

ANZ
29.77
+0.24

BHP
26.50
-0.23

AGY
0.26
+2.00

TCL
11.81
-0.67

COE
0.27
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AY
2.
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University of
South Australia

2022 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 2022.

2022 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 KC
Mr Ayrton Hogan (until 31 December 2022)
Dr Kit MacFarlane
Ms Vanessa Matthews
Professor Caroline McMillen AO (until 31 December 2022)
Mr William (Bill) Muirhead AO
Ms Mary Patetsos AM
Ms Nicolle Rantanen Reynolds
Mr Ian Smith AM
Mr Isaac Solomon (until 31 December 2022)
Professor Vicki Wayne (until 31 December 2022)
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 2022

Ms Tanveen Kaur Bhaizada (term commenced 1 January 2023)
Mr Isaac Solomon (re-elected, term commenced 1 January 2023)
Professor Deirdre Tedmanson (term commenced 1 January 2023)

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 2022, 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	8	8					6	6	5	5	2	2				
*Professor David Lloyd	7	7	5	7			6	6			2	2				
Professor Marnie Hughes-Warrington AO (acting Vice Chancellor and President – 11 June 2022 to 11 July 2022)	1	1														
Hon John Hill	8	8					4	4	5	5	2	2				
Mr Jim Hazel	8	8			4	4	5	5	5	5						
*Mr Michael Abbott AO KC	7	7									1	2				
Ms Vanessa Matthews	8	8					5	5			1	1				
Mr Isaac Solomon	8	8	6	7							2	2	4	6		
Ms Mary Patetsos AM	7	8			3	4										
Mr Ayrton Hogan	7	8														
Ms Nicolle Rantanen Reynolds	8	8			3	4							1	2		
Dr Kit MacFarlane	8	8					4	4			1	1				
Professor Vicki Waye	7	8	6	7												
Mr Jim Whalley	7	8			4	4										
*Professor Caroline McMillen AO	4	4											4	4		
Mr Ian Smith AM	8	8														
Mr William (Bill) Muirhead AO	3	8														

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.

*Leave/Leave of Absence granted for a period of time

**Chaired by former external Member of Council

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 2022 year.

Review of operations

The 2022 consolidated deficit was \$7.7million (2021: \$53.3 million surplus). The deficit resulted in a safety margin (operating result as a percentage of total income) of -1.2% (2021: 7.8%). Income decreased by 1.7% to \$667.5 million while expenses increased by 8.1% to \$675.5 million.

The University's consolidated financial position remained sound during the 2022 year with net assets of \$1,477 million (2021: \$1,383 million). Cash balances increased to \$452.2 million at year end (2021: \$395.3 million).

Consolidated cash flows from operating activities in 2022 were \$43.2 million (2021: \$100.7 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 2022 year not otherwise disclosed in this report or elsewhere in the Annual Review.

Subsequent events

There has not arisen in the interval between the end of the 2022 year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the members of the University Council, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

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

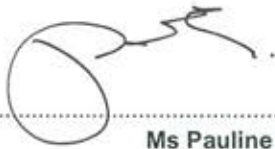
The University has paid insurance premiums in respect to Directors and Officers liability, Directors and Officers supplementary legal expenses and statutory liability, for current and former members of University Council and officers.

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 2022 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 21 April 2023.



Ms Pauline Carr
Chancellor



Professor David G. Lloyd
Vice Chancellor and President



STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Consolidated		University	
		2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
Revenue and income from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	294,050	306,921	293,792	306,821
HECS-HELP - Australian Government payments	2	135,313	141,353	135,313	141,353
FEE-HELP	2	8,347	9,980	8,347	9,980
SA-HELP	2	3,384	3,848	3,384	3,848
State and Local Government financial assistance	3	10,677	7,592	10,677	7,592
HECS-HELP - Student payments		12,846	12,129	12,846	12,129
Fees and charges	4	129,856	134,568	129,856	134,568
Royalties		674	549	162	105
Consultancy and contract research	5	52,317	46,212	52,330	46,280
Other revenue	6	11,438	11,853	11,126	10,949
Investment income	8	8,598	3,749	9,590	3,706
Gain / (Loss) on disposal of assets	9	-	(10)	8	(10)
Total revenue and income from continuing operations		667,500	678,744	667,431	677,321
Expenses from continuing operations					
Employee-related expenses	10	429,267	409,099	428,240	407,728
Depreciation and amortisation	18,19	42,175	42,366	42,169	42,350
Repairs and maintenance		17,384	16,163	17,384	16,163
Interest on lease liabilities		487	556	487	556
Impairment of property, plant and equipment	18	389	(109)	389	(109)
Other expenses	11	184,459	155,222	184,774	156,008
Bad and doubtful debts		1,325	1,713	1,325	1,713
Total expenses from continuing operations		675,486	625,010	674,768	624,409
Operating result before income tax		(7,986)	53,734	(7,337)	52,912
Income tax (income) / expense		(285)	484	42	63
Operating result attributable to members of University of South Australia		(7,701)	53,250	(7,379)	52,849
Items that will not be reclassified to profit or loss:					
Gain on revaluation of Land, Buildings and Infrastructure		118,041	-	118,041	-
Gain on revaluation of Art collection		-	265	-	265
Loss on revaluation of Non-current asset held for sale		(91)	-	(91)	-
Gain / (Loss) on equity instruments designated at fair value through other comprehensive income	15	(15,757)	46,327	(16,082)	47,857
Total		102,193	46,592	101,868	48,122
Total comprehensive income attributable to the members of the University of South Australia		94,492	99,842	94,489	100,971

