Abbott AO QC	6	7									3	3		
Ms Karen Hunt	7	7					5	5			1	1		
Mr Noah Beckmann	6	7	7	8							3	3	5	6
Ms Mary Patetso	7	7			5	5								
Mr Dinuk Nanayakkara	6	7	5	8										
Ms Nicolle Rantanen Reynolds	7	7			5	5								
Associate Professor Barbara Parker	6	7					11	11			2	2		
Professor Vicki Wayne	7	7	8	8										
Mr Jim Whalley	7	7			4	5								
Professor Caroline McMillen AO	5	7											4	6
Mr Ian Smith AM	7	7												

A = Number of meetings attended.

B = Number of meetings held during the time the member held office or was a member of the committee during the year.

*Meetings attended in the capacity of Acting Vice-Chancellor during the period 1 July - 1 August 2021, and 5 September - 10 October 2021.

Principal activities

The principal continuing activities of the Group are:

- To preserve, extend and disseminate knowledge through teaching, research, scholarship, consultancy or any other means;
- To provide tertiary education in such disciplines and areas of study as the University thinks appropriate to meet the needs of industry, commerce, the professions or any other section of the community;
- To provide such tertiary education programs as the University thinks appropriate to meet the needs of Aboriginal people;
- To provide such tertiary education programs as the University thinks appropriate to meet the needs of groups within the community that the University considers have suffered disadvantages in education;
- To provide educational programs for the benefit of the wider community or programs for the enhancement of the diverse cultural life of the community, as the University thinks fit; and
- To foster and further an active corporate life within the University.

There were no significant changes in the nature of the activities of the Group during the 2021 year.

Review of operations

The 2021 consolidated surplus was \$53.3 million (2020: \$21.3 million). The surplus resulted in a safety margin (operating result as a percentage of total income) of 7.8% (2020: 3.1%). Income decreased by 2.5% to \$678.8 million while expenses fell by 7.4% to \$625.0 million.

The University's consolidated financial position remained sound during the 2021 year with net assets of \$1,383 million (2020: \$1,282 million). Cash balances increased to \$395.3 million at year end (2020: \$303.2 million).

Consolidated cash flows from operating activities in 2021 were \$101.1 million (2020: \$94.9 million).

Changes in the state of affairs

In the opinion of the members of the University Council there were no significant changes in the state of affairs of the Group that occurred during the 2021 year not otherwise disclosed in this report or elsewhere in the Annual Review.

Subsequent events

The University holds shares in IDP Education Limited. On 1 March 2022 the University sold 50% of its shareholding in IDP Education Limited resulting in net cash proceeds of \$25.8m.

No other matters or circumstances have arisen since the end of the financial year and the date of this report, that significantly affected or may significantly affect the operation of the University or the Group, the results of those operations, or the state of affairs of the University or the Group in future periods.

Environmental regulation

The Group's operations are subject to various environmental regulations under both Commonwealth and State legislation. The significant environmental regulations applying to the Group are Dangerous Substance Act (1979), Radiation Protection and Control Act (1982) and the Environmental Protection Act (1993).

Members of the University Council are not aware of any significant breaches during the period covered by this report.

Insurance of officers

The University has paid insurance premiums in respect to Directors and Officers liability, Directors and Officers supplementary legal expenses and statutory liability, for current and former members of University Council and officers.

Directors and Officers liability insurance does not cover acts that are fraudulent, dishonest or criminal. Statutory liability insurance does not cover breaches that are wilful, intentional or deliberate.

Legal proceedings on behalf of the Group

There are no legal proceedings on behalf of the Group that have arisen during the 2021 year or subsequent to year end that affect significantly the operations of the Group.

This report is made in accordance with a resolution of the members of the University Council in Adelaide, South Australia on 10 May 2022.



.....

Ms Pauline Carr
Chancellor



.....

Professor David G. Lloyd
Vice Chancellor and President



STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Consolidated		University	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Revenue and income from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	306,921	276,349	306,821	276,274
HECS-HELP - Australian Government payments	2	141,353	147,022	141,353	147,022
FEE-HELP	2	9,980	10,137	9,980	10,137
SA-HELP	2	3,848	3,754	3,848	3,754
State and Local Government financial assistance	3	7,592	9,321	7,592	9,321
HECS-HELP - Student payments		12,129	11,125	12,129	11,125
Fees and charges	4	134,568	170,922	134,568	170,922
Royalties		549	499	105	115
Consultancy and contract research	5	46,212	46,871	46,280	47,480
Other revenue	6	11,853	11,022	10,949	10,570
Investment income	8	3,749	9,335	3,706	9,331
Total revenue and income from continuing operations		678,754	696,357	677,331	696,051
Expenses from continuing operations					
Employee-related expenses	9	409,099	435,069	407,728	432,898
Depreciation and amortisation	18,19	42,366	43,624	42,350	43,606
Repairs and maintenance		16,163	18,057	16,163	18,056
Interest on lease liabilities		556	649	556	649
Impairment of property, plant and equipment	18	(109)	441	(109)	441
Other expenses	10	155,222	174,843	156,008	176,892
Loss on disposal of assets	11	10	166	10	166
Bad and doubtful debts		1,713	2,244	1,713	2,244
Total expenses from continuing operations		625,020	675,093	624,419	674,952
Operating result before income tax		53,734	21,264	52,912	21,099
Income tax (income) / expense		484	(33)	63	14
Operating result attributable to members of University of South Australia		53,250	21,297	52,849	21,085
Items that will not be reclassified to profit or loss:					
Gain on revaluation of Art collection		265	-	265	-
Revaluation on equity instruments designated at fair value through other comprehensive income		46,327	11,387	47,857	11,387
Total		46,592	11,387	48,122	11,387
Total comprehensive income attributable to the members of the University of South Australia		99,842	32,684	100,971	32,472

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



STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

		Consolidated		University	
		2021	2020	2021	2020
	Notes	\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and cash equivalents	12	395,323	303,219	391,896	301,672
Receivables	13	50,067	29,199	49,866	28,238
Other financial assets	15	32,860	2,320	32,860	2,320
Deferred Government superannuation contribution	31	28,500	29,704	28,500	29,704
Other non-financial assets	16	18,801	19,318	18,784	19,303
Non-current assets held-for-sale	17	1,000	-	1,000	-
Total current assets		526,551	383,760	522,906	381,237
Non-current assets					
Other financial assets	15	62,924	78,283	65,996	80,448
Property, plant and equipment	18	1,079,449	1,108,615	1,079,435	1,108,589
Deferred tax assets		535	713	-	-
Intangible assets	19	2,516	3,243	2,516	3,243
Deferred Government superannuation contribution	31	299,044	349,860	299,044	349,860
Total non-current assets		1,444,468	1,540,714	1,446,991	1,542,140
Total assets		1,971,019	1,924,474	1,969,897	1,923,377
Current liabilities					
Trade and other payables	20	39,883	42,630	39,269	42,859
Provisions	22	85,259	98,881	85,057	98,707
Lease liabilities	21	2,313	2,352	2,313	2,352
Current tax liabilities		382	113	139	113
Contract liabilities	23	93,024	75,842	93,024	75,842
Other liabilities	24	13,700	11,386	13,642	11,367
Defined benefit obligation	31	28,500	29,704	28,500	29,704
Total current liabilities		263,061	260,908	261,944	260,944
Non-current liabilities					
Lease liabilities	21	10,775	12,782	10,775	12,782
Provisions	22	15,435	18,062	15,435	18,062
Defined benefit obligation	31	299,044	349,860	299,044	349,860
Total non-current liabilities		325,254	380,704	325,254	380,704
Total liabilities		588,315	641,612	587,198	641,648
Net assets		1,382,704	1,282,862	1,382,699	1,281,729
Equity					
Reserves	25	336,112	320,885	338,638	320,885
Retained earnings		1,046,592	961,977	1,044,061	960,844
Total equity		1,382,704	1,282,862	1,382,699	1,281,729

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 2021

	Consolidated			University		
	Reserves	Retained Earnings	Total	Reserves	Retained Earnings	Total
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2020	313,089	937,089	1,250,178	313,089	936,168	1,249,257
Profit or loss	-	21,297	21,297	-	21,085	21,085
Transfer of fair value reserve of equity instruments designated at fair value through other comprehensive income to retained earnings	(3,591)	3,591	-	(3,591)	3,591	-
Revaluation on equity instruments designated at fair value through other comprehensive income	11,387	-	11,387	11,387	-	11,387
Total comprehensive income	7,796	24,888	32,684	7,796	24,676	32,472
Balance at 31 December 2020	320,885	961,977	1,282,862	320,885	960,844	1,281,729

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Consolidated			University		
	Reserves	Retained Earnings	Total	Reserves	Retained Earnings	Total
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2021	320,885	961,977	1,282,862	320,885	960,844	1,281,729
Profit or loss	-	53,250	53,250	-	52,849	52,849
Gain on revaluation of Art Collection	265	-	265	265	-	265
Transfer of fair value reserve of equity instruments designated at fair value through other comprehensive income to retained earnings	(31,365)	31,365	-	(30,368)	30,368	-
Revaluation on equity instruments designated at fair value through other comprehensive income	46,327	-	46,327	47,856	-	47,856
Total comprehensive income	15,227	84,615	99,842	17,753	83,217	100,970
Balance at 31 December 2021	336,112	1,046,592	1,382,704	338,638	1,044,061	1,382,699

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 2021

		Consolidated		University	
		2021	2020	2021	2020
	Notes	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities:					
Inflows:					
Australian Government grants received		479,090	413,169	478,990	413,094
OS-HELP (Net)	39(g)	-	2,010	-	2,010
Superannuation supplementation	39(h)	23,285	30,552	23,285	30,552
State and Local Government Grants		10,314	9,321	10,314	9,321
HECS-HELP - Student payments		12,110	11,125	12,110	11,125
Receipts from student fees and other customers		146,106	170,691	145,875	170,691
Dividends received		1,900	6,622	1,900	6,622
Interest received		2,457	3,893	2,415	3,889
Royalties		549	499	105	115
Consultancy and contract research		48,201	44,441	48,269	45,392
Other receipts		11,164	12,035	10,260	12,738
GST recovered		5,592	6,836	5,752	6,836
Outflows:					
Payments to suppliers and employees		(640,271)	(615,630)	(638,568)	(616,985)
Interest paid		230	(649)	(556)	(649)
Net cash provided by / (used in) operating activities	36	100,727	94,915	100,151	94,751
Cash flows from investing activities:					
Inflows:					
Proceeds from sale of property, plant and equipment		32	37	32	37
Proceeds from sale of Investments		1,645	19,777	303	19,777
Proceeds from return of capital of equity instruments		5,260	-	5,260	-
Outflows:					
Payments for property, plant and equipment		(12,861)	(15,931)	(12,858)	(15,925)
Payments for investments		(336)	(19,900)	(301)	(19,625)
Net cash provided by / (used in) investing activities		(6,260)	(16,017)	(7,564)	(15,736)
Cash flows from financing activities:					
Repayment of lease liabilities		(2,363)	(3,000)	(2,363)	(3,000)
Net cash used in financing activities		(2,363)	(3,000)	(2,363)	(3,000)
Net increase / (decrease) in cash and cash equivalents		92,104	75,898	90,224	76,015
Cash and cash equivalents at the beginning of the financial year		303,219	227,321	301,672	225,657
Cash and cash equivalents at the end of the financial year	12	395,323	303,219	391,896	301,672

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.



