

2018

# annual review



University of  
South Australia



Hon John Gardner MP  
Minister for Education and Child Development  
Minister for Child Development, Higher Education and Skills  
Level 9, 31 Flinders Street  
Adelaide SA 5000

30 June 2019

Dear Minister,

In accordance with the requirements of regulations under Part 4, Section 18 – Annual Report of the University of South Australia Act 1990, it gives me great pleasure to submit for your information and presentation to Parliament the University of South Australia 2018 Annual Review and Financial Statements, for the year ending 31 December 2018.

The University Council approved the Annual Review and the Financial Statements at its meeting on 2 May 2019.

Yours sincerely,



**Ms Pauline Carr**  
Chancellor

#### YOUR FEEDBACK

We welcome any comments or suggestions on the content or layout of this report. Please contact the Corporate Communications Manager on:

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#### FURTHER INFORMATION

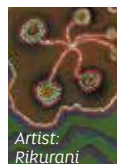
This report, as well as past annual reports, are available on our website [unisa.edu.au/publications](http://unisa.edu.au/publications)

For hard copies of this report or the University of South Australia 2018 Financial Statements:

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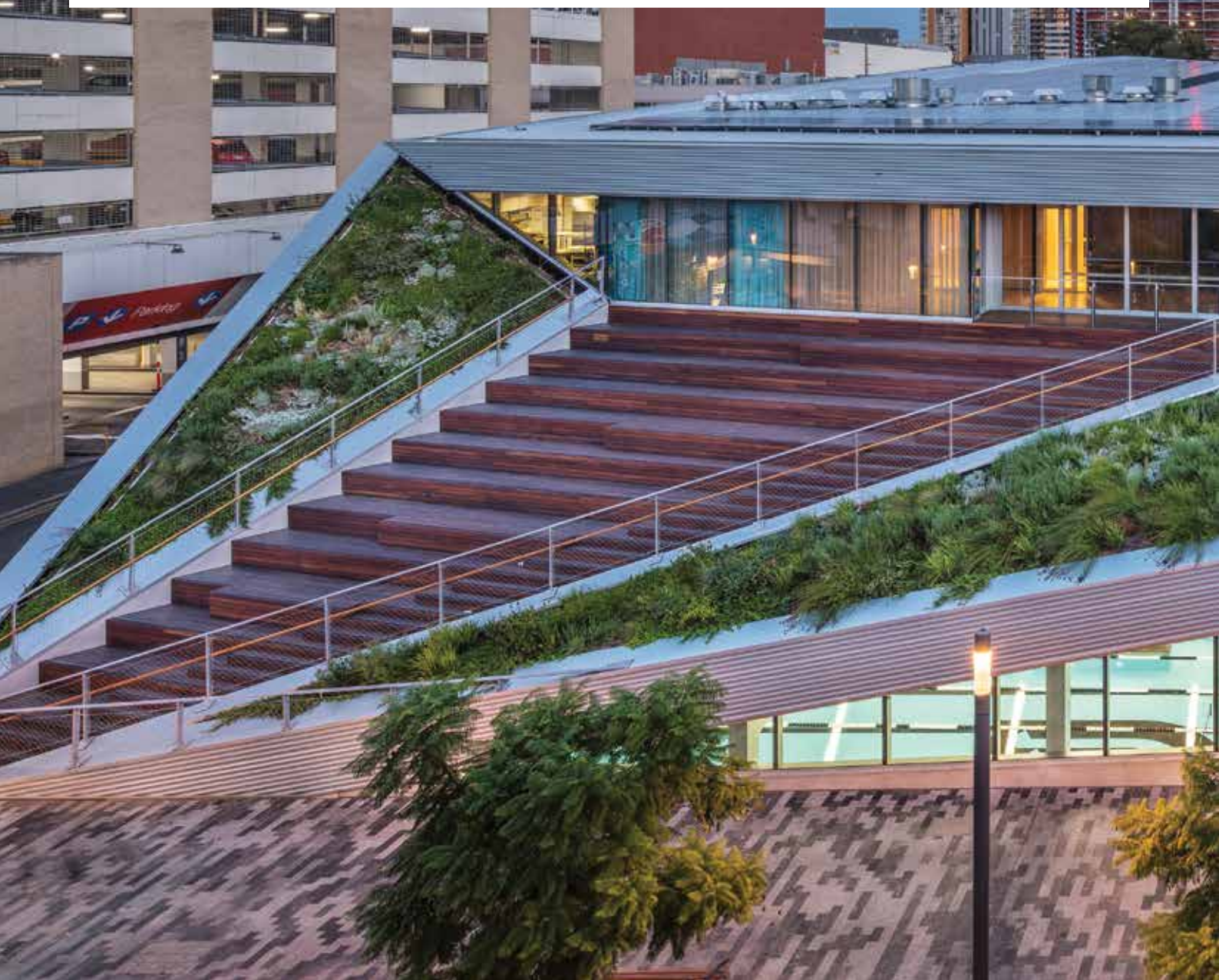


Artist:  
Rikurani

#### ACKNOWLEDGEMENT OF COUNTRY

UniSA respects the Kaurna, Boandik and Barngarla peoples' spiritual relationship with their country. We also acknowledge the diversity of Aboriginal peoples, past and present.

Find out more about the University's commitment to reconciliation at [unisa.edu.au/RAP](http://unisa.edu.au/RAP)





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# CHANCELLOR'S REPORT



Looking back over 2018 I can't help but be impressed with the changes that this university has undergone and the energy and dedication that has gone into becoming one of the world's best young universities.

We began the year with limits imposed on government funding which effectively meant limiting the number of students who could use tertiary education to build careers. It slowed the massive changes that tertiary education institutions have made on the national economy, from breaking cycles of poverty through education to encouraging entrepreneurial minds to add value to business and industry.

Through it all, the University of South Australia still managed to attract the majority of South Australian students looking to learn and to follow careers that would change their life prospects. In 2018 we continued our quest to be the university of choice for first-in-family university students, for Aboriginal and Torres Strait Islander people and for all those industries and businesses looking to grow their enterprises through association with our research.

It is a testament to the hard work and creativity that goes into the running of this university. A large part of that is the strength and the support, a group of committed and energetic people who combine prudence with enthusiasm and guide us to making decisions that are right for our students.

We are headed for an exciting future as Australia's University of Enterprise and our overarching mission and ethos will still be to focus on providing an outstanding experience for our students and enhancing the quality of their qualifications and their prospects of building successful and valuable careers. It will

still be on building partnerships with industries and professional bodies to conduct research with real-world impact and using that research to inform the curriculum that we teach.

This is a wonderful University with a great future and we have every reason to be proud of our efforts.

A handwritten signature in blue ink, appearing to read 'Pauline Carr'.

Ms Pauline Carr  
Chancellor



# VICE CHANCELLOR'S STATEMENT



In 2013 the University of South Australia announced its ambitious plans for the five years ahead. *Crossing the Horizon*, our Strategic Action Plan for 2013–2018 sought to build the University as a true University of Enterprise. Through the Strategic Action Plan we shaped our future, positioning ourselves to be both nationally and internationally competitive through our actions. By 2018 we said, UniSA will be a university which engages fully with the professions and industry globally, whose research is informed, leading-edge and relevant and whose graduates are the new professionals driving the national and international economy through their skills, capabilities and innovation potential.

In 2018 the final pieces fell into place and all the promises we had made became realities. The University of South Australia is now well known as Australia's University of Enterprise; we are known as a student-focused university producing problem solving, globally employable graduates and conducting end-user informed, relevant research.

And we have rocketed up the international rankings. We are now considered one of the world's top young universities, ranked #25 in the world in the Quacarelli Symonds (QS) list of the Top 50 Under 50, and #26 in Times Higher Education's (THE) Young University Rankings.

Closer to home we were ranked as the #1 university in Australia for the quality of our teaching by THE's Young University Rankings and the #1 university in South Australia for graduate careers as judged by the Quality In Learning and Teaching (QILT) Graduation Destinations Survey. The partnerships with industry and the professions that we form to help prepare our students for the careers that they have chosen also enhanced our research efforts. We are considered the #1 university in Australia for industry research income.

On top of all of that we had a spectacular year. We put our curriculum through an innovation process to improve student satisfaction and retention, and to align our teaching with our research strengths and the needs of the workforce of the future. Our research concentrations were classified according to purpose, scale and capabilities and the impact they have on our society in six key areas of expertise. We opened three spectacular new buildings. We produced a new Stretch Reconciliation Action Plan. We became the first Australian university to have a technology transfer office in China and we continue the cultural change that sustains an end-user aware, service excellence culture in our governance and administration.

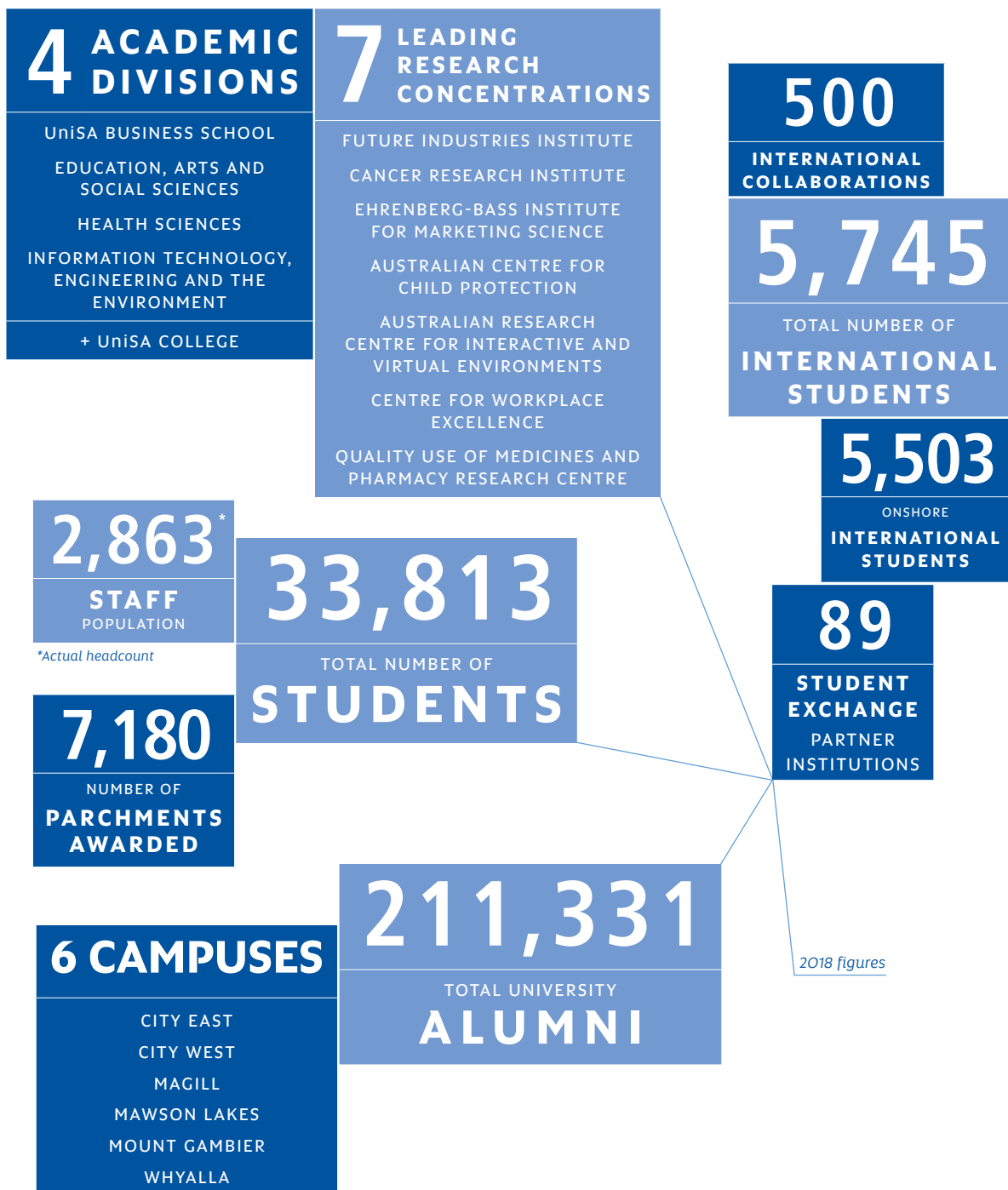
2018 also saw us undertake an exploration of the merits of possible merger with the University of Adelaide, an oft-raised but hitherto little explored consideration. A detailed and robust interrogation of the business implications and mechanics of such an undertaking led us to conclude that no compelling case for merger could be made and so the process was formally ended in October, leaving our university free to pursue the next chapter of its own strategy, Enterprise25.

In only our 27th year as a university we were judged by all the rankings that count as one of the world's best young universities. This is only the beginning.

Professor David Lloyd  
Vice Chancellor and President



# 2018 AT-A-GLANCE





# KEY STATISTICS

|   | 2012    | 2013    | 2014    | 2015    | 2016    | 2017    | 2018    |
|---|---------|---------|---------|---------|---------|---------|---------|
| <b>Number of students</b>                     |         |         |         |         |         |         |         |
| Total   | 33,674  | 33,549  | 32,647  | 32,079  | 31,930  | 31,966  | 33,813  |
| Commencing                                    | 12,405  | 12,620  | 12,616  | 12,122  | 12,129  | 12,484  | 14,073  |
| <b>Student load (EFTSL)*</b>                  |         |         |         |         |         |         |         |
| Total   | 23,624  | 23,205  | 22,495  | 22,264  | 22,268  | 22,142  | 22,976  |
| Undergraduate                                 | 19,626  | 19,168  | 18,617  | 18,454  | 18,616  | 18,557  | 19,155  |
| Postgraduate                                  | 3,998   | 4,037   | 3,878   | 3,810   | 3,652   | 3,585   | 3,820   |
| <b>Student load by funding source (EFTSL)</b> |         |         |         |         |         |         |         |
| Commonwealth Grant Scheme                     | 16,212  | 16,729  | 16,831  | 16,942  | 17,017  | 17,119  | 17,610  |
| Commonwealth Research Training Scheme         | 552     | 576     | 573     | 550     | 492     | 500     | 464     |
| Domestic fee paying                           | 454     | 423     | 467     | 484     | 468     | 437     | 420     |
| International onshore                         | 4,113   | 3,918   | 3,887   | 3,839   | 3,963   | 3,933   | 4,329   |
| Transnational                                 | 2,280   | 1,549   | 731     | 449     | 321     | 148     | 147     |
| <b>Award completions</b>                      |         |         |         |         |         |         |         |
| Total   | 8,605   | 8,594   | 8,193   | 7,452   | 7,339   | 7,378   | 7,180   |
| Undergraduate                                 | 6,019   | 5,918   | 5,536   | 5,021   | 4,990   | 5,208   | 4,973   |
| Postgraduate                                  | 2,586   | 2,676   | 2,657   | 2,431   | 2,349   | 2,170   | 2,207   |
| <b>Staff (FTE)</b>                            |         |         |         |         |         |         |         |
| Total   | 2,573   | 2,619   | 2,641   | 2,596   | 2,492   | 2,595   | 2,642   |
| Academic                                      | 1,094   | 1,110   | 1,127   | 1,126   | 1,061   | 1,122   | 1,131   |
| Professional                                  | 1,479   | 1,509   | 1,515   | 1,470   | 1,431   | 1,473   | 1,511   |
| <b>Financials</b>                             |         |         |         |         |         |         |         |
| Consolidated operating result (\$M)           | 32.5    | 71.6    | 29.7    | 55.9    | 40.5    | 13.2    | 19.5    |
| Safety margin                                 | 6.0%    | 11.8%   | 5.1%    | 9.2%    | 6.6%    | 2.2%    | 3.0%    |
| Net assets (\$M)                              | 889.8   | 981.2   | 1,009.2 | 1,071.0 | 1,174.0 | 1,188.8 | 1,209.2 |
| Total assets (\$M)                            | 1,540.7 | 1,564.1 | 1,648.7 | 1,673.4 | 1,770.0 | 1,786.7 | 1,796.4 |
| Total revenue (\$M)                           | 545.4   | 604.1   | 584.2   | 607.6   | 609.3   | 610.8   | 658.5   |

## NOTES

\*Student load by funding source.

Load is expressed as Equivalent Full Time Student Load (EFTSL).

Staff figures are full-time equivalent positions of full-time and part-time continuing and fixed term staff as at 31 March.



# FINANCIAL OVERVIEW

## SUMMARY STATEMENT OF COMPREHENSIVE INCOME

### OPERATING INCOME

Employee Related Expenses  
Non-salary Expenses

### OPERATING EXPENSES (INCL. INCOME TAX)

### OPERATING RESULT AFTER INCOME TAX

Safety Margin<sup>1</sup>

## SUMMARY STATEMENT OF FINANCIAL POSITION

Current Assets  
Non-current Assets

### TOTAL ASSETS

Current Liabilities  
Non-current Liabilities

### TOTAL LIABILITIES

### NET ASSETS

## SUMMARY STATEMENT OF CASH FLOWS

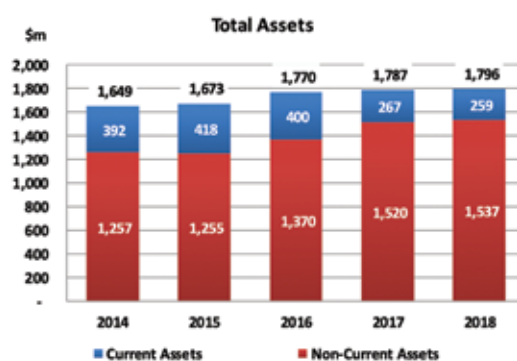
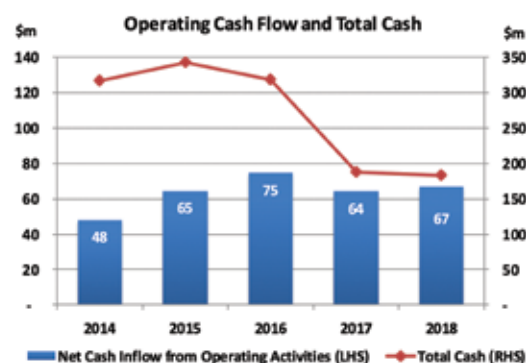
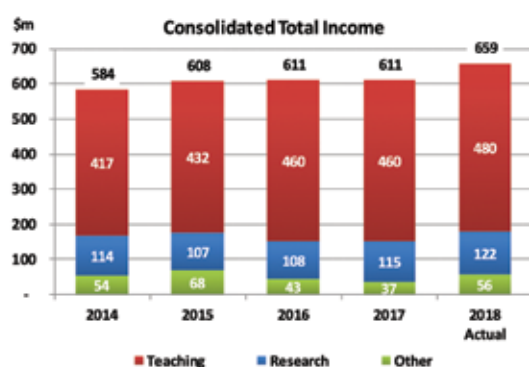
Net Cash Flows from Operating Activities  
Net Cash Flows from Investing Activities

## CONSOLIDATED

## UNIVERSITY

| 2018<br>\$M | 2017<br>\$M | 2018<br>\$M | 2017<br>\$M |
|-------------|-------------|-------------|-------------|
| 658.5       | 610.8       | 657.6       | 610.6       |
| 397.5       | 377.4       | 395.3       | 375.3       |
| 241.5       | 220.3       | 242.9       | 222.0       |
| 639.0       | 597.6       | 638.2       | 597.4       |
| 19.5        | 13.2        | 19.4        | 13.3        |
| 3.0%        | 2.2%        | 3.0%        | 2.2%        |
| 259.1       | 266.6       | 257.0       | 264.7       |
| 1,537.3     | 1,520.1     | 1,538.7     | 1,521.6     |
| 1,796.4     | 1,786.7     | 1,795.7     | 1,786.2     |
| 190.4       | 198.4       | 190.3       | 198.4       |
| 396.7       | 399.5       | 396.7       | 399.5       |
| 587.1       | 597.9       | 587.0       | 597.9       |
| 1,209.2     | 1,188.8     | 1,208.7     | 1,188.4     |
| 67.0        | 64.1        | 66.8        | 63.7        |
| (73.0)      | (193.6)     | (73.0)      | (193.5)     |

<sup>1</sup> Safety Margin: Operating Result after Income Tax ÷ Operating Income



# FINANCIAL SUMMARY

In 2018 UniSA achieved an Operating Result of \$19.5 million equating to 3.0% of Operating Income (2017: 2.2%). The 2018 result was achieved notwithstanding the implementation in 2018 by the Commonwealth Government of a cap on Commonwealth Grant Scheme (CGS) funding at 2017 levels, along with ongoing under-indexation of Commonwealth funding relative to cost escalation.

Consolidated Operating Income grew by \$47.7 million to \$658.5 million (2017: \$610.8 million). Teaching Income grew by \$20.6 million or 4.5% with strong student growth in Commonwealth Supported Places (CSP) and Fee Paying Overseas Students (FPOS). Research Income grew by \$7.5 million with growth in Categories 1-4 Research Funding of \$5.4 million, or 7.4%. Other revenue increased by \$19.5 million due to \$9.1 million in dividends received from Open Universities Australia (OUA) and Education Australia Ltd (EAL), and insurance proceeds of \$8.1 million associated with a building fire at the Mawson Lakes campus in 2016.

The consolidated financial position remains sound, with Net Assets increasing by \$20.4 million to \$1.2 billion and Total Cash was \$182.2 million at 31 December 2018 (2017: \$188.2 million). During 2018 the capitalised value of Buildings increased by \$307.9m largely attributable to the completion of two major infrastructure projects: the \$247 million UniSA Cancer Research Institute (CRI) and the \$50m Pridham Hall.

The South Australian Auditor-General qualifies the financial report on the basis that the University treats external research funding with specified conditions as 'income in advance' and recognises it as a liability on the Statement of Financial Position. The University believes that recognising the research funding in the year the conditions are satisfied presents a true and fair view of the operations and cash flows for the year. In the Auditor-General's opinion, the grants should be treated as income when received. The University's treatment resulted in the deferral at the end of 2018 of \$30.2 million in unspent funds (2017: \$30.5 million). The University's treatment will align with the new Australian accounting standards and interpretations for all revenue streams being introduced from 1 January 2019.

See financial statements, page 46.



# OVERVIEW OF 2018

The following pages outline our achievements against the commitments we made to become Australia's University of Enterprise, to be an institution that engages fully with the professions and industry globally, an institution whose research is inspired by challenges, partnered with end-users and underpinned by excellence and whose graduates are the new professionals, driving the national and international economy through their skills, capabilities and innovation potential.









# ACTION SET 1

## Enhanced educational offerings and an outstanding student experience

*In our Strategic Action Plan, Crossing The Horizon, UniSA committed to design and deliver curriculum that is relevant and of high quality, delivering excellent outcomes for graduates in an educational environment that allows our students to make the most of their student experience. These are just some of the highlights of that promise.*

### MULTIMILLION DOLLAR SIEMENS' GRANT PUTS UniSA STUDENTS IN THE INDUSTRY 4.0 BOX SEAT

UniSA students were given access to the software used to design a Maserati, SpaceX rockets and the Mars Curiosity Rover through the largest software grant of its kind in Australia.