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



STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Notes	Consolidated		University	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current assets					
Cash and cash equivalents	12	452,169	395,323	450,473	391,896
Receivables	13	41,444	50,067	41,269	49,866
Other financial assets	15	4,919	32,860	4,919	32,860
Deferred Government superannuation contribution	31	28,600	28,500	28,600	28,500
Other non-financial assets	16	23,645	18,801	23,643	18,784
Non-current assets held-for-sale	17	-	1,000	-	1,000
Total current assets		550,777	526,551	548,904	522,906
Non-current assets					
Other financial assets	15	31,980	62,924	34,540	65,996
Property, plant and equipment	18	1,190,134	1,079,449	1,190,134	1,079,435
Deferred tax assets		853	535	-	-
Intangible assets	19	1,561	2,516	1,561	2,516
Deferred Government superannuation contribution	31	241,422	299,044	241,422	299,044
Total non-current assets		1,465,950	1,444,468	1,467,657	1,446,991
Total assets		2,016,727	1,971,019	2,016,561	1,969,897
Current liabilities					
Trade and other payables	20	34,645	39,882	34,505	39,268
Provisions	22	89,413	85,259	89,413	85,057
Lease liabilities	21	2,612	2,313	2,612	2,313
Current tax liabilities		89	382	97	139
Contract liabilities	23	75,691	64,874	75,691	64,874
Other liabilities	24	14,821	13,700	14,795	13,642
Defined benefit obligation	31	28,600	28,500	28,600	28,500
Total current liabilities		245,871	234,910	245,713	233,793
Non-current liabilities					
Lease liabilities	21	10,019	10,775	10,019	10,775
Provisions	22	11,622	15,435	11,622	15,435
Contract Liabilities	23	27,951	28,151	27,951	28,151
Other liabilities	24	2,646	-	2,646	-
Defined benefit obligation	31	241,422	299,044	241,422	299,044
Total non-current liabilities		293,660	353,405	293,660	353,405
Total liabilities		539,531	588,315	539,373	587,198
Net assets		1,477,196	1,382,704	1,477,188	1,382,699
Equity					
Reserves	25	385,101	336,112	387,302	338,638
Retained earnings		1,092,095	1,046,592	1,089,886	1,044,061
Total equity		1,477,196	1,382,704	1,477,188	1,382,699

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 2022

	Note	Consolidated			University		
		Reserves \$'000	Retained Earnings \$'000	Total Reserves \$'000	Reserves \$'000	Retained Earnings \$'000	Total \$'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
Gain / (Loss) on equity instruments designated at fair value through other comprehensive income	15	46,327	-	46,327	47,856	-	47,856
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	-
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 CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Consolidated			University		
		Reserves	Retained Earnings	Total	Reserves	Retained Earnings	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2022		336,112	1,046,592	1,382,704	338,638	1,044,061	1,382,699
Profit or loss		-	(7,701)	(7,701)	-	(7,379)	(7,379)
Loss on revaluation of Non-current asset held for sale		(91)	-	(91)	(91)	-	(91)
Gain in revaluation of Land, Buildings and Infrastructure		118,041	-	118,041	118,041	-	118,041
Gain / (Loss) on equity instruments designated at fair value through other comprehensive income	15	(15,757)	-	(15,757)	(16,082)	-	(16,082)
Transfer of fair value reserve of equity instruments designated at fair value through other comprehensive income to retained earnings		(52,300)	52,300	-	(52,300)	52,300	-
Transfer of fair value reserve of Art Collection to retained earnings		(904)	904	-	(904)	904	-
Total comprehensive income		48,989	45,503	94,492	48,664	45,825	94,489
Balance at 31 December 2022		385,101	1,092,095	1,477,196	387,302	1,089,886	1,477,188

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 2022

	Notes	Consolidated		University	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Cash flows from operating activities:					
Inflows:					
Australian Government grants received		438,565	479,090	438,565	478,990
OS-HELP (Net)	40(g)	(275)	-	(275)	-
Superannuation supplementation	40(h)	22,006	23,285	22,006	23,285
State and Local Government Grants		9,772	10,314	9,772	10,314
HECS-HELP - Student payments		12,825	12,110	12,825	12,110
Receipts from student fees and other customers		153,381	146,106	153,381	145,875
Dividends received		5,524	1,900	6,524	1,900
Interest received		3,869	2,457	3,861	2,415
Royalties		674	549	162	105
Consultancy and contract research		54,814	48,201	54,561	48,269
Other receipts		11,834	11,164	11,311	10,260
GST recovered		7,884	5,592	7,964	5,752
Outflows:					
Payments to suppliers and employees		(677,232)	(640,271)	(675,470)	(638,568)
Interest paid		(487)	230	(487)	(556)
Net cash provided by / (used in) operating activities	37	43,154	100,727	44,700	100,151
Cash flows from investing activities:					
Inflows:					
Proceeds from sale of property, plant and equipment		1,013	32	1,013	32
Proceeds from sale of Investments		56,478	1,645	56,478	303
Proceeds from return of capital of equity instruments		-	5,260	-	5,260
Outflows:					
Payments for property, plant and equipment		(31,769)	(12,861)	(31,769)	(12,858)
Payment for investments		(9,579)	(336)	(9,394)	(301)
Net cash provided by / (used in) investing activities		16,143	(6,260)	16,328	(7,564)
Cash flows from financing activities:					
Repayment of lease liabilities		(2,451)	(2,363)	(2,451)	(2,363)
Net cash used in financing activities		(2,451)	(2,363)	(2,451)	(2,363)
Net increase / (decrease) in cash and cash equivalents		56,846	92,104	58,577	90,224
Cash and cash equivalents at the beginning of the financial year		395,323	303,219	391,896	301,672
Cash and cash equivalents at the end of the financial year	12	452,169	395,323	450,473	391,896

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



Note	Contents	Page No
1.	Summary of significant accounting policies	11
	Revenue notes	
2.	Australian Government financial assistance including HECS-HELP and FEE-HELP	17
3.	State and Local Government financial assistance	17
4.	Fees and charges	18
5.	Consultancy and contract research	18
6.	Other revenue	18
7.	Reconciliation of revenue and income	19
8.	Investment income	19
9.	Gain / (Loss) on disposal of property, plant and equipment	20
	Expense notes	
10.	Employee-related expenses	21
11.	Other expenses	22
	Asset notes	
12.	Cash and cash equivalents	22
13.	Receivables	23
14.	Investments accounted for using the equity method	25
15.	Other financial assets	26
16.	Other non-financial assets	27
17.	Non-current assets classified as held for sale	27
18.	Property, plant and equipment	28
19.	Intangible assets	35
	Liability notes	
20.	Payables	37
21.	Lease liabilities	37
22.	Provisions	39
23.	Contract liabilities	41
24.	Other liabilities	41
	Equity notes	
25.	Reserves	42
	Disclosure notes	
26.	Key management personnel disclosures	42
27.	Remuneration of auditors	45
28.	Contingencies	45
29.	Commitments	46
30.	Related parties	46
31.	Superannuation plans	47
32.	Subsidiaries	52
33.	Investments in associates	52
34.	Interests in joint arrangements	52
35.	Events occurring after the balance sheet date	53
36.	The University of South Australia and The University of Adelaide future university discussions	53
37.	Reconciliation of operating results after income tax to net cash flows from operating activities	53
38.	Financial risk management	54
39.	Fair value measurement	55
40.	Acquittal of Australian Government financial assistance	60



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 (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 2022 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
- CRC SAAFE
- Digital Health CRC
- Future Energy Exports CRC
- Innovative Manufacturing CRC
- iMove CRC
- Marine Bioproducts 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.