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1. Summary of significant accounting policies

General information

The principal accounting policies adopted in the preparation of these financial statements are set out below and where applicable, throughout the notes to the accounts. These policies have been consistently applied to all the years reported, unless otherwise stated. The financial statements include separate statements for the University of South Australia (the University) and the University and its subsidiaries (the Group).

(a) Basis of preparation

The annual financial statements represent the audited general purpose financial statements which have been prepared on an accrual basis in accordance with Australian Accounting Standards (AAS), AASB Interpretations, requirements of the Department of Education, Skills and Employment (EDUCATION), the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and other State / Australian Government legislative requirements.

The University applies Tier 1 reporting requirements. Except where in conflict with EDUCATION requirements, the financial statements are prepared in accordance with the relevant South Australian Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987*.

Historical cost convention

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for certain assets and liabilities that were valued in accordance with the applicable valuation policy.

Critical accounting estimates

The preparation of these statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the University's accounting policies. All significant estimates or assumptions made in the preparation of the financial statements are described in the relevant accounting policy notes. The estimates and underlying assumptions are reviewed regularly.

The areas involving a high degree of judgement where assumptions and estimates are significant to the financial statements are other financial assets, superannuation receivable and associated defined benefit obligation, long service leave provision, valuation and depreciation of property, plant and equipment and the recognition of revenue over time in accordance with AASB 15. Further details are disclosed in the relevant notes to the financial statements.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed regularly. Revisions to accounting estimates are recognised in the period which it effects. If the revision affects both current and future periods, the revision is recognised in the period of the revision and future periods.

Rounding of amounts

Unless otherwise indicated, all amounts are rounded to the nearest thousand dollars.

Comparative amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year.



1. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Foreign currency translation

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gain and loss resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

(b) Basis of consolidation

The consolidated financial statements represent the financial statements of the parent entity, being the University of South Australia, and the assets, liabilities and results of all entities it controlled in accordance with AASB 10 *Consolidated Financial Statements* at the end of, or during the financial year. Control is established when the parent is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Transactions, balances and unrealised gain on transactions between Group entities are eliminated. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

A list of controlled entities are contained in Note 32. Subsidiaries of the financial statements.

(c) Goods and Services Tax (GST)

Revenues and expenses are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included in receivables or payables in the Statement of Financial Position.

Cash flows are presented in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(d) Income tax

The University is exempt from income tax pursuant to Division 50 of the *Income Tax Assessment Act 1997*. The University subsidiaries are not exempt from income tax.

Income tax expense or benefit for the period is calculated as the tax payable on the current period's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses. Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities extinguished.

In relation to foreign operations, the University is subject to tax associated with the legislation of the relevant foreign country. Tax in respect of these operations has been brought to account in the year it is incurred.



1. Summary of significant accounting policies (continued)

(e) Interests in Co-operative Research Centres

The University participates in a number of Co-operative Research Centres (CRC) listed below. A CRC is a research initiative of the Australian Government established to pursue specific areas of research and supports industry-led collaborations between researchers, industry and the community.

The University participates in the below listed CRCs but does not record them as either Joint Operations or Associates as the University does not control or have any significant influence in these entities. The University does not record any of the CRC entities as investments in the financial statements.

During 2021 the University provided both cash and in-kind contributions to support the work of CRCs.

The Co-operative Research Centres are:

- CRC for Transformations in Mining Economies
- Digital Health CRC
- Future Energy Exports CRC
- Innovative Manufacturing CRC
- iMove CRC
- MinEx CRC
- Reliable Affordable Clean Energy for 2030 CRC
- SmartCrete CRC
- SmartSat CRC

(f) Revenue and Income

The notes 2 to 6 disclose the revenue and income received during the year according to the mandatory disclosures required by EDUCATION. The disclosures required by AASB 15 and AASB 1058 are included in the notes and a reconciliation is included in note 7.

(i) Basis for disaggregation

Sources of funding: the Group receives the majority of funds from the Australian Government as well as State and Local Government to further its objectives. In addition the Group also receives revenue and income from private organisations and individuals.

Revenue and income streams: the major revenue and income streams are as follows:

Teaching: the Group has domestic and overseas students enrolled in a variety of programs for different qualification levels. Whilst, the number of domestic students is affected by national economic factors such as interest rates or unemployment, the overseas students are impacted by the changes in the immigration policies.

Research: the Group performs research activities across multiple fields. The Group enters into many different types of research agreements with different counterparties, such as with private sector customers and Government agencies that award research grants. Each agreement needs to be assessed as to whether it is an enforceable arrangement and contains sufficiently specific promises to transfer outputs from the research to the customer (or at the direction of the customer). Judgement is required in making this assessment. The Group has concluded that some research agreements represent a contract with a customer whereas other research grants are recognised as income when the Group obtains control of the research funds.

Other fees and charges: these correspond to the complementary services provided by the Group such as parking and access to fitness and recreational activities.



1. Summary of significant accounting policies (continued)

(f) Revenue and Income (continued)

Revenue from Contracts with Customers as per AASB 15

(ii) Accounting policies and significant accounting judgement and estimates

Course fees and charges

The course fees and charges revenue relate to undergraduate programs, graduate and professional degree programs and continuing education and executive programs.

The revenue is recognised over time as and when the course is delivered to students over the study period.

When the courses have been paid in advance by students or the Group has received the government funding in advance (e.g. before starting the academic period) the Group recognises a contract liability until the services are delivered.

The Group does have refund obligations. This is mainly applicable when the goods are not provided or contracted services are not delivered.

There is no significant financing component, as the period from when the student pays and the service is provided is less than 12 months and the consideration is not variable.

Research

Revenue recognition for research funding is dependent upon the source of the funding and the nature of the transaction.

The following specific research revenue recognition criteria have been applied:

- Funding received from Australian Research Council, National Health and Medical Research Council, and from non government entities. These are enforceable agreements and the performance obligations in those agreements are sufficiently specific.

The research grants that are considered within the scope of AASB 15 meet the enforceability criteria due to the existence of refund clauses in the agreements with the grantor and the promises to transfer good or services to the customer (or on behalf of the customer) are sufficiently specific. The obligations may include:

- Comprehensive academic paper with the results of the research after completion
- Publishing research data and results on an ongoing basis in an openly accessible repository as requested by the grantor
- Intellectual property

Depending on the nature of the promise, the Group either recognises revenue at a point in time when the promise is delivered (e.g. when the comprehensive academic paper is published) or recognises revenue over time as the service is performed (e.g. as the customer obtains control of the intellectual property as it is created).



1. Summary of significant accounting policies (continued)

(f) Revenue and Income (continued)

(ii) Accounting policies and significant accounting judgement and estimates (continued)

Other fees and charges

Other fees and charges revenue relate to the provision of services such as student services and amenities fees, parking fees, fitness and recreational services.

Revenue is recognised over time as and when the service is provided over the period.

Royalties

Royalties that are within the scope of AASB 15 mainly relate to the use of intellectual property. The revenue is recognised at a point in time when the use of intellectual property has occurred.

Contract Assets

Contract Assets represent research grants which have met performance obligations in accordance with funding agreements, however, funding has not been received.

Contract Liabilities

Contract Liabilities represent research and teaching grants for which funding has been received by the University, to provide future services to funding providers and students.

(iii) Unsatisfied performance obligations

Remaining performance obligations represent services the Group has promised to provide to customers which are satisfied as the goods or services are provided over the contract term. For customer contracts with terms of one year or less, or where revenue is recognised using the 'right to invoice' method of recognising revenue, as permitted under AASB 15, disclosures are not required in relation to the transaction price allocated to these unsatisfied performance obligations.

These unsatisfied performance obligations are expected to be satisfied during 2022 (within 1 year).

Contract liabilities for unsatisfied performance obligations are included in note 23.



1. Summary of significant accounting policies (continued)

(f) Revenue and Income (continued)

Income of not-for-profit as per AASB 1058

(iv) Accounting policies and significant judgements and estimates

Capital grants

Capital grants are generally received to acquire or construct a non-financial asset, such as a building. Income is recognised over time, as the building is constructed. Income is recognised to the extent of costs incurred to date as the costs of construction are the best measure of the stage of completion.

Donations and bequests

The income is recognised immediately when the funds are received.

**2. Australian Government financial assistance including HECS-HELP and FEE-HELP****Australian Government financial assistance**

	Note	Consolidated		University	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Commonwealth Grants Scheme and other grants	39(a)	213,049	195,381	213,049	195,381
Higher Education Loan Programs	39(b)	155,181	160,913	155,181	160,913
EDUCATION Research	39(c)	53,826	36,525	53,826	36,525
Other capital funding	39(e)	825	515	825	515
Australian Research Council	39(f)	6,430	6,190	6,430	6,190
Total CGS, HELP, Scholarships and Research grants		429,311	399,524	429,311	399,524
Other Australian Government financial assistance					
Research		27,876	32,332	27,876	32,357
Other		4,915	5,176	4,815	5,076
Non-capital		32,791	37,508	32,691	37,433
Capital		-	230	-	230
Total Other Australian Government financial assistance		32,791	37,738	32,691	37,663
Total Australian Government financial assistance		462,102	437,262	462,002	437,187

3. State and Local Government financial assistance

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Non-capital research grants	7,077	8,773	7,077	8,773
Non-capital other	515	548	515	548
Total State and Local Government financial assistance	7,592	9,321	7,592	9,321

**4. Fees and charges**

		Consolidated		University	
		2021	2020	2021	2020
Note		\$'000	\$'000	\$'000	\$'000
Course fees and charges					
		114,587	148,503	114,587	148,503
		1,326	1,516	1,326	1,516
		2,087	1,453	2,087	1,453
		2,820	2,700	2,820	2,700
		310	332	310	332
Total course fees and charges		121,130	154,504	121,130	154,504
Other fees and charges					
		5,373	7,793	5,373	7,793
		5,527	6,291	5,527	6,291
		1,123	1,047	1,123	1,047
	39(i)	1,415	1,287	1,415	1,287
Total other fees and charges		13,438	16,418	13,438	16,418
Total fees and charges		134,568	170,922	134,568	170,922

5. Consultancy and contract research

		Consolidated		University	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Consultancy		3,386	2,484	3,362	2,465
Contract research		42,826	44,387	42,918	45,015
Total consultancy and contract research		46,212	46,871	46,280	47,480

6. Other revenue

		Consolidated		University	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Donations and bequests		1,679	1,037	1,679	1,037
Scholarships and prizes		997	1,468	997	1,468
Other fees and charges		5,026	3,634	4,264	3,371
Other		4,151	4,883	4,009	4,694
Total other revenue		11,853	11,022	10,949	10,570

**7. Reconciliation of revenue and income**

The following table reconciles the amounts disclosed in notes 2 to 6 which contain the mandatory disclosures required by EDUCATION as per AASB 15 and AASB 1058:

	Note	Consolidated		University	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Australian Government financial assistance including Australian Government loan Programs (HELP)	2	462,101	437,262	462,002	437,187
State and Local Government financial assistance	3	7,592	9,321	7,592	9,321
HECS-HELP - Student Payments		12,129	11,125	12,129	11,125
Fees and charges	4	134,569	170,922	134,569	170,922
Royalties		549	499	105	115
Consultancy and contract research	5	46,213	46,871	46,280	47,480
Other income	6	11,853	11,022	10,949	10,570
Total		675,006	687,022	673,626	686,720
Total Revenue from contracts with customers as per AASB 15		392,441	440,649	391,161	440,422
Total Income of not-for-profit as per AASB 1058		282,565	246,373	282,465	246,298
Total Revenue and income		675,006	687,022	673,626	686,720

8. Investment income

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Interest				
Debt instruments at amortised cost	2,191	3,283	2,148	3,279
Dividends				
Equity instruments designated at fair value through other comprehensive income	1,558	6,052	1,558	6,052
Investment income gains	3,749	9,335	3,706	9,331

Accounting Policy

Interest income is recognised as it accrues. For all debt instruments measured at amortised cost and equity instruments measured at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised only when it is declared, determined or recommended by external entities before the 31 December reporting date.