Technology company Siemens provided UniSA students with access to some of the most advanced software of its type – which can be used for 3D design, engineering collaboration, predictive

engineering simulation and analytics – through a \$450m in-kind gift.

The software grant is part of Siemens' commitment to invest more than \$1 billion in advanced Product Lifecycle Management (PLM) software to select universities nationally. The aim is to ensure students develop the skills needed to successfully participate in what has been dubbed the fourth industrial revolution or Industry 4.0, a term used to describe the convergence of advanced automation, smart technologies and data in manufacturing.



Defence Industry Minister Christopher Pyne, South Australian Premier Steven Marshall, UniSA Vice Chancellor Professor David Lloyd, Siemens chairman and CEO Jeff Connolly and UniSA Deputy Vice Chancellor Research and Innovation Professor Tanya Monro at the Siemens launch.

### A NEW FLIGHT SIMULATOR FOR AVIATION STUDENTS



Student experiencing the 737 flight simulator at UniSA

A new \$250,000 737 flight simulator, based in the School of Engineering at UniSA's Mawson Lakes campus, is to be used for research and training purposes relating to human factors safety management, advanced navigation and heavy aircraft systems.

### QANTASLINK PARTNERSHIP OFFERS NEW FLIGHT PATH FOR UniSA AVIATION GRADS

The University of South Australia and QantasLink created a partnership to ensure the University's brightest and best aviation students have access to special industry based additional training provided by one of the world's leading airlines. The best performing students will have the opportunity to access a path into the Qantas Group, adding to their education with direct experience across its regional network in Australia.

### INTERNATIONAL SPACE COMPETITION SUPPORTED SPACE INDUSTRY INNOVATION IN SOUTH AUSTRALIA

UniSA's Innovation & Collaboration Centre hosted the Australian leg of a 24-hour international space competition that saw students, developers and entrepreneurs tap into existing space technology data to design, improve or develop innovative applications for their use. It was the first time the ActInSpace competition took place in Australia with participants competing simultaneously with people in cities all over the world.

### STUDENTS GET A 3DEXPERIENCE IN ENGINEERING EDUCATION

UniSA also joined forces with Dassault Systèmes to give students a leading edge in 3D engineering design and simulation, with the signing of a strategic partnership and a deal to deliver specialist software to support education for the defence, satellite systems and other industries

### DATA SCIENCE AND ENERGY SYSTEMS STUDENTS GET THE BEST OF TWO HEMISPHERES

Two new international postgraduate programs in energy systems and data science, jointly offered by UniSA and University College London, will give masters students a remarkable opportunity to gain international perspectives in their field of study. This teaching collaboration offers students not only two excellent engineering programs, but also access to industry-engaged projects in two different business environments, working on energy and data science problems in the context of different environments.



The UniSA Business School has the first simulated financial trading room in South Australia, enabling students, researchers and industry to engage with the global derivatives trading industry through market simulation programs. The trading room is sponsored by global leader in innovative technologies for the financial sector, IRESS.

The IRESS Trading Room is used throughout undergraduate and postgraduate finance courses offered through the School of Commerce. HDR students are able to use the trading room for research purposes.

## UniSA STUDENTS MAKING THE MOST OF THE NEW COLOMBO PLAN



A trio of UniSA's top students were awarded prestigious New Colombo Plan scholarships, and will travel to the

Indo-Pacific in 2019 to undertake further study and learn more about the region's culture, people and business practices.

Bachelor of Architectural Studies student **Joel Ransley** will head to Japan to study with the Shibaura Institute of Technology in Tokyo. He hopes to secure an internship with an architectural firm involved in the 2020 Olympics to explore how buildings can be repurposed for the local community after an Olympics; UniSA Bachelor of Business (Management) student, **Jack Donaldson**, was awarded a Fellow under the NCP scholarship program, making him the highest ranked

person among all the scholars travelling to South Korea. Jack will spend a semester with UniSA's exchange partner Sogang Uni, before seeking an internship within the Korean shipbuilding sector; UniSA Bachelor of Design (Product Design) student, **Joshua Bernardi**, will be undertaking the second semester of his Honours year at UniSA's partner Tianjin University in 2019. With previous experience working with design firms, Joshua says he is hoping to better understand how new and sustainable modes of transport fit into future urban environments.



### CHANNEL 44 AND UniSA JOINED FORCES TO TRAIN MEDIA STUDENTS

Adelaide's only community TV station, Channel 44 and UniSA's new School of Creative Industries announced a new strategic partnership to deliver more hands-on training opportunities to budding media professionals in South Australia and will bring more locally made content to screens across the state.

### THREE GOLD MEDALS FOR UniSA STUDENTS AT COMMONWEALTH GAMES



UniSA Human Movement student Kurtis Marschall wins gold at the 2018 Commonwealth Games.

Two UniSA Human Movement students- Pole vaulter **Kurtis Marschall** (above) and track cyclist **Matthew Glaetzer** won gold medals at the Commonwealth Games on the Gold Coast. Kurtis won the men's pole vault, clearing 5.70m on the third attempt. On the cycling track, Matthew won the 1000m time trial, clocking the fastest time ever ridden at sea level (59.340s), and a Commonwealth Games record. Matthew also won gold in the keirin.

### THREE MEDALS FOR UniSA STUDENTS AT WORLD UNIVERSITY CHAMPIONSHIPS

UniSA students competing at World University Championship events across the world won three medals. Occupational Therapy student **Lauren Kildare** and Exercise Physiology Honours student **Alice Gregory** won silver in the Rugby Sevens' Championships in Namibia, Africa and Human Movement/teaching student **Caitlin Adams** won a bronze medal in the mixed team relay at the World University Cross Country Championship in St Gallen, Switzerland.

### UniSA HELPS TO HONE NEXT GEN MOUNT GAMBIER ATHLETES

The Limestone Coast Regional Sporting Academy (LCRSA) secured three years of funding to support a joint program with the University of South Australia that will nurture the talents of emerging elite athletes in the Mount Gambier and Limestone Coast region. The funding will support testing in UniSA's High Performance Sport Centre in Adelaide and education programs around key factors that contribute to elite performance to be delivered to students in Mt Gambier.

## AWARDS AND HONOURS

### UniSA STUDENTS RECOGNISED AS YOUNG ACHIEVERS

UniSA students were recognised for excellence in promoting female participation in science and mathematics; in sport; and for advocating human rights at the 2018 Young Achiever Awards.

Three students won Channel 9 Young Achiever Awards: Human Movement student and professional pole vaulter, **Kurtis Marschall**, won the Worldwide Printing Solutions Sports Award; **Franke Agenbag**, who is studying Electrical and Mechatronic Engineering at UniSA, won the STEM Award for her involvement in promoting female participation in science, technology, engineering and mathematics through her local Zonta club; and UniSA Law and Journalism student and human rights advocate, **Shamsiya Mohammadi** – who is an Afghan refugee – was announced as the Fresh 92.7 People's Choice Award winner on the night.

### STUDENT FILM TOPS COMEDY CATEGORY AT SA SCREEN AWARDS

A short film featuring dozens of visual effects made by UniSA students was named best comedy at the 2018 South Australian Screen Awards (SASA). *Lucy and DiC* is a short comedy about a girl and her robot. It was directed by Jeremy Kelly-Bakker from Rising Sun Pictures and created by UniSA visual effects students.

UniSA and Rising Sun Pictures have partnered to offer visual effects students industry-based training. Seventeen students completed more than 60 visual effects shots in three weeks as part of their Graduate Certificate in Compositing and Tracking and Graduate Certificate in Dynamic Effects and Lighting degrees. The students' visual effects include an animated talking drone that stars in the film.

### CONTEMPORARY GLASS AWARD TO UniSA PHD STUDENT

UniSA PhD candidate **Tom Moore** was awarded the Tom Malone Prize, a highly respected honour for contemporary Australian glass artists. Tom's puffer fish goblets (at right) were created using 15th century Venetian glass blowing techniques and received high praise from the judges. His prize includes \$15,000 and his winning work will join the State Art Collection at the Art Gallery of Western Australia.

### UNITOPIA NAMED MOST SUCCESSFUL STUDENT EVENT

UniSA's student wellbeing event UniTopia was named the most successful student focused event in a national competition. A series of free events which take place each May and October, co-presented by UniSA's Student Association (USASA) and the Student Engagement Unit. UniTopia aims to increase student awareness of UniSA services, highlight the importance of mental health and wellbeing, provide activities which help relieve stress, while activating campus spaces to create a relaxing environment.

### AN INFLUENTIAL WOMAN

The director of UniSA's Australian Centre for Business Growth, (CBG) **Professor Jana Matthews**, was named as one Australia's 100 women of influence by The Australian Financial Review 100 Women of Influence.

The list features women working across a spectrum of industries demonstrating a strong sense of commitment to a cause. This year's list was chosen from a record 850 entries.

CBG helps CEOs understand how to lead companies that will enable employees to perform at their best, deliver products and services that customers value, grow and create jobs, generate wealth, and contribute to healthy communities.

In the Centre's four years, they have worked with more than 600 Australian CEOs of small and medium companies (5–200 employees) and helped a very high percentage of them achieve sustainable growth.







# ACTION SET 2

## Industry and end-user informed research supporting an industry-relevant curriculum

*In our Strategic Action Plan, Crossing The Horizon, UniSA committed to engage meaningfully with its peers, industry and the community, undertaking research that is informed, leading-edge and relevant. Its focus will be on the quality and relevance of its research outputs, not the inputs. These are just some of the highlights of that promise.*

### UniSA RANKS AS AUSTRALIA'S TOP UNIVERSITY FOR INCOME DERIVED FROM INDUSTRY PARTNERSHIPS

The University of South Australia became one of Australia's top universities for income derived from industry partnerships, according to the Times Higher Education 2018–2019 University World Rankings, highlighting its commitment to solutions-focused research.

In an increased pool of more than 1,300 global universities, UniSA is now placed in the world's top 250 and ranked 10th in Australia overall.

The University continued its upward trend, with strong improvements in the number of citations the University research receives and the strength and quality of its research, and a consistently strong result for its international outlook.

UniSA has a history of partnering with industry in Australia and around the world to support everything from the development of more reliable and affordable vaccines for critical diseases, or safer, more accurate cancer detection, right through to improving the energy-capturing capacity of heliostats or discovering new contamination remediation treatments for polluted soils.

### UniSA LEVERAGES INDUSTRY CONNECTIONS IN \$9.2M ARC PROJECTS

The University will help chart the future of Australia's energy and manufacturing sectors as a key partner in two new national training centres announced by the Federal Government.

The Australian Research Council (ARC) provided \$9.2 million to establish centres in Surface Engineering for Advanced Materials (\$4.8m), and Future Energy Storage Technologies (\$4.4m).



UniSA surface engineering research in search of more efficient solar panels

### FII AND INDEE LABS DEVELOP TECHNOLOGY TO DELIVER EFFICIENT GENE-MODIFIED CELL THERAPY

A startup company began using the world-class manufacturing facilities at UniSA's Mawson Lakes campus to develop technology to deliver efficient gene-modified cell therapy that will be both affordable and accessible for people who require treatment for life-threatening diseases.

US-based company Indee Labs, which began in Australia and where it undertakes key aspects of its work, plans to make gene-modified cell therapy accessible to the masses by solving manufacturing issues

responsible for their high price tags. It also aims to reduce the lead times for a treatment from months to weeks, saving the lives of patients with aggressive conditions.

Indee Labs uses the Australian National Fabrication Facility-SA Node's world-class clean rooms, state-of-the-art equipment and technical team at UniSA's Future Industries Institute to manufacture a microfluidic device, which they say will be a game-changer in gene-modified cell therapy.

The microfluidic device allows for precise cell processing; using fluid dynamics to gently disrupt the cell's membrane, new

genes can enter and, as the membrane heals, it encases new genetic information which modifies or engineers the cell to attack a specified disease.

### WORLD-FIRST ONLINE, INTERACTIVE EXERCISE TOOLKIT DEVELOPED BY UniSA

An Exercise Science toolkit which allows users to test their fitness levels and match their body shape to 100 different sports depending on their profile was developed in UniSA's School of Health Sciences and around 30,000 profiles have been analysed since the toolkit's release.

The software program is being used by high school students through to professional sports people, to test their anaerobic power, strength and aerobic fitness, blood biomarkers, and compare themselves with world-class athletes across about 100 different sports.

#### AUSTRALIAN VACCINE INNOVATION SET TO STRIKE OUT ZIKA AND CHIKUNGUNYA IN ONE GO

In a highly successful collaboration with Sementis Limited and QIMR's Berghofer Medical Research Institute, researchers at the University of South Australia developed new technology set to deliver vaccines for many diseases and conditions, more cheaply and efficiently.

The new approach has taken the world's first and most successful vaccine against small pox – genetically altered it to improve its safety and efficacy – and created a new vaccine platform able to deliver multiple antigens to guard against serious infectious diseases, including the mosquito-borne zika and chikungunya viruses.

The new, altered vaccine, named the Sementis Copenhagen Vector (SCV), has been tested in preclinical proof-of-concept studies and been shown to provide protection against Chikungunya infection and its virus-induced complications and Zika virus – importantly preventing transmission of the virus to the foetus in pregnancy and also persistent infection of the testis.

#### NEW NEEDLE DEVICE TO REVOLUTIONISE BIOPSIES AND REDUCE SCARRING

A small needle that can take 100 to 200 cells to test for skin cancer and other diseases avoiding the need to take a 2cm to 3cm piece of tissue which results in some scarring is set to revolutionise how doctors test patients for rashes and diseases.

The microbiopsy device, developed at UniSA's Future Industries Institute, can take skin samples much more easily than a traditional biopsy and is easy and painless to use on children.

#### SPIN-OUT COMPANY TO TACKLE WESTERN DISEASES

A spin-out from the Centre for Cancer Biology (CCB) was launched to develop new therapies to target conditions relating to an unhealthy Western diet, including serious and highly prevalent diseases associated with obesity.

Cincera Therapeutics Pty Ltd is focused on the discovery and development of new, small molecule drugs to treat difficult

inflammatory and fibrotic conditions associated with obesity and metabolic disorders, with potential application in other disease areas including cancer.

The company will initially focus on treatments for the emerging epidemic of a liver disease termed 'NASH' (non-alcoholic steatohepatitis).

#### GLOBAL #1 RANKING FOR UniSA'S BRAND MANAGEMENT RESEARCH

A global study of the impact of business research ranked UniSA number one in the world for brand management, with the findings published in the Australian Financial Review's BOSS Magazine.

Determined by the League of Scholars, the analysis reviewed the academic impact, output and influence of more than 100,000 business researchers worldwide and found UniSA to be the top for its brand management research.

The study reinforced what many of the world's marketers already know. Brands like PepsiCo, ESPN, Kellogg's, Westpac, Mars, and Carlsberg sponsor the research at UniSA's Ehrenberg-Bass Institute for Marketing Science.

#### NATURE AND SCIENCE JOINED FORCES TO FIGHT SURGICAL INFECTIONS

South Australian researchers embarked on a \$20 million medical and manufacturing research project which could reduce the chance of infection after orthopaedic surgery, thanks to a little help from the humble dragonfly.

Working with leading surgeons and an Australian orthopaedic medical device company, researchers from the University of Adelaide and University of South Australia (UniSA) will use nano-modification technology based on the structure of the dragonfly wing, whose tiny spikes rip bacteria apart.

The researchers hope to create medical implants with the antimicrobial surface to reduce the likelihood of infections after surgery.

In a unique Research and Development and manufacturing environment, researchers are carrying out a range of ground-breaking experiments to test whether mimicking the nano-patterns of the dragonfly wing on orthopaedic implants can kill harmful bacteria that cause infections.

The four-year project, co-funded by Global Orthopaedic Technology and the Innovation Manufacturing Cooperative Research Centre (IMCRC), could give scientists and clinicians a critical breakthrough in their global fight against antibiotic resistant

bacteria, and is intended to create new technologies and processes to benefit the wider manufacturing sector.

#### YOUNG RESEARCHERS GIVEN THREE MINUTES TO EXPLAIN THEIR WORLD

Eight UniSA PhD students with the ability to sum up an 80,000-word university thesis in just three minutes made the grand final of the annual Three Minute Thesis (3MT) competition.

**Stewart McDougall:** *Screening for an Invisible Disability*; **Laura Hodgson:** *Fairbnb*; **Joe O'Leary:** *Navigating Navigation Systems*; **Kate Riggall:** *Growing Minds: A Fingerprint for Healthy Brain Development*; **Nina Wilson:** *Fishy Fats are Friends in Pregnancy*; **Brian Murphy:** *Making White Wine Crystal Clear*; **Jeff Ansah:** *The Scientific Fortune Teller*; and **Tahnee Denning:** *Our great big "dirty" problem*, were challenged to communicate the significance of their projects to a non-specialist audience in just three minutes.

## CONTRIBUTING TO OUR COMMUNITY

#### UniSA TO LEAD RESEARCH AND EDUCATION INTO SOCIAL ENTERPRISE

UniSA signed an agreement to establish the Yunus Social Business Centre at UniSA, affiliated with the global organisation Yunus Social Business.

Named for its co-founder and Nobel Peace Prize winner, Professor Muhammad Yunus, Yunus Social Business was established in 2011 following the success of Prof Yunus' Grameen bank in creating a micro-finance model to support the development of small businesses, a model now successfully applied in some of the poorest communities around the world.

Social businesses either create income for the poor or provide them with essential products and services like healthcare, clean water or clean energy to support their creation. One hundred per cent of the company profits are reinvested in continuing the company's social mission.

## DEVELOPING THE STATE'S ECONOMY

### UniSA AND FRANCE JOINED FORCES TO ADVANCE INDUSTRY OF THE FUTURE

A joint academic appointment between UniSA and French academic partners, funded by UniSA and the Brittany Region, will focus on a range of research collaborations between UniSA and institutions in the Brittany Region, including four new projects awarded funding under the State Government's South Australia-Brittany Research Collaboration Grant.

Industry of the Future, or Industry 4.0, has been dubbed the 'Fourth Industrial Revolution', and refers to the creation of 'smart factories' through the use of automation technologies such as cyber-physical systems, the Internet of Things and cognitive computing.

### UniSA LEADS CRC BID TO DEVELOP ONE OF THE WORLD'S MOST SUSTAINABLE MINING AND MINERALS SECTORS

UniSA took a leading role in the new MinEx Cooperative Research Centre dedicated to developing a more sustainable and productive minerals industry for Australia.

Supported by \$50 million from the Federal Government and more than \$150 million in cash and in-kind support from industry, the new CRC will deliver more effective, safe and environmentally friendly drilling technologies linked to in-field sensing and real-time data analytics.

A significant component of MinEx CRC will be deployment of the new technologies in an Australia-wide drilling program which will collect mineral exploration data on never-before sampled rocks.

### SMART DRONES AND DEEP LEARNING DELIVER LOW-COST PRECISION AGRICULTURE FOR AUSTRALIAN FARMERS

New aerial drone technology could change the landscape of Australia's billion-dollar wheat industry by delivering cost-effective mechanisms for farmers to plan and deliver precise water and nutrients to their crops on a need-by-need basis.

Developed by the University of South Australia with the Plant Accelerator at the University of Adelaide and LongReach Plant Breeders, the drone senses a vegetation index – signifying the crop health, moisture and nutrient content, making it easier and more efficient for farmers to manage agricultural land and for breeders to generate new varieties.

The newly-developed technology uses RGB (red, green, blue) cameras, a standard accessory carried by drones, instead of the more expensive multispectral camera.

### USING LIGHT FOR NEXT GENERATION DATA STORAGE

Researchers from the University of South Australia and University of Adelaide, in collaboration with the University of New South Wales, demonstrated a novel and energy-efficient approach to storing data. It uses tiny, nano-sized crystals of salt encoded with data using light from a laser could be the next data storage technology of choice.

### UniSA CHAMPIONS VIRTUAL INSIGHTS INTO THE FUTURE OF AUSTRALIA'S MINERALS INDUSTRY

The University of South Australia will develop a new immersive virtual reality (VR) education and outreach program for the Australian minerals industry to help to attract the best and brightest to the sector.

Project LIVE-MM (Learning through Immersive Virtual Environments for Minerals and Mining) will create interactive virtual reality experiences to allow students to "become a geologist for a day", using the power of VR to provide an insider's view of geoscience in action and serve as a launching pad for future careers.

### HIGH TECH RESEARCH HUB TO BOOST STATE'S TIMBER INDUSTRY IN MOUNT GAMBIER



A new research collaboration with UniSA, the State Government and the forestry industry is expected to provide significant gains for Mount Gambier's \$1.2 billion timber industry.

Forestry Research Mount Gambier (FoRMtG) will undertake research activities related to timber production in the State's south east, employing the most sophisticated technology in the world.

A combination of imaging sensors – LiDAR, thermal imaging and hyperspectral imaging – is capturing detailed information about individual trees within the radiata pine forests.

## ACHIEVEMENTS IN SPACE

### \$4 MILLION SPACE INCUBATOR PROGRAM LAUNCHED

The Space Incubator Program, part of the State Government's \$4 million Space Innovation Fund, will be delivered by UniSA's Innovation & Collaboration Centre, along with its global partners.

This program will support people with cutting-edge ideas to transform those concepts into new start-ups and sustainable businesses in South Australia.

### UniSA'S 'ROCKET MAN' JOINS NATIONAL PROJECT TO LAUNCH SATELLITES

A UniSA engine expert will spend the next three years working on a \$3 million international project to build Australia's first launch pad to send satellites into space.

Engineer **Dr Saiful Bari** has been tasked with helping to develop two high thrust engines – one that can launch satellites into orbit before melting and the other that can be continually re-used. The second challenge will be a world first if it comes to fruition.

The Responsive Access to Space (RAS) project, led by defence technology company DefendTex, includes researchers from UniSA, RMIT, University of Sydney, the Defence Science and Technology Group, Germany's Universität de Bundeswehr and commercialisation company Innosync Pty Ltd.

Dr Bari will lead the UniSA team in the injection modelling and air-fuel mixing phase to develop a flight-ready rotating detonation engine.