Contract liabilities for unsatisfied performance obligations are included in note 23. and are classified as either current or non-current based on the expected completion date of the performance obligations.



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	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Commonwealth Grants Scheme and other grants	40(a)	215,370	213,049	215,370	213,049
Higher Education Loan Programs	40(b)	147,044	155,181	147,044	155,181
EDUCATION Research	40(c)	31,893	53,826	31,893	53,826
Other capital funding	40(e)	65	825	65	825
Australian Research Council	40(f)	6,438	6,430	6,438	6,430
Total CGS, HELP, Scholarships and Research grants		400,810	429,311	400,810	429,311
Other Australian Government financial assistance					
Research		33,503	27,876	33,245	27,876
Other		6,781	4,915	6,781	4,815
Non-capital		40,284	32,791	40,026	32,691
Total Other Australian Government financial assistance		40,284	32,791	40,026	32,691
Total Australian Government financial assistance		441,094	462,102	440,836	462,002

3. State and Local Government financial assistance

	Consolidated		University	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Non-capital research grants	10,057	7,077	10,057	7,077
Non-capital other	620	515	620	515
Total State and Local Government financial assistance	10,677	7,592	10,677	7,592



4. Fees and charges

	Note	Consolidated		University	
		2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
Course fees and charges					
Fee-paying onshore overseas students		112,600	114,587	112,600	114,587
Fee-paying offshore overseas students		774	1,326	774	1,326
Continuing education		2,633	2,087	2,633	2,087
Fee-paying domestic postgraduate students		2,218	2,820	2,218	2,820
Fee-paying domestic non-award students		391	310	391	310
Total course fees and charges		118,616	121,130	118,616	121,130
Other fees and charges					
Miscellaneous enrolment fees		4,147	5,373	4,147	5,373
Other fees and charges		4,116	5,527	4,116	5,527
Seminar / workshop fees		1,601	1,123	1,601	1,123
Student services fees from students	40(i)	1,376	1,415	1,376	1,415
Total other fees and charges		11,240	13,438	11,240	13,438
Total fees and charges		129,856	134,568	129,856	134,568

5. Consultancy and contract research

	Consolidated		University	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Consultancy	3,577	3,386	3,562	3,362
Contract research	48,740	42,826	48,768	42,918
Total consultancy and contract research	52,317	46,212	52,330	46,280

6. Other revenue

	Consolidated		University	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Donations and bequests	2,005	1,679	2,005	1,679
Scholarships and prizes	549	997	549	997
Other fees and charges	5,225	5,026	4,947	4,264
Other	3,659	4,151	3,625	4,009
Total other revenue	11,438	11,853	11,126	10,949

**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	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Australian Government financial assistance including Australian Government loan Programs (HELP)	2	441,094	462,102	440,836	462,002
State and Local Government financial assistance	3	10,677	7,592	10,677	7,592
HECS-HELP - Student Payments		12,846	12,129	12,846	12,129
Fees and charges	4	129,856	134,568	129,856	134,568
Royalties		674	549	162	105
Consultancy and contract research	5	52,317	46,212	52,330	46,280
Other income	6	11,438	11,853	11,126	10,949
Total		658,902	675,005	657,833	673,625
Total Revenue from contracts with customers as per AASB 15		396,306	392,440	395,271	391,160
Total Income of not-for-profit as per AASB 1058		262,596	282,565	262,562	282,465
Total Revenue and income		658,902	675,005	657,833	673,625

8. Investment income

	Consolidated		University	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Interest				
Debt instruments at amortised cost	6,830	2,191	6,822	2,148
Dividends				
Equity instruments designated at fair value through other comprehensive income	1,768	1,558	2,768	1,558
Investment income gains	8,598	3,749	9,590	3,706

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. Gain / (Loss) on disposal of property, plant and equipment

	Consolidated		University	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Disposal of property, plant and equipment				
Proceeds from sale	1,013	32	1,013	32
Carrying amount of assets sold	(1,013)	(42)	(1,005)	(42)
Net Gain / (Loss) on disposal of property, plant and equipment	-	(10)	8	(10)



10. Employee-related expenses

	Consolidated		University	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Academic				
Salaries	184,687	176,625	184,406	176,324
Contributions to superannuation and pension schemes:				
Emerging cost	82	82	82	82
Funded	29,926	27,259	29,926	27,259
Payroll tax	11,193	10,730	11,193	10,730
Workers' compensation	(14)	(59)	(14)	(59)
Long service leave	2,327	3,739	2,327	3,739
Annual leave	11,776	11,826	11,776	11,826
Total academic	239,977	230,202	239,696	229,901
Non-academic				
Salaries	141,713	133,679	141,055	132,769
Contributions to superannuation and pension schemes:				
Emerging cost	63	92	15	14
Funded	24,317	22,489	24,317	22,489
Payroll tax	8,831	8,622	8,790	8,566
Workers' compensation	561	265	561	265
Long service leave	2,627	3,491	2,631	3,479
Annual leave	10,822	9,918	10,819	9,904
Total non-academic	188,934	178,556	188,188	177,486
Total academic & non-academic employee related expenses	428,911	408,758	427,884	407,387
Council member remuneration	356	341	356	341
Total employee related expenses	429,267	409,099	428,240	407,728

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.