**9. Employee-related expenses**

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Academic				
Salaries	176,625	183,346	176,324	183,113
Contributions to superannuation and pension schemes:				
Emerging cost	82	161	82	161
Funded	27,259	26,010	27,259	26,010
Payroll tax	10,730	10,766	10,730	10,766
Workers' compensation	(59)	(94)	(59)	(94)
Long service leave	3,739	5,519	3,739	5,519
Annual leave	11,826	12,273	11,826	12,273
Total academic	230,202	237,981	229,901	237,748
Non-academic				
Salaries	133,679	148,169	132,769	146,505
Contributions to superannuation and pension schemes:				
Emerging cost	92	163	14	29
Funded	22,489	22,934	22,489	22,934
Payroll tax	8,622	8,790	8,566	8,693
Workers' compensation	265	165	265	165
Long service leave	3,491	5,091	3,479	5,051
Annual leave	9,918	11,422	9,904	11,419
Total non-academic	178,556	196,734	177,486	194,796
Total academic & non-academic employee related expenses	408,758	434,715	407,387	432,544
Council member remuneration	341	354	341	354
Total employee related expenses*	409,099	435,069	407,728	432,898

*Included within Total Employee Related Expenses for 2021 is an immaterial amount for Voluntary Separation packages, whilst 2020 included \$19.9 million for the Early Retirement Scheme which includes payments for separations, associated annual leave and long service leave liabilities and other costs.

Accounting Policy

Refer to Note 22 Provisions for the accounting policy relating to employee benefits and Note 31 Superannuation Plans for the accounting policy relating to employee benefits - Superannuation.


10. Other expenses

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Scholarships, grants and prizes*	17,932	28,201	17,932	28,201
Non-capitalised equipment	4,647	5,714	4,647	5,705
Advertising, marketing and promotion	10,556	9,478	10,555	9,465
Telecommunications	3,194	3,233	3,181	3,219
Travel, staff development and entertainment	3,322	4,176	3,308	4,133
External services	58,196	65,373	59,054	67,853
IT hardware and software	19,643	18,672	19,646	18,671
Library subscriptions	9,432	9,795	9,432	9,795
Printing	1,095	1,137	1,095	1,137
Bank charges, legal costs, insurance and taxes	6,705	6,831	6,397	6,520
General consumables	8,399	10,076	8,386	10,068
Utilities	7,888	7,472	7,888	7,472
Other	4,213	4,685	4,487	4,653
Total other expenses	155,222	174,843	156,008	176,892

*Included within Scholarships, grants and prizes for 2021 is an amount for Student Hardship of \$0.4 million (2020: \$9.67m) to assist students navigate the impacts of COVID-19.

11. Loss on disposal of property, plant and equipment

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Disposal of property, plant and equipment				
Proceeds from sale	(32)	(37)	(32)	(37)
Carrying amount of assets sold	42	203	42	203
Net Loss on disposal of property, plant and equipment	10	166	10	166

**12. Cash and cash equivalents**

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	3,898	3,714	3,765	3,483
Deposits at call	391,425	299,505	388,131	298,189
Total cash and cash equivalents	395,323	303,219	391,896	301,672

Cash at bank and on hand

During the year Cash at bank and on hand earned an average interest of 0.05% (2020: 0.11%) and interest was credited to the University on a monthly basis.

Deposits at call

During the year Deposits at call earned interest at a fixed rate which ranged between 0.31% and 1.50% (2020: range between 0.50% and 2.80%). These deposits had an average maturity of 427 days (2020: 342 days).

Accounting Policy

Cash and cash equivalents includes cash at bank and on hand, deposits held at call with financial institutions and other highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

13. Receivables

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Trade debtors	11,503	11,115	11,302	10,802
Less: Provision for impaired receivables	(643)	(252)	(643)	(252)
	10,860	10,863	10,659	10,550
Student fees	6,048	7,234	6,048	7,234
Less: Provision for impaired receivables	(3,117)	(2,289)	(3,117)	(2,289)
	2,931	4,945	2,931	4,945
Imputation Credits receivables	26,791	2,120	26,791	2,120
Commonwealth receivables	2,917	4,647	2,917	4,647
Contract Assets	3,194	3,531	3,194	3,531
Other	3,374	3,093	3,374	2,445
Total receivables	50,067	29,199	49,866	28,238

Trade receivables are non-interest bearing and are generally on terms of 14 to 30 days.

Contract Assets represent research activities which have met performance obligations in accordance with funding agreements, however, funding has not been received. The classification of contract assets as current was made on the basis that all projects with expenditure in advance will be invoiced within 12 months. Contract Assets are evaluated for impairment.



13. Receivables (continued)

(a) Impaired receivables

Movements in the Trade debtors provision for impaired receivables are as follows:

	Consolidated	
	2021	2020
	\$'000	\$'000
At 1 January	252	295
Provision for impairment recognised during the year	569	153
Receivables written-off during the year as uncollectible	(103)	(118)
Unused amount reversed and debts collected	(75)	(78)
At 31 December	643	252

Movements in the Student fees provision for impaired receivables are as follows:

	Consolidated	
	2021	2020
	\$'000	\$'000
At 1 January	2,289	580
Provision for impairment recognised during the year	1,266	2,095
Receivables written-off during the year as uncollectible	(417)	(361)
Unused amount reversed and debts collected	(21)	(25)
At 31 December	3,117	2,289

The creation and release of the provision for impaired receivables has been included in 'Bad and doubtful debts expense' in the Statement of Comprehensive Income. Amounts charged to the provision account are 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.

(b) Foreign exchange and interest rate risk

The carrying amount of the Group's receivables are denominated in Australian Dollars.

(c) Fair value and credit risk

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.



13. Receivables (continued)

Accounting Policy

Trade debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade debts are generally due for settlement no more than 14 days from the date that invoice was issued for domestic Australian debtors, and no more than 30 days for Overseas/International debtors. Any exceptions to these payment terms for both Domestic & International debtors, are approved by the Director of the local area and also by the Chief Financial Officer, after reviewing the business reasons for the extended terms. The exceptions are very few in number.

Student fees are recognised initially at fair value as at census date and are collectable at that point. Periodically these receivables are adjusted for any provision for impairment.

Collectability of receivables is reviewed on an ongoing basis and the assessment of the provision for impaired receivables included consideration of the expected credit losses in accordance with AASB 9 *Financial Instruments*. Individual trade debtors and student fee receivables are assessed for impairment, considering both historic and future factors where possible including the age of the debt, the circumstances of the debtor, experience with similar debt types and current economic circumstances. In addition, both trade debtors and student fee receivables are evaluated for impairment based upon past due status and historical collection experience. Debts which are known to be uncollectible are written off. A provision for doubtful debts is established when there is objective evidence that the University will not be able to collect all amounts due according to the original terms of receivables.

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.

14. Investments accounted for using the equity method

The University has no material investments in associates or joint venture entities which would be accounted for in the consolidated financial statements using the equity method of accounting.

15. Other financial assets

		Consolidated		University	
		2021	2020	2021	2020
	Note	\$'000	\$'000	\$'000	\$'000
Current					
Equity instruments designated at fair value through other comprehensive income		31,725	-	31,725	-
Accrued Income		1,135	2,320	1,135	2,320
Total current other financial assets		32,860	2,320	32,860	2,320
Non-current					
Equity instruments designated at fair value through other comprehensive income		62,924	78,283	57,521	73,122
Shares in subsidiaries	32	-	-	8,475	7,326
Total non-current other financial assets		62,924	78,283	65,996	80,448
Total other financial assets		95,784	80,603	98,856	82,768

During 2021, Education Australia Ltd shares in IDP Education Limited (IDP) were returned to the 38 University shareholders via a Liquidity Transaction involving an in-specie distribution of IDP shares and cash proceeds.

This resulted in the distribution of 1.8 million IDP shares valued at \$53.10 million (included within Equity instruments designated at fair value through other comprehensive income), \$25.01 million franking credits (included within Imputation Credits) and cash proceeds of \$5.26 million. 50% of the IDP shares received are subject to a 6 month escrow period, whilst the remaining 50% of IDP shares received are subject to a 12 month escrow period.

The liquidity transaction is considered to be a recovery of the cost of the investment that is intrinsically linked to the wind down of Education Australia Ltd. In accordance with AASB 9 Financial Instruments, the transaction is recognised through other comprehensive income as revaluation on equity instruments designated at fair value through other comprehensive income.

Accounting Policy
Shares in subsidiaries

Investments in all wholly-owned subsidiaries are recorded at fair value. Where an estimate of fair value is not readily available, the Net Assets of the subsidiary are used as a proxy for fair value.

Equity Instruments designated at fair value through other comprehensive income

The University invests in shares, fixed interest, property trusts and managed funds known as Investments. These investments are classified as Equity instruments designated at fair value through other comprehensive income in accordance with AASB 9 *Financial Instruments*.

These Investments are included in non-current assets unless management intends to dispose of the Investment within 12 months of the balance sheet date. Purchases and sales of Investments are recognised on trade date (the date on which the University commits to purchase or sell the asset). Investments are initially recognised at fair value. Investments are derecognised when the rights to receive cash flows from them have expired or have been transferred and the University has transferred substantially all the risks and rewards of ownership.

Unrealised gain or loss arising from changes in the fair value of investments are recognised in other comprehensive income under Gain / (Loss) on equity instruments designated at fair value through other comprehensive income.

**15. Other financial assets (continued)****Accounting Policy (continued)**

Realised gain or loss arising from the sale of investments are recognised in other comprehensive income under Gain / (Loss) on equity instruments designated at fair value through other comprehensive income.

Only dividends are recognised in the income statement when the right of payment has been established unless when it is part of a recovery of cost in which case it is recognised in other comprehensive income.

Since these investments are designated at fair value through other comprehensive income they are not subject to impairment assessment. These investments are adjusted annually to fair value through other comprehensive income.

16. Other non-financial assets

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current				
Prepayments	18,760	19,218	18,743	19,203
Other	41	100	41	100
Total other non-financial assets	18,801	19,318	18,784	19,303

17. Non-current assets classified as held for sale

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Non-current assets held for sale				
Other assets	1,000	-	1,000	-
Total non-current assets classified as held for sale	1,000	-	1,000	-

Accounting Policy

Non-current assets are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the statement of financial position.