## BUILDING DEFENCE

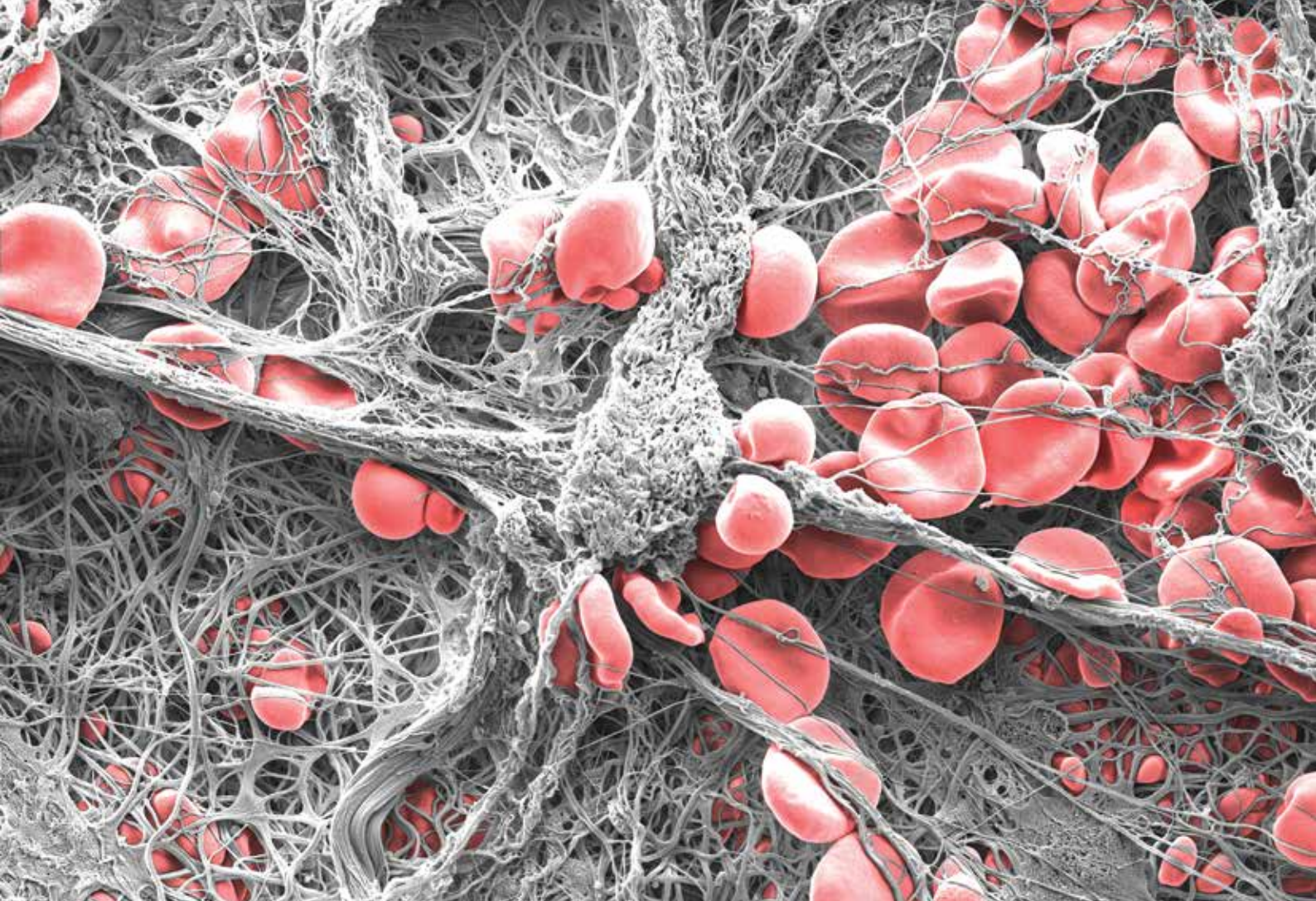
### DEFENCE INDUSTRY GIANT SUPPORTS UniSA TO RESEARCH THE FUTURE OF ANTI-SUBMARINE WARFARE

Multinational defence industry leaders, Thales, will sponsor a PhD at the University of South Australia's Behaviour Brain Body Research Centre to look at advanced Artificial Intelligence and its application to the future of anti-submarine warfare.

The research is a joint UK-Australia initiative that will help to optimise advanced Artificial Intelligence (AI) within complex maritime combat systems in support of human operators. The results from the research will be integrated into spiral capability improvements for Thales's high-performance sonar solutions.

Key to the research project will be combat systems operators and their well-being.





*Clotted*, the 1st prize winner in the Images of Research competition, reveals the microscopic landscape of a blood clot caused by a medical device designed to treat aspects of cardiovascular disease. Photograph by Eli Moore, Research Fellow at the Centre for Cancer Biology

## AWARDS AND HONOURS

**Professor Shudong Wang** who leads the team at UniSA's Centre for Drug Discovery and Development, won the NHMRC's Top Development Grant for 2017 to develop a new and effective enzyme-targeted drug for cancer patients.

**Emeritus Professor Lloyd Sansom** was awarded one of pharmacy's highest international honours – the International Pharmaceutical Federation's (FIP) André Bédard Award.



**Professor Emily Hilder** (*at left*), Director of UniSA's Future Industries Institute, was made a Fellow of the Australian Academy of Technology and Engineering.

**Professor Greg Goodall**, from the Centre for Cancer Biology (CCB), was named a fellow of the Australian Academy of Science; earlier in 2018 he was awarded the prestigious Julian Wells Medal at the 2018 Lorne Genome Conference.



**Professor Cheri Ostroff** a research professor from UniSA's School of Management who is internationally renowned in the field of organisational behaviour, was elected a Fellow

of the Academy of the Social Sciences in Australia.

Already an elected fellow of both the American Psychological Association and the Society for Industrial-Organizational Psychology, Prof Ostroff was elected to the academy along with 35 other Australian social scientists.



**Professor Carol Kulik** was elected as the first Academy of Management President from outside North America. Professor Kulik is Research Professor of Human Resource Management

and Co-Director of the Centre for Workplace Excellence at UniSA.

## SUPERSTAR OF SCIENCE

**Dr Melanie MacGregor** (*below*), was named a "Superstar of STEM" for her groundbreaking work to help develop a diagnostic device for bladder cancer. She was also picked as one of the 2018 Young Tall Poppy Scientists for South Australia.





# ACTION SET 3

## Increased human capital in the classroom and increased efficiencies beyond

*In our Strategic Action Plan, Crossing The Horizon, UniSA promised to develop a high performing, sustainable workforce, one that is dedicated to the provision of excellence at all times. These are just some of the highlights of that promise.*

### UniSA'S INNOVATION & COLLABORATION CENTRE APPOINTS FIRST ENTREPRENEUR IN RESIDENCE

The Innovation & Collaboration Centre (ICC) appointed Kirk Drage (right) as their inaugural entrepreneur in residence until July 2019.

Drage is the Chief Executive and Co-founder of LeapSheep, a subscription advisory and startup building support platform that aims to revolutionise the rate of startup success.

After 12 years at Microsoft in roles including Head of Entrepreneurship and Venture Capital Relations for Asia Pacific based in Singapore, Drage spent time in Silicon Valley developing Artificial Intelligence products and services, before returning home to Adelaide in 2015. He wants to support passionate and committed entrepreneurs with disruptive business ideas to create the next generation of hyper-growth startups.



### NEW FACES

**Professor Alan Boddy**, a leader in the pharmacology of drugs used to treat cancer, was appointed to head the School of Pharmacy and Medical Sciences. Professor Boddy will spearhead the University's pharmaceutical and cancer research in the new University of South Australia Cancer Research Institute. Professor Boddy was Professor of Cancer Therapeutics and Personalised Medicine in the University of Sydney's Faculty of Pharmacy since 2014. He holds a Bachelor of Science (Honours) Pharmacy and a PhD in Pharmacokinetics, both from the University of Manchester.

**Professor Nancy Arthur** was appointed to the position of Dean: Research and Innovation for the division of Education, Arts and Social Sciences (EASS). Previously the Associate Dean of Research at the Werklund School of Education at the University of Calgary (Canada), Prof Arthur is a registered psychologist and has several degrees including a PhD in Counselling Psychology.

Professor Arthur's research focuses on investigating how professionals adapt to shifting roles and responsibilities in a global context and the ways that people manage international transitions in living, learning and working across cultures.

**Associate Professor Tim Moore** joined the leadership team at The Australian Centre for Child Protection (ACCP) as Deputy Director and Head of Practice Solutions. His role strengthens the centre's position as Australia's premier research centre looking at child abuse and neglect. Associate Professor Moore, an internationally recognised child and youth researcher and children's rights advocate, moved into academia after working directly with children, young people and families.

**Associate Professor Abelardo Pardo** was appointed to the position of Dean: Academic for the Division of Information Technology Engineering and the Environment (ITEE). Formerly the Associate Head in the School of Electrical and Information Engineering at the University of Sydney, Associate Professor Abelardo has a PhD in Computing Science (from the University of Colorado Boulder). His areas of research include leadership, and management of innovation in educational technology for IT and engineering education.

**Professor Michelle Baddeley** was appointed to the role of Director: Academic in the Institute for Choice (I4C). Professor Baddeley, who previously held the role of Research Professor in the institute, arrived at I4C from a professorship at University College London, where she was Director of the UCL Bartlett School of Construction and Project Management. Before that she was Director of

Studies (Economics) and Fellow at Gonville & Caius College, and lecturer for the Faculty of Economics, University of Cambridge UK.

**Ben Livings** joined the UniSA Law School as Associate Professor of Criminal Law and Evidence and teaches in areas aligned with his research interests. These encompass Criminal Justice, Sports Law, Medical Law and Legal Education. Topics that I am currently engaged with include sports (in)discipline and the concept of 'rurality' in criminal sentencing.

**Allan O'Connor** joined the Business School as Associate professor of Enterprise Dynamics. A mechanical engineer and professional musician Associate Professor O'Connor's research involves inquiry at the intersections between entrepreneurship, innovation and socioeconomic development. He has worked closely with South Australian government stakeholders to contribute research on South Australian entrepreneurship and innovation by leading the establishment of the Australian Cluster Observatory in 2014, being instrumental in establishing South Australia's annual Entrepreneur Week program, publishing an edited volume on Integrating Innovation in South Australia in 2015, and pioneering research on entrepreneurial ecosystems during 2015/2016.



## AWARDS AND HONOURS

**Professor Julie Ratcliffe**, from the Institute for Choice, received one of six 2018 Australian Research Council Linkage grants as the lead investigator, to develop a new 'quality-of-life' instrument that will improve the care and wellbeing of older Australians.

**Emeritus Professor Phil Howlett** was recognised for sustained and outstanding contributions to the theory and application of mathematics by the Australian and New Zealand Industrial and Applied Mathematics (ANZIAM) society. He was presented with the society's most prestigious award, the ANZIAM Medal.

Research Assistant **Jayden Nguyen** won a national scholarship for early career health professionals to take part in the 42nd World Hospital Congress in 2018. Jayden is currently working on a study to understand why diabetes is so prevalent in South Australia's Aboriginal community and what markers can be identified to predict complications associated with Type 2 diabetes.

Student **Yolanda Nguyen** won the coveted 2018 Nestlé Marketing Future Leaders Award, at the 2018 GradConnection Top100 Awards. Run in partnership with *The Australian Financial Review*, the awards challenge Australia's top-performing students in a full graduate recruitment process modelled on those of leading companies, with the goal of identifying Australia's future leaders.

Pharmacist **Dr Jacinta Johnson** was named Australia's Early Career Pharmacist of the Year. Dr Johnson, a lecturer and researcher in UniSA's School of Pharmacy and Medical Science, was honoured at the 2018 Pharmaceutical Society of Australia (PSA) Excellence Awards.

**Professor Maureen Dollard** from the School of Psychology, Social Work and Social Policy was elected as a board member to the International Commission on Occupational Health (ICOH). Professor Dollard is Professor of Work and Organisational Psychology and Director and Head of the Asia Pacific Centre for Work Health and Safety, a World Health Organisation collaborating centre in occupational health.



## UNIISA GRADUATES TAKE THE LION'S SHARE OF ART AWARDS

Twelve graduates received accolades at the 2018 Helpmann Academy Graduate Exhibition Awards. Now in its 23rd year, the Helpmann Academy's exhibition featured 29 graduate artists from its visual arts partner institutions including the School of Art Architecture and Design.

The 2018 award recipients include:

**Sera Waters**, a textile artist and PhD candidate received The Hill Smith Gallery/University of South Australia Postgraduate Award (\$10,000 cash), which recognises the achievements of a Masters of PhD candidate.

**Brianna Speight** received The Undergraduate Award for Excellence supported by Roger and Helen Salkeld (\$7500 cash). The award is new in 2018 and is the top undergraduate award recognising the winner as an artist with a promising future.

**Yusuf Ali Hayat** received The City of Adelaide Award (\$7500) cash. The award was new in 2018 and enables the work of an emerging artist to be showcased through the City of Adelaide's Contemporary Acquisitions Collection.

Graduate **Eduard Helmbold** received The City Rural Insurance/Helpmann Travel Award (\$5000 cash). The award is provides the recipient the opportunity to travel, informing their practice with new ideas and experiences.

**Kate Little** received the Bluethumb Online Gallery Award (\$5000 cash). The award new in 2018 and recognises artistic excellence and talent.

**Molly Willson** received The Raffin Award (\$5000 cash), through which her work becomes part of a significant private collection.

**Khoa Edgecomb** received The Rob Lyons Award (\$3000 cash). The award recognises artistic excellence and talent.

**Joseph Haxan** received The Bluethumb Photography Award (valued at \$5000, including a \$2500 cash reward). The award was new in 2018 and is presented to an artist working in photography. The award provides in-kind support, including being featured in the curated Bluethumb Photography online gallery, and an exhibition in Bluethumb's gallery space in Melbourne.

**Arviagail Cahilig** received The Peter Walker/Helpmann Encouragement Award (\$1000 cash). The award goes to an artist who deserves particular encouragement to continue their practice.

**Hannah Vorrath-Pajak** was presented with The SALA Award (valued at \$1000 including a \$530 cash reward). The award provides premium registration for the 2018 SALA Festival and is given to an artist who will benefit from exhibiting their work at SALA.

**Imogen Porteous** was named the winner of the Portia Valley Wine Label Competition, (valued at \$2000).

For the first time ever, two recipients were also announced for the Helpmann Academy British School of Rome Residency (BSR) program valued at \$25,000 each. Both UniSA graduates, **Yusuf Hayat** and **Tamara Bailie** each undertook three-month residencies in Rome.

## 2018 AUSTRALIAN AWARDS FOR UNIVERSITY TEACHING

The Australian Awards for University Teaching recognizes excellence in quality teaching practices nationally. In 2018 three UniSA academics received Citations for Outstanding Contributions to Student Learning:

**Dr Alpana Sivam** – School of Art, Architecture and Design – for designing learning experiences using real world 'live' projects that enable students to graduate as successful planners with commensurate industry skills and professional knowledge;

**Associate Professor Gabrielle Todd** – School of Pharmacy and Medical Sciences – for sustained excellence in formative assessment of learning that demystifies neuroscience for undergraduate and postgraduate students; and

**Ms Jennifer Stokes** – UniSA College – for sustained commitment to engaging, student-focused enabling pedagogy, which fosters the development of independent learners prepared for undergraduate study.

## 2018 UNIISA TEACHING AWARD RECIPIENTS

Staff from across the University were recognised for excellence in teaching through the 2018 UniSA Teaching Awards.

The annual awards cover two categories.

## 2018 Citations for Outstanding Contributions to Student Learning (Digital Learning)

Team Lt UniSA: **Professor Sandra Orgeig; Dr Emma Parkinson-Lawrence; Dr Sarah List; Associate Professor Gabrielle Todd; Dr Bronwen Mayo; Dr Andrea Stringer** – School of Pharmacy and Medical Sciences. For the creation and implementation of innovative resources to deliver a digitally-enriched health science curriculum to improve student engagement, outcomes and learning experience.

**Dr Sandra Barker** – School of Management. For sustained leadership in the use of digital technologies to deliver engaging and digitally rich student learning environments and innovative teaching approaches.

## 2018 Citations for Outstanding Contributions to Student Learning

**Dr Amie Albrecht** – School of Information Technology and Mathematical Science. For innovative course design and teaching that fosters a climate of exploration in which students develop a richer understanding of mathematics.

**Hannah Harvey** – School of Education. For innovation to develop and sustain interactive, experiential learning activities across courses in an Education program, for the purpose of enhancing practical skills in graduates.

Program Director team: **Dr Sarah Hattam; Tanya Weiler; Tristan King** – UniSA College. For sustained leadership of tutor professional development in inclusive and enabling pedagogy to enhance teaching at UniSA College.

Academic Integrity Officer team: **Tamra Ulpen; Dr Anthea Fudge; Dr Snjezana Bilic** – UniSA College. For the development of supportive resources to enhance student learning of academic integrity (AI) which has influenced a significant reduction of AI cases at UniSA College.

## UNIISA CELEBRATES FIRST SENIOR FELLOWS OF UK'S PRESTIGIOUS HIGHER EDUCATION ACADEMY

Two UniSA academic staff were announced as Senior Fellows to the United Kingdom's Higher Education Academy (HEA). **Scott Polley**, Program Director of Human Movement and **Dr Julie Reis** (below), Program Director of the Bachelor of Community Health at Mount Gambier were recognized for their high standards of teach.

In 2018 UniSA introduced an initiative to help academic staff develop and submit applications for HEA Fellowships, with support including workshops and mentorship from **Dr Beth Beckmann** who is a Principal Fellow of the Academy.



### UniSA ONLINE GOES FROM STRENGTH TO STRENGTH

Officially launched in 2017, UniSA Online added another high demand undergraduate program – Criminal Justice – and commencements kept rising: total commencing students in 2018 exceeded the target of 1520 headcount by 407. The EFTSL (equivalent full-time student load) also surpassed its target by 186 with 647 in total. Less than half (43%) of the students were South Australian with 57% logging on from interstate.





# ACTION SET 4

## Transformational infrastructure enriching the fabric of our institution

*In our Strategic Action Plan, Crossing The Horizon, UniSA promised to deliver and renew infrastructure that positions the University as an inspiring place to work and study, providing spaces that stimulate and foster creativity and innovation in all facets of our operation – spaces that underpin happiness and health, and support new models of learning. These are just some of the highlights of that promise.*

2018 WAS A BIG YEAR FOR UniSA INFRASTRUCTURE WITH MAJOR NEW BUILDING LAUNCHES.

Pridham Hall (right) was designed to deliver a comprehensive sporting hub to the University's City West campus and at the same time provide an on-campus venue for graduations. It opened in May. Award-winning South Australian firm JPE Design Studio, renowned Norwegian architecture firm Snøhetta, and South Australia's own JamFactory were behind the design of the building, which features an array of sporting facilities from basketball

courts and a rock climbing wall, to the underground swimming pool, exercise and dance studio, and full gymnasium.

Generous donations from more than 500 alumni and friends of the University contributed to the project, including \$5 million from the Pridham family. Andrew Pridham, an alumnus of UniSA, had a career in property development and then in merchant banking.

Today he is Chief Executive Officer of New York headquartered global investment bank Moelis & Company. However, to

many in the wider community he is better known as Chairman of the high-flying AFL Club the Sydney Swans.

Andrew joined the Sydney Swans Board in 2002 and Sydney broke the AFL's longest premiership drought with its famous victory in 2005. The team has played in five of the past 12 grand finals, winning two Premierships.

The gift from the Pridham Foundation is the largest single private donation in the University's 25-year history.







  
University of  
South Australia

PRIDHAM HALL

PRIDHAM  
HALL





## THE UniSA CANCER RESEARCH INSTITUTE

(main image), a \$247 million, 14-storey building which is an epicentre for cancer and aligned research accommodates the largest cohort of cancer researchers ever assembled in South Australia.

The elegant new building, designed by architects Swanbury Penglase and BVN Donovan Hill, is home to UniSA's research-rich School of Pharmacy and Medical Sciences, the globally recognised Centre for Cancer Biology (an alliance between UniSA and SA Health), UniSA's technology-based business

incubation hub (in collaboration with DXC and the State Government), the Innovation and Collaboration Centre, and a new and unique future-focussed public museum, MOD..



The Samsung SmartSchool at UniSA Magill campus.

## THE NEW SAMSUNG SMARTSCHOOL

One of the most technologically advanced teacher-training facilities in the country, opened its doors at the University of South Australia's Magill campus. Powered by Samsung technology, the \$4 million facility will equip Australian students and teachers with the skills and tools that are shaping Australia's future.

The purpose-built facility incorporates Samsung technology, including large-format display screens, interactive whiteboards, tablets, Galaxy S8 smartphones, Gear VR and Gear 360 virtual reality products. It will also be used as a facility for advanced teacher training, informed by practice-based learning and research into the future of learning.



# ACTION SET 5

## Engagement with society beyond the classroom and campus

*In our Strategic Action Plan, Crossing The Horizon, UniSA promised to build on its strong social mission and commitment to the communities it serves, adding value to the economic and social environment of our society. These are just some of the highlights of that promise.*

### MOD'S FIRST EXHIBITION AND SUCCESS STORY

One of the most ambitious new museums in the country opened its doors to the public and is set to challenge everything people expect from the "museum" experience.

The futuristic museum of discovery, MOD., is located in the UniSA Cancer Research Institute on North Terrace.

It is hoped that MOD. will give people aged 15-25 experiences that will change their perceptions of science, partly through a fusion with art it and has an ambitious target of 200,000 annual visitors within three to five years.

The museum's permanent centrepiece is a giant animated globe which, at the touch of a screen, transforms from the Earth into the sun, moon or any of the planets.

The globe, known as Science On a Sphere (SOS), can show hundreds of other datasets including atmospheric storms, changes in sea levels and ocean temperatures, the migration paths of sea turtles, as well as light pollution, global navigation paths or marine migration all in real time.

MOD's first exhibition, MOD.IFY, took audiences on an immersive and unexpected journey that challenged

what they think they know about what it means to be human.

More than 50,000 people had visited the Museum by the time MOD's second exhibition, Waging Peace opened in November. Waging Peace included an array of exhibits designed to challenge traditional ideas of peace-building and offered a rare insight into how augmented reality (AR) is helping in the design and set-up of sophisticated deployable medical technologies in disaster zones. It is a first for South Australia.



The Universal Gallery at MOD, UniSA's museum of discovery which is housed in UniSA's Cancer Research Institute on North Terrace.



### UniSA SUPPORTED MEN'S AND WOMEN'S TEAMS IN TDU

UniSA built on its long partnership with the Santos Tour Down Under in 2018 by becoming the naming rights partner for the national women's team.

This officially strengthening an 18-year relationship between the southern hemisphere's biggest cycling race, the Santos Tour Down Under (TDU), and UniSA. UniSA will also continue to be the naming rights partner of the national men's team.

### IGNITE SA UniSA PARTNERSHIP

A partnership between the State Government and UniSA, Ignite SA supports the development of innovative applications using South Australia's high speed, advanced networks.

In 2018 they announced a funding top up of \$10,000 for three existing research projects that use advanced high-speed networks and have the potential to benefit the community.

Successful candidates will have access to the US Ignite network, a not-for-profit organisation enabling the creation of next generation applications and services that leverage advance networking technologies to build the foundation for smart communities, including cities, rural areas, regions and states.

**Makers Empire:** A 3D design and printing learning program introducing 3D printing to primary school students in the context of Design Thinking;

**Athlete's AI:** An entrepreneur providing real-time video analytics for sports (mainly tennis) using artificial intelligence to help athletes improve their game;

**Tiantai Medical Technology Pty Ltd:** A company working on detecting Alzheimer's disease earlier in patients through the detection of a specific human protein, to improve the quality of life for older people;

**The Village Foundation:** An application to create a modern-day village to empower women, increase family wellbeing, decrease postpartum distress and facilitate a strong transition back to work. They have designed platforms connection mothers to other mothers;

**Safety from Space:** A safety system for those in remote locations too far from wireless coverage. With satellite phones being prohibitively expensive, the team proposes an alternative and supplementary service (and the support infrastructure) to provide specific messaging via satellite for dangerous situations that could easily and rapidly develop into an emergency;

**Tekuma:** Tekuma has developed the next generation of intuitive hand controller hardware or 'joysticks' which uses patented technology and custom firmware to process a user's tactile hand movements. This enables them to control an object, such as a drone, with one hand. The solution is sturdier and more secure than current solutions in the market and is universal, allowing it to speak to all drones or other hand-controlled objects such as remote robots or jet packs; and

**Add-Life Technologies:** A company aiming to provide quality care to people who have suffered a neurological disorder no matter where they are in the world, through technology. They have developed ALTO: a library of six virtual reality environments that assists people who have had a stroke, to regain their life.