11. Other expenses

	Consolidated		University	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Scholarships, grants and prizes	18,876	17,932	18,876	17,932
Non-capitalised equipment	5,847	4,647	5,847	4,647
Advertising, marketing and promotion	11,457	10,556	11,454	10,555
Telecommunications	3,716	3,194	3,709	3,181
Travel, staff development and entertainment	10,594	3,322	10,557	3,308
External services	69,021	58,196	69,674	59,054
IT hardware and software	20,978	19,643	20,971	19,646
Library subscriptions	10,569	9,432	10,569	9,432
Printing	1,181	1,095	1,181	1,095
Bank charges, legal costs, insurance and taxes	8,123	6,705	7,855	6,397
General consumables	8,053	8,399	8,038	8,386
Utilities	12,024	7,888	12,024	7,888
Other	4,020	4,213	4,019	4,487
Total other expenses	184,459	155,222	184,774	156,008

12. Cash and cash equivalents

	Consolidated		University	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	5,661	3,898	3,965	3,765
Deposits at call	446,508	391,425	446,508	388,131
Total cash and cash equivalents	452,169	395,323	450,473	391,896

Cash at bank and on hand

During the year Cash at bank and on hand earned an average interest of 0.35% (2021: 0.05%) 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 4.59% (2021: range between 0.31% and 1.50%). These deposits had an average maturity of 377 days (2021: 427 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	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Trade debtors	8,994	11,503	8,819	11,302
Less: Provision for impaired receivables	(1,442)	(643)	(1,442)	(643)
	7,552	10,860	7,377	10,659
Student fees	5,517	6,048	5,517	6,048
Less: Provision for impaired receivables	(2,985)	(3,117)	(2,985)	(3,117)
	2,532	2,931	2,532	2,931
Imputation Credits receivables	23,035	26,791	23,035	26,791
Commonwealth receivables	1,784	2,917	1,784	2,917
Contract Assets	3,490	3,194	3,490	3,194
Other	3,051	3,374	3,051	3,374
Total receivables	41,444	50,067	41,269	49,866

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.

The University continues to recognise the franking credits refundable on the in-specie distribution from Education Australia Limited of \$22.76 million as a receivable at 31 December 2022. During 2022, the ATO contacted the 38 University shareholders of Education Australia Limited to advise that it is withholding the refund of these franking credits, whilst it considers their entitlement to the refund. If the University is unable to receive a refund of these franking credits this receivable will be derecognised through other comprehensive income.



13. Receivables (continued)

(a) Impaired receivables

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

	Consolidated	
	2022	2021
	\$'000	\$'000
At 1 January	643	252
Provision for impairment recognised during the year	1,319	569
Receivables written-off during the year as uncollectible	(50)	(103)
Unused amount reversed and debts collected	(470)	(75)
At 31 December	1,442	643

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

	Consolidated	
	2022	2021
	\$'000	\$'000
At 1 January	3,117	2,289
Provision for impairment recognised during the year	523	1,266
Receivables written-off during the year as uncollectible	(631)	(417)
Unused amount reversed and debts collected	(24)	(21)
At 31 December	2,985	3,117

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

	Note	Consolidated		University	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current					
Equity instruments designated at fair value through other comprehensive income		-	31,725	-	31,725
Accrued Income		4,919	1,135	4,919	1,135
Total current other financial assets		4,919	32,860	4,919	32,860
Non-current					
Equity instruments designated at fair value through other comprehensive income		31,980	62,924	27,581	57,521
Shares in subsidiaries	32	-	-	6,959	8,475
Total non-current other financial assets		31,980	62,924	34,540	65,996
Total other financial assets		36,899	95,784	39,459	98,856

During 2021, Education Australia Limited 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). 50% of the IDP shares received were subject to a six month escrow period, whilst the remaining 50% of IDP shares received were subject to a twelve month escrow period.

At the completion of each escrow period during 2022, the IDP shares were sold. The cash proceeds received from the sale of the 1.8 million IDP shares were \$51.87 million.

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.

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.



15. Other financial assets (continued)

Accounting Policy (continued)

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.

The Realised and Unrealised Gain / (Loss) on Equity instruments designated at fair value through other comprehensive income were:

	Consolidated		University	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Realised Gain/(Loss)	52,300	95	52,300	95
Unrealised Gain/(Loss)	(68,057)	46,232	(68,382)	47,761
Total	(15,757)	46,327	(16,082)	47,856

16. Other non-financial assets

	Consolidated		University	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Prepayments	23,511	18,760	23,509	18,743
Other	134	41	134	41
Total other non-financial assets	23,645	18,801	23,643	18,784

17. Non-current assets classified as held for sale

	Consolidated		University	
	2022	2021	2022	2021
	\$'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

University	Capital Works in Progress		Land \$'000	Buildings \$'000	Plant and equipment \$'000	Plant and equipment in progress		Leasehold improvements \$'000	Art collection \$'000	Infrastructure \$'000	Subtotal (owned) \$'000	Subtotal Right-of-use assets \$'000	Total \$'000
	\$'000	\$'000				\$'000	\$'000						
At 1 January 2021													
- 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 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		
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)

University Year ended 31 December 2022	Capital Works in Progress		Land \$'000	Buildings \$'000	Plant and equipment \$'000	Plant and equipment in progress \$'000	Leasehold improvements		Art collection \$'000	Infrastructure \$'000	Subtotal (owned) \$'000	Subtotal Right-of-use assets \$'000	Total \$'000
	\$'000	\$'000					\$'000	\$'000					
Opening 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
Additions	18,063		4,747	643	6,825	2,142	-	-	-	-	32,420	1,993	34,413
Disposals	-		-	-	(96)	-	-	-	-	-	(96)	-	(96)
Reclassifications	(18,629)		-	17,280	3,158	(2,257)	-	-	-	448	-	-	-
Revaluation surplus	-		32,621	80,077	-	-	-	-	-	5,343	118,041	-	118,041
Impairment loss in income	-		-	-	(389)	-	-	-	-	-	(389)	-	(389)
Amortisation / Depreciation charge	-		(60)	(26,274)	(9,683)	-	(327)	-	(2,148)	(2,148)	(38,492)	(2,584)	(41,076)
Other changes, movements	(2)		-	-	-	(192)	-	-	-	-	(194)	-	(194)
Closing net book amount	2,231		221,461	864,759	37,515	2,301	299	3,093		47,186	1,178,845	11,289	1,190,134
At 31 December 2022													
- Cost	2,231		-	-	126,121	2,301	8,679	-	-	-	139,332	20,343	159,675
- Valuation	-		221,890	1,608,359	-	-	-	3,093	-	116,260	1,949,602	-	1,949,602
Accumulated amortisation / depreciation and impairment	-		(429)	(743,600)	(88,606)	-	(8,380)	-	(89,074)	(89,074)	(910,089)	(9,054)	(919,143)
Net book amount	2,231		221,461	864,759	37,515	2,301	299	3,093		47,186	1,178,845	11,289	1,190,134



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
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2021											
- 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
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)