18. Property, plant and equipment

	Capital Works in Progress	Land	Buildings	Plant and equipment	Plant and equipment in progress	Leasehold improvements	Art collection	Infrastructure	Subtotal (owned)	Subtotal Right-of-use assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
University											
At 1 January 2020											
- Cost	1,035	-	-	111,056	4,075	8,606	-	-	124,772	20,270	145,042
- Valuation	-	184,445	1,437,631	-	-	-	3,823	100,035	1,725,934	-	1,725,934
Accumulated depreciation and impairment	-	(194)	(598,684)	(71,163)	-	(7,115)	-	(53,959)	(731,115)	(3,379)	(734,494)
Net book amount	1,035	184,251	838,947	39,893	4,075	1,491	3,823	46,076	1,119,591	16,891	1,136,482
Year ended 31 December 2020											
Opening net book amount	1,035	184,251	838,947	39,893	4,075	1,491	3,823	46,076	1,119,591	16,891	1,136,482
Additions	6,915	-	26	4,625	3,305	-	-	-	14,871	870	15,741
Disposals	-	-	-	(200)	-	-	-	-	(200)	-	(200)
Reclassifications	(7,883)	-	3,496	6,414	(3,398)	73	-	1,298	-	-	-
Impairment loss in income	-	-	-	(441)	-	-	-	-	(441)	-	(441)
Amortisation / Depreciation charge	-	(61)	(26,089)	(10,041)	-	(576)	-	(2,124)	(38,891)	(3,428)	(42,319)
Other changes, movements	144	-	-	-	(675)	-	-	-	(531)	(143)	(674)
Closing net book amount	211	184,190	816,380	40,250	3,307	988	3,823	45,250	1,094,399	14,190	1,108,589
At 31 December 2020											
- Cost	211	-	3,531	119,481	3,307	8,679	-	1,298	136,507	19,179	155,686
- Valuation	-	184,444	1,437,631	-	-	-	3,823	100,035	1,725,933	-	1,725,933
Accumulated amortisation / depreciation and impairment	-	(254)	(624,782)	(79,231)	-	(7,691)	-	(56,083)	(768,041)	(4,989)	(773,030)
Net book amount	211	184,190	816,380	40,250	3,307	988	3,823	45,250	1,094,399	14,190	1,108,589



18. Property, plant and equipment (continued)

	Capital Works in Progress	Land	Buildings	Plant and equipment	Plant and equipment in progress	Leasehold improvements	Art collection	Infrastructure	Subtotal (owned)	Subtotal Right-of-use assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
University Year ended 31 December 2021											
Opening net book amount	211	184,190	816,380	40,250	3,307	988	3,823	45,250	1,094,399	14,190	1,108,589
Additions	5,577	23	260	4,165	2,608	-	10	-	12,643	405	13,048
Disposals	-	-	-	(37)	-	-	(5)	-	(42)	-	(42)
Reclassifications	(2,989)	-	2,557	2,909	(2,909)	-	-	432	-	-	-
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	-	-	-	(1,000)	-	(1,000)	-	(1,000)
Revaluation surplus	-	-	-	-	-	-	265	-	265	-	265
Impairment loss in income	-	-	-	109	-	-	-	-	109	-	109
Amortisation / Depreciation charge	-	(60)	(26,164)	(9,696)	-	(362)	-	(2,139)	(38,421)	(2,562)	(40,983)
Other changes, movements	-	-	-	-	(398)	-	-	-	(398)	(153)	(551)
Closing net book amount	2,799	184,153	793,033	37,700	2,608	626	3,093	43,543	1,067,555	11,880	1,079,435
At 31 December 2021											
- Cost	2,799	23	6,349	121,882	2,608	8,679	10	1,730	144,080	18,675	162,755
- Valuation	-	184,444	1,437,631	-	-	-	3,083	100,035	1,725,193	-	1,725,193
Accumulated amortisation / depreciation and impairment	-	(314)	(650,947)	(84,182)	-	(8,053)	-	(58,222)	(801,718)	(6,795)	(808,513)
Net book amount	2,799	184,153	793,033	37,700	2,608	626	3,093	43,543	1,067,555	11,880	1,079,435

18. Property, plant and equipment (continued)

	Capital Works in Progress	Land	Buildings	Plant and equipment	Plant and equipment in progress	Leasehold improvements	Art collection	Infrastructure	Subtotal (owned)	Subtotal Right- of-use assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated											
At 1 January 2020											
- Cost	1,035	-	-	111,218	4,075	8,606	-	-	124,934	20,270	145,204
- Valuation	-	184,445	1,437,631	-	-	-	3,823	100,035	1,725,934	-	1,725,934
Accumulated amortisation / depreciation and impairment	-	(194)	(598,684)	(71,287)	-	(7,115)	-	(53,959)	(731,239)	(3,379)	(734,618)
Net book amount	1,035	184,251	838,947	39,931	4,075	1,491	3,823	46,076	1,119,629	16,891	1,136,520
Year ended 31 December 2020											
Opening net book amount	1,035	184,251	838,947	39,931	4,075	1,491	3,823	46,076	1,119,629	16,891	1,136,520
Additions	6,915	-	26	4,631	3,305	-	-	-	14,877	870	15,747
Disposals	-	-	-	(200)	-	-	-	-	(200)	-	(200)
Reclassifications	(7,883)	-	3,496	6,414	(3,398)	73	-	1,298	-	-	-
Impairment loss in income	-	-	-	(441)	-	-	-	-	(441)	-	(441)
Amortisation / Depreciation charge	-	(61)	(26,089)	(10,059)	-	(576)	-	(2,124)	(38,909)	(3,428)	(42,337)
Other changes, movements	144	-	-	-	(675)	-	-	-	(531)	(143)	(674)
Closing net book amount	211	184,190	816,380	40,276	3,307	988	3,823	45,250	1,094,425	14,190	1,108,615
At 31 December 2020											
- Cost	211	-	3,531	119,525	3,307	8,679	-	1,298	136,551	19,179	155,730
- Valuation	-	184,444	1,437,631	-	-	-	3,823	100,035	1,725,933	-	1,725,933
Accumulated amortisation / depreciation and impairment	-	(254)	(624,782)	(79,249)	-	(7,691)	-	(56,083)	(768,059)	(4,989)	(773,048)
Net book amount	211	184,190	816,380	40,276	3,307	988	3,823	45,250	1,094,425	14,190	1,108,615



18. Property, plant and equipment (continued)

	Capital Works in Progress	Land	Buildings	Plant and equipment	Plant and equipment in progress	Leasehold improvements	Art collection	Infrastructure	Subtotal (owned)	Subtotal Right- of-use assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated Year ended 31 December 2021											
Opening net book amount	211	184,190	816,380	40,276	3,307	988	3,823	45,250	1,094,425	14,190	1,108,615
Additions	5,577	23	260	4,168	2,608	-	10	-	12,646	405	13,051
Disposals	-	-	-	(37)	-	-	(5)	-	(42)	-	(42)
Reclassifications	(2,989)	-	2,557	2,909	(2,909)	-	-	432	-	-	-
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	-	-	-	(1,000)	-	(1,000)	-	(1,000)
Revaluation surplus	-	-	-	-	-	-	265	-	265	-	265
Impairment loss in income	-	-	-	109	-	-	-	-	109	-	109
Amortisation / Depreciation charge	-	(60)	(26,164)	(9,711)	-	(362)	-	(2,139)	(38,436)	(2,562)	(40,998)
Other changes, movements	-	-	-	-	(398)	-	-	-	(398)	(153)	(551)
Closing net book amount	2,799	184,153	793,033	37,714	2,608	626	3,093	43,543	1,067,569	11,880	1,079,449
At 31 December 2021											
- Cost	2,799	23	6,349	122,019	2,608	8,679	10	1,730	144,217	18,675	162,892
- Valuation	-	184,444	1,437,631	-	-	-	3,083	100,035	1,725,193	-	1,725,193
Accumulated amortisation / depreciation and impairment	-	(314)	(650,947)	(84,305)	-	(8,053)	-	(58,222)	(801,841)	(6,795)	(808,636)
Net book amount	2,799	184,153	793,033	37,714	2,608	626	3,093	43,543	1,067,569	11,880	1,079,449



18. Property, plant and equipment (continued)

Accounting Policy

Initial recognition and measurement

Assets with a useful life of more than 12 months and an acquisition cost of more than \$10,000 are initially capitalised at cost. Costs incurred on Plant and equipment which do not meet the capitalisation criteria are expensed as incurred. Following initial recognition at cost Land, Buildings, Infrastructure and Art collection are carried at fair value.

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

All other property, plant and equipment is stated at historical cost less depreciation.

Revaluations

Independent valuations of Land, Buildings and Infrastructure are performed every three years to ensure that the carrying amount does not differ materially from the asset's fair value at the balance date.

The Art collection is internally valued every three years by the Director: Samstag Museum of Art considering current sales and auctions of works by the same artist and / or similar genre.

Revaluation surpluses have been credited to the asset revaluation reserve included in the equity section of the statement of financial position. Revaluation increments and decrements are offset against one another within asset classes, but not otherwise. Refer to Note 38(c) for information regarding revaluations.

Land

Land occupied by the University is either owned by the University or by the State Government. All land is recognised on the basis that the University effectively controls the land occupied.

Land includes \$66.17 million (2020: \$66.17 million) of Crown Lands and \$5.60 million (2020: \$5.66 million) of Land under Finance Lease. The University has restrictions on the above land by application of the University of South Australia Act, 1990 Section 6(3).

Impairment of assets

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.

**18. Property, plant and equipment (continued)****Accounting Policy (continued)****Depreciation**

Land (excluding Land under finance lease), Art collection and Buildings under construction are not depreciated. Depreciation, where applicable, is calculated on a straight-line basis to allocate the written down current cost of an asset over its estimated remaining useful life.

Assets class	Useful Life
Property:	
Buildings	30 - 160 years
Infrastructure	25 - 50 years
Land under finance lease	99 years
Leasehold improvements	1 - 14 years
Plant and equipment:	
IT infrastructure	5 years
IT other	3 years
Motor vehicles	5 years
Other	10 years
Right-of-use assets:	
Buildings	1 - 9 years
Plant and equipment	1 - 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

**18. Property, plant and equipment (continued)****(a) Right-of-use assets**

Information about leases where the University is a lessee is presented below:

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Right-of-use assets				
Buildings				
Opening Balance	13,661	16,338	13,661	16,338
Additions of right-of-use assets	85	143	85	143
Other changes, movements	(153)	(143)	(153)	(143)
Depreciation charge	(2,128)	(2,677)	(2,128)	(2,677)
At 31 December 2021	11,465	13,661	11,465	13,661
Plant and Equipment				
Opening Balance	529	553	529	553
Additions of right-of-use assets	320	727	320	727
Depreciation charge	(434)	(751)	(434)	(751)
At 31 December 2021	415	529	415	529
Total right-of-use assets	11,880	14,190	11,880	14,190

Accounting Policy**Assessment of whether a contract is, or contains, a lease**

At inception of a contract, the University assesses whether a contract is, or contains a lease. A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

the University assesses whether:

- (a) The contract involves the use of an identified asset. The asset may be explicitly or implicitly specified in the contract.
- (b) The customer has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- (c) The customer has the right to direct the use of the asset throughout the period of use - The customer is considered to have the right to direct the use of the asset only if either:
 - i. The customer has the right to direct how and for what purpose the identified asset is used throughout the period of use; or
 - ii. The relevant decisions about how and for what purposes the asset is used is predetermined and the customer has the right to operate the asset, or the customer designed the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

18. Property, plant and equipment (continued)

Accounting Policy (continued)

Accounting for leases - University as lessee

In contracts where the University is a lessee, the University recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied.