### RESEARCH TO BOOST REGIONAL LEADERSHIP

A three-year research project to measure the strength of leadership in regional communities to identify the places in greatest need, received \$60,000 in government funding.

The project will be undertaken by UniSA Business School Dean for Research and Innovation, **Professor Andrew Beer**, in partnership with **Professor Markku Sotarauta** from the University of Tampere in Finland.

'Mobilising Community Leadership' is aimed at providing important resources for Australian governments to help prioritise resources, design and delivery, along with empowering community organisations and local governments to provide community leadership.



### PITCH @ PALACE

The University of South Australia hosted Pitch@Palace On Tour Adelaide, as part of the global event giving new entrepreneurs and startups the best connections to develop their ideas and innovations.

Pitch@Palace was founded by HRH, The Duke of York KG (left) in 2014 as a platform to amplify and accelerate the work of entrepreneurs. The program guides, helps and connects entrepreneurs and early-stage businesses with a global network of potential supporters including CEOs, influencers, angels, investors, mentors and business partners.

Impressed by the participants' professionalism and innovative ideas, the judges sent eight companies through to 'Bootcamp' in Brisbane:

## SAMSTAG EVENTS

In 2018, the Anne & Gordon Samstag Museum of Art partnered with the Art Gallery of South Australia to present the Adelaide Biennial of Australian Art, titled *Divided Worlds*. The exhibition presented at the Art Gallery of South Australia, Samstag Museum of Art, JamFactory, Santos Museum of Economic Botany and Adelaide Botanic Garden was curated by Samstag Museum of Art director, Erica Green. Established in 1990, the Adelaide Biennial is Australia's longest-running survey of Australian contemporary art and provides participating artists an opportunity to create inspirational and ambitious new works, that were it not for the Biennial might not otherwise be realised. *Divided Worlds* was accompanied by a substantial catalogue with essays by various visual arts writers and curator Erica Green. The exhibition — attracting over 240,000 visitors — was reviewed in various arts journals and national media include The Australian.

The 2018 exhibitions program also included two original South Australian commissions: *A Conversation with Jheronimus* by UniSA alumnus Aldo Iacobelli, and *The Waiting Room* by celebrated filmmakers Molly

Reynolds and Rolf de Heer. The Samstag also presented Montages, the full suite of ingenious films by Indigenous artist Tracey Moffatt and editor Gary Hillberg, as well as the National Portrait Gallery and National Film and Sound Archive's brilliant exhibition *Starstruck: Australian Movie Portraits*, presented for the Adelaide Film Festival's 15th anniversary.

The Samstag Museum of Art's exhibitions program was in 2018 supported by over 25 talks, fora, and other special events, such as the Alison Currie & The Human Arts Movement: Creatures performance presented as part of the 2018 Panpapanpalya Dance Congress and the inaugural Adelaide Dance Festival. For National Reconciliation Week the Museum commissioned artist Vernon Ah Kee to embed bold Kaurua words across the Fenn Place thoroughfare within the City West campus of University of South Australia. Addressing the ever-growing 'concrete jungle' encroachment onto Aboriginal country, the project highlights the enduring presence of Kaurua culture and connection to country. Other public program highlights were film director Scott Hicks and film critic Margaret Pomeranz in-conversation with the *Starstruck* exhibition curators, and the *Art After Dark* extravaganza reaching across the City West precinct for SALA Festival.

In October the Class of 2019 Samstag Scholars were announced. These prestigious scholarships were awarded to UniSA alumnus Elyas Alavi (SA) and National Art School graduate Georgia Saxelby (NSW). Each scholarship includes — for twelve months of overseas study — a tax-exempt stipend equivalent to US \$48,000, travel, insurances, and international institutional study fees.

Supporting the University's Reconciliation Action Plan (RAP) Samstag Museum of Art with support from Professor Irene Watson, Pro Vice Chancellor Aboriginal Leadership and Strategy, proudly announced three stunning acquisitions into the University of South Australia Art Collection by Anangu Pitjantjatjara Yankunytjatjara (APY) Lands artists Wawirya Burton, Sylvia Kanytjupai Ken and Ngupulya Pumani.

And finally to wrap 2018, the Museum announced a new partnership with the South Australian Film Corporation and SALA (South Australian Living Artists) Festival, with funding from Arts South Australia and Unitcare Services to host an Artist Residency program from 2019 to 2020, which was awarded to South Australian award winning filmmaker and artist Amos Gebhardt.



*Elephant Ear (Alocasia odora) in Autumn, Tamara Dean*





Stan Grant, UniSA Chancellor Pauline Carr and UniSA Vice Chancellor David Lloyd

## HAWKE CENTRE EVENTS

An engrossing program of public-focused events unfolded at the Hawke Centre during 2018.

From Citizen Science to asking Who's To Blame For Fake News?, the Hawke Centre facilitated a diverse range of intriguing, engaging and socially-challenging discussions. Highlights included:

**Rather His Own Man: Reliable Memoirs by Geoffrey Robertson QC** who charted his progress from pimply state schoolboy to top Old Bailey barrister and thence onwards and upwards to a leading role in the struggle for human rights throughout the world;

**The Craft of Writing: In-Conversation with Thomas Keneally AO and Professor Jason Bainbridge** where Mr Keneally described the process of creative writing. The reader has a sense of the writer being in control. But who is in control, and what psychological and other perils overtake the writer in the process? Is the writer a passive entity in the hurricane of the process or are they the controlling rider and crafter of the storm?

**Tender Hearts, Sons of Brutes: Tim Winton on lost boys and toxic masculinity** saw

the writer exploring the declarations and fraught silences that mark the journey to adulthood for so many young men;

**In-Conversation with Bill Muirhead AM** took a look at South Australia's Place In The World from the perspective of being South Australia's Agent General in London and one of the world's great advertising men.

### THE 2018 NELSON MANDELA LECTURE

The founder and CEO of OzHarvest, **Ronni Kahn** who has made a significant difference by stopping good food going to waste and delivering it to people in need, presented the 2018 UniSA Nelson Mandela Lecture. She shared how she has navigated and built bridges with naysayers, politicians, people in need, and business leaders and has grown a philanthropic enterprise in order to Nourish Our Country by tackling the global issue of Food Waste and transforming lives, with the shadow of Mandela as her guiding light.

### THE 2018 ANNUAL HAWKE LECTURE

In a world riven with resurgent nationalism, tribalism and sectarianism, when we are living through what has been called a democratic recession, where faith is waning in the institutions of democracy and the political strongman is ascendant. The

Hawke Lecture, presented by journalist and Wiradjuri man **Stan Grant** argued that the Uluru Statement represents a chance to tell Australia's story anew, to tell the truth of a nation that has its roots tens of thousands of years before the landing of the First Fleet.

### ALWAYS LOOK ON THE BRIGHT SIDE OF LIFE



**Eric Idle** (above right with UniSA Vice Chancellor David Lloyd), the comedian, actor, author and singer-songwriter who found fame on television with the sketch-comedy show Monty Python's Flying Circus, launched his new book, *Always Look On The Bright Side of Life: A Sortabiography*. He was awarded an Honorary Doctorate of the University at the event in recognition of his distinguished contribution to the community.

## AWARDS AND HONOURS

### HONORING PEOPLE WHO WENT ABOVE AND BEYOND

In 2018, UniSA bestowed honorary awards on a range of people who have made notable contributions to the university or to their own communities.

The award of Honorary Doctor of the University was presented to:

- **Deborah Cheetham AO**, a world-renowned Indigenous Australian soprano, actor, composer, playwright, producer, director, academic and educator. A Yorta Yorta woman, Ms Cheetham composed a new piece of processional music that is now played at all of the University's graduation ceremonies.
- **Bill Muirhead AM**, international marketing expert and Agent General of South Australia in London.

- **Adjunct Associate Professor Monica Oliphant AO**, research scientist and tireless promoter of renewable energy and energy efficiency.
- **The Honourable Greg Combet AM** former federal Labor Government Minister and former leader of the Australian Council of Trade Unions.
- **Peter Gago AC**, Penfolds Winery's Chief Winemaker, and custodian to Grange, arguably the nation's greatest ever wine.

### CELEBRATING THE GRADUATES WHO KEEP ON GIVING

The prestigious University of South Australia Alumni Awards is an annual milestone in the University's calendar and showcases the most distinguished members of its global alumni community, its innovators and pioneers – people making a real difference in the world.

In 2018 former politician and Ambassador to Italy, and prominent media commentator, **Amanda Vanstone**; young business entrepreneur, **James Tan**; renowned

virologist, **Dr Kirsten St George**; and respected podiatrist, academic and leader in Indigenous health, **Dr James Charles**, were celebrated at the ceremony in recognition of each of their inspiring careers they have forged after university, armed with their qualifications from UniSA.

### AUSTRALIA DAY HONOURS

Among the many friends, alumni and staff of the University honoured in the Australia Day awards were **Professor Sharad Kumar**, **Professor Robert Vink**, and **Kelvin Trimper** who were each awarded a Member in the General Division of the Order of Australia (AM).

**Professor Sharad Kumar** joined UniSA in 2014 and was co-founder and inaugural co-director of the Centre for Cancer Biology (CCB), an alliance between the University of South Australia and SA Pathology.

He was recognised for his significant service to medical research in the field of cancer and cell biology, as a researcher and author, educator and advocate, mentor and educator.

Yorta Yorta woman, composer, academic and opera singer Ms Deborah Cheetham AO delivers the Occasional Address at a Graduation ceremony in April.







2018 UniSA Alumni Award Recipients (from left) James Tan, Dr Kirsten St George, Amanda Vanstone and Dr James Charles, with UniSA Vice Chancellor Prof David Lloyd (centre).

**Professor Robert Vink**, who joined the University in 2014 as the Pro Vice Chancellor of Health Sciences, has a distinguished research career focused on the field of brain trauma. He was recognised with an AM, for his research, publications, and teaching and mentoring to new generations of researchers and students in the field.

A key player in the development of the Mawson Lakes community, **Kelvin Trimper** is a Fellow of the University of South Australia and was recognised with an AM for his significant service to horticulture and the promotion of gardening, to urban development, and to the community of Salisbury.

#### QUEEN'S BIRTHDAY AWARDS

A number of UniSA staff, alumni and people closely associated with the University were recognised for their services to research, education and the community in the 2018 Queen's Birthday honours.

**Adjunct Research Fellow Andrew Marshall** from the School of Natural and Built Environments was made a Member in the General Division of the Order of Australia (AM); the chair of UniSA Ventures, **John Grace**, was made an Officer in the General

Division of the Order of Australia (AO); and **Catherine Branson QC**, a former member of UniSA's University Council, was made a Companion of the Order of Australia (AC) for eminent service to the judiciary as a judge of the Federal Court of Australia.

Graduate and Honorary Doctor of the University, the late **Alice Rigney**, was posthumously made an AO for distinguished service to education, particularly through providing opportunities for youth, and to the promotion and protection of Indigenous language, culture and heritage.

#### UniSA ADJUNCT FELLOW SWORN IN AS ADELAIDE'S NEW LORD MAYOR

In November 2018 **Sandy Verschoor** was sworn in as the 63rd Lord Mayor of Adelaide – only the third female to fill the role in the council's 178-year-history and the first in almost 20 years.

Ms Verschoor is an Adjunct Fellow in UniSA's School of Management, serving as a guest lecturer across tourism and arts management programs and uses her extensive professional network to foster connections between industry and the university.

#### ABORIGINAL DANCE GROUP WINS UniSA FRINGE FESTIVAL AWARD

With a commitment to providing a platform for new and upcoming talent to share and grow their skills, UniSA joined the Adelaide Fringe Festival in 2018 as a partner.

As part of its support for the Festival and helping to showcase its diverse arts and cultural events with the wider community, UniSA sponsored the Award for Excellence in Aboriginal Creative Arts.

The overall 2018 UniSA Award for Excellence in Aboriginal Creative Arts went to Indigenous dance sensations and landmark dance/theatre company Djuki Mala for a high energy show that fused traditional Yolngu, pop culture and dance storytelling.

# ACTION SET 6

## A globally visible university with global reach and leverage

*In our Strategic Action Plan, Crossing The Horizon, UniSA promised to build enduring and mutually beneficial relationships with its global alumni and international partners. These are just some of the highlights of that promise.*

### UniSA SPEARHEADS INNOVATIVE VENTURES IN CHINA

In early 2018 the University of South Australia became the first Australian university to have a technology transfer office in China's most vibrant industrial development hub, Suzhou Industrial Park (SIP).

The University's commercialisation arm, UniSA Ventures, opened its doors at SIP in January, launching a platform for the promotion of UniSA research and important access to the Chinese market and investors. It is expected to open up valuable opportunities to showcase the University's most innovative research and forge international industry partnerships.

The new office will be our front door in China and we will be supported to incubate new companies in Suzhou, introduce South Australian start-ups to Chinese partners and investors, conduct technology and commercialisation workshops, promote UniSA degree programs and engage with our international alumni. Part of this development also includes direct SIP support for UniSA Ventures to increase the number of its commercialisation collaborations with Chinese companies and investors.

Fujian Tiantai Pharmaceutical, which established company operations at SIP, was the first industry research collaboration between a SIP company and UniSA.

Located in the Dushu Lake Sci-Edu Innovation Park, the 25 km<sup>2</sup> science and technology educational zone hosts 24 universities including Oxford and Liverpool Universities, UCLA and the National University of Singapore.

The park contains six key areas for economic transformation and development and is home to 25,000 companies, of which 91 are Fortune 500 firms including leading brands such as J&J, Lilly, BD Novartis, Pfizer, GSK, Wyeth, Samsung, Microsoft, Nokia, AMD, Fairchild, Siemens, Hitachi, 3M, Bosch UPS, and Motorola.

### CHINA-AUSTRALIA COLLABORATION SET TO ADVANCE LASER AND SENSOR TECHNOLOGIES

UniSA has also established a joint laboratory in advanced lasers and sensors with Shandong Academy of Sciences (SDAS) supported by the South Australian Government.

The collaboration consists of two major facilities – one in China's Jinan City and the other in Adelaide.

The advanced lasers and sensors lab was announced at the same time as the South Australian Government forged closer links with the Shandong Academy of Sciences by underpinning a three-year collaboration agreement with all three South Australian universities and committing \$900,000 to support the advancement of collaborative research with China.

The new collaboration in lasers and sensors research will integrate top-class Chinese and Australian scientific and technological resources, boosting capacity to make significant technological breakthroughs within the next five years.

Research will focus on the development of advanced lasers and sensors for humidity sensing and trace detection of toxins in food products, R&D and commercialisation of planar waveguide-based infrared lasers and advanced gas sensors.

### FRENCH WINE PROFESSIONALS AT UniSA FOR WINE TRAINING

Global Executive MBA participants from the KEDGE Business School travelled from all corners of the world to join renowned wine marketing experts from UniSA's Ehrenberg-Bass Institute for Marketing Science, industry professionals, and local postgraduate students as they embark on UniSA's Executive Education Wine Marketing course.

The five-day course shared the latest knowledge about wine branding and buyer behaviour for wine and spirits, how to build an effective online presence, and ultimately, how to deliver a successful growth strategy.

The Ehrenberg-Bass Institute's knowledge of marketing science, brands, and consumer behaviour gave the group

exposure to different aspects of critical thinking and broader findings that couldn't be accessed elsewhere.

### EUROPEAN UNION GRANTS TO FUND UniSA JEAN MONNET CENTRE OF EXCELLENCE

UniSA's Hawke EU Centre was awarded more than \$600,000 to establish a Jean Monnet Centre of Excellence and a Jean Monnet Network, aimed at strengthening Australia-EU relations through research, teaching and diplomatic activities.

**Professor Anthony Elliott**, UniSA's Dean of External Engagement and internationally-acclaimed sociologist, is Executive Director of the new Centre, which opened in September 2018.

Professor Elliott, a Fellow of the Academy of the Social Sciences in Australia, also leads the new Jean Monnet Network, bringing together a consortium of 12 researchers from universities in Australia, Germany, Denmark, Estonia, New Zealand and Japan to examine the impact of driverless vehicles on society.





Staff from UniSA International and international agents at Adelaide Oval.

### UniSA HOSTS LARGEST INTERNATIONAL RECRUITMENT AGENTS' VISITS

In late 2018 the University hosted over 70 key international agents and CEOs across two consecutive weeks during November and December.

The first event, the *UniSA International Partner Week*, held in November 2018, was made up of 60 top performing agents from UniSA's key regions; and was geared to showcasing Adelaide as a premier study destination and focusing on further developing crucial recruitment relationships. During the visit, the delegation engaged in activities that showcased Adelaide (SA) as a preferred destination, and strongly

reinforced the University's enterprising initiatives, both current and future.

This was the first time an event of such scale had been held. And, worth noting, these agents were responsible for providing just under half of all international commencing students for 2018; recruiting 898 students and yielding over \$56 million for UniSA.\*

The second event, the *UniSA South Asia CEO Retreat* held in December 2018, was dedicated to hosting 11 CEOs from the University's top education agents in India, Nepal and Sri Lanka; and was used, primarily, to thank the guests for their company's sizeable contributions to UniSA as a whole. In recent years, these South Asian markets

have seen unprecedented growth and, in 2018, these agencies recruited 384 students for UniSA, yielding \$23.7 million.\*

The CEO week's activities focused on promoting the University, and South Australia, in its best light by way of a day trip to McLaren Vale, a private MOD. tour, and two substantial days in a UniSA-hosted corporate box at the Australia versus India test match played at the Adelaide Oval.

*\*This assumes those students stay for the entirety of their program.*

# ACTION SET 7

## Key enablers and supports

*In our Strategic Action Plan, Crossing The Horizon, UniSA promised its governance and administration will be efficient and effective with a strong commitment to a culture of service excellence. These are just some of the highlights of that promise.*

### STRETCH RAP LAUNCHED.

The University of South Australia lead the way in creating tertiary education opportunities for Aboriginal peoples as it became the first university in the State to unveil a Stretch Reconciliation Action Plan (RAP).

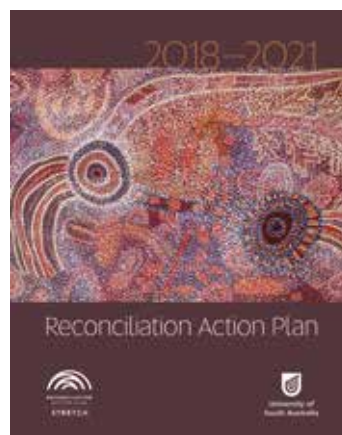
With its initial RAP released in 2014, UniSA's Stretch RAP – which was endorsed by Reconciliation Australia – goes further in its commitment to Aboriginal participation in education and employment.

Reconciliation is a core UniSA commitment – a foundation touchstone that links back to the University's founding act and antecedent institutions. The new Stretch RAP will deepen the University's connection to Aboriginal culture and community and see new and targeted initiatives across its research, teaching and learning and organisational arrangements.

The new plan is guided by Universities Australia's Indigenous Strategy for 2017 to 2020 and will see much more ambitious targets around Aboriginal participation in education and employment within and across the University.

The Stretch RAP – developed in consultation with Aboriginal Elders – was collaboratively advanced by UniSA's Pro-Vice Chancellor of Aboriginal Leadership and Strategy, **Professor Irene Watson**, the first South Australian Aboriginal to graduate from a law degree 30 years ago.

The Stretch RAP will help to build a space in which there is greater visibility of Aboriginal peoples and knowledges and cultures, while also creating a vibrant curriculum that continues to grow in its Aboriginal content. It creates a culturally safe place where Aboriginal students can not only survive but thrive.



The Stretch RAP is built on five themes of Place and Language; Aboriginal Knowledges, Culture and Engagement; Aboriginal Education; Aboriginal Research; and Aboriginal Governance, Evaluation and Reporting.

### PAULINE CARR NAMED CHANCELLOR OF THE UNIVERSITY OF SOUTH AUSTRALIA



Ms Pauline Carr (*above*) took on the role following the departure of former Chancellor, Jim McDowell who was appointed Chief Executive of the Department of Premier and Cabinet.

With more than 30 years of management and commercial experience in the resources industry with both Australian and international

listed companies, Carr brings a wealth of business, management and governance experience to the position at UniSA. She has been a member of UniSA Council since 2010.

Originally an accountant, Carr worked for Exxon Mobil and held senior positions in Newmont Asia Pacific and Normandy Mining Limited.

She is Chairman of National Pharmacies, a non-executive Director of ASX listed Highfield Resources Limited, a Board Member of the SA Government's Minerals and Energy Advisory Council and the Deputy Chair of the South Australian Minerals and Petroleum Expert Group.

She also provides management support, business improvement, governance, compliance and risk consultancy services to companies in a range of sectors.

At UniSA she was Chair of the Audit and Risk Management Committee and a member of both the Finance Committee and Senior Remuneration Committee.

### NEW COUNCIL MEMBERS

UniSA welcomed seven new members to its Governing Council in 2018.

Barrister **Michael Abbott AO QC**; chairman and co-founder of Nova Systems, **Jim Whalley**; and social sciences and governance specialist, **Mary Patetsos**, are among the latest appointments to the University of South Australia's governing council.

Other new members include elected staff members, Deputy Director of Student Engagement, **Karen Hunt**, and Associate Head of School: Academic in the School of Psychology, Social Work and Social Policy, **Associate Professor Deirdre Tedmanson**.

The two new student representatives were aviation student **Jordan Mumford** and PhD candidate in the Centre for Cognitive and Systems Neuroscience, **Kate Riggall**.





#### UniSA APPOINTS NEW STUDENT AND ACADEMIC SERVICES DIRECTOR

Experienced higher education professional, **Richard Irons**, joined UniSA as Director of Student and Academic Services.

Previously the Academic Registrar at the UK University of Derby, his new role has responsibility for coordinating UniSA's student administration services – from enrolment to graduation – and maintaining student records, providing campus-wide services to students, as well as managing the University's academic policies.

#### AWARDS AND HONOURS

##### VC APPOINTED TO ARC ADVISORY COUNCIL

UniSA's Vice Chancellor **Professor David Lloyd** was appointed to one of the Australian Research Council's key advisory bodies, the ARC Advisory Council.

The Australian Research Council (ARC) advises the federal government on research matters, administers a significant component of Australia's investment in research and development (the National Competitive Grants Program), and has responsibility for Excellence in Research for Australia (ERA).

##### UniSA DIRECTOR APPOINTED TO HIGHER EDUCATION STANDARDS PANEL

The Director of UniSA's Office of the Vice Chancellor and Strategic Programs, **Adrienne Nieuwenhuis**, was appointed to the legislative body responsible for providing advice to government on how to maintain the quality and standards of Australia's higher education system.

She was one of five new members appointed to The Higher Education Standards Panel (HESP). She was previously a member of the inaugural Higher Education Standards Panel (2012-2014).