	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 2022											
Opening 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
Additions	18,063	4,747	643	6,825	2,142	-	-	-	32,420	1,993	34,413
Disposals	-	-	-	(104)	-	-	-	-	(104)	-	(104)
Reclassifications	(18,629)	-	17,280	3,158	(2,257)	-	-	448	-	-	-
Revaluation surplus	-	32,621	80,077	-	-	-	-	5,343	118,041	-	118,041
Impairment loss in income	-	-	-	(389)	-	-	-	-	(389)	-	(389)
Amortisation / Depreciation charge	-	(60)	(26,274)	(9,689)	-	(327)	-	(2,148)	(38,498)	(2,584)	(41,082)
Other changes, movements	(2)	-	-	-	(192)	-	-	-	(194)	-	(194)
Closing net book amount	2,231	221,461	864,759	37,515	2,301	299	3,093	47,186	1,178,845	11,289	1,190,134
At 31 December 2022											
- Cost	2,231	-	-	126,121	2,301	8,679	-	-	139,332	20,343	159,675
- Valuation	-	221,890	1,608,359	-	-	-	3,093	116,260	1,949,602	-	1,949,602
Accumulated amortisation / depreciation and impairment	-	(429)	(743,600)	(88,606)	-	(8,380)	-	(69,074)	(910,089)	(9,054)	(919,143)
Net book amount	2,231	221,461	864,759	37,515	2,301	299	3,093	47,186	1,178,845	11,289	1,190,134



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 39(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 \$78.61 million (2021: \$66.17 million) of Crown Lands and \$6.37 million (2021: \$5.60 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 - 17 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	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Right-of-use assets				
Buildings				
Opening Balance	11,465	13,661	11,465	13,661
Additions of right-of-use assets	1,286	85	1,286	85
Other changes, movements	-	(153)	-	(153)
Depreciation charge	(2,244)	(2,128)	(2,244)	(2,128)
At 31 December 2022	10,507	11,465	10,507	11,465
Plant and Equipment				
Opening Balance	415	529	415	529
Additions of right-of-use assets	707	320	707	320
Depreciation charge	(340)	(434)	(340)	(434)
At 31 December 2022	782	415	782	415
Total right-of-use assets	11,289	11,880	11,289	11,880

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

University	Intangibles in progress \$'000	Other intangible assets \$'000	Total \$'000
At 1 January 2021			
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
Year ended 31 December 2022			
Opening net book amount	649	1,867	2,516
Additions	138	-	138
Amortisation	-	(1,093)	(1,093)
Closing net book amount	787	774	1,561
At 31 December 2022			
Cost	787	16,051	16,838
Accumulated amortisation and impairment	-	(15,277)	(15,277)
Net book amount	787	774	1,561



19. Intangible assets (continued)

Consolidated	Intangibles in progress \$'000	Other intangible assets \$'000	Total \$'000
At 1 January 2021			
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
Year ended 31 December 2022			
Opening net book amount	649	1,867	2,516
Additions	138	-	138
Amortisation	-	(1,093)	(1,093)
Closing net book amount	787	774	1,561
At 31 December 2022			
Cost	787	16,051	16,838
Accumulated amortisation and impairment	-	(15,277)	(15,277)
Net book amount	787	774	1,561

For the year ended 31 December 2022, \$0.79 million (2021: \$0.65 million) of costs incurred in implementing Software as a Service (SaaS) arrangements were recognised as intangible assets.

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	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current					
Trade creditors*		21,279	25,217	21,139	24,620
Accrued salaries		13,366	12,652	13,366	12,635
OS-HELP liability to Australian Government	40(g)	-	2,013	-	2,013
Total current payables		34,645	39,882	34,505	39,268
Total payables		34,645	39,882	34,505	39,268

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	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current				
Lease liabilities	2,612	2,313	2,612	2,313
Total current lease liabilities	2,612	2,313	2,612	2,313
Non-current				
Lease liabilities	10,019	10,775	10,019	10,775
Total non-current lease liabilities	10,019	10,775	10,019	10,775
Total lease liabilities	12,631	13,088	12,631	13,088



21. Lease liabilities (continued)

Financing arrangements

Maturity analysis - undiscounted contractual cash flows (Lease liabilities)

	Consolidated		University	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Less than one year	3,051	2,783	3,051	2,783
One to five years	9,296	9,806	9,296	9,806
More than 5 years	1,720	2,287	1,720	2,287
Total undiscounted contractual cash flows	14,067	14,876	14,067	14,876

The University has no loans.

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

	Consolidated		University	
	2022	2021	2022	2021
	\$'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	918	5	918	5
Documentary letter of credit facility	-	-	-	-
Bank guarantee	1,600	1,600	1,600	1,600
Overseas bills purchased facility	-	-	-	-
Total used at balance date	2,518	1,605	2,518	1,605
Unused at balance date				
Credit card facility	2,082	2,995	2,082	2,995
Documentary letter of credit facility	200	200	200	200
Bank guarantee	3,500	3,500	3,500	3,500
Overseas bills purchased facility	1,000	1,000	1,000	1,000
Total unused at balance date	6,782	7,695	6,782	7,695



22. Provisions

	Consolidated		University	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current provisions expected to be settled within 12 months				
Annual leave*	21,621	20,694	21,621	20,591
Long service leave**	10,811	9,650	10,811	9,551
Workers' compensation liability***	261	272	261	272
	32,693	30,616	32,693	30,414
Current provisions expected to be settled after more than 12 months				
Annual leave*	9,662	8,965	9,662	8,965
Long service leave**	47,058	45,678	47,058	45,678
	56,720	54,643	56,720	54,643
Total current provisions	89,413	85,259	89,413	85,057
Non-current				
Long service leave**	11,299	15,070	11,299	15,070
Workers' compensation liability***	323	365	323	365
Total non-current provisions	11,622	15,435	11,622	15,435
Total provisions	101,035	100,694	101,035	100,492

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

	Consolidated		University	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Carrying amount at start of year	637	853	637	853
Additional provisions recognised	403	429	403	429
Amounts used	(436)	(339)	(436)	(339)
Unused amounts reversed	-	(304)	-	(304)
Decrease in discounted amount	(20)	(2)	(20)	(2)
Carrying amount at end of year	584	637	584	637



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 2022 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 has been calculated at the amounts expected to be paid when liabilities are settled. Where the employees' entitlement to annual leave is 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 2022 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 2022 valuation is 4.1% (2021: 1.8%).