Right-of-use asset

A right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred in obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

A right-of-use asset associated with land and buildings is subsequently measured at fair value. All other property, plant and equipment are measured as described in the accounting policy for property, plant and equipment in Note 18.

19. Intangible assets

	Intangibles in progress \$'000	Other intangible assets \$'000	Total \$'000
University			
At 1 January 2020			
Cost	-	16,412	16,412
Accumulated amortisation and impairment	-	(12,390)	(12,390)
Net book amount	-	4,022	4,022
Year ended 31 December 2020			
Opening net book amount	-	4,022	4,022
Additions	511	-	511
Disposals	-	(3)	(3)
Reclassifications	(44)	44	-
Amortisation	-	(1,287)	(1,287)
Closing net book amount	467	2,776	3,243
At 31 December 2020			
Cost	467	15,633	16,100
Accumulated amortisation and impairment	-	(12,857)	(12,857)
Net book amount	467	2,776	3,243
Year ended 31 December 2021			
Opening net book amount	467	2,776	3,243
Additions	640	-	640
Reclassifications	(458)	458	-
Amortisation	-	(1,367)	(1,367)
Closing net book amount	649	1,867	2,516
At 31 December 2021			
Cost	649	16,091	16,740
Accumulated amortisation and impairment	-	(14,224)	(14,224)
Net book amount	649	1,867	2,516

**19. Intangible assets (continued)**

	Intangibles in progress \$'000	Other intangible assets \$'000	Total \$'000
Consolidated			
At 1 January 2020			
Cost	-	16,412	16,412
Accumulated amortisation and impairment	-	(12,390)	(12,390)
Net book amount	-	4,022	4,022
Year ended 31 December 2020			
Opening net book amount	-	4,022	4,022
Additions	511	-	511
Disposals	-	(3)	(3)
Reclassifications	(44)	44	-
Amortisation	-	(1,287)	(1,287)
Closing net book amount	467	2,776	3,243
At 31 December 2020			
Cost	467	15,633	16,100
Accumulated amortisation and impairment	-	(12,857)	(12,857)
Net book amount	467	2,776	3,243
Year ended 31 December 2021			
Opening net book amount	467	2,776	3,243
Additions	640	-	640
Reclassifications	(458)	458	-
Amortisation	-	(1,367)	(1,367)
Closing net book amount	649	1,867	2,516
At 31 December 2021			
Cost	649	16,091	16,740
Accumulated amortisation and impairment	-	(14,224)	(14,224)
Net book amount	649	1,867	2,516

Accounting Policy

Expenditure on research activities, undertaken with the prospect of obtaining new scientific or technical knowledge and understanding, is recognised in the Statement of Comprehensive Income as an expense when incurred.

With respect to internally generated Intangible assets, expenditure on development activities is capitalised if the product or service is technically and commercially feasible and adequate resources are available to complete development. The expenditure capitalised comprises all directly-attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads where the University has control over the expected benefits. Other development expenditure is recognised in the Statement of Comprehensive Income as an expense as incurred. Capitalised development expenditure is recognised at cost less accumulated amortisation.

Amortisation is calculated using the straight line method to allocate the cost over the period of the expected benefit, which is currently between 4 and 7 years.

Intangibles in progress represent capitalised expenditure where the project was incomplete at balance date. The expenditure is capitalised upon the completion of the project.



19. Intangible assets (continued)

Accounting Policy (continued)

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.

20. Payables

	Note	Consolidated		University	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Current					
Trade creditors*		25,218	24,730	24,621	24,973
Accrued salaries		12,652	14,912	12,635	14,898
Provision for Restructuring		-	975	-	975
OS-HELP liability to Australian Government	39(g)	2,013	2,013	2,013	2,013
Total current payables		39,883	42,630	39,269	42,859
Total payables		39,883	42,630	39,269	42,859

Accounting Policy

* These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Accrued expenses relate to expenses incurred not yet invoiced.

21. Lease liabilities

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current				
Lease liabilities	2,313	2,352	2,313	2,352
Total current lease liabilities	2,313	2,352	2,313	2,352
Non-Current				
Lease liabilities	10,775	12,782	10,775	12,782
Total non-current lease liabilities	10,775	12,782	10,775	12,782
Total lease liabilities	13,088	15,134	13,088	15,134

**21. Lease liabilities (continued)****Financing arrangements****Maturity analysis - undiscounted contractual cash flows (Lease liabilities)**

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Less than one year	2,783	2,855	2,783	2,855
One to five years	9,806	9,798	9,806	9,798
More than 5 years	2,287	4,760	2,287	4,760
Total undiscounted contractual cash flows	14,876	17,413	14,876	17,413

The University has no loans.

Unrestricted access was available at reporting date to the following lines of credit:

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Credit standby arrangements				
Total facilities				
Credit card facility	3,000	3,000	3,000	3,000
Documentary letter of credit facility	200	200	200	200
Bank guarantee	5,100	5,100	5,100	5,100
Overseas bills purchased facility	1,000	1,000	1,000	1,000
Total credit standby arrangements	9,300	9,300	9,300	9,300
Used at balance date				
Credit card facility	5	2	5	2
Documentary letter of credit facility	-	-	-	-
Bank guarantee	1,600	1,607	1,600	1,607
Overseas bills purchased facility	-	-	-	-
Total used at balance date	1,605	1,609	1,605	1,609
Unused at balance date				
Credit card facility	2,995	2,998	2,995	2,998
Documentary letter of credit facility	200	200	200	200
Bank guarantee	3,500	3,493	3,500	3,493
Overseas bills purchased facility	1,000	1,000	1,000	1,000
Total unused at balance date	7,695	7,691	7,695	7,691



22. Provisions

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current provisions expected to be settled within 12 months				
Annual leave*	20,694	20,312	20,591	20,224
Long service leave**	9,650	4,438	9,551	4,352
Separation scheme****	-	18,265	-	18,265
Workers' compensation liability***	272	376	272	376
	30,616	43,391	30,414	43,217
Current provisions expected to be settled after more than 12 months				
Annual leave*	8,965	9,155	8,965	9,155
Long service leave**	45,678	46,335	45,678	46,335
	54,643	55,490	54,643	55,490
Total current provisions	85,259	98,881	85,057	98,707
Non-current				
Long service leave**	15,070	17,585	15,070	17,585
Workers' compensation liability***	365	477	365	477
Total non-current provisions	15,435	18,062	15,435	18,062
Total provisions	100,694	116,943	100,492	116,769

Movements in the Workers' compensation liability are set out below:

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Carrying amount at start of year	853	1,281	853	1,281
Additional provisions recognised	429	603	429	603
Amounts used	(339)	(354)	(339)	(354)
Unused amounts reversed	(304)	(690)	(304)	(690)
Increase / (decrease) in discounted amount	(2)	13	(2)	13
Carrying amount at end of year	637	853	637	853



22. Provisions (continued)

Accounting Policy

*Annual leave

The annual leave liability is independently calculated each year in accordance with AASB 119 *Employee Benefits*. The last update was performed at 31 December 2021 by Deborah Jones, FIAA of Brett & Watson Pty Ltd.

The employees' entitlement to annual leave expected to be settled within twelve months of the end of the reporting period have been calculated at the amounts expected to be paid when liabilities are settled. Where the employees' entitlement to annual leave are not expected to be settled within 12 months of the end of the reporting period, the provision has been discounted to present values.

Sick leave

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement of sick leave.

**Long service leave

The long service leave liability is independently actuarially estimated each year in accordance with AASB 119 *Employee Benefits*. The last update was performed at 31 December 2021 by Deborah Jones, FIAA of Brett & Watson Pty Ltd.

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. 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 that match, as closely as possible, the estimated future cash outflows. The long service leave liability includes associated on-costs.

Liabilities for employees' entitlements, which are expected to be settled after twelve months are discounted using market yields at the reporting date on national Government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows. The discount rate used for the 2021 valuation is 1.8% (2020: 1.2%).

***Workers' compensation

The University is responsible for payment of workers' compensation.

The provision for workers' compensation is independently actuarially estimated each year. The last update was performed at 31 December 2021 by Brett & Watson Pty Ltd using Case Estimation Methodology. Under this methodology, consideration is given to individual case estimates of all open claims plus an allowance for incurred but not reported claims, re-opening of claims regarded as closed and unforeseen escalation of case estimates as more information becomes available.

****Separation scheme

In 2021 the provision for Separation scheme is nil. The 2020 provision for Separation scheme related to an Early Retirement Scheme and included payments for separations, associated annual leave and long service leave liabilities and other costs. The leave liabilities included in this provision total \$6.16 million.

**23. Contract liabilities**

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current				
Commonwealth and State Government grants	47,295	35,143	47,295	35,143
Income in Advance on incomplete projects	24,659	21,684	24,659	21,684
Student fees and charges in advance	16,347	15,191	16,347	15,191
Other	4,723	3,824	4,723	3,824
Total current contract liabilities	93,024	75,842	93,024	75,842

Accounting Policy

Commonwealth and State Government Grants represents Australian Government Grants received and represents funding received but not spent as detailed in Note 1(f) accounting policy.

Income in advance on incomplete projects represents grants and contracts received from other sources and represents the amounts received but not spent.

24. Other liabilities

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current				
Funds held on behalf of external entities	1,428	4,379	1,369	4,355
Commonwealth and State Government unspent financial assistance	9,951	5,521	9,951	5,521
Student fees and charges in advance	2,204	1,411	2,204	1,411
Other	117	75	118	80
Total other liabilities	13,700	11,386	13,642	11,367

Accounting Policy

Funds held on behalf of external entities are amounts held by the University on behalf of a number of external entities. As at balance date, the funds held are included in cash and cash equivalents and a corresponding liability is included in other liabilities above.

Commonwealth and State Government unspent financial assistance represents Australian Government Grants received which the University regards as reciprocal and represents funding received but not spent.

**25. Reserves**

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment revaluation surplus				
Land, Buildings and Infrastructure	263,150	263,150	263,150	263,150
Art collection	1,647	1,382	1,647	1,382
	264,797	264,532	264,797	264,532
Equity instruments designated at fair value through other comprehensive income	71,315	56,353	73,841	56,353
Total reserves	336,112	320,885	338,638	320,885

The University has three reserves. The Land, Buildings and Infrastructure reserve records revaluations in Land, Buildings and Infrastructure, the Art collection reserve records revaluations in the Art collection and the Equity instruments designated at fair value through other comprehensive income records revaluations in Investments.

26. Key management personnel disclosures**(a) Names of responsible persons**

The following persons were responsible persons of the University during the 2021 year. Council members include University employees who may be ex-officio members or elected staff members.