# GOVERNANCE AND MANAGEMENT

## Council Members

### **Ms Pauline Carr, Chancellor, Member appointed by Council, BEC (ANU), MBA, FAICD, FGIA, FCIS**

Term of appointment: until 25 March 2022

Pauline Carr has over 25 years of management and commercial experience in the resources industry with both Australian and international companies. In addition she has over 15 years comprehensive compliance and governance experience with listed company boards.

Previously Ms Carr was a senior executive with Normandy Mining Limited, where she was actively involved in the company's growth, its corporate activities and its international expansion.

She is presently a professional non-executive director and also provides management, business improvement, governance, compliance and risk consultancy services to companies in the resources, construction and superannuation sectors.

### **Professor David Lloyd, Vice Chancellor and President, Bsc (Hons), PhD, CChem, FRSC**

Dublin-born and educated in chemistry and specialising in computer-aided drug design, Professor Lloyd joined the University at the beginning of 2013, re-focusing it as a University of Enterprise and shaping its activities to better meet the challenges of the 21st century.

Globally connected and engaged in helping solve the problems of industry and the professions, the University is now building partnerships that will ensure it remains at the cutting-edge of creativity and new knowledge.

In May 2014, Prof Lloyd was appointed to the South Australia Economic Development Board (EDB) to establish the networks between education, research and industry that will transition the South Australian economy into one of innovation and growth.

Before joining the University, Prof Lloyd was Bursar and Director of Strategic Innovation at Trinity College Dublin, one of Europe's oldest and most prominent universities. He had also been Dean and Vice President of Research at Trinity and was concurrently the inaugural Chair of the Irish Research Council.

He holds a Bachelor of Science (Honours) in Applied Chemistry and a PhD in Medicinal Organic Chemistry from Dublin City University, and was also a Post-Doctoral Research Fellow at Trinity College Dublin.

Prof Lloyd has published extensively in related fields in high impact international journals while generating significant grant income. He is a Fellow of the Royal Society of Chemistry.

### **Hon John Hill, Deputy Chancellor, Member appointed by Council, BA, DipEd, LLB, FAICD**

Term of appointment: until 15 June 2021

John Hill's Parliamentary career began in 1997, when he was the Opposition Shadow Minister for the Environment until Labor's election in 2002, from which date until 2013 he served in a number of ministerial roles including Minister for Environment and Conservation (2002–2006), Minister for Health (2005–2013) and assistant Minister and Minister for the Arts (2002–2013).

John retired from the Cabinet in 2013 and Parliament in 2014 and is serving as a member of various boards including ACH Group, Bellberry Ltd, the SA Institute of Educational Leadership and the SALA Festival. John also chairs the University of South Australia's Sci-C-Ed Start-up Program Steering Committee.

### **Mr Jim Hazel, Pro Chancellor, appointed by Council, BEC, FAICD, SF Fin**

Term of appointment: until 19 December 2020

Jim Hazel holds a number of non executive board positions, following a career in the banking industry.

He is a director of ASX-listed companies Bendigo and Adelaide Bank Ltd, Ingenia Communities Group (Chair) and Centrex Metals Ltd. (Deputy Chair) and sits on the boards of Coopers Brewery Ltd. and the Adelaide Festival Centre Trust (Deputy Chair).

### **Mr Eric Granger, Member appointed by Council, FUnISA, FAICD**

Term of appointment: until 31 December 2019

With a background in management, marketing, sales and customer service in retail operations of member based organisations, small business and the health and travel industries, Mr Granger brings significant know-how to business, always with a focus on people.

As a former General Manager of Bupa, Mr Granger offers his considerable skills and knowledge to the University of SA Foundation as a member of the Foundation Committee. He is an independent director of orthopaedic hospital Sportsmed.SA P/L, chair of start up IT company, Portalink and is Managing Director of Eric Granger Consulting.

### **Professor Vicki Waye, Presiding Member of Academic Board**

Term of appointment: until 31 December 2020

Professor Waye is a Foundation Professor of Law at the School of Law, and from 2010-2015 was the Dean of Teaching and Learning at the UniSA Business School (incorporating Business and Law).

Professor Waye holds a Bachelor of Laws (LLB, Hons), a Graduate Diploma of Legal Practice,



Top row: Mr Jim Hazel, Mr Jordon Mumford; second row: Mr Eric Granger, Mr Michael Abbott AO QC, Associate Professor Deirdre Tedmanson, the Hon John Hill; third row: Professor David Lloyd, Professor Vicki Waye, Ms Kate Riggall, Ms Karen Hunt; fourth row: Ms Mary Patetsos, Ms Pauline Carr, Mr Jim Whalley, Ms Miriam Silva



a Master of Laws (LLM) and a PhD from the University of Sydney. She is a member of the Judicial Development Committee (SA), which provides professional development programs for judges and magistrates of the South Australian Courts, a member of the Law Council of Australia, a member of the TEQSA Register of Experts, and a member of the executive of the Australasian branch of the International Wine Lawyers Association.

**Ms Miriam Silva, Member appointed by Council, BSc**

Term of co-opted: until 19 December 2020

Ms Silva has more than 20 years' experience across multiple industries including pharmaceuticals, banking and agribusiness managing large and geographically diverse teams. From July 2014 she was Acting Chief Executive of TAFE SA.

She was previously General Manager Commercial Operations for Elders Ltd and held a number of roles with ANZ Banking Group Ltd.

**Mr Michael Abbott AO QC, Member appointed by Council, LLB**

Term of appointment until 31 December 2019

Michael Abbott graduated the Bachelor of Laws degree from the University of Adelaide in 1965 and in 1966 was admitted to practice as a Barrister and Solicitor of the Supreme Court of South Australia.

He has appeared in the Supreme Courts of all States and Territories of Australia and was appointed as Queens Counsel in South Australia in 1984. He has held the position of Chairman (past and present) of the Legal Services Commission, Bar Association, ASER Restructuring Committee and Criminal Law Committee of South Australia and acted as Human Rights Observer to the Law Council of Australia.

Mr Abbott was awarded the Centenary Medal in 2000 and in 2002 he received the Indo-Australian Award for Meritorious Service to the Bilateral Relationship.

He was subsequently awarded an AO (Officer of the Order of Australia) for his services to the law, the arts and international relations, particularly international cultural relations. He currently acts as an advisor to a number of national and international Corporations and in his current position of

Chairman of the Legal Services Commission he is in the process of creating significant changes to enable the organisation to better serve the public and legal profession.

Mr Abbott is an enthusiastic promoter of increased cultural contacts between Australia, particularly South Australia and India, Asia and South East Asia. He believes that increased cultural contact will not only lead to increased trade but will benefit South Australian Society in every way.

**Ms Mary Patetsos, Member appointed by Council**

Term of appointment until 31 December 2019

A passionate South Australian with strong national and global networks Ms Patetsos is a professional non-Executive Board Director. Her extensive experience across the private, government and not for profit sectors has resulted in expertise in governance, strategy, stakeholder engagement and leadership. Ms Patetsos' leadership and skills in public policy and governance are linked with knowledge and experience in corporate and commercial enterprise.

She holds a range of Chairman and board positions including Chair of FECCA (Federation of Ethnic Communities' Councils of Australia), Chair of SA Housing Trust, Chair of the private sector Aged Care provider ACH, Chair of the SA Local Government Grants Commission, Deputy Chair, Health Performance Council and member of the National Aged Care Alliance. She is also a Chair and Company Director of Power Community Limited and is a member of AICD.

**Mr Jim Whalley, Member appointed by Council. B.Sc.MBA**

Term of appointment until 31 December 2019

Mr Whalley is Chairman, Executive Director and co-founder of Nova Group. He is a former air force fighter pilot and test pilot and a graduate of the Royal Air Force Empire Test Pilots School. Amongst other qualifications, he holds a Master of Business Administration, a science degree majoring in physics and is a graduate of the Harvard Business School OPM Executive Education Program. He is active in several business forums and is a director of the Adelaide Festival of Arts, AmCham and Australian Naval Infrastructure.

Mr Whalley is a member of the Sir Ross and Keith Smith Fund Advisory Committee and the

Defence Innovation Steering Group. Former roles have included Chair of the SA Defence Industry Association, the Defence Teaming Centre, Deputy Chair of the Repatriation Foundation and member of the Australian Industry Group Defence Council. He retains a strong personal interest in aviation as a civilian pilot and flies, flight tests and displays a range of antique, warbird and experimental aircraft and helicopters in his spare time.

**Associate Professor Deirdre Tedmanson, Academic Staff Member BA, M. Policy & Admin, PhD**

Term of appointment until 31 December 2019

Associate Professor Deirdre Tedmanson is Associate Head: Academic in the School of Psychology, Social Work and Social Policy. Deirdre has a PhD from the Australian National University, and Masters of Policy and Administration and Bachelor of Arts degrees from the Flinders University of South Australia.

Prior to working in higher education, Associate Professor Tedmanson held senior roles in policy development and implementation in the public sector, after earlier working in the non-government sector. Her teaching and research focuses on social policy; social analysis; youth pathways; Aboriginal rights and governance issues and entrepreneurship.

**Ms Karen Hunt, Professional Staff Member, BBSc, GAICD**

Term of appointment until 31 December 2019

Ms Hunt has worked for many years in the higher education and not-for-profit sectors and has a breadth of experience at the University of South Australia. She is currently the Deputy Director: Student Engagement, with responsibility for leading the wellbeing services of the Student Engagement Unit including Counselling, Access & Inclusion, Student Support, Warringka Student Services and Student Wellbeing.

Ms Hunt is also a Director on the UnitingSA and Portway Housing Boards and is a graduate and member of the Australian Institute of Company Directors.

**Mr Jordon Mumford, USASA President, Student Representative**

Mr Mumford, an Aviation student, has been studying at UniSA for four years. He served on the 2017 USASA Board as Mawson Lakes Representative, and has been an active



member of the university community. He was a UniMentor in the program's inaugural year, has worked on several university committees, and has been involved in several not-for-profit organisations. He is committed to seeing a more representative university, with a stronger student voice.

**Ms Kate Riggall, USASA Postgraduate, Student Representative**

Ms Riggall is a PhD candidate in the Centre for Cognitive and Systems Neuroscience, within the School of Psychology, Social Work and Social Policy. She joined UniSA after completing her undergraduate studies in Spanish and Neuroscience at the University of Queensland. Since joining UniSA she has become a committee member for the Rainbow Club, and worked with Amnesty International volunteers and other community representatives to organise activities and initiatives to support students with diverse sexuality and gender identities. She has previously volunteered with the Toc H community service organisation in Queensland, and is passionate about student welfare, particularly in relation to mental health and well-being, inclusiveness and equity.

# Senior Management Group

## Professor David Lloyd, Vice Chancellor and President

Professor David Lloyd joined the University in 2013, helping to drive and shape its efforts towards solutions that will drive growth and generate benefits to society. Prof Lloyd's work forging local and global partnerships, and appointment to the South Australia Economic Development Board (EDB), has been integral to this end, ensuring the University remains cutting-edge and relevant in the years to come.

Educated in chemistry and specialising in computer-aided drug design, and Fellow of the Royal Society of Chemistry, Prof Lloyd holds a Bachelor of Science (Honours) in Applied Chemistry and a PhD in Medical Organic Chemistry from Dublin City University, in his home town. Prior to joining the University, he was Bursar and Director of Trinity College Dublin, and had also been Dean and Vice President of Research at Trinity.

## Professor Allan Evans, Provost and Chief Academic Officer

Professor Evans took up the role of UniSA's inaugural Provost and Chief Academic Officer in 2013, after serving for five years as Pro Vice Chancellor in the Division of Health Sciences. Before that he was Head of the School of Pharmacy and Medical Sciences.

Originally a pharmacist, his research career has focused on investigating ways of improving the use of medicines in humans, and he has worked with multiple pharmaceutical companies across the world to help bring new pharmaceutical products onto the market in critical areas such as malaria, kidney disease, chronic pain, cancer and cardiovascular disease.

As a researcher and former Director of UniSA's Centre for Pharmaceutical Research, Prof Evans held a string of NHMRC/ARC grants for over 20 years before moving into full time university administration. He has published over 100 journal papers that have over 1,400 literature citations.

## Professor Tanya Monro, Deputy Vice Chancellor: Research and Innovation

Professor Tanya Monro took up the role of Deputy Vice Chancellor Research and Innovation in November 2014.

The ARC Georgina Sweet Laureate Fellow at the University of South Australia, Prof Monro was the inaugural Director of the

Institute for Photonics and Advanced Sensing (IPAS) from 2008 to 2014 and was also the inaugural Director for the ARC Centre of Excellence for Nanoscale BioPhotonics (CNBP) at the University of Adelaide.

Prof Monro is a Fellow of the Australian Academy of Science (AAS) the Australian Academy of Technological Sciences and Engineering (ATSE), the Optical Society of America (OSA) and the Australian Institute of Physics. She is a member of the Prime Minister's Commonwealth Science Council (CSC), and a Board Member of the Commonwealth Science and Industrial Research Organisation (CSIRO), the South Australian Defence Advisory Board, and the South Australian Economic Development Board. Prof Monro is also an inaugural Bragg Fellow of the Royal Institution of Australia (RIAus).

## Mr Nigel Relph, Deputy Vice Chancellor: External Relations and Strategic Projects

Nigel Relph was appointed as Deputy Vice Chancellor: External Relations and Strategic Partnerships in March 2016, having previously been Pro and then Deputy Vice Chancellor and Vice President: International and Development since October 2010. He is responsible for international strategy; the University's partnerships and institutional alliances locally, nationally and internationally; community and cultural engagement; alumni relations and philanthropic fundraising; The Samstag Museum of Art; MOD. (Museum of Discovery); The Bob Hawke Prime Ministerial Centre; and for a variety of major strategic projects. Before joining UniSA, Nigel worked in senior management positions in universities in the UK; ran companies in the media and the private education sector in Europe and Asia; was a government advisor; and taught cultural history at a number of universities.

## Professor Robert Vink, Pro Vice Chancellor: Division of Health Sciences

Professor Vink was awarded his BSc (Hons) and PhD at Griffith University, Brisbane. After a postdoctoral fellowship and then an assistant professorship in the Neurology Department of the University of California at San Francisco (UCSF), he accepted a Queen Elizabeth II Fellowship at James Cook University (JCU) in Townsville, North Queensland.

At the conclusion of his research fellowship, he accepted an academic appointment at JCU, and was promoted to senior lecturer

and then Associate Professor and Head of Department of Physiology and Pharmacology.

Following a period of sabbatical research as an Adjunct Professor at Georgetown University, Washington DC, he joined the Department of Pathology at the University of Adelaide in 2001 and was subsequently appointed to the NRF Chair of Neurosurgical Research and as the Head of the School of Medical Sciences.

In 2015, Prof Vink was awarded a Fellowship of the Australian Academy for Health and Medical Sciences (AAHMS).

## Professor Simon Beecham, Pro Vice Chancellor: Division of Information Technology, Engineering and the Environment

Professor Simon Beecham commenced as Pro Vice-Chancellor of the Division of Information Technology, Engineering and the Environment (ITEE) in January 2015. Prior to this he was Head of the School of Natural and Built Environments (2010–2014) and before that he was the Director of UniSA's Centre for Water Management and Reuse (2006–2010). Prof Beecham is a Fellow of Engineers Australia as well as a Fellow of the Australian Institute of Company Directors.

In addition to these industry contributions, Prof Beecham was a Board Director of Water Research Australia Ltd (WaterRA) from 2009 to 2015. WaterRA is Australia's longest-running private company (2009–present) that has made the successful transition from being a former CRC (1995–2008). He is also an Editorial Board Member of the Wiley journal Global Challenges.

## Professor Marie Wilson, Pro Vice Chancellor: UniSA Business School

Professor Marie Wilson is Pro Vice Chancellor (Business and Law) of the UniSA Business School. She has over 20 years of university leadership experience, including senior roles at Griffith University and The University of Auckland.

She is the former managing director of a multinational medical relief agency, and has been a senior manager in strategy and HRM for seven public companies, including one of the world's largest IT companies. She also has extensive experience in start-up and high technology ventures. She is a Graduate of the Australian Institute for Company Directors, and a Fellow of AIM and ANZAM.



Right: Professor Bob Vink

Far right: Professor Laura-Anne Bull

Back row: Professor Allan Evans,  
Professor Joanne Cys, Mr Nigel Relph

Front row: Professor Simon Beecham, Professor Irene  
Watson, Professor Tanya Monro, Professor David Lloyd,  
Professor Marie Wilson, Mr Paul Beard, Ms Jane Booth



**Professor Irene Watson, Pro Vice Chancellor for Aboriginal Leadership and Strategy and Unaipon Chair**

Professor Irene Watson is a member of the Tangane-kald, Meintangk-Bunganditj First Nations, a senior academic, researcher, lawyer and advocate for Aboriginal Peoples. Irene was appointed to the position of Pro Vice Chancellor for Aboriginal Leadership and Strategy and Unaipon Chair at the University of South Australia in 2016.

Professor Watson has responsibility for advancing opportunities inclusive of a two world way approach to First Nations students across the university.

**Dr Laura-Anne Bull, Pro Vice Chancellor: Student Engagement and Equity**

Dr Laura-Anne Bull joined the University in September 2014 as Pro Vice Chancellor: Student Engagement and Equity. Dr Bull is responsible for leading initiatives to ensure that students are fully engaged and supported, not only in their learning, but also in their university experience.

Dr Bull earned her PhD in Chemical Engineering from the University of Strathclyde, Glasgow in 1998. She began her career as a process engineer for Zeneca Agrochemicals (now Syngenta) and as lead process engineer was responsible for the design and commissioning of new plants.

Two years later, she returned to university teaching as a lecturer in Chemical and Process Engineering at Strathclyde where she was also fully engaged in student pastoral support, PhD supervision, and a range of academic operational groups from undergraduate recruitment to faculty school liaison. In 2011, she moved to the Australian National University to take on the role of Deputy Registrar – Student Services where a year later she was appointed Registrar – Student Services and then the Registrar Student Life in February 2014.

**Mr Paul Beard, Chief Operating Officer**

Mr Beard was first appointed to UniSA in 2001 as Executive Director and Vice President: Finance and Resources. In November 2009, he took up a new role at UniSA as Chief Operating Officer with overall responsibility for Facilities Management, Finance, Information Strategy and Technology Services and the Library.

**Ms Jane Booth, Executive Director: People, Talent and Culture**

Ms Booth is an experienced leader with proven expertise in people and talent development, culture transformation and change. Jane's key responsibilities include: leading the Human Resource functions of the University including Workplace Strategy, People Development and Performance, Wellbeing and Employee Benefits, Employee Relations, Recruitment Operations, Payroll and Superannuation; supporting the team who deliver people services to over 6,000 academic and professional staff; and enabling them to support UniSA's aspirations with and through our people.



# Senior Academic and Administration Structure



The Divisional Pro Vice Chancellors report to the Provost and Chief Academic Officer for teaching, learning and student experience matters and on the delivery of academic strategy. For matters of University-wide significance and other targeted strategic planning issues, the Divisional Pro Vice Chancellors report to the Vice Chancellor.

# Administration

## THE VICE CHANCELLOR

The Vice Chancellor and President is the University's Chief Executive Officer, and is responsible for its management and administration. The Vice Chancellor is appointed by, and reports to, University Council, which delegates to the Vice Chancellor a range of powers and functions. The Vice Chancellor, in turn, authorises appropriate staff to manage the University's affairs. The responsibilities of each type of management position are detailed in the Vice Chancellor's Authorisations.

See our website [unisa.edu.au/policies/policies/corporate/C32.asp](http://unisa.edu.au/policies/policies/corporate/C32.asp)

## SENIOR MANAGEMENT

The University's senior managers are the Deputy Vice Chancellors, Provost and Chief Academic Officer, Pro Vice Chancellors, Chief Operating Officer and Executive Director, People, Talent and Culture. With the Vice Chancellor, they form the Senior Management Group, which meets regularly and provides advice to the Vice Chancellor on operational and policy matters. Senior managers lead the University's academic divisions or co-ordinating portfolios.

## FREEDOM OF INFORMATION

The Freedom of Information Act 1991 gives individuals a legally enforceable right to access documents held by South Australian universities, subject to certain restrictions. UniSA strives to be an open and accountable organisation in accordance with the Act.

During 2018, we received four applications to access records under the Act. Out of the four applications, one resulted in full release and two resulted in partial release of the requested documents. In relation to the one remaining application, the requested information could not be located within the University's records.

## RISK MANAGEMENT

The University Council's Risk Management Policy establishes principles to ensure that risk management is integral to all processes, helps to achieve objectives, and contributes to ongoing performance improvement.

Key elements of the framework include:

- the maintenance and reporting of risk registers that identify key risks at organisational unit level;

- the maintenance and reporting of a university-wide risk register;
- the systematic risk assessment of all projects;
- a systematic approach to the identification, assessment and audit of legislative risk; and
- annual risk assessments of all controlled, associated and partly-owned entities.

We maintain our capacity to respond appropriately to crises through a framework of trained emergency response groups, and a high-level crisis management committee. In addition, management annually certifies to Council that the University risk management and internal compliance and control systems are operating effectively in all material respects. This certification is supported by a process involving questionnaires on control and risk management that are completed by all senior managers and major organisational units.

# Council Committees

The Council has a number of standing committees, the performance and effectiveness of each is part of Council's annual review process.

These committees are:

- Academic Board;
- Finance Committee;
- The UniSA Foundation Committee;
- Urgent Business Committee;
- Audit and Risk Management Committee;
- Senior Remuneration Committee;
- Senior Academic Promotions Committee;
- Governance and Legislation Committee;
- Honorary Awards Committee;
- Academic Standards & Quality Committee.

Committees of Academic Board

- Academic Standards and Quality Committee;
- Research Degrees Committee;
- Research Leadership Committee;
- Research Integrity Committee.



# Legislative Requirements

**UniSA is governed by the University of South Australia Act 1990. Under sections 4–6 of the Act, the University is constituted as a body corporate with the usual associated powers. It has a seal, and it may sue and be sued in its corporate name.**

## THE UNIVERSITY'S FUNCTIONS

Under the Act, the University's functions are to:

- preserve, extend and disseminate knowledge through teaching, research, scholarship, consultancy or any other means;
- 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;
- provide such tertiary education programs as the University thinks appropriate to meet the needs of Australia's Indigenous people;
- provide such tertiary education programs as the University thinks appropriate to meet the needs of groups within the community whom the University considers have suffered disadvantage in education;
- 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;
- foster and further an active corporate life within the University;

- perform any functions ancillary or incidental to the functions referred to above; and
- strive for excellence in teaching and research, and to attain the highest standards in education.

## TEQSA REGISTRATION

Our re-registration with TEQSA (Tertiary Education Quality and Standards Agency) was approved in September 2016 for a period of seven years to September 2023.

## THE UNIVERSITY'S POWERS

The powers of the University, described in Section 6 of the Act, may be exercised inside or outside South Australia and Australia.

For example, the University may:

- enter into contracts;
- acquire, hold, dispose of, and deal with property; and
- confer academic awards jointly with another University or registered training organisation.