*****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 2022 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.



23. Contract liabilities

	Consolidated		University	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Commonwealth and State Government grants	27,090	29,932	27,090	29,932
Income in Advance on incomplete projects	15,638	15,606	15,638	15,606
Student fees and charges in advance	27,507	16,347	27,507	16,347
Other	5,456	2,989	5,456	2,989
Total current contract liabilities	75,691	64,874	75,691	64,874
Non-current				
Commonwealth and State Government grants	15,715	17,364	15,715	17,364
Income in Advance on incomplete projects	9,071	9,053	9,071	9,053
Other	3,165	1,734	3,165	1,734
Total non-current contract liabilities	27,951	28,151	27,951	28,151
Total contract liabilities	103,642	93,025	103,642	93,025

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	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Funds held on behalf of external entities	1,325	1,428	1,299	1,369
Student fees and charges in advance	2,597	2,204	2,597	2,204
Commonwealth and State Government unspent financial assistance	9,733	9,951	9,733	9,951
Other	1,166	117	1,166	118
Total current other liabilities	14,821	13,700	14,795	13,642
Non-current				
Commonwealth and State Government unspent financial assistance	2,646	-	2,646	-
Total non-current other liabilities	2,646	-	2,646	-
Total other liabilities	17,467	13,700	17,441	13,642



24. Other liabilities (continued)

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	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment revaluation surplus				
Land, Buildings and Infrastructure	381,191	263,150	381,191	263,150
Art collection	652	1,647	652	1,647
	381,843	264,797	381,843	264,797
Equity instruments designated at fair value through other comprehensive income	3,258	71,315	5,459	73,841
Total reserves	385,101	336,112	387,302	338,638

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 2022 year. Council members include University employees who may be ex-officio members or elected staff members.

2022 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 KC
 Mr Ayrton Hogan
 Dr Kit MacFarlane
 Ms Vanessa Matthews
 Professor Caroline McMillen AO
 Mr William (Bill) Muirhead AO
 Ms Mary Patetsos AM
 Ms Nicolle Rantanen Reynolds
 Mr Ian Smith AM
 Mr Isaac Solomon
 Professor Vicki Waye
 Mr Jim Whalley



26. Key management personnel disclosures (continued)

(a) Names of responsible persons (continued)

2022 University Enterprise Leadership Team

Professor David Lloyd, Vice Chancellor and President
Professor Joanne Cys
Professor Marnie Hughes-Warrington AO
Mr Paul Beard
Ms Jane Booth
Mr Tom Steer

(b) Remuneration of key management personnel

	Consolidated		University	
	2022 Number	2021 Number	2022 Number	2021 Number
Remuneration of Council members				
Nil	4	4	4	4
\$10,000 to \$19,999	1	-	1	-
\$20,000 to \$29,999	7	8	7	8
\$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
	16	15	16	15

Remuneration received and receivable by Council members for their services as Council members was \$356,473 (2021: \$341,145). The total remuneration received and receivable by Council members in their position as Council members and as Directors of subsidiary companies was \$356,473 (2021: \$341,145).



26. Key management personnel disclosures (continued)

(b) Remuneration of key management personnel (continued)

	Consolidated		University	
	2022 Number	2021 Number	2022 Number	2021 Number
Remuneration of executive officers				
\$210,000 to \$219,999	-	1	-	1
\$280,000 to \$289,999	-	1	-	1
\$390,000 to \$399,999	-	1	-	1
\$410,000 to \$419,999	1	-	1	-
\$460,000 to \$469,999	-	1	-	1
\$470,000 to \$479,999	1	-	1	-
\$480,000 to \$489,999	1	-	1	-
\$570,000 to \$579,999	-	1	-	1
\$590,000 to \$599,999	1	-	1	-
\$670,000 to \$679,999	-	1	-	1
\$680,000 to \$689,999	1	-	1	-
\$740,000 to \$749,999	-	1	-	1
\$1,210,000 to \$1,219,999	-	1	-	1
\$1,400,000 to \$1,409,999	1	-	1	-
	6	8	6	8

Total remuneration paid to the Vice Chancellor during the 2022 reporting period was \$1.401 million (2021: \$1.219 million) and included a deferred benefit payment of \$0.178m accumulated over 3 years.

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	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Short-term employee benefits	3,823	4,141	3,823	4,141
Post-employment benefits	228	321	228	321
Other long-term benefits	-	112	-	112
Total executive officers' compensation	4,051	4,574	4,051	4,574



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	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Audit of the Financial Statements				
Fees paid to Auditor-General's Department	273	283	273	283
Fees paid to other auditors	17	15	-	-
Other audit and assurance services				
Fees paid to other auditors	67	56	60	56
Total paid for audit	357	354	333	339

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 2022 were \$0.27m (2021: \$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	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment:				
Within one year	11,513	5,188	11,513	5,188
Total Property, plant and equipment commitments	11,513	5,188	11,513	5,188

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	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Within one year	19,066	11,036	19,066	11,036
Between one and five years	10,713	9,106	10,713	9,106
Later than five years	3,801	2,104	3,801	2,104
Total other expenditure commitments	33,580	22,246	33,580	22,246

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:

	2022	2021
	\$'000	\$'000
Fees paid to subsidiaries for the provision of services under agreement	1,273	1,792



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 2022 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 10.5% for 2022.

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 2022 the assets of the DBD aggregate (i.e. entire multi-employer DBD plan) were estimated to be:

- \$5,214 million above (2021: \$5,070 million in excess) vested benefits, after allowing for various reserves. The Vested Benefits Index based on funding assumption was 121.0%. 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.
- \$7,895 million above (2021: \$7,339 million in excess) accrued benefits, after allowing for various reserves. The Accrued Benefits Index based on best estimate assumptions was 135.7%. 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 2022. The financial assumptions used were:

	Vested Benefits	Accrued Benefits
Gross of tax investment return - DBD pensions	6.4% p.a.	7.4% p.a.
Gross of tax investment return - commercial rate indexed pensions	3.1% p.a.	3.1% p.a.
Net of tax investment return - non pensioner members	5.6% p.a.	6.5% p.a.
Consumer Price Index - for the next 2 years	4.0% p.a.	4.0% p.a.
Consumer Price Index - Beyond 2 years	2.5% p.a.	2.5% p.a.
Inflationary salary increases - For the next 2 years	2.75% p.a.	2.75% p.a.
Inflationary salary increases - Beyond 2 years	3.25% p.a.	3.25% 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 2022. The actuarial valuation was based on 30 June 2022 membership data which was projected to 31 December 2022 using the Projected Unit Credit Method. The University's present value of the defined benefit obligations was assessed to be \$312.20 million (2021: \$385.41 million).