2021 Council Members

Ms Pauline Carr, Chancellor
 Professor David Lloyd, Vice Chancellor and President
 Hon John Hill, Deputy Chancellor
 Mr Jim Hazel, Pro Chancellor
 Mr Michael Abbott AO QC
 Mr Noah Beckmann
 Ms Karen Hunt
 Professor Caroline McMillen AO
 Mr Dinuk Nanayakkara
 Associate Professor Barbara Parker
 Ms Mary Patetsos
 Ms Nicolle Rantanen Reynolds
 Mr Ian Smith AM
 Professor Vicki Waye
 Mr Jim Whalley



26. Key management personnel disclosures (continued)

(a) Names of responsible persons (continued)

2021 University Enterprise Leadership Team

Professor David Lloyd, Vice Chancellor and President
 Mr Paul Beard
 Ms Jane Booth
 Professor Joanne Cys (Acting Provost & Chief Academic Officer)
 Professor Allan Evans
 Professor Marnie Hughes-Warrington
 Mr Tom Steer (Acting Chief Academic Services Officer)
 Professor Marie Wilson

(b) Remuneration of key management personnel

	Consolidated		University	
	2021	2020	2021	2020
	Number	Number	Number	Number
Remuneration of Council members				
Nil	4	4	4	4
\$20,000 to \$29,999	8	7	8	7
\$30,000 to \$39,999	-	1	-	1
\$40,000 to \$49,999	2	2	2	2
\$80,000 to \$89,999	1	1	1	1
	15	15	15	15

Remuneration received and receivable by Council members for their services as Council members was \$341,145 (2020: \$353,540). The total remuneration received and receivable by Council members in their position as Council members and as Directors of subsidiary companies was \$341,145 (2020: \$353,540).

**26. Key management personnel disclosures (continued)****(b) Remuneration of key management personnel (continued)**

	Consolidated		University	
	2021	2020	2021	2020
	Number	Number	Number	Number
Remuneration of executive officers				
\$20,000 to \$29,999	-	1	-	1
\$60,000 to \$69,999	-	1	-	1
\$80,000 to \$89,999	-	2	-	2
\$100,000 to \$109,999	-	2	-	2
\$210,000 to \$219,999	1	-	1	-
\$280,000 to \$289,999	1	-	1	-
\$390,000 to \$399,999	1	-	1	-
\$450,000 to \$459,999	-	2	-	2
\$460,000 to \$469,999	1	-	1	-
\$500,000 to \$509,999	-	1	-	1
\$570,000 to \$579,999	1	-	1	-
\$670,000 to \$679,999	1	1	1	1
\$720,000 to \$729,999	-	1	-	1
\$740,000 to \$749,999	1	-	1	-
\$1,200,000 to \$1,209,999	-	1	-	1
\$1,210,000 to \$1,219,999	1	-	1	-
	8	12	8	12

Total remuneration paid to the Vice Chancellor during the 2021 reporting period was \$1.219 million (2020: \$1.202 million).

Executive officers are defined as the Vice Chancellor and President, and the University's Enterprise Leadership Team. The remuneration includes all normal salary, leave, allowances and other benefits paid during the reporting year. No executive received any remuneration from the University other than by way of salary and related benefits from a normal employment relationship.

(c) Executive officers' compensation

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Short-term employee benefits	4,141	4,144	4,141	4,144
Post-employment benefits	321	352	321	352
Other long-term benefits	112	-	112	-
Total executive officers' compensation	4,574	4,496	4,574	4,496



26. Key management personnel disclosures (continued)

(d) Related party transactions

From time to time key management personnel have interests or positions in entities with which the University conducts business. In all cases transactions with these entities are undertaken during the ordinary course and under normal trading terms.

27. Remuneration of auditors

During the year, the following fees were paid for services provided by the auditor of the University, its related practices and non-related audit firms:

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Audit of the Financial Statements				
Fees paid to Auditor-General's Department	283	283	283	283
Fees paid to other auditors	15	15	-	-
Other audit and assurance services				
Fees paid to other auditors	56	28	56	28
Total paid for audit	354	326	339	311

Audit fees paid / payable to the Auditor-General's Department relating to work performed under Section 19 of the University of South Australia Act 1990 in 2021 were \$0.28m (2020: \$0.28m).

28. Contingencies

The University has no material contingent liabilities or assets.

29. Commitments

(a) Capital commitments

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

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment:				
Within one year	5,188	3,492	5,188	3,492
Total Property, plant and equipment commitments	5,188	3,492	5,188	3,492

Property, plant and equipment commitments represent capital works project expenditure.

(b) Other expenditure commitments

Commitments for other expenditure in existence at the reporting date but not recognised as liabilities, are payable as follows:

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Within one year	10,935	17,477	10,935	17,477
Between one and five years	9,005	13,248	9,005	13,248
Later than five years	2,104	2,738	2,104	2,738
Total other expenditure commitments	22,044	33,463	22,044	33,463

Other expenditure commitments includes contributions to Co-operative Research Centres (CRC), cleaning, security and material commitments arising from grants received from NHMRC.

30. Related Parties

(a) Parent entities

The ultimate Australian parent entity within the Group is the University of South Australia.

(b) Subsidiaries

Interests in subsidiaries are set out in note 32.

(c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 26.

(d) Transactions with related parties

The following transactions occurred during the reporting period with related parties:

	2021	2020
	\$'000	\$'000
Fees paid to subsidiaries for the provision of services under agreement	1,792	3,020



31. Superannuation plans

(a) Categories

The University contributes to a number of superannuation schemes, divided into the following categories:

- (i) UniSuper plans open to membership:
 - UniSuper Defined Benefit Plan or Accumulation Super 2
 - Accumulation Super 1
- (ii) State Government Schemes closed to future membership by University employees:
 - State Pension Scheme
 - State Lump Sum Scheme

(b) UniSuper Limited Superannuation Scheme

The employees' UniSuper plan is determined by the terms of employment and is managed by a corporate trustee, UniSuper Limited. The plan is administered by UniSuper Management Pty Ltd.

The employer contribution rate for 2021 for employees in either the Defined Benefit Division (DBD) or Accumulation Super 2 was 17% of salaries. For employees in Accumulation Super 1 the contribution rate was 10.0% for 2021.

The UniSuper DBD is a defined benefit plan under Superannuation Law but is considered to be a defined contribution plan under Accounting Standards AASB 119. As set out under paragraph 28 of AASB 119, a defined contribution plan is a plan where the employer's legal or constructive obligation is limited to the amount it agrees to contribute to the funds and the actuarial risk and investment risk fall on the employee.

Clause 34 (b) of the Trust Deed states that the "Trustee must consider whether it is in the interests of the Members of Division A and Division B as a whole to reduce the benefits payable under Division A and Division B and, if it so considers that it should reduce benefits (which may include benefits in the course of payment), it must do so on a fair and equitable basis and at a time or times it decides".

As at 30 June 2021 the assets of the DBD aggregate (i.e. entire multi-employer DBD plan) were estimated to be:

- \$5,070 million above (2020: \$3,276 million in excess) vested benefits, after allowing for various reserves. The Vested Benefits Index based on funding assumption was 121.3%. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the DBD.
- \$7,339 million above (2020: \$5,267 million in excess) accrued benefits, after allowing for various reserves. The Accrued Benefits Index based on best estimate assumptions was 134.2%. The accrued benefits have been calculated as the present value of expected future benefit payments to members and indexed pensioners which arise from membership of UniSuper up to the reporting date.

31. Superannuation plans (continued)**(b) UniSuper Limited Superannuation Scheme (continued)**

The vested benefit and accrued benefit liabilities were determined by the Fund's actuary using the actuarial demographic assumptions outlined in their report on the actuarial investigation of the DBD as at 30 June 2021. The financial assumptions used were:

	Vested Benefits	Accrued Benefits
Gross of tax investment return - DBD pensions	5.3% p.a.	6.5% p.a.
Gross of tax investment return - commercial rate indexed pensions	2.4% p.a.	2.4% p.a.
Net of tax investment return - non pensioner members	4.6% p.a.	5.7% p.a.
Consumer Price Index	2.0% p.a.	2.0% p.a.
Inflationary salary increases - For the next 3 years	2.25% p.a.	2.25% p.a.
Inflationary salary increases - Beyond 3 years	2.75% p.a.	2.75% p.a.

Assets have been included at their net market value, that is, after allowing for realisation costs.

(c) Super SA Superannuation plan

A number of present and past employees of the University and its predecessor institutions are members of the South Australian Superannuation Scheme. This scheme is administered by Super SA on behalf of the South Australian Superannuation Board (the Board) which is responsible for managing this scheme. The Board was established under section 5 of the *Superannuation Act 1988*. The funds are managed by the specialist investment manager, Superannuation Funds Management Corporation of South Australia (Funds SA).

Under this scheme, benefits are paid as a continuing pension or lump sum to members eligible to claim their entitlement. The Pension Scheme is a defined benefit scheme where member benefits are calculated as a percentage of final salary. Benefits are generally payable fortnightly and are indexed by Consumer Price Index (CPI). The Lump Sum Scheme is part accumulation and part defined benefit where member basic entitlements represent a refund of the member's contributions with investment returns plus a defined multiple of final salary.

Under current arrangements, Super SA pays eligible members their benefit and is reimbursed by the University for the shortfall in the employer's contribution. The Commonwealth Government fully funds the University on an emerging cost basis for the costs and recovers the State's share of the cost directly from the State Government under the Commonwealth - State Agreement. The Agreement provides that the employer component of the superannuation benefits payable to former employees of the University who were members of one of the main State Schemes, be shared.

An actuarial assessment (the Assessment) of the University's superannuation liability with respect to future benefits for current pensioners and employees was performed by Brett & Watson Pty. Ltd. as at 31 December 2021. The actuarial valuation was based on 30 June 2021 membership data which was projected to 31 December 2021 using the Projected Unit Credit Method. The University's present value of the defined benefit obligations was assessed to be \$385.41 million (2020: \$436.57 million).

The University's liability under the scheme has been partly funded by assets of \$57.87 million (2020: \$57.00 million) from 3% productivity employer contributions. This results in an unfunded liability of \$327.54 million (2020: \$379.56 million).

**31. Superannuation plans (continued)****(c) Super SA Superannuation plan (continued)**

The weighted average duration of the defined benefit obligation is 10.49 years (2020: 10.87 years). The expected maturity analysis of undisclosed benefit obligations is as follows:

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	More than 5 years \$'000	Total \$'000
Defined Benefit obligation - 31 December 2021	28,506	27,991	80,612	335,942	473,051
Defined Benefit obligation - 31 December 2020	29,704	28,302	82,138	363,642	503,786

The analysis of the plan assets at the balance sheet date is as follows:

	2021 (%)		2020 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Equity instruments	52.7	0.0	51.5	0.0
Property	1.7	14.8	2.0	15.2
Diversified Strategies Growth	1.1	14.6	0.1	15.7
Diversified Strategies Income	13.4	0.0	12.9	0.0
Cash	1.7	0.0	2.6	0.0
Total	70.6	29.4	69.1	30.9



31. Superannuation plans (continued)

(d) Amounts recognised in the Statement of Financial Position

	University	
	2021	2020
	\$'000	\$'000
Reconciliation of the present value of the defined benefit obligation		
Present value of defined benefit obligation at beginning of year	436,569	480,860
Current service cost	121	133
Interest cost	4,639	6,521
Actuarial (gain) / loss		
(a) Impact of changes in demographic assumptions	-	(5,998)
(b) Impact of changes in salary increase assumptions	-	(536)
(c) Impact of changes in long term inflation assumptions	-	(22,237)
(d) Impact of changes in discount rate	(26,189)	12,710
(e) Impact of changes in fund share	-	(5,186)
(c) Experience items	(878)	610
Benefits and expenses paid	(28,853)	(30,308)
Present value of defined benefits obligations at end of year	385,409	436,569
Reconciliation of the fair value of the defined benefit plan assets		
Fair value of Scheme assets at start of year	57,005	54,404
Interest income	591	742
Actual return on assets less Interest income	6,908	1,836
Employer contributions	22,214	30,331
Benefits and expenses paid	(28,853)	(30,308)
Fair value of Scheme assets at end of year	57,865	57,005
Net Liability		
Defined Benefit Obligation	385,409	436,569
Less: Fair value of plan assets	(57,865)	(57,005)
Net Liability	327,544	379,564
Defined Benefit Provision		
Current	28,500	29,704
Non-current	299,044	349,860
Total Defined Benefit Provision	327,544	379,564

The net unfunded amount of \$327.54 million (2020: \$379.56 million) has been recognised in the accounts of the University as a liability and a corresponding receivable from the Commonwealth Government. The asset and liability have been classified as current and non-current according to cash flow projections of the Assessment.