## UNIVERSITY COUNCIL

Under Section 10 of the Act, the University Council is responsible for the accountability and control of University affairs. The Act also defines financial responsibilities and specific matters on which statutes can be made. The Council must, in all matters, endeavour to advance the interests of the University.

## COUNCIL RESPONSIBILITIES

Council's main responsibilities are assigned in part 3 of the Act.

They include:

- appointing the Vice Chancellor as Chief Executive Officer of the University;
- approving the mission and strategic direction of the University, as well as the annual budget and business plan;
- overseeing the management and performance of the University;
- establishing policy and procedural principles consistent with legal requirements and community expectations;
- approving and monitoring systems of control and accountability, including general overview of any;
- entities controlled by the University;
- overseeing and monitoring the assessment and management of risk across the University, including commercial undertakings;
- overseeing and monitoring academic activities across the University; and
- approving significant commercial activities of the University.





2018

# annual financial statements



University of  
South Australia



# 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 2018.

### **2018 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 (commenced as Chancellor 1 September 2018)  
Mr Jim McDowell, Chancellor (until 31 August 2018)  
Professor David Lloyd, Vice Chancellor and President  
Dr Wendy Craik AM, Deputy Chancellor (until 31 March 2018)  
Hon John Hill, Deputy Chancellor (commenced as Deputy Chancellor 19 December 2018)  
Mr Jim Hazel, Pro Chancellor (commenced as Pro Chancellor 19 December 2018)  
Mr Michael Abbott AO QC  
Mr Eric Granger  
Ms Karen Hunt  
Professor Caroline McMillen (commenced 19 December 2018)  
Mr Jordan Mumford (until 31 December 2018)  
Ms Mary Patetsos  
Ms Kate Riggall (until 31 December 2018)  
Ms Miriam Silva  
Associate Professor Deirdre Tedmanson  
Professor Vicki Waye  
Mr Jim Whalley

The remuneration of Council members is detailed in Note 23(b) of the Financial Statements.

### **Changes in Council membership since 31 December 2018**

Ms Grace Dixon (term commenced 1 January 2019)  
Ms Nida Baig (term commenced 1 January 2019)



## 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 2018, and the numbers of meetings attended by each member were:

| Member of Council                 | Meetings of Council Committees |   |                |   |                         |   |         |   |                    |   |                   |   |                     |   |            |   |                        |   |                 |   |
|-----------------------------------|--------------------------------|---|----------------|---|-------------------------|---|---------|---|--------------------|---|-------------------|---|---------------------|---|------------|---|------------------------|---|-----------------|---|
|                                   | Council Meetings               |   | Academic Board |   | Audit & Risk Management |   | Finance |   | Immediate Business |   | Senior Promotions |   | Senior Remuneration |   | Foundation |   | Governance Legislation |   | Honorary Awards |   |
|                                   | A                              | B | A              | B | A                       | B | A       | B | A                  | B | A                 | B | A                   | B | A          | B | A                      | B | A               | B |
| Mr Jim McDowell                   | 5                              | 5 |                |   |                         |   |         |   |                    |   |                   |   | 2                   | 2 | 2          | 2 | 1                      | 1 | 1               | 1 |
| Ms Pauline Carr                   | 7                              | 8 |                |   | 5                       | 5 | 5       | 7 | 4                  | 4 |                   |   | 3                   | 3 | 1          | 1 | 1                      | 1 | 1               | 1 |
| Professor David Lloyd             | 8                              | 8 | 5              | 8 | 5                       | 5 | 6       | 7 | 4                  | 4 | 4                 | 4 | 3                   | 3 | 3          | 3 | 2                      | 2 | 2               | 2 |
| Dr Wendy Craik AM                 | 1                              | 2 |                |   |                         |   |         |   |                    |   |                   |   |                     |   |            |   |                        |   |                 |   |
| Hon John Hill                     | 8                              | 8 |                |   |                         |   | 7       | 7 |                    |   |                   |   | 1                   | 1 |            |   | 2                      | 2 |                 |   |
| Mr Jim Hazel                      | 5                              | 8 |                |   | 3                       | 5 | 6       | 7 |                    |   |                   |   |                     |   |            |   |                        |   |                 |   |
| Mr Michael Abbott AO QC           | 6                              | 8 |                |   |                         |   |         |   |                    |   |                   |   |                     |   | 3          | 3 | 2                      | 2 |                 |   |
| Mr Eric Granger                   | 7                              | 8 |                |   |                         |   |         |   |                    |   |                   |   |                     |   | 3          | 3 |                        |   |                 |   |
| Ms Karen Hunt                     | 7                              | 8 |                |   |                         |   |         |   | 4                  | 4 |                   |   |                     |   |            |   | 2                      | 2 |                 |   |
| Mr Jordan Mumford                 | 8                              | 8 | 8              | 8 |                         |   |         |   |                    |   |                   |   |                     |   |            |   | 2                      | 2 |                 |   |
| Ms Mary Patetsos                  | 8                              | 8 |                |   |                         |   |         |   |                    |   |                   |   | 2                   | 3 |            |   |                        |   | 2               | 2 |
| Ms Kate Riggall                   | 8                              | 8 |                |   |                         |   |         |   |                    |   |                   |   |                     |   |            |   |                        |   |                 |   |
| Ms Miriam Silva                   | 4                              | 8 |                |   |                         |   | 5       | 7 |                    |   |                   |   |                     |   | 1          | 3 |                        |   |                 |   |
| Associate Prof. Deirdre Tedmanson | 8                              | 8 |                |   |                         |   |         |   | 4                  | 4 |                   |   |                     |   |            |   | 2                      | 2 |                 |   |
| Professor Vicki Waye              | 7                              | 8 | 7              | 8 |                         |   |         |   |                    |   |                   |   |                     |   |            |   |                        |   | 2               | 2 |
| Mr Jim Whalley                    | 7                              | 8 |                |   | 3                       | 5 |         |   |                    |   |                   |   |                     |   |            |   |                        |   |                 |   |
|                                   |                                |   |                |   |                         |   |         |   |                    |   |                   |   |                     |   |            |   |                        |   |                 |   |

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.

## **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 Indigenous 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 2018 year.

## **Review of operations**

The 2018 consolidated surplus was \$19.5 million (2017: \$13.2 million). The surplus resulted in a safety margin (operating result as a percentage of total income) of 3.0% (2017: 2.2%). Income increased by 7.8% to \$658.5 million while expenses grew by 6.9% to \$638.9 million.

The University's consolidated financial position remained sound during the 2018 year with net assets of \$1,209 million (2017: \$1,189 million). Cash balances decreased slightly to \$182.2 million at year end (2017: \$188.2 million) primarily due to the University's capital program.

Consolidated cash flows from operating activities in 2018 were \$67.0 million (2017: \$64.1 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 2018 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 2018 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.

## **Likely developments and expected results of operations**

The Group will continue to pursue its principal activities while maintaining its financial sustainability.

## **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**

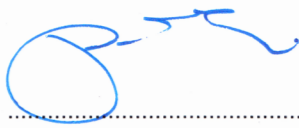
The University has paid insurance premiums in respect to Directors and Officers liability, Directors and Officers supplementary legal expenses and statutory liability, for current and former members of University Council and officers.

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**

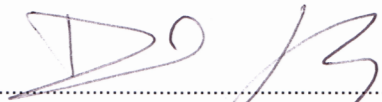
There are no legal proceedings on behalf of the Group that have arisen during the 2018 year or subsequent to year end that affect significantly the operations of the Group.

This report is made in accordance with a resolution of the members of the University Council in Adelaide, South Australia on 2 May 2019.



**Ms Pauline Carr  
Chancellor**

**2 May 2019**



**Professor David G. Lloyd  
Vice Chancellor and President**

**2 May 2019**



## STATEMENT OF COMPREHENSIVE INCOME

### FOR THE YEAR ENDED 31 DECEMBER 2018

|  |       | Consolidated   |                | University     |                |
|--|-------|----------------|----------------|----------------|----------------|
|  |       | 2018           | 2017           | 2018           | 2017           |
|  | Notes | \$'000         | \$'000         | \$'000         | \$'000         |
| <b>Income from continuing operations</b>   |       |                |                |                |                |
| <b>Australian Government financial assistance</b>  |       |                |                |                |                |
| Australian Government grants   | 2     | 268,702        | 260,952        | 268,718        | 260,952        |
| HECS-HELP - Australian Government payments   | 2     | 129,178        | 122,433        | 129,178        | 122,433        |
| FEE-HELP   | 2     | 8,390          | 9,090          | 8,390          | 9,090          |
| SA-HELP  | 2     | 3,431          | 3,088          | 3,431          | 3,088          |
| State and Local Government financial assistance  | 3     | 10,850         | 9,902          | 10,850         | 9,902          |
| HECS-HELP - Student payments   |       | 9,973          | 10,145         | 9,973          | 10,145         |
| Fees and charges   | 4     | 145,429        | 132,910        | 145,429        | 132,910        |
| Investment income  | 5     | 15,310         | 8,483          | 15,297         | 8,462          |
| Royalties  |       | 390            | 370            | 62             | 83             |
| Consultancy and contract research  | 6     | 41,676         | 38,405         | 41,603         | 38,628         |
| Other revenue  | 7     | 25,439         | 15,038         | 24,934         | 14,937         |
| Gain / (Loss) on disposal of assets  | 8     | (301)          | 1              | (301)          | 1              |
| <b>Total income from continuing operations</b>   |       | <b>658,467</b> | <b>610,817</b> | <b>657,564</b> | <b>610,631</b> |
| <b>Expenses from continuing operations</b>   |       |                |                |                |                |
| Employee-related expenses  | 9     | 397,490        | 377,374        | 395,292        | 375,316        |
| Depreciation and amortisation  |       | 40,763         | 33,632         | 40,747         | 33,614         |
| Repairs and maintenance  |       | 14,366         | 18,155         | 14,361         | 18,154         |
| Impairment of property, plant and equipment  | 16    | 697            | -              | 697            | -              |
| Other expenses   | 10    | 185,243        | 168,129        | 186,704        | 169,802        |
| Bad and doubtful debts   |       | 317            | 496            | 317            | 456            |
| <b>Total expenses from continuing operations</b>   |       | <b>638,876</b> | <b>597,786</b> | <b>638,118</b> | <b>597,342</b> |
| <b>Operating result before income tax</b>  |       | <b>19,591</b>  | <b>13,031</b>  | <b>19,446</b>  | <b>13,289</b>  |
| Income tax (income) / expense  |       | 87             | (138)          | 40             | 18             |
| <b>Operating result attributable to members of University of South Australia</b>                   |       | <b>19,504</b>  | <b>13,169</b>  | <b>19,406</b>  | <b>13,271</b>  |
| <b>Items that may be reclassified to profit or loss:</b>   |       |                |                |                |                |
| Available-for-sale financial assets valuation gain taken to equity                                 |       | -              | 5,264          | -              | 5,264          |
| Available-for-sale financial assets transfer to profit or loss                                     |       | -              | (85)           | -              | (85)           |
| <b>Total</b>   |       | <b>-</b>       | <b>5,179</b>   | <b>-</b>       | <b>5,179</b>   |
| <b>Items that will not be reclassified to profit or loss:</b>                                      |       |                |                |                |                |
| Gain / (Loss) on revaluation of Land, Buildings and Infrastructure                                 |       | -              | (3,527)        | -              | (3,527)        |
| Gain / (Loss) on equity instruments designated at fair value through other comprehensive income    |       | 922            | -              | 922            | -              |
| <b>Total</b>   |       | <b>922</b>     | <b>(3,527)</b> | <b>922</b>     | <b>(3,527)</b> |
| <b>Total comprehensive income attributable to the members of the University of South Australia</b> |       | <b>20,426</b>  | <b>14,821</b>  | <b>20,328</b>  | <b>14,923</b>  |

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



**STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2018

|   | Notes | Consolidated     |                  | University       |                  |
|---|-------|------------------|------------------|------------------|------------------|
|   |       | 2018<br>\$'000   | 2017<br>\$'000   | 2018<br>\$'000   | 2017<br>\$'000   |
| <b>Current assets</b>                           |       |                  |                  |                  |                  |
| Cash and cash equivalents                       | 11    | 182,169          | 188,216          | 180,549          | 186,716          |
| Receivables                                     | 12    | 21,847           | 23,150           | 21,364           | 22,765           |
| Other financial assets                          | 14    | 6,161            | 7,429            | 6,161            | 7,429            |
| Deferred Government superannuation contribution | 28    | 30,493           | 30,900           | 30,493           | 30,900           |
| Other non-financial assets                      | 15    | 18,434           | 16,921           | 18,389           | 16,878           |
| <b>Total current assets</b>                     |       | <b>259,104</b>   | <b>266,616</b>   | <b>256,956</b>   | <b>264,688</b>   |
| <b>Non-current assets</b>                       |       |                  |                  |                  |                  |
| Other financial assets                          | 14    | 44,360           | 41,938           | 46,424           | 43,999           |
| Property, plant and equipment                   | 16    | 1,105,596        | 1,087,150        | 1,105,583        | 1,087,129        |
| Deferred tax assets                             |       | 558              | 563              | -                | -                |
| Intangible assets                               | 17    | 5,374            | 5,382            | 5,374            | 5,382            |
| Deferred Government superannuation contribution | 28    | 381,364          | 385,042          | 381,364          | 385,042          |
| <b>Total non-current assets</b>                 |       | <b>1,537,252</b> | <b>1,520,075</b> | <b>1,538,745</b> | <b>1,521,552</b> |
| <b>Total assets</b>                             |       | <b>1,796,356</b> | <b>1,786,691</b> | <b>1,795,701</b> | <b>1,786,240</b> |
| <b>Current liabilities</b>                      |       |                  |                  |                  |                  |
| Trade and other payables                        | 18    | 45,039           | 52,078           | 45,361           | 52,516           |
| Provisions                                      | 20    | 61,004           | 59,320           | 60,768           | 59,122           |
| Current tax liabilities                         |       | 101              | 73               | 86               | 65               |
| Other liabilities                               | 21    | 53,793           | 56,026           | 53,581           | 55,759           |
| Defined benefit obligation                      | 28    | 30,493           | 30,900           | 30,493           | 30,900           |
| <b>Total current liabilities</b>                |       | <b>190,430</b>   | <b>198,397</b>   | <b>190,289</b>   | <b>198,362</b>   |
| <b>Non-current liabilities</b>                  |       |                  |                  |                  |                  |
| Trade and other payables                        | 18    | 1,863            | 1,740            | 1,863            | 1,740            |
| Provisions                                      | 20    | 13,469           | 12,708           | 13,469           | 12,708           |
| Defined benefit obligation                      | 28    | 381,364          | 385,042          | 381,364          | 385,042          |
| <b>Total non-current liabilities</b>            |       | <b>396,696</b>   | <b>399,490</b>   | <b>396,696</b>   | <b>399,490</b>   |
| <b>Total liabilities</b>                        |       | <b>587,126</b>   | <b>597,887</b>   | <b>586,985</b>   | <b>597,852</b>   |
| <b>Net assets</b>                               |       | <b>1,209,230</b> | <b>1,188,804</b> | <b>1,208,716</b> | <b>1,188,388</b> |
| <b>Equity</b>                                   |       |                  |                  |                  |                  |
| Reserves  | 22    | 255,430          | 254,218          | 255,430          | 254,218          |
| Retained earnings                               |       | 953,800          | 934,586          | 953,286          | 934,170          |
| <b>Total equity</b>                             |       | <b>1,209,230</b> | <b>1,188,804</b> | <b>1,208,716</b> | <b>1,188,388</b> |

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



**STATEMENT OF CHANGES IN EQUITY**  
FOR THE YEAR ENDED 31 DECEMBER 2018

|  | <b>Consolidated</b> |                          |                  | <b>University</b> |                          |                  |
|--|---------------------|--------------------------|------------------|-------------------|--------------------------|------------------|
|  | <b>Reserves</b>     | <b>Retained earnings</b> | <b>Total</b>     | <b>Reserves</b>   | <b>Retained earnings</b> | <b>Total</b>     |
|  | <b>\$'000</b>       | <b>\$'000</b>            | <b>\$'000</b>    | <b>\$'000</b>     | <b>\$'000</b>            | <b>\$'000</b>    |
| <b>Balance as at 1 January 2017</b>  | 252,566             | 921,417                  | 1,173,983        | 252,566           | 920,899                  | 1,173,465        |
| Profit or loss   | -                   | 13,169                   | 13,169           | -                 | 13,271                   | 13,271           |
| Available-for-sale financial assets valuation gain taken to equity         | 5,264               | -                        | 5,264            | 5,264             | -                        | 5,264            |
| Available-for-sale financial assets valuation gain taken to profit or loss | (85)                | -                        | (85)             | (85)              | -                        | (85)             |
| Loss on revaluation of Land, Buildings and Infrastructure                  | (3,527)             | -                        | (3,527)          | (3,527)           | -                        | (3,527)          |
| <b>Total comprehensive income</b>  | <b>1,652</b>        | <b>13,169</b>            | <b>14,821</b>    | <b>1,652</b>      | <b>13,271</b>            | <b>14,923</b>    |
| <b>Balance as at 31 December 2017</b>                                      | <b>254,218</b>      | <b>934,586</b>           | <b>1,188,804</b> | <b>254,218</b>    | <b>934,170</b>           | <b>1,188,388</b> |

|   | <b>Consolidated</b> |                          |                  | <b>University</b> |                          |                  |
|---|---------------------|--------------------------|------------------|-------------------|--------------------------|------------------|
|   | <b>Reserves</b>     | <b>Retained earnings</b> | <b>Total</b>     | <b>Reserves</b>   | <b>Retained earnings</b> | <b>Total</b>     |
|   | <b>\$'000</b>       | <b>\$'000</b>            | <b>\$'000</b>    | <b>\$'000</b>     | <b>\$'000</b>            | <b>\$'000</b>    |
| <b>Balance at 1 January 2018</b>  | 254,218             | 934,586                  | 1,188,804        | 254,218           | 934,170                  | 1,188,388        |
| Profit or loss  | -                   | 19,504                   | 19,504           | -                 | 19,406                   | 19,406           |
| Gain/ (Loss) on equity instruments designated at fair value through other comprehensive income  | 922                 | -                        | 922              | 922               | -                        | 922              |
| Transfer of fair value reserve of equity instruments designated at fair value through other comprehensive income to retained earnings | 290                 | (290)                    | -                | 290               | (290)                    | -                |
| <b>Total comprehensive income</b>   | <b>1,212</b>        | <b>19,214</b>            | <b>20,426</b>    | <b>1,212</b>      | <b>19,116</b>            | <b>20,328</b>    |
| <b>Balance as at 31 December 2018</b>   | <b>255,430</b>      | <b>953,800</b>           | <b>1,209,230</b> | <b>255,430</b>    | <b>953,286</b>           | <b>1,208,716</b> |

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



## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 31 DECEMBER 2018

|   | Notes | Consolidated    |           | University      |           |
|---|-------|-----------------|-----------|-----------------|-----------|
|   |       | 2018            | 2017      | 2018            | 2017      |
|   |       | \$'000          | \$'000    | \$'000          | \$'000    |
| <b>Cash flows from operating activities:</b>                            |       |                 |           |                 |           |
| Inflows:  |       |                 |           |                 |           |
| Australian Government grants received                                   |       | 403,415         | 399,738   | 403,476         | 399,738   |
| OS-HELP (Net)   | 36(g) | 324             | 1,114     | 324             | 1,114     |
| Superannuation supplementation  | 36(h) | 26,601          | 32,691    | 26,601          | 32,691    |
| State and Local Government grants                                       |       | 11,074          | 14,045    | 11,074          | 14,045    |
| HECS-HELP - Student payments  |       | 9,973           | 10,145    | 9,973           | 10,145    |
| Receipts from student fees and other customers                          |       | 158,533         | 140,816   | 158,027         | 140,713   |
| Dividends received  |       | 8,563           | 561       | 8,563           | 561       |
| Interest received   |       | 4,191           | 10,242    | 4,178           | 10,221    |
| Royalties   |       | 390             | 370       | 62              | 83        |
| Consultancy and contract research                                       |       | 45,049          | 39,592    | 45,123          | 39,520    |
| Other receipts  |       | 28,945          | 15,038    | 28,585          | 15,228    |
| GST recovered / (paid)  |       | 13,854          | 22,591    | 14,080          | 22,829    |
| Outflows:   |       |                 |           |                 |           |
| Payments to suppliers and employees (GST incl)                          |       | (643,938)       | (622,874) | (643,219)       | (623,223) |
| <b>Net cash provided by / (used in) operating activities</b>            | 33    | <b>66,974</b>   | 64,069    | <b>66,847</b>   | 63,665    |
| <b>Cash flows from investing activities:</b>                            |       |                 |           |                 |           |
| Inflows:  |       |                 |           |                 |           |
| Proceeds from sale of property, plant and equipment                     |       | 237             | 3,307     | 237             | 3,307     |
| Proceeds from sale of Investments                                       |       | 4,136           | 4,080     | 4,136           | 4,080     |
| Outflows:   |       |                 |           |                 |           |
| Payments for property, plant and equipment                              |       | (71,756)        | (195,182) | (71,749)        | (195,168) |
| Payments for investments  |       | (5,638)         | (5,847)   | (5,638)         | (5,765)   |
| <b>Net cash provided by / (used in) investing activities</b>            |       | <b>(73,021)</b> | (193,642) | <b>(73,014)</b> | (193,546) |
| <b>Net increase / (decrease) in cash and cash equivalents</b>           |       | <b>(6,047)</b>  | (129,573) | <b>(6,167)</b>  | (129,881) |
| <b>Cash and cash equivalents at the beginning of the financial year</b> |       | <b>188,216</b>  | 317,789   | <b>186,716</b>  | 316,597   |
| <b>Cash and cash equivalents at the end of the financial year</b>       | 11    | <b>182,169</b>  | 188,216   | <b>180,549</b>  | 186,716   |

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





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## **1. Summary of significant accounting policies**

### **General information**

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

#### **(a) Basis of preparation**

The annual financial statements represent the audited general purpose financial statements which have been prepared on an accrual basis in accordance with Australian Accounting Standards (AAS), AASB Interpretations, requirements of the Department of Education and Training (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 the 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*.

In our opinion, the financial statements and notes of the Group comply with Australian Standards, some of which contain requirements specific to not-for-profit (NFP) entities that are inconsistent with International Financial Reporting Standards.

#### **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, and valuation and depreciation of property, plant and equipment. 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 29. 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 has an interest in nine Co-operative Research Centres. During 2018 the University provided funding to Co-operative Research Centres through cash contributions and research resources (in-kind) support.

The Co-operative Research Centres are:

- Co-operative Research Centre for Cell Therapy Manufacturing
- Co-operative Research Centre for Contamination Assessment and Remediation of the Environment II
- Co-operative Research Centre for Low Carbon Living
- Data to Decisions Co-operative Research Centre
- Digital Health CRC
- Innovative Manufacturing Co-operative Research Centre
- iMove Co-operative Research Centre
- MinEx CRC
- Wound Management Innovation Co-operative Research Centre

### (f) Changes in accounting policies

Australian accounting standards and interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the University for the reporting period ending 31 December 2018.