The University's liability under the scheme has been partly funded by assets of \$42.18 million (2021: \$57.87 million) from 3% productivity employer contributions. This results in an unfunded liability of \$270.02 million (2021: \$327.54 million).



31. Superannuation plans (continued)

(c) Super SA Superannuation plan (continued)

The weighted average duration of the defined benefit obligation is 10.17 years (2021: 10.49 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 2022	28,554	28,563	82,161	326,159	465,437
Defined Benefit obligation - 31 December 2021	28,506	27,991	80,612	335,942	473,051

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

	2022 (%)		2021 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Equity instruments	47.8	0.0	52.7	0.0
Property	1.1	16.0	1.7	14.8
Diversified Strategies Growth	6.7	12.7	1.1	14.6
Diversified Strategies Income	7.9	4.9	13.4	0.0
Cash	2.8	0.0	1.7	0.0
Total	66.3	33.6	70.6	29.4



31. Superannuation plans (continued)

(d) Amounts recognised in the Statement of Financial Position

	University	
	2022	2021
	\$'000	\$'000
Reconciliation of the present value of the defined benefit obligation		
Present value of defined benefit obligation at beginning of year	385,409	436,569
Current service cost	117	121
Interest cost	6,681	4,639
Actuarial (gain) / loss		
(c) Impact of changes in short term inflation assumptions	13,838	-
(d) Impact of changes in discount rate	(68,815)	(26,189)
(c) Experience items	2,816	(878)
Benefits and expenses paid	(27,845)	(28,853)
	312,201	385,409
Present value of defined benefits obligations at end of year		
Reconciliation of the fair value of the defined benefit plan assets		
Fair value of Scheme assets at start of year	57,865	57,005
Interest income	997	591
Actual return on assets less Interest income	(2,725)	6,908
Employer contributions	22,922	22,214
Benefits and expenses paid	(27,845)	(28,853)
Adjustment to assets (Accrual to Cash)	(9,036)	-
	42,178	57,865
Fair value of Scheme assets at end of year		
Net Liability		
Defined Benefit Obligation	312,201	385,409
Less: Fair value of plan assets	(42,178)	(57,865)
	270,023	327,544
Net Liability		
Defined Benefit Provision		
Current	28,600	28,500
Non-current	241,422	299,044
	270,022	327,544
Total Defined Benefit Provision		

The net unfunded amount of \$270.02 million (2021: \$327.54 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 (2021 2.0%)
- Salary increases 2.5% per annum (2021 2.5%)
- Discount Rate 4.2% per annum (2021 1.8%)

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 3.7%	0.5%	Increase by 4.0%
Pension increase rate	0.5%	Increase by 3.3%	0.5%	Decrease by 3.2%
Mortality rate	10.0%	Decrease by 3.4%	10.0%	Increase by 3.8%

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. 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	
			2022 %	2021 %
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 2022:50% (2021:50%)) and Mawson Centre Building (Ownership Interest 2022:63% (2021:63%)).

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 2022:20% (2021:20%)).

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**

There has not arisen in the interval between the end of the financial year and the date of this report, any item, transaction, event of a material and unusual nature likely to affect significantly 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. The University of South Australia and The University of Adelaide future university discussions

In December 2022 the University of South Australia and The University of Adelaide reached agreement to conduct a feasibility study and produce a business case towards the creation of a new university for the future. At the date of signing these financial statements a decision has not been made by the respective Councils to support the creation of a new university. The decision to explore the possibility of creating a university for the future has been taken in response to the Government of South Australia's policy to pursue higher education reform in South Australia.

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

	Consolidated		University	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Operating result for the period	(7,701)	53,250	(7,379)	52,849
Add / (less) non-cash items:				
Depreciation and amortisation	42,175	42,366	42,169	42,350
Non-cash donations	(79)	-	(79)	-
Net (gain) / loss on sale of property, plant and equipment	-	10	(8)	10
Impairment of property, plant and equipment	389	(109)	389	(109)
Property, plant and equipment in progress adjustments	194	398	194	398
Loss on Sale of Investment	-	10	-	310
Changes in operating assets and liabilities:				
(Increase) / decrease in receivables	8,623	4,146	8,597	3,386
(Increase) / decrease in other assets	(8,946)	1,880	(8,643)	1,704
Increase / (decrease) in payables and tax liabilities	(5,933)	(4,740)	(5,457)	(3,953)
Increase / (decrease) in provisions	341	(16,249)	543	(16,277)
Increase / (decrease) in other liabilities	14,091	19,765	14,374	19,483
Net cash provided by / (used in) operating activities	43,154	100,727	44,700	100,151



38. 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 2022 the University held US\$2.01million (A\$2.96million) (2021: US\$2.01 million (A\$2.77 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.



38. 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.

39. 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)

39. 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 2022.

Fair value measurements

	Note	2022 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements at 31 Dec 2022					
Financial assets					
Equity instruments designated at fair value through other comprehensive income	15	31,980	25,199	2,381	4,400
Total financial assets		31,980	25,199	2,381	4,400
Non-financial assets					
Land and Buildings	18				
Land		221,461	-	221,461	-
Buildings		864,759	-	15,560	849,199
Infrastructure		47,186	-	-	47,186
Other non-financial assets	18				
Art Collection		3,093	-	-	3,093
Total non-financial assets		1,136,499	-	237,021	899,478
	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

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.



39. 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 2022, the fair values of Land, Buildings and Infrastructure have been determined by Opteon Pty Ltd.

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. 12 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 2022.

39. 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 2022 and 2021.

Level 3 Fair Value Measurement 2022	Unlisted equity securities \$'000	Buildings \$'000	Infrastructure \$'000	Art collection \$'000	Total \$'000
Opening balance	5,404	777,780	43,543	3,093	829,820
Acquisitions	185	16,688	448	-	17,321
Disposals	(1,189)	-	-	-	(1,189)
Recognised in profit or loss	-	(26,242)	(2,148)	-	(28,390)
Recognised in other comprehensive income	-	77,000	5,343	-	82,343
Transfers out	-	3,972	-	-	3,972
Closing balance	4,400	849,198	47,186	3,093	903,877

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

(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.



39. 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 2022 \$'000	Unobservable inputs	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Unlisted equity securities	4,400	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.