31. Superannuation plans (continued)**(d) Amounts recognised in the Statement of Financial Position (continued)**

The Commonwealth Government has agreed to provide assistance under Section 20 of the *Higher Education Funding Act* to meet the additional costs in respect of State Government emerging cost schemes, where costs are in excess of funding provided for this purpose in the base operating grant.

Assumptions adopted by Brett & Watson Pty. Ltd in determining the University's liability were:

- Long term rate of increase in the Consumer Price Index (CPI) 2.0% per annum (2020 2.0%)
- Salary increases 2.5% per annum (2020 2.5%)
- Discount Rate 1.8% per annum (2020 1.1%)

These rates provide for a 0.5% real gap between long term CPI and salary increases.

The sensitivity of the defined benefit obligation to changes in the significant assumptions is:

Significant Assumption	Increase in assumption	Impact on Defined Benefit Obligation	Decrease in assumption	Impact on Defined Benefit Obligation
Discount rate	0.5%	Decrease by 4.4%	0.5%	Increase by 4.8%
Pension increase rate	0.5%	Increase by 5.0%	0.5%	Decrease by 4.6%
Mortality rate	10.0%	Decrease by 3.9%	10.0%	Increase by 4.4%

Accounting Policy

Superannuation schemes exist to provide benefits to University employees and their dependants upon resignation, retirement, disability or death. The University recognises an expense in the Statement of Comprehensive Income for contributions paid to the funded schemes and on an emerging cost basis for the unfunded schemes.

Unfunded superannuation

An arrangement exists between the Australian Government and the South Australian State Government to share the unfunded liability of the University's beneficiaries of the South Australian State Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the State Grants (General Revenue) Amendment Act 1988, Higher Education Funding Act 1988 and subsequent amending legislation. Accordingly, the unfunded liabilities have been recognised in the Statement of Financial Position as a liability with a corresponding asset. The recognition of both the asset and the liability consequently does not affect the year end net asset position of the University or the University of South Australia. The net expense is nil.

**32. Subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy included in Note 15. Other financial assets:

Name of Entity	Principal Activities	Principal place of business	Ownership interest	
			2021	2020
			%	%
University of South Australia Foundation Incorporated	Dormant entity with no assets, liabilities or equity	Australia	100	100
UniSA Ventures Pty Ltd	Commercialisation of research of the University	Australia	100	100
UniSA Health Pty Ltd	Provision of clinical placements to undergraduate and postgraduate students in allied health clinics	Australia	100	100

33. Investments in associates

The South Australian Broadband Research & Education Network (SABRENet) Ltd is an associate of the Group. While the University has significant influence over SABRENet, its interest in SABRENet is limited to the use of SABRENet's asset. That is, the University receives no return for its interest in SABRENet. The investment in this associate is not material and therefore it is not incorporated in the financial statements.

Accounting Policy

Associates are all entities over which the Group has significant influence but not control. If material, investments in associates are accounted for in the parent entity financial statements using the cost method and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost.

34. Interests in joint arrangements**Accounting Policy**

Under AASB 11, interests in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

Joint operations

The University's interests in joint operations are Centre for Cancer Biology (Ownership Interest 2021:50% (2020:50%)) and Mawson Centre Building (Ownership Interest 2021:63% (2020:63%)).

Overall the University's interests in these joint operations are not considered to be material to the University's core activities and therefore are not incorporated in the financial statements. If material, the share of assets, liabilities and expenses of a joint operation are incorporated in the financial statements under the appropriate headings.

Joint ventures

The University's interests in joint ventures is South Australian Tertiary Admissions Centre Ltd (Ownership Interest 2021:20% (2020:20%)).

The University's interests in these joint ventures are not considered to be material to the University's core activities and therefore are not incorporated in the financial statements. If material, interests in a joint venture are accounted for in the consolidated financial statements using the equity method, after initially being recognised at cost by the University.


35. Events occurring after the balance sheet date

The University holds shares in IDP Education Limited as detailed in Note 15. Other financial assets. On 1 March 2022 the University sold 50% of its shareholding in IDP Education Limited resulting in net cash proceeds of \$25.8m.

No other matters or circumstances have arisen since the end of the financial year and the date of this report, that significantly affected or may significantly affect the operation of the University or the Group, the results of those operations, or the state of affairs of the University or the Group in future periods.

36. Reconciliation of operating results after income tax to net cash flows from operating activities

	Consolidated		University	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Operating result for the period	53,250	21,297	52,849	21,085
Add / (less) non-cash items:				
Depreciation and amortisation	42,366	43,624	42,350	43,606
Net (gain) / loss on sale of property, plant and equipment	10	166	10	166
Impairment of property, plant and equipment	(109)	441	(109)	441
Property, plant and equipment in progress adjustments	398	531	398	531
Loss on Sale of Investment	10	-	310	-
Changes in operating assets and liabilities:				
(Increase) / decrease in receivables	4,146	(9,572)	3,386	(9,503)
(Increase) / decrease in other assets	1,880	2,556	1,704	2,657
Increase / (decrease) in payables and tax liabilities	(4,740)	12,278	(3,953)	11,885
Increase / (decrease) in provisions	(16,249)	20,012	(16,277)	19,997
Increase / (decrease) in other liabilities	19,765	3,582	19,483	3,886
Net cash provided by / (used in) operating activities	100,727	94,915	100,151	94,751



37. Financial risk management

The University's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The University's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the University of South Australia.

The University uses different methods to measure different types of risk to which it is exposed. These methods include informal sensitivity analyses and seeking professional advice to manage the market risk of its investments.

Risk management is co-ordinated by the University under policies approved by Council. The University identifies and evaluates financial risks in close co-operation with the University's operating units.

(a) Market risk

(i) Foreign exchange risk

The University assesses the likely foreign exchange risk for offshore activities and enters into hedging arrangements if appropriate.

As at 31 December 2021 the University held US\$2.01million (A\$2.77million) (2020: US\$5.00 million (A\$6.49 million)) as cash at bank and deposits at call.

The University assesses the likely foreign exchange risk for probable forecasted transactions in foreign currencies for onshore activities and enters into hedging arrangements to mitigate foreign exchange risk if appropriate.

(ii) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as such the Group intends to hold fixed rate assets and liabilities to maturity.

(iii) Risk associated with equity instruments designated at fair value through other comprehensive income

Investments comprise investments in listed and unlisted entities. The University has a prudent investment strategy. It is acknowledged there may be short-term fluctuations in asset values from time to time; however historical trends for such a strategy indicate that, with reasonable probability, unrealised losses will be recovered in the medium to long-term.

The nature of the University's activities are generally low risk. Investments tend to be largely held in term deposits with banking institutions and debtors are spread across a large number of customers. Due to the nature and value of the financial instruments held by the University, sensitivity analysis has not been provided.



37. Financial risk management (continued)

(b) Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The credit risk on financial assets excluding investments of the University which have been recognised in the statement of financial position is the carrying amount net of any provisions for impaired receivables.

The University is not materially exposed to credit risk from any specific overseas country or individual customer.

(c) Liquidity risk

The University manages liquidity risk by monitoring forecast cash flows to enable the University to meet financial commitments in a timely manner.

Non-Interest Bearing financial assets and financial liabilities include receivables, other financial assets and payables. Cash and cash equivalents are interest earning financial assets, ranging from immediate availability to maturity of less than two years.

38. Fair value measurements

(a) Fair value measurements

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

Due to the short-term nature of the current receivables, their carrying value approximates their fair value and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due. Similarly, due to the short-term nature of current payables, the carrying value is assumed to approximate fair value.

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets at fair value through profit and loss
- Financial assets at fair value through other comprehensive income
- Available-for-sale financial assets
- Land and Buildings
- Infrastructure
- Art collection

(b) Fair value hierarchy

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

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



38. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

(i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2021.

Fair value measurements

	Note	2021 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements at 31 Dec 2021					
Financial assets					
Equity instruments designated at fair value through other comprehensive income	15	94,650	87,614	1,632	5,404
Total financial assets		94,650	87,614	1,632	5,404
Non-financial assets					
Land and buildings	18				
Land		184,153	-	184,153	-
Buildings		793,036	-	15,256	777,780
Infrastructure		43,543	-	-	43,543
Other non-financial assets	18				
Art Collection		3,093	-	-	3,093
Total non-financial assets		1,023,825	-	199,409	824,416
Recurring fair value measurements at 31 Dec 2020					
Financial assets					
Equity instruments designated at fair value through other comprehensive income	15	78,283	21,330	51,792	5,161
Total financial assets		78,283	21,330	51,792	5,161
Non-financial assets					
Land and buildings	18				
Land		184,190	-	184,190	-
Buildings		816,380	-	15,288	801,092
Infrastructure		45,250	-	-	45,250
Other non-financial assets	18				
Art collection		3,823	-	-	3,823
Total non-financial assets		1,049,643	-	199,478	850,165

There were no transfers between Levels 1 and 2 for recurring fair value measurements during the year.

The University's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

38. Fair value measurements (continued)**(c) Valuation techniques used to derive Level 2 and Level 3 fair values****Assets or liabilities not traded in active markets**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. All other financial instruments that are not traded in an active market are included in Level 3.

Land, Buildings and Infrastructure

The Group engages external, independent and qualified valuers to determine the fair value of the Group's Land, Buildings and Infrastructure at least every three years. As at 31 December 2019, the fair values of Land, Buildings and Infrastructure have been determined by Opteon Pty Ltd. One of the University's buildings, partly damaged by fire in 2016 and now vacant, was written off as a result of Opteon Pty Ltd determination of the building's fair value as at 31 December 2019.

Land fair value estimates were based on the highest and best use of the land, being the existing use as University campuses and valued separately from any structures or improvements residing on it, but having regard to any restrictions on its use. These assets are classified as Level 2.

Buildings fair value estimates were based on the highest and best use, being the existing use as University campuses. The valuation technique for buildings adopted by Opteon Pty Ltd was to assess the written down current cost for the buildings. New replacement costs on the basis of a modern equivalent were assessed and then generally depreciated using the straight line method, having regard to the estimated useful and remaining life for each structure. 11 properties were identified as having sufficient market based evidence to assess their value and these are classified as Level 2. All other Buildings are classified as Level 3.