The application of the AASBs highlighted below may result in material changes to the University's future financial reports, however the quantitative effects of the University adopting these standards is still being assessed.

#### *AASB 15 Revenue from Contracts with Customers*

The Australian Accounting Standards Board issued new accounting standard AASB 15 *Revenue from Contracts with Customers* on 12 December 2014 which is mandatory for adoption from 1 January 2019. Early adoption is not permitted by EDUCATION.

AASB 15 establishes a single and comprehensive framework which sets out how and when revenue is recognised. The core principle of AASB 15 is that revenue is recognised when transfers of goods or services to customers occur in exchange for consideration which the vendor expects to be entitled to in exchange for the provision of those goods or services (i.e. fulfilment of performance obligations). Revenue will only be recognised when control over the goods or services is transferred to the customer, either over time or at a point in time.

#### *AASB 1058 Income of Not-for-Profit Entities*

The Australian Accounting Standards board issued new accounting standard AASB 1058 *Income of Not-for-Profit Entities* on 20 December 2016 which is mandatory for adoption 1 January 2019. The standard supersedes all the income recognition requirements relating to private sector not-for-profit (NFP) entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 *Contributions*. AASB 1058 clarifies and simplifies the income recognition requirements that apply to NFP entities, in conjunction with AASB 15.

#### *Estimated impact of adoption of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-For-Profit Entities*

The University will adopt the modified retrospective approach in 2019 whereby comparatives are not adjusted, and opening balance adjustments will be made to equity effective 1 January 2019. The University has elected to exclude donations and bequests from deferral of income on adoption of AASB 1058 and AASB 15, where they have been recognised as income under AASB 1004 prior to 31 December 2018.

The University has elected to adopt the input method, except where the output method is deemed more appropriate due to the nature of the contract to recognise the completion of performance obligations. The adjustment to retained earnings as at 1 January 2019 is estimated to be a decrease of about \$27.00 million, with an equal increase in deferred revenue liabilities to approximately \$61.00 million.



## 1. Summary of significant accounting policies (continued)

### (f) Changes in accounting policies (continued)

Under AASB 15 and AASB 1058 amounts received which are required to be applied as cash payments to third parties, including scholarships and payments to other institutions, are required to be recognised as financial liabilities under AASB 9 and will no longer be recorded as revenue. Upon adoption this is expected to be about \$4.00 million.

If AASB 15 and AASB 1058 were applied to the income received in 2018 it is estimated the University revenue would not be materially different due to the current policy of revenue deferral as detailed in Note 2, with an estimated decrease of \$3.00 to \$5.00 million. The actual impact in the 2019 Annual Financial Statements will vary due to levels of income received, completion of performance obligations and the content of agreements.

#### AASB 16 Leases

The Australian Accounting Standards board issued new accounting standard AASB 16 *Leases* in February 2016 which is mandatory for adoption 1 January 2019. Early adoption is not permitted by EDUCATION.

AASB 16 introduces a single accounting treatment for lessees, that is, recognition of a right-of-use asset and a lease liability. For lessors the finance and operating lease distinction and the accounting for leases remain largely unchanged.

#### Estimated impact of the adoption of AASB 16 Leases

The University will adopt the modified retrospective approach in 2019 whereby comparatives are not adjusted, and opening balance adjustments will be made to equity effective 1 January 2019. The adjustment to retained earnings as at 1 January 2019 is estimated to be nil. Based on the leases in place as at 31 December 2018 in the 2019 Annual Financial Statements the University will recognise a right-of-use asset and lease liability of an estimated \$8.60 million and expects any change to lease expenditure to be immaterial. The actual impact in the 2019 Annual Financial Statements will vary due to any changes in the lease terms and any new leases commenced.

#### AASB 1059 Service Concession Arrangements: Grantors

The Australian Accounting Standards Board issued new accounting standard AASB 1059 *Service Concession Arrangements: Grantors* in July 2017 which is mandatory for adoption from 1 January 2020.

AASB 1059 applies to concession arrangements where the operator provides public services related to a service concession asset on behalf of a grantor. Where the grantor controls a service concession asset it must therefore recognise the asset in its financial statements.

The University does not believe that the adoption of AASB 1059 will have a material impact.

### (g) Initial application of AASB 9 Financial Instruments

Adoption of AASB 9 is made in accordance with the transitional provisions. The nature and effect of the changes as a result of adoption of these new accounting standards and interpretations are described below.

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. The University applied AASB 9 from 1 January 2018. The University has not restated the comparative information, which continues to be reported under AASB 139.

#### (i) Classification and measurement

Under AASB 9, debt instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through other comprehensive income (OCI). The classification is based on two criteria: the University's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.



## 1. Summary of significant accounting policies (continued)

## (g) Initial application of AASB 9 Financial Instruments (continued)

The assessment of the University's business model and whether contractual cash flows on debt instruments are solely comprised of principal and interest was made on initial application as at 1 January 2018 based on the current facts and circumstances at initial recognition. The classification and measurement requirements of AASB 9 does not have a significant impact to the University and the University will continue to measure financial assets previously held at fair value under AASB 139 at fair value. As a result the changes in the classification of the University's financial assets are as follows:

- (a) Trade receivables classified as loans and receivables as at 31 December 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as debt instruments at amortised cost from 1 January 2018.
- (b) Equity investments in non-listed companies classified as available-for-sale financial assets as at 31 December 2017 are classified and measured as equity instruments designated at fair value through OCI from 1 January 2018. The University elected to classify irrevocably its non-listed equity investments under this category at the date of initial application as it intends to hold these investments for the foreseeable future. There were no impairment losses recognised in profit or loss for these investments in prior periods.
- (c) Listed equity investments classified as available-for-sale financial assets as at 31 December 2017 are classified and measured as financial assets at fair value through OCI from 1 January 2018.

The University has not designated any financial liabilities as at fair value through profit or loss. There are no changes in classification and measurement for the University's financial liabilities.

The table below details the reclassification upon adoption under AASB 9 as at 1 January 2018, with the historical treatment under AASB 139 of trade receivables and available-for-sale investments and the revised treatment under AASB 9 of amortised cost and fair value through other comprehensive income (OCI).

|                                      | Consolidated                |                        |        | University                  |                        |        |
|--------------------------------------|-----------------------------|------------------------|--------|-----------------------------|------------------------|--------|
|                                      | 2018 treatment under AASB 9 |                        |        | 2018 treatment under AASB 9 |                        |        |
|                                      | Amortised cost              | Fair value through OCI | Total  | Amortised cost              | Fair value through OCI | Total  |
|                                      | \$'000                      | \$'000                 | \$'000 | \$'000                      | \$'000                 | \$'000 |
| <b>2017 treatment under AASB 139</b> |                             |                        |        |                             |                        |        |
| <b>Loans and receivables</b>         |                             |                        |        |                             |                        |        |
| Trade receivables                    | 23,150                      | -                      | 23,150 | 22,765                      | -                      | 22,765 |
| <b>Available-for-sale</b>            |                             |                        |        |                             |                        |        |
| Listed equity investments            | -                           | 15,166                 | 15,166 | -                           | 15,166                 | 15,166 |
| Non-listed equity investments        | -                           | 26,772                 | 26,772 | -                           | 24,802                 | 24,802 |
|                                      | 23,150                      | 41,938                 | 65,088 | 22,765                      | 39,968                 | 62,733 |




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

|   | <b>Note</b> | <b>Consolidated</b> |               | <b>University</b> |               |
|---|-------------|---------------------|---------------|-------------------|---------------|
|   |             | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|   |             | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| Commonwealth Grants Scheme and other grants                   | 36(a)       | <b>191,699</b>      | 190,062       | <b>191,699</b>    | 190,062       |
| Higher Education Loan Programs                                | 36(b)       | <b>140,999</b>      | 134,611       | <b>140,999</b>    | 134,611       |
| Education Research  | 36(c)       | <b>35,116</b>       | 35,305        | <b>35,116</b>     | 35,305        |
| Other capital funding   | 36(e)       | <b>37</b>           | 8             | <b>37</b>         | 8             |
| Australian Research Council                                   | 36(f)       | <b>6,788</b>        | 7,951         | <b>6,788</b>      | 7,951         |
| <b>Total CGS, HELP, Scholarships and Research grants</b>      |             | <b>374,639</b>      | 367,937       | <b>374,639</b>    | 367,937       |
| <b>Other Australian Government financial assistance</b>       |             |                     |               |                   |               |
| <b>Non-capital</b>  |             | <b>35,062</b>       | 27,626        | <b>35,078</b>     | 27,626        |
| <b>Capital</b>  |             | -                   | -             | -                 | -             |
| <b>Total Other Australian Government financial assistance</b> |             | <b>35,062</b>       | 27,626        | <b>35,078</b>     | 27,626        |
| <b>Total Australian Government financial assistance</b>       |             | <b>409,701</b>      | 395,563       | <b>409,717</b>    | 395,563       |

**Accounting policy**
**EDUCATION financial assistance (including Commonwealth Grant Scheme, Higher Education Loan Programs and EDUCATION Research)**

The University recognises EDUCATION financial assistance as revenue in the year in which it had been designated for the funding of teaching and research.

**Other financial assistance (including ARC, NHMRC, Australian Government and State Government)**

Grants received which have specified conditions which give the grantor the right to recall funds not spent in accordance with the specific agreement imposes on the University a performance obligation. That is, the University is required to consume the future economic benefits of the grant as specified, or return the grant to the grantor. Therefore these grants are deferred until this performance obligation has been extinguished and the grant funds have been expended in accordance with their respective agreement or the grantor has exercised the right for funds to be repaid or transferred.

Other grants which do not contain specified conditions are recognised on receipt.

**3. State and Local Government financial assistance**

|  | Consolidated  |              | University    |              |
|--|---------------|--------------|---------------|--------------|
|  | 2018          | 2017         | 2018          | 2017         |
|  | \$'000        | \$'000       | \$'000        | \$'000       |
| Non-capital research grants                                  | 10,306        | 9,243        | 10,306        | 9,343        |
| Non-capital other  | 544           | 659          | 544           | 559          |
| <b>Total State and Local Government financial assistance</b> | <b>10,850</b> | <b>9,902</b> | <b>10,850</b> | <b>9,902</b> |

**Accounting Policy**

State and Local Government financial assistance is measured and recognised in accordance with the accounting policy set out in Note 2 Australian Government financial assistance.

**4. Fees and charges**

|   | Note  | Consolidated   |                | University     |                |
|---|-------|----------------|----------------|----------------|----------------|
|   |       | 2018           | 2017           | 2018           | 2017           |
|   |       | \$'000         | \$'000         | \$'000         | \$'000         |
| <b>Course fees and charges</b>            |       |                |                |                |                |
| Fee-paying onshore overseas students      |       | 122,576        | 109,006        | 122,576        | 109,006        |
| Fee-paying offshore overseas students     |       | 1,188          | 1,013          | 1,188          | 1,013          |
| Continuing education                      |       | 1,475          | 1,377          | 1,475          | 1,377          |
| Fee-paying domestic postgraduate students |       | 3,139          | 3,322          | 3,139          | 3,322          |
| Fee-paying domestic non-award students    |       | 229            | 186            | 229            | 186            |
| <b>Total course fees and charges</b>      |       | <b>128,607</b> | <b>114,904</b> | <b>128,607</b> | <b>114,904</b> |
| <b>Other fees and charges</b>             |       |                |                |                |                |
| Miscellaneous enrolment fees              |       | 8,680          | 10,051         | 8,680          | 10,051         |
| Other fees and charges                    |       | 5,090          | 4,940          | 5,090          | 4,940          |
| Seminar / workshop fees                   |       | 1,735          | 1,895          | 1,735          | 1,895          |
| Student services fees from students       | 36(i) | 1,317          | 1,120          | 1,317          | 1,120          |
| <b>Total other fees and charges</b>       |       | <b>16,822</b>  | <b>18,006</b>  | <b>16,822</b>  | <b>18,006</b>  |
| <b>Total fees and charges</b>             |       | <b>145,429</b> | <b>132,910</b> | <b>145,429</b> | <b>132,910</b> |

**Accounting Policy**

Fees and charges comprise revenue earned from the provision of programs and other services. Fees and charges are recognised in the period in which the programs or services are provided.

**5. Investment income**

|   | <b>Consolidated</b> |               | <b>University</b> |               |
|---|---------------------|---------------|-------------------|---------------|
|   | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|   | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| <b>Interest</b>   |                     |               |                   |               |
| Debt instruments at amortised cost                      | <b>4,659</b>        | -             | <b>4,646</b>      | -             |
| Held to maturity investments                            | -                   | 7,027         | -                 | 7,006         |
| <b>Dividends</b>  |                     |               |                   |               |
| Equity instruments designated at fair value through OCI | <b>10,651</b>       | -             | <b>10,651</b>     | -             |
| Equity investments                                      | -                   | 1,456         | -                 | 1,456         |
| <b>Investment income gains</b>                          | <b>15,310</b>       | <b>8,483</b>  | <b>15,297</b>     | <b>8,462</b>  |

**Accounting Policy**

Interest income is recognised as it accrues. For all financial instruments measured at amortised cost and debt 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.

**6. Consultancy and contract research**

|  | <b>Consolidated</b> |               | <b>University</b> |               |
|--|---------------------|---------------|-------------------|---------------|
|  | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| Consultancy                                    | <b>3,667</b>        | 2,862         | <b>3,620</b>      | 2,809         |
| Contract research                              | <b>38,009</b>       | 35,543        | <b>37,983</b>     | 35,819        |
| <b>Total consultancy and contract research</b> | <b>41,676</b>       | <b>38,405</b> | <b>41,603</b>     | <b>38,628</b> |

**Accounting Policy**

Consultancy and contract research is measured and recognised in accordance with the accounting policy set out in Note 2 Australian Government financial assistance.




**7. Other revenue**

|                            | <b>Consolidated</b> |               | <b>University</b> |               |
|----------------------------|---------------------|---------------|-------------------|---------------|
|                            | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|                            | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| Donations and bequests     | <b>3,639</b>        | 2,142         | <b>3,639</b>      | 2,142         |
| Scholarships and prizes    | <b>1,688</b>        | 1,617         | <b>1,688</b>      | 1,617         |
| Other fees and charges     | <b>7,232</b>        | 5,161         | <b>6,386</b>      | 5,102         |
| Other*                     | <b>12,880</b>       | 6,118         | <b>13,221</b>     | 6,076         |
| <b>Total other revenue</b> | <b>25,439</b>       | 15,038        | <b>24,934</b>     | 14,937        |

\* Included within other for 2018 is an amount for insurance proceeds of \$8.52 million (2017: \$2.00 million).

**Accounting Policy**

Other revenue is recognised when the Group becomes entitled to receive the revenue and the revenue can be reliably measured in accordance with AASB 118 *Revenue*.

**8. Gain / (Loss) on disposal of assets**

|   | <b>Consolidated</b> |               | <b>University</b> |               |
|---|---------------------|---------------|-------------------|---------------|
|   | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|   | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| <b>Disposal of property, plant and equipment</b>                      |                     |               |                   |               |
| Proceeds from sale  | <b>237</b>          | 3,307         | <b>237</b>        | 3,307         |
| Carrying amount of assets sold*                                       | <b>(538)</b>        | (3,612)       | <b>(538)</b>      | (3,612)       |
| <b>Net Gain / (Loss) on disposal of property, plant and equipment</b> | <b>(301)</b>        | (305)         | <b>(301)</b>      | (305)         |
| <b>Sale of shares</b>   |                     |               |                   |               |
| Available-for-sale investments  | -                   | 306           | -                 | 306           |
| <b>Total of Net Gain / (Loss) on disposal of assets</b>               | <b>(301)</b>        | 1             | <b>(301)</b>      | 1             |

\*The 2017 carrying amount of asset sold includes the disposal of Land with a carrying amount of \$3.08 million, resulting in no gain or loss on disposal.

**9. Employee-related expenses**

|  | <b>Consolidated</b> |               | <b>University</b> |               |
|--|---------------------|---------------|-------------------|---------------|
|  | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| <b>Academic</b>  |                     |               |                   |               |
| Salaries   | <b>164,914</b>      | 160,013       | <b>164,712</b>    | 159,860       |
| Contributions to superannuation and pension schemes:               |                     |               |                   |               |
| Emerging cost  | <b>181</b>          | 190           | <b>181</b>        | 190           |
| Funded   | <b>24,724</b>       | 24,056        | <b>24,724</b>     | 24,056        |
| Payroll tax  | <b>9,493</b>        | 8,634         | <b>9,493</b>      | 8,634         |
| Workers' compensation  | <b>98</b>           | 123           | <b>98</b>         | 123           |
| Long service leave   | <b>5,258</b>        | 3,984         | <b>5,258</b>      | 3,984         |
| Annual leave   | <b>10,856</b>       | 10,519        | <b>10,856</b>     | 10,519        |
| <b>Total academic</b>  | <b>215,524</b>      | 207,519       | <b>215,322</b>    | 207,366       |
| <b>Non-academic</b>  |                     |               |                   |               |
| Salaries   | <b>135,603</b>      | 126,795       | <b>133,889</b>    | 125,150       |
| Contributions to superannuation and pension schemes:               |                     |               |                   |               |
| Emerging cost  | <b>181</b>          | 180           | <b>32</b>         | 34            |
| Funded   | <b>21,423</b>       | 19,820        | <b>21,423</b>     | 19,820        |
| Payroll tax  | <b>9,021</b>        | 9,026         | <b>8,925</b>      | 8,937         |
| Workers' compensation  | <b>277</b>          | 459           | <b>277</b>        | 459           |
| Long service leave   | <b>5,023</b>        | 3,752         | <b>5,001</b>      | 3,712         |
| Annual leave   | <b>10,239</b>       | 9,599         | <b>10,224</b>     | 9,614         |
| <b>Total non-academic</b>  | <b>181,767</b>      | 169,631       | <b>179,771</b>    | 167,726       |
| <b>Total academic &amp; non-academic employee related expenses</b> | <b>397,291</b>      | 377,150       | <b>395,093</b>    | 375,092       |
| <b>Council member remuneration</b>                                 | <b>199</b>          | 224           | <b>199</b>        | 224           |
| <b>Total employee-related expenses</b>                             | <b>397,490</b>      | 377,374       | <b>395,292</b>    | 375,316       |

**Accounting Policy**

Refer to Note 20. Provisions for the accounting policy relating to employee benefits and Note 28. Superannuation Plans for the accounting policy relating to employee benefits - Superannuation.


**10. Other expenses**

|  | <b>Consolidated</b> |               | <b>University</b> |               |
|--|---------------------|---------------|-------------------|---------------|
|  | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| Scholarships, grants and prizes                | <b>19,330</b>       | 19,761        | <b>19,330</b>     | 19,761        |
| Non-capitalised equipment                      | <b>9,244</b>        | 6,684         | <b>9,244</b>      | 6,684         |
| Advertising, marketing and promotion           | <b>11,974</b>       | 9,195         | <b>11,951</b>     | 9,182         |
| Telecommunications                             | <b>3,648</b>        | 3,641         | <b>3,636</b>      | 3,629         |
| Travel, staff development and entertainment    | <b>20,650</b>       | 20,433        | <b>20,435</b>     | 20,300        |
| External services                              | <b>64,048</b>       | 55,163        | <b>66,100</b>     | 57,904        |
| IT hardware and software                       | <b>13,995</b>       | 13,715        | <b>14,020</b>     | 13,710        |
| Library subscriptions                          | <b>6,534</b>        | 6,608         | <b>6,534</b>      | 6,608         |
| Printing                                       | <b>2,057</b>        | 2,131         | <b>2,057</b>      | 2,131         |
| Operating lease expenses *                     | <b>3,792</b>        | 3,347         | <b>3,765</b>      | 3,342         |
| Bank charges, legal costs, insurance and taxes | <b>6,572</b>        | 5,722         | <b>6,256</b>      | 5,419         |
| General consumables                            | <b>8,267</b>        | 7,054         | <b>8,248</b>      | 7,040         |
| Utilities                                      | <b>11,177</b>       | 8,395         | <b>11,177</b>     | 8,395         |
| Other  | <b>3,955</b>        | 6,280         | <b>3,951</b>      | 5,697         |
| <b>Total other expenses</b>                    | <b>185,243</b>      | 168,129       | <b>186,704</b>    | 169,802       |

**Accounting Policy**

\* Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are recognised in the Statement of Comprehensive Income over the term of the lease. The operating lease commitments are disclosed in Note 26(b).



**11. Cash and cash equivalents**

|  | <b>Consolidated</b> |               | <b>University</b> |               |
|--|---------------------|---------------|-------------------|---------------|
|  | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| Cash at bank and on hand               | <b>8,203</b>        | 7,565         | <b>7,952</b>      | 7,298         |
| Deposits at call                       | <b>173,966</b>      | 180,651       | <b>172,597</b>    | 179,418       |
| <b>Total cash and cash equivalents</b> | <b>182,169</b>      | 188,216       | <b>180,549</b>    | 186,716       |

**Cash at bank and on hand**

During the year cash at bank and on hand earned an average of 0.18% (2017: 0.23%) 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 1.90% and 2.91% (2017: range between 1.50% and 3.17%). These deposits had an average maturity of 253 days (2017: 297 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.

**12. Receivables**

|  | <b>Consolidated</b> |               | <b>University</b> |               |
|--|---------------------|---------------|-------------------|---------------|
|  | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| Trade debtors                            | <b>11,131</b>       | 11,910        | <b>11,207</b>     | 11,942        |
| Less: Provision for impaired receivables | <b>(115)</b>        | (229)         | <b>(115)</b>      | (229)         |
|  | <b>11,016</b>       | 11,681        | <b>11,092</b>     | 11,713        |
| Student fees                             | <b>4,105</b>        | 3,780         | <b>4,105</b>      | 3,780         |
| Less: Provision for impaired receivables | <b>(622)</b>        | (617)         | <b>(622)</b>      | (617)         |
|  | <b>3,483</b>        | 3,163         | <b>3,483</b>      | 3,163         |
| Commonwealth receivables                 | <b>2,809</b>        | 2,918         | <b>2,809</b>      | 2,918         |
| Other                                    | <b>4,539</b>        | 5,388         | <b>3,980</b>      | 4,971         |
| <b>Total receivables</b>                 | <b>21,847</b>       | 23,150        | <b>21,364</b>     | 22,765        |

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



## 12. Receivables (continued)

### (a) Impaired receivables

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

|  | <b>Consolidated</b> |               |
|--|---------------------|---------------|
|  | <b>2018</b>         | <b>2017</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> |
| At 1 January   | 229                 | 266           |
| Provision for impairment recognised during the year      | 34                  | 167           |
| Receivables written-off during the year as uncollectible | (46)                | (89)          |
| Unused amount reversed and debts collected               | (102)               | (115)         |
| At 31 December   | <b>115</b>          | <b>229</b>    |

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

|  | <b>Consolidated</b> |               |
|--|---------------------|---------------|
|  | <b>2018</b>         | <b>2017</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> |
| At 1 January   | 617                 | 612           |
| Provision for impairment recognised during the year      | 527                 | 458           |
| Receivables written-off during the year as uncollectible | (398)               | (362)         |
| Unused amount reversed and debts collected               | (124)               | (91)          |
| At 31 December   | <b>622</b>          | <b>617</b>    |

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.