40. 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	
	2022	2021	2022	2021	2022	2021	2022	2021
Note	\$'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)	195,692	203,601	9,460	9,503	-	-	260	262
Net accrual adjustments	2,763	(7,427)	127	72	-	-	-	-
Revenue for the period	198,455	196,174	9,587	9,575	-	-	260	262
Movement in deferred income	-	-	(127)	(72)	-	-	-	-
Surplus / (deficit) from the previous year	-	-	161	233	46	47	107	-
Total revenue including accrued revenue	198,455	196,174	9,621	9,736	46	47	367	262
Less expenses including accrued expenses	(198,455)	(196,174)	(9,621)	(9,575)	(10)	(1)	(240)	(155)
Surplus / (deficit) for reporting period	-	-	-	161	36	46	127	107



40. Acquittal of Australian Government financial assistance (continued)

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

	Note	National Priorities and Industry Linkage Fund		Tertiary Access Payment		Total	
		2022	2021	2022	2021	2022	2021
		\$'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)		7,063	7,000	-	1,529	212,475	221,895
Net accrual adjustments		-	-	5	(1,491)	2,895	(8,846)
Revenue for the period	2	7,063	7,000	5	38	215,370	213,049
Movement in deferred income		-	-	(5)	1,491	(132)	1,419
Surplus / (deficit) from the previous year		-	-	1,101	-	1,415	280
Total revenue including accrued revenue		7,063	7,000	1,101	1,529	216,653	214,748
Less expenses including accrued expenses		(7,063)	(7,000)	(5)	(428)	(215,394)	(213,333)
Surplus / (deficit) for reporting period		-	-	1,096	1,101	1,259	1,415

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

#2 Includes the Higher Education Participation and Partnership Program, regional loading, enabling loading and Indigenous Student Success Program.

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



40. Acquittal 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	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Note								
Cash Payable / (Receivable) at the beginning of the year	1,871	2,583	476	751	(144)	(21)	2,203	3,313
Financial assistance received in cash during the reporting period	139,323	140,641	8,091	9,705	3,674	3,725	151,088	154,071
Cash available for the period	141,194	143,224	8,567	10,456	3,530	3,704	153,291	157,384
Revenue earned	135,313	141,353	8,347	9,980	3,384	3,848	147,044	155,181
Cash Payable / (Receivable) at the end of the year	5,881	1,871	220	476	146	(144)	6,247	2,203

2



40. Acquittal of Australian Government financial assistance (continued)

(c) Department of Education and Research

	Research Training Program		Research Support Program		Total	
	2022	2021	2022	2021	2022	2021
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	15,859	19,005	16,034	34,821	31,893	53,826
2	15,859	19,005	16,034	34,821	31,893	53,826
	1,806	1,793	-	-	1,806	1,793
	17,665	20,798	16,034	34,821	33,699	55,619
	(16,704)	(18,992)	(16,034)	(34,821)	(32,738)	(53,813)
	961	1,806	-	-	961	1,806

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



40. 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	10,732	-
Research Training Program stipends	4,470	1,344
Research Training Program allowances	5	153
Total for all types of support	15,207	1,497

(e) Other capital funding

	Linkage Infrastructure, Equipment and Facilities Scheme		Total	
	2022	2021	2022	2021
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	-	775
Net accrual adjustments	65	50	65	50
Revenue for the period	65	825	65	825
Movement in deferred income	(65)	(50)	(65)	(50)
Surplus / (deficit) from the previous year	65	115	65	115
Total revenue including accrued revenue	65	890	65	890
Less expenses including accrued expenses	(65)	(825)	(65)	(825)
Surplus / (deficit) for reporting period	-	65	-	65



40. Acquittal of Australian Government financial assistance (continued)

(f) Australian Research Council Grants

	Discovery		Linkages		Networks and Centres		Special Research Initiatives		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Note	4,581	4,847	1,780	1,679	-	-	80	(269)	6,441	6,257
	(304)	(802)	(89)	606	372	69	18	300	(3)	173
2	4,277	4,045	1,691	2,285	372	69	98	31	6,438	6,430
	283	1,021	583	637	162	477	(18)	(300)	1,010	1,835
	4,610	3,606	2,160	1,566	794	317	78	378	7,642	5,867
	9,170	8,672	4,434	4,488	1,328	863	158	109	15,090	14,132
	(4,276)	(4,062)	(1,693)	(2,328)	(372)	(69)	(98)	(31)	(6,439)	(6,490)
	4,894	4,610	2,741	2,160	956	794	60	78	8,651	7,642

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

Net accrual adjustments

Revenue for the period

Movement in deferred income

Surplus / (deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus / (deficit) for reporting period

40. Acquittal of Australian Government financial assistance (continued)

(g) OS-HELP

	2022	2021
	\$'000	\$'000
Cash received during the reporting period	251	-
Cash spent during the reporting period	(526)	-
Net cash received	(275)	-
Cash surplus / (deficit) from the previous period	2,013	2,013
Cash surplus for the reporting period	1,738	2,013

Note

20

(h) Superannuation Supplementation

	2022	2021
	\$'000	\$'000
Cash received during the reporting period	22,006	23,285
Cash available	22,006	23,285
Cash surplus / (deficit) from the previous period	821	2,307
Cash available for current period	22,827	25,592
Contributions to specified defined benefit funds	(22,808)	(24,771)
Cash surplus for the reporting period	19	821

(i) Student services and amenities fee

	2022	2021
	\$'000	\$'000
Unspent / (overspent) revenue from previous period	1,408	811
SA-HELP revenue earned	3,384	3,848
Student services fees direct from students	1,376	1,415
Total revenue expendable in period	6,168	6,074
Student services expenses during period	(4,637)	(4,666)
Unspent student services revenue	1,531	1,408

Note

4




CERTIFICATE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022 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

21 April 2023



Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
Fax +618 8226 9688
ABN 53 327 061 410
audgensa@audit.sa.gov.au
www.audit.sa.gov.au

**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 2022.

In my opinion the accompanying financial report has been prepared in accordance with relevant Treasurer's Instructions issued under 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 2022, 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 2022
- a Statement of Financial Position as at 31 December 2022
- a Statement of Changes in Equity for the year ended 31 December 2022
- a Statement of Cash Flows for the year ended 31 December 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chancellor, Vice Chancellor and President and the Chief Financial Officer.

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* and the *Australian Charities and Not-for-profits Commission Act 2012* the *Higher Education Support Act 2003* and 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 2022.

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 regarding, 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

24 April 2023



**University of
South Australia**

Australia's University of Enterprise

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Information correct at time of printing (June 2023)

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