Art collection

The Art collection is revalued at least every three years using an internal valuation carried out by the Director: Samstag Museum of Art giving consideration to current sales and auctions of works by the same artist and/or similar genre. The collection was valued at 31 December 2021.



38. Fair value measurements (continued)

(d) Fair value measurements using significant unobservable inputs (Level 3)

The following table is a reconciliation of Level 3 items for the periods ended 31 December 2021 and 2020.

Level 3 Fair Value Measurement 2021	Unlisted equity securities \$'000	Buildings \$'000	Infrastructure \$'000	Art collection \$'000	Total \$'000
Opening balance	5,161	801,092	45,250	3,823	855,326
Acquisitions	3,606	2,820	432	10	6,868
Disposals	(3,363)	-	-	(5)	(3,368)
Recognised in profit or loss	-	(26,132)	(2,139)	-	(28,271)
Recognised in other comprehensive income	-	-	-	265	265
Transfers out	-	-	-	(1,000)	(1,000)
Closing balance	5,404	777,780	43,543	3,093	829,820

Level 3 Fair Value Measurement 2020	Unlisted equity securities \$'000	Buildings \$'000	Infrastructure \$'000	Art Collection \$'000	Total \$'000
Opening balance	5,193	823,659	46,076	3,823	878,751
Acquisitions	218	3,522	1,298	-	5,038
Disposals	(250)	-	-	-	(250)
Recognised in profit or loss	-	(26,089)	(2,124)	-	(28,213)
Closing balance	5,161	801,092	45,250	3,823	855,326

(i) Transfers between Level 2 and Level 3 and changes in valuation techniques

Other than described above, there were no changes in valuation techniques during the year.



38. Fair value measurements (continued)

(d) Fair value measurements using significant unobservable inputs (Level 3) (continued)

(ii) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements. See (c) above for the valuation techniques adopted.

Description	Fair value at 31 December 2021 \$'000	Unobservable inputs	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Unlisted equity securities	5,404	Market comparison based on internal assessment of net asset values and potential growth	Net asset position and future earnings	Increase in net assets and increase in future earnings would result in higher fair values; decrease in net assets and decrease in future earnings would result in lower fair values.

39. Acquittal of Australian Government financial assistance

(a) EDUCATION - CGS and other Education grants

	Commonwealth Grants Scheme #1		Indigenous, Regional and Low-SES Attainment Fund #2		Promotion of Excellence in Learning and Teaching		Higher Education Disability Support Program #3	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Note								
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)	203,601	186,056	7,787	7,422	-	-	262	93
Net accrual adjustments	(7,427)	140	-	-	-	-	-	-
Revenue for the period	196,174	186,196	7,787	7,422	-	-	262	93
Movement in deferred income	-	-	-	-	-	-	-	-
Surplus / (deficit) from the previous year	-	-	-	-	47	62	-	-
Total revenue including accrued revenue	196,174	186,196	7,787	7,422	47	62	262	93
Less expenses including accrued expenses	(196,174)	(186,196)	(7,787)	(7,422)	(1)	(15)	(155)	(93)
Surplus / (deficit) for reporting period	-	-	-	-	46	47	107	-

39. Acquittal of Australian Government financial assistance (continued)

(a) EDUCATION - CGS and other Education grants (continued)

	Note	National Priorities and Industry Linkage Fund		Indigenous Student Success Program #4		Tertiary Access Payment		Total
		2021	2020	2021	2020	2021	2020	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		7,000	-	1,716	1,727	1,529	-	221,895
Net accrual adjustments		-	-	72	(57)	(1,491)	-	(8,846)
Revenue for the period	2	7,000	-	1,788	1,670	38	-	213,049
Movement in deferred income		-	-	(72)	57	1,491	-	1,419
Surplus / (deficit) from the previous year		-	-	233	176	-	-	280
Total revenue including accrued revenue		7,000	-	1,949	1,903	1,529	-	214,748
Less expenses including accrued expenses		(7,000)	-	(1,788)	(1,670)	(428)	-	(213,333)
Surplus / (deficit) for reporting period		-	-	161	233	1,101	-	280

#1 Includes the basic CGS grant amount, Allocated Places and Non Designated Courses.

#2 Includes the Higher Education Participation and Partnership Program, Regional Loading and Enabling Loading.

#3 Higher Education Disability Support Program includes Additional Support for Students with Disabilities and Australian Disability Clearing house on Education and Training.

#4 Indigenous Student Success Program has replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2017.

39. Acquitment of Australian Government financial assistance (continued)

(b) Higher Education Loan Programs (excl OS-HELP)

	HECS-HELP (Australian Government payments only)		FEE-HELP		SA-HELP		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Payable / (Receivable) at the beginning of the year	2,583	1,234	751	993	(21)	(9)	3,313	2,218
Financial assistance received in cash during the reporting period	140,641	148,371	9,705	9,895	3,725	3,742	154,071	162,008
Cash available for the period	143,224	149,605	10,456	10,888	3,704	3,733	157,384	164,226
Revenue earned	141,353	147,022	9,980	10,137	3,848	3,754	155,181	160,913
Cash Payable / (Receivable) at the end of the year	1,871	2,583	476	751	(144)	(21)	2,203	3,313

39. Acquittal of Australian Government financial assistance (continued)

(c) Department of Education and Research

	Research Training Program		Research Support Program		Total
	2021	2020	2021	2020	
Note	\$'000	\$'000	\$'000	\$'000	\$'000
	19,005	19,622	34,821	16,903	36,525
2	19,005	19,622	34,821	16,903	36,525
	1,793	1,989	-	-	1,793
	20,798	21,611	34,821	16,903	38,514
	(18,992)	(19,818)	(34,821)	(16,903)	(36,721)
	1,806	1,793	-	-	1,793

Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)

Revenue for the period

Surplus / (deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus / (deficit) for reporting period



39. Acquittal of Australian Government financial assistance (continued)

(d) Total Higher Education Provider Research Training Program expenditure

	Total domestic students \$'000	Total overseas students \$'000
Research Training Program fees offsets	12,861	-
Research Training Program stipends	5,024	1,107
Research Training Program allowances	4	(4)
Total for all types of support	17,889	1,103

(e) Other capital funding

		Linkage Infrastructure, Equipment and Facilities Scheme		Total	
		2021	2020	2021	2020
	Note	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		775	950	775	950
Net accrual adjustments		50	(435)	50	(435)
Revenue for the period	2	825	515	825	515
Movement in deferred income		(50)	79	(50)	79
Surplus / (deficit) from the previous year		115	36	115	36
Total revenue including accrued revenue		890	630	890	630
Less expenses including accrued expenses		(825)	(515)	(825)	(515)
Surplus / (deficit) for reporting period		65	115	65	115

39. Acquittal of Australian Government financial assistance (continued)

(f) Australian Research Council Grants

	Discovery		Linkages		Networks and Centres		Special Research Initiatives		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)	4,847	4,137	1,679	912	-	-	(269)	200	6,257	5,249
Net accrual adjustments	(802)	(114)	606	834	69	421	300	(200)	173	941
Revenue for the period	4,045	4,023	2,285	1,746	69	421	31	-	6,430	6,190
Movement in deferred income	1,021	310	637	(300)	477	162	(300)	200	1,835	372
Surplus / (deficit) from the previous year	3,606	3,295	1,566	1,873	317	155	378	178	5,867	5,501
Total revenue including accrued revenue	8,672	7,628	4,488	3,319	863	738	109	378	14,132	12,063
Less expenses including accrued expenses	(4,062)	(4,022)	(2,328)	(1,753)	(69)	(421)	(31)	-	(6,490)	(6,196)
Surplus / (deficit) for reporting period	4,610	3,606	2,160	1,566	794	317	78	378	7,642	5,867

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**39. Acquittal of Australian Government financial assistance (continued)****(g) OS-HELP**

	2021	2020
Note	\$'000	\$'000
Cash received during the reporting period	-	2,444
Cash spent during the reporting period	-	(434)
Net cash received	-	2,010
Cash surplus / (deficit) from the previous period	2,013	3
Cash surplus for the reporting period	20 2,013	2,013

(h) Superannuation Supplementation

	2021	2020
	\$'000	\$'000
Cash received during the reporting period	23,285	30,552
Cash available	23,285	30,552
Cash surplus / (deficit) from the previous period	2,307	(880)
Cash available for current period	25,592	29,672
Contributions to specified defined benefit funds	(24,771)	(27,365)
Cash surplus for the reporting period	821	2,307

(i) Student services and amenities fee

	2021	2020
Note	\$'000	\$'000
Unspent / (overspent) revenue from previous period	811	291
SA-HELP revenue earned	3,848	3,754
Student services fees direct from students	4 1,415	1,287
Total revenue expendable in period	6,074	5,332
Student services expenses during period	(4,666)	(4,521)
Unspent student services revenue	1,408	811



CERTIFICATE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

To the best of our knowledge and belief:

- the financial statements:
 - are in accordance with the accounts and records of the University and give an accurate indication of the financial transactions of the University for the year then ended;
 - comply with the relevant Treasurer's Instructions promulgated under the provisions of the *South Australian Public Finance and Audit Act 1987*;
 - comply with the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*;
 - comply with relevant Accounting Standards and other mandatory professional reporting requirements in Australia; and
 - present a true and fair view of the financial position of the University as at 31 December 2021 and the result of its operations and its cash flows for the year then ended.
- the amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended and the University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure.
- the University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.
- internal controls over financial reporting and preparation of the financial statements have been effective throughout the reporting period.
- at the time of signing this statement, there are reasonable grounds to believe that the University will be able to pay its debts as and when they become due and payable.

Ms Pauline Carr
Chancellor

Professor David G. Lloyd
Vice Chancellor and President

Ms Ginette Fogarty
Chief Financial Officer

10 May 2022

INDEPENDENT AUDITOR'S REPORT



Government of South Australia
Auditor-General's Department

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**To the Chancellor
University of South Australia**

Opinion

I have audited the financial report of the University of South Australia and the consolidated entity comprising the University of South Australia and its controlled entities for the financial year ended 31 December 2021.

In my opinion the accompanying financial report has been prepared in accordance with the provisions of the *Public Finance and Audit Act 1987*, Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, the *Higher Education Support Act 2003* and Australian Accounting Standards, including:

- a) giving a true and fair view of the financial position of the University of South Australia and its controlled entities as at 31 December 2021, its financial performance and its cash flows for the year then ended, and
- b) complying with Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 31 December 2021
- a Statement of Financial Position as at 31 December 2021
- a Statement of Changes in Equity for the year ended 31 December 2021
- a Statement of Cash Flows for the year ended 31 December 2021
- notes, comprising significant accounting policies and other explanatory information.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Report' section of my report. I am independent of the University of South Australia and its controlled entities.

The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards) have been met.

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

Responsibilities of the Vice-Chancellor and President and the Council for the financial report

The Vice-Chancellor and President is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Higher Education Support Act 2003* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

The Council is responsible for overseeing the University of South Australia's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 19 of the *University of South Australia Act 1990*, I have audited the financial report of the University of South Australia and its controlled entities for the financial year ended 31 December 2021.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit 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 University of South Australia's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Vice-Chancellor and President
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Vice-Chancellor and President and the Council about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson

Auditor-General

13 May 2021

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South Australia**

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Information correct at time of printing (June 2022)

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