**12. 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 debtors are 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 other debtors.

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 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 collectively 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.

**13. 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.

**14. Other financial assets**

|  |      | Consolidated  |               | University    |               |
|--|------|---------------|---------------|---------------|---------------|
|  |      | 2018          | 2017          | 2018          | 2017          |
|  | Note | \$'000        | \$'000        | \$'000        | \$'000        |
| <b>Current</b>   |      |               |               |               |               |
| Accrued Income   |      | 6,161         | 7,429         | 6,161         | 7,429         |
| <b>Total current other financial assets</b>                                    |      | <b>6,161</b>  | <b>7,429</b>  | <b>6,161</b>  | <b>7,429</b>  |
| <b>Non-current</b>   |      |               |               |               |               |
| Equity instruments designated at fair value through other comprehensive income |      | 44,360        | -             | 39,282        | -             |
| Shares in subsidiaries   | 29   | -             | -             | 7,142         | 4,031         |
| Available-for-sale financial assets at fair value                              |      | -             | 41,938        | -             | 39,968        |
| <b>Total non-current other financial assets</b>                                |      | <b>44,360</b> | <b>41,938</b> | <b>46,424</b> | <b>43,999</b> |
| <b>Total other financial assets</b>  |      | <b>50,521</b> | <b>49,367</b> | <b>52,585</b> | <b>51,428</b> |



**14. Other financial assets (continued)****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. In the 2017 Annual Financial Statements, these Investments were classified as available-for-sale financial assets and measured at fair value. With the adoption of AASB 9 *Financial Instruments* for reporting periods commencing from 1 January 2018, these Investments are now classified as equity instruments designated at fair value through other comprehensive income.

Under AASB 9 *Financial Instruments*, the University has made an irrevocable decision to fair value investments through the Statement of Comprehensive Income. The Investments held by the University meet the definition of equity under AASB 132 *Financial Instruments: Presentation* and are not held for trading.

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.

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.

**15. Other non-financial assets**

|   | Consolidated  |               | University    |               |
|---|---------------|---------------|---------------|---------------|
|   | 2018          | 2017          | 2018          | 2017          |
|   | \$'000        | \$'000        | \$'000        | \$'000        |
| <b>Current</b>                          |               |               |               |               |
| Prepayments                             | 18,319        | 16,861        | 18,274        | 16,818        |
| Other                                   | 115           | 60            | 115           | 60            |
| <b>Total other non-financial assets</b> | <b>18,434</b> | <b>16,921</b> | <b>18,389</b> | <b>16,878</b> |



**16. Property, plant and equipment**

|  | Capital<br>works in<br>progress | Land    | Buildings | Plant and<br>equipment | Plant and<br>equipment<br>in progress | Leasehold<br>improvements | Art<br>collection | Library<br>collection | Infrastructure | Total     |
|--|---------------------------------|---------|-----------|------------------------|---------------------------------------|---------------------------|-------------------|-----------------------|----------------|-----------|
| University   | \$'000                          | \$'000  | \$'000    | \$'000                 | \$'000                                | \$'000                    | \$'000            | \$'000                | \$'000         | \$'000    |
| <b>At 1 January 2017</b>                               |                                 |         |           |                        |                                       |                           |                   |                       |                |           |
| - Cost   | 120,189                         | -       | -         | 90,672                 | 3,530                                 | 7,784                     | 36                | 5,026                 | -              | 227,237   |
| - Valuation  | -                               | 158,810 | 1,057,884 | -                      | -                                     | -                         | 3,774             | 17,294                | 87,500         | 1,325,262 |
| Accumulated depreciation and impairment                | -                               | -       | (503,192) | (58,651)               | -                                     | (5,565)                   | -                 | (9,289)               | (45,440)       | (622,137) |
| <b>Net book amount</b>                                 | 120,189                         | 158,810 | 554,692   | 32,021                 | 3,530                                 | 2,219                     | 3,810             | 13,031                | 42,060         | 930,362   |
| <b>Year ended 31 December 2017</b>                     |                                 |         |           |                        |                                       |                           |                   |                       |                |           |
| Opening net book amount                                | 120,189                         | 158,810 | 554,692   | 32,021                 | 3,530                                 | 2,219                     | 3,810             | 13,031                | 42,060         | 930,362   |
| Additions  | 176,790                         | 1,135   | 3,027     | 8,648                  | 2,462                                 | -                         | -                 | 2,008                 | -              | 194,070   |
| Disposals  | -                               | -       | -         | (315)                  | -                                     | -                         | -                 | (217)                 | -              | (532)     |
| Reclassifications                                      | (24,481)                        | -       | 22,326    | 3,380                  | (3,069)                               | -                         | -                 | -                     | 1,844          | -         |
| Revaluation  | -                               | -       | (3,527)   | -                      | -                                     | -                         | -                 | -                     | -              | (3,527)   |
| Amortisation / Depreciation charge                     | -                               | -       | (19,168)  | (8,984)                | -                                     | (519)                     | -                 | (2,219)               | (1,776)        | (32,666)  |
| Other changes, movements                               | (179)                           | -       | -         | -                      | (399)                                 | -                         | -                 | -                     | -              | (578)     |
| <b>Closing net book amount</b>                         | 272,319                         | 159,945 | 557,350   | 34,750                 | 2,524                                 | 1,700                     | 3,810             | 12,603                | 42,128         | 1,087,129 |
| <b>At 31 December 2017</b>                             |                                 |         |           |                        |                                       |                           |                   |                       |                |           |
| - Cost   | 272,319                         | 1,135   | 25,352    | 98,080                 | 2,524                                 | 7,784                     | 36                | 6,964                 | 1,844          | 416,038   |
| - Valuation  | -                               | 158,810 | 1,040,014 | -                      | -                                     | -                         | 3,774             | 15,159                | 87,500         | 1,305,257 |
| Accumulated amortisation / depreciation and impairment | -                               | -       | (508,016) | (63,330)               | -                                     | (6,084)                   | -                 | (9,520)               | (47,216)       | (634,166) |
| <b>Net book amount</b>                                 | 272,319                         | 159,945 | 557,350   | 34,750                 | 2,524                                 | 1,700                     | 3,810             | 12,603                | 42,128         | 1,087,129 |


**16. Property, plant and equipment (continued)**

| University  | Capital<br>works in<br>progress | Land           | Buildings      | Plant and<br>equipment | Plant and<br>equipment<br>in progress | Leasehold<br>improvements | Art<br>collection | Library<br>collection | Infrastructure | Total            |
|---|---------------------------------|----------------|----------------|------------------------|---------------------------------------|---------------------------|-------------------|-----------------------|----------------|------------------|
|   | \$'000                          | \$'000         | \$'000         | \$'000                 | \$'000                                | \$'000                    | \$'000            | \$'000                | \$'000         | \$'000           |
| <b>Year ended 31 December 2018</b>                        |                                 |                |                |                        |                                       |                           |                   |                       |                |                  |
| Opening net book amount                                   | 272,319                         | 159,945        | 557,350        | 34,750                 | 2,524                                 | 1,700                     | 3,810             | 12,603                | 42,128         | 1,087,129        |
| Additions   | 45,894                          | 120            | 955            | 7,318                  | 2,220                                 | -                         | -                 | 2,479                 | -              | 58,986           |
| Disposals   | -                               | -              | -              | (356)                  | -                                     | -                         | -                 | (182)                 | -              | (538)            |
| Reclassification  | (313,612)                       | -              | 307,885        | 6,965                  | (2,531)                               | 172                       | 30                | -                     | 1,091          | -                |
| Impairment loss   | -                               | -              | -              | (697)                  | -                                     | -                         | -                 | -                     | -              | (697)            |
| Amortisation / Depreciation<br>charge                     | -                               | (107)          | (24,854)       | (9,829)                | -                                     | (499)                     | -                 | (2,153)               | (1,802)        | (39,244)         |
| Other changes, movements                                  | (59)                            | -              | -              | -                      | 6                                     | -                         | -                 | -                     | -              | (53)             |
| <b>Closing net book amount</b>                            | <b>4,542</b>                    | <b>159,958</b> | <b>841,336</b> | <b>38,151</b>          | <b>2,219</b>                          | <b>1,373</b>              | <b>3,840</b>      | <b>12,747</b>         | <b>41,417</b>  | <b>1,105,583</b> |
| <b>At 31 December 2018</b>                                |                                 |                |                |                        |                                       |                           |                   |                       |                |                  |
| - Cost  | 4,542                           | 1,255          | 334,192        | 105,845                | 2,219                                 | 7,956                     | 66                | 9,337                 | 2,936          | 468,348          |
| - Valuation   | -                               | 158,810        | 1,040,014      | -                      | -                                     | -                         | 3,774             | 13,459                | 87,500         | 1,303,557        |
| Accumulated amortisation /<br>depreciation and impairment | -                               | (107)          | (532,870)      | (67,694)               | -                                     | (6,583)                   | -                 | (10,049)              | (49,019)       | (666,322)        |
| <b>Net book amount</b>                                    | <b>4,542</b>                    | <b>159,958</b> | <b>841,336</b> | <b>38,151</b>          | <b>2,219</b>                          | <b>1,373</b>              | <b>3,840</b>      | <b>12,747</b>         | <b>41,417</b>  | <b>1,105,583</b> |





16. Property, plant and equipment (continued)

|   | Capital<br>works in<br>progress | Land    | Buildings | Plant and<br>equipment | Plant and<br>equipment<br>in progress | Leasehold<br>improvements | Art<br>collection | Library<br>collection | Infrastructure | Total     |
|---|---------------------------------|---------|-----------|------------------------|---------------------------------------|---------------------------|-------------------|-----------------------|----------------|-----------|
| Consolidated  | \$'000                          | \$'000  | \$'000    | \$'000                 | \$'000                                | \$'000                    | \$'000            | \$'000                | \$'000         | \$'000    |
| <b>At 1 January 2017</b>                                  |                                 |         |           |                        |                                       |                           |                   |                       |                |           |
| - Cost  | 120,189                         | -       | -         | 90,772                 | 3,530                                 | 7,784                     | 36                | 5,026                 | -              | 227,337   |
| - Valuation   | -                               | 158,810 | 1,057,884 | -                      | -                                     | -                         | 3,774             | 17,294                | 87,500         | 1,325,262 |
| Accumulated amortisation /<br>depreciation and impairment | -                               | -       | (503,192) | (58,726)               | -                                     | (5,565)                   | -                 | (9,289)               | (45,440)       | (622,212) |
| <b>Net book amount</b>                                    | 120,189                         | 158,810 | 554,692   | 32,046                 | 3,530                                 | 2,219                     | 3,810             | 13,031                | 42,060         | 930,387   |
| <b>Year ended 31 December 2017</b>                        |                                 |         |           |                        |                                       |                           |                   |                       |                |           |
| Opening net book amount                                   | 120,189                         | 158,810 | 554,692   | 32,046                 | 3,530                                 | 2,219                     | 3,810             | 13,031                | 42,060         | 930,387   |
| Additions   | 176,790                         | 1,135   | 3,027     | 8,662                  | 2,462                                 | -                         | -                 | 2,008                 | -              | 194,084   |
| Disposals   | -                               | -       | -         | (315)                  | -                                     | -                         | -                 | (217)                 | -              | (532)     |
| Reclassifications   | (24,481)                        | -       | 22,326    | 3,380                  | (3,069)                               | -                         | -                 | -                     | 1,844          | -         |
| Revaluation   | -                               | -       | (3,527)   | -                      | -                                     | -                         | -                 | -                     | -              | (3,527)   |
| Amortisation / Depreciation<br>charge                     | -                               | -       | (19,168)  | (9,002)                | -                                     | (519)                     | -                 | (2,219)               | (1,776)        | (32,684)  |
| Other changes, movements                                  | (179)                           | -       | -         | -                      | (399)                                 | -                         | -                 | -                     | -              | (578)     |
| <b>Closing net book amount</b>                            | 272,319                         | 159,945 | 557,350   | 34,771                 | 2,524                                 | 1,700                     | 3,810             | 12,603                | 42,128         | 1,087,150 |
| <b>At 31 December 2017</b>                                |                                 |         |           |                        |                                       |                           |                   |                       |                |           |
| - Cost  | 272,319                         | 1,135   | 25,352    | 98,202                 | 2,524                                 | 7,784                     | 36                | 6,964                 | 1,844          | 416,160   |
| - Valuation   | -                               | 158,810 | 1,040,014 | -                      | -                                     | -                         | 3,774             | 15,159                | 87,500         | 1,305,257 |
| Accumulated amortisation /<br>depreciation and impairment | -                               | -       | (508,016) | (63,431)               | -                                     | (6,084)                   | -                 | (9,520)               | (47,216)       | (634,267) |
| <b>Net book amount</b>                                    | 272,319                         | 159,945 | 557,350   | 34,771                 | 2,524                                 | 1,700                     | 3,810             | 12,603                | 42,128         | 1,087,150 |



**16. Property, plant and equipment (continued)**

| <b>Consolidated</b>                                    | <b>Capital<br/>works in<br/>progress</b> | <b>Land</b>    | <b>Buildings</b> | <b>Plant and<br/>equipment</b> | <b>Plant and<br/>equipment<br/>in progress</b> | <b>Leasehold<br/>improvements</b> | <b>Art<br/>collection</b> | <b>Library<br/>collection</b> | <b>Infrastructure</b> | <b>Total</b>     |
|--|--|----------------|------------------|--------------------------------|--|-----------------------------------|---------------------------|-------------------------------|-----------------------|------------------|
|  | <b>\$'000</b>                            | <b>\$'000</b>  | <b>\$'000</b>    | <b>\$'000</b>                  | <b>\$'000</b>                                  | <b>\$'000</b>                     | <b>\$'000</b>             | <b>\$'000</b>                 | <b>\$'000</b>         | <b>\$'000</b>    |
| <b>Year ended 31 December 2018</b>                     |  |                |                  |                                |  |                                   |                           |                               |                       |                  |
| Opening net book amount                                | 272,319                                  | 159,945        | 557,350          | 34,771                         | 2,524  | 1,700                             | 3,810                     | 12,603                        | 42,128                | 1,087,150        |
| Additions  | 45,894                                   | 120            | 955              | 7,326                          | 2,220  | -                                 | -                         | 2,479                         | -                     | 58,994           |
| Disposals  | -  | -              | -                | (356)                          | -  | -                                 | -                         | (182)                         | -                     | (538)            |
| Reclassifications                                      | (313,612)                                | -              | 307,885          | 6,965                          | (2,531)  | 172                               | 30                        | -                             | 1,091                 | -                |
| Impairment loss  | -  | -              | -                | (697)                          | -  | -                                 | -                         | -                             | -                     | (697)            |
| Amortisation / Depreciation charge                     | -  | (107)          | (24,854)         | (9,845)                        | -  | (499)                             | -                         | (2,153)                       | (1,802)               | (39,260)         |
| Other changes, movements                               | (59)                                     | -              | -                | -                              | 6  | -                                 | -                         | -                             | -                     | (53)             |
| <b>Closing net book amount</b>                         | <b>4,542</b>                             | <b>159,958</b> | <b>841,336</b>   | <b>38,164</b>                  | <b>2,219</b>                                   | <b>1,373</b>                      | <b>3,840</b>              | <b>12,747</b>                 | <b>41,417</b>         | <b>1,105,596</b> |
| <b>At 31 December 2018</b>                             |  |                |                  |                                |  |                                   |                           |                               |                       |                  |
| - Cost   | 4,542                                    | 1,255          | 334,192          | 105,976                        | 2,219  | 7,956                             | 66                        | 9,337                         | 2,936                 | 468,479          |
| - Valuation  | -  | 158,810        | 1,040,014        | -                              | -  | -                                 | 3,774                     | 13,459                        | 87,500                | 1,303,557        |
| Accumulated amortisation / depreciation and impairment | -  | (107)          | (532,870)        | (67,812)                       | -  | (6,583)                           | -                         | (10,049)                      | (49,019)              | (666,440)        |
| <b>Net book amount</b>                                 | <b>4,542</b>                             | <b>159,958</b> | <b>841,336</b>   | <b>38,164</b>                  | <b>2,219</b>                                   | <b>1,373</b>                      | <b>3,840</b>              | <b>12,747</b>                 | <b>41,417</b>         | <b>1,105,596</b> |



## **16. 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, Infrastructure and Art collection 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.

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 35(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 \$50.00 million (2017: \$50.00 million) of Crown Lands, \$17.36 million (2017: \$17.36 million) of land dedicated for educational use and \$5.18 million (2017: \$5.29 million) 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).

#### **Leased assets**

Leases of Property, Plant and Equipment where the University has substantially all the risks and benefits of ownership are classified as finance leases.

#### **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.



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

Land, 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.

| <b>Assets class</b>        | <b>Useful Life</b> |
|----------------------------|--------------------|
| Property:                  |                    |
| Buildings & Infrastructure | 50-150 years       |
| Leasehold improvements     | Lease term         |
| Library collection:        |                    |
| Books                      | 10 years           |
| Journals                   | 10 years           |
| Plant and equipment:       |                    |
| IT infrastructure          | 5 years            |
| IT other                   | 3 years            |
| Motor vehicles             | 5 years            |
| Other                      | 10 years           |

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



## 17. Intangible assets

|   | Intangibles in<br>progress<br>\$'000 | Other<br>intangible<br>assets<br>\$'000 | Total<br>\$'000 |
|---|--------------------------------------|---|-----------------|
| <b>University</b>                       |                                      |   |                 |
| <b>At 1 January 2017</b>                |                                      |   |                 |
| Cost                                    | 1,469                                | 11,655                                  | 13,124          |
| Accumulated amortisation and impairment | -                                    | (9,361)                                 | (9,361)         |
| <b>Net book amount</b>                  | 1,469                                | 2,294                                   | 3,763           |
| <b>Year ended 31 December 2017</b>      |                                      |   |                 |
| Opening net book amount                 | 1,469                                | 2,294                                   | 3,763           |
| Additions                               | 2,567                                | -                                       | 2,567           |
| Reclassifications                       | (436)                                | 436                                     | -               |
| Amortisation                            | -                                    | (948)                                   | (948)           |
| <b>Closing net book amount</b>          | 3,600                                | 1,782                                   | 5,382           |
| <b>At 31 December 2017</b>              |                                      |   |                 |
| Cost                                    | 3,600                                | 12,091                                  | 15,691          |
| Accumulated amortisation and impairment | -                                    | (10,309)                                | (10,309)        |
| <b>Net book amount</b>                  | 3,600                                | 1,782                                   | 5,382           |
| <b>Year ended 31 December 2018</b>      |                                      |   |                 |
| Opening net book amount                 | 3,600                                | 1,782                                   | 5,382           |
| Additions                               | 1,870                                | -                                       | 1,870           |
| Reclassifications                       | (5,053)                              | 5,053                                   | -               |
| Amortisation                            | -                                    | (1,503)                                 | (1,503)         |
| Other changes, movements                | (138)                                | (237)                                   | (375)           |
| <b>Closing net book amount</b>          | 279                                  | 5,095                                   | 5,374           |
| <b>At 31 December 2018</b>              |                                      |   |                 |
| Cost                                    | 279                                  | 16,907                                  | 17,186          |
| Accumulated amortisation and impairment | -                                    | (11,812)                                | (11,812)        |
| <b>Net book amount</b>                  | 279                                  | 5,095                                   | 5,374           |



## 17. Intangible assets (continued)

|   | Intangibles in<br>progress | Other<br>intangible<br>assets | Total    |
|---|----------------------------|-------------------------------|----------|
|   | \$'000                     | \$'000                        | \$'000   |
| <b>Consolidated</b>                     |                            |                               |          |
| <b>At 1 January 2017</b>                |                            |                               |          |
| Cost                                    | 1,469                      | 11,655                        | 13,124   |
| Accumulated amortisation and impairment | -                          | (9,361)                       | (9,361)  |
| <b>Net book amount</b>                  | 1,469                      | 2,294                         | 3,763    |
| <b>Year ended 31 December 2017</b>      |                            |                               |          |
| Opening net book amount                 | 1,469                      | 2,294                         | 3,763    |
| Additions                               | 2,567                      | -                             | 2,567    |
| Reclassifications                       | (436)                      | 436                           | -        |
| Amortisation                            | -                          | (948)                         | (948)    |
| <b>Closing net book amount</b>          | 3,600                      | 1,782                         | 5,382    |
| <b>At 31 December 2017</b>              |                            |                               |          |
| Cost                                    | 3,600                      | 12,091                        | 15,691   |
| Accumulated amortisation and impairment | -                          | (10,309)                      | (10,309) |
| <b>Net book amount</b>                  | 3,600                      | 1,782                         | 5,382    |
| <b>Year ended 31 December 2018</b>      |                            |                               |          |
| Opening net book amount                 | 3,600                      | 1,782                         | 5,382    |
| Additions                               | 1,870                      | -                             | 1,870    |
| Reclassifications                       | (5,053)                    | 5,053                         | -        |
| Amortisation                            | -                          | (1,503)                       | (1,503)  |
| Other changes, movements                | (138)                      | (237)                         | (375)    |
| <b>Closing net book amount</b>          | 279                        | 5,095                         | 5,374    |
| <b>At 31 December 2018</b>              |                            |                               |          |
| Cost                                    | 279                        | 16,907                        | 17,186   |
| Accumulated amortisation and impairment | -                          | (11,812)                      | (11,812) |
| <b>Net book amount</b>                  | 279                        | 5,095                         | 5,374    |

**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.

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.




**18. Payables**

|  |             | <b>Consolidated</b> |               | <b>University</b> |               |
|--|-------------|---------------------|---------------|-------------------|---------------|
|  |             | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|  | <b>Note</b> | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| <b>Current</b>                             |             |                     |               |                   |               |
| Trade creditors*                           |             | <b>24,292</b>       | 33,732        | <b>24,614</b>     | 34,170        |
| Accrued salaries*                          |             | <b>6,805</b>        | 5,257         | <b>6,805</b>      | 5,257         |
| Annual leave on-costs**                    |             | <b>5,549</b>        | 5,491         | <b>5,549</b>      | 5,491         |
| Long service leave on-costs**              |             | <b>6,889</b>        | 6,418         | <b>6,889</b>      | 6,418         |
| OS-HELP liability to Australian Government | 36(g)       | <b>1,504</b>        | 1,180         | <b>1,504</b>      | 1,180         |
| <b>Total current payables</b>              |             | <b>45,039</b>       | 52,078        | <b>45,361</b>     | 52,516        |
| <b>Non-current</b>                         |             |                     |               |                   |               |
| Long service leave on-costs                |             | <b>1,863</b>        | 1,740         | <b>1,863</b>      | 1,740         |
| <b>Total non-current payables</b>          |             | <b>1,863</b>        | 1,740         | <b>1,863</b>      | 1,740         |
| <b>Total payables</b>                      |             | <b>46,902</b>       | 53,818        | <b>47,224</b>     | 54,256        |

**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.

\*\* Refer to Note 20 Provisions for the accounting policy relating to employee benefits.

**19. Borrowings**

The University does not hold any borrowings.

**Financing arrangements**

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

|  | <b>Consolidated</b> |               | <b>University</b> |               |
|--|---------------------|---------------|-------------------|---------------|
|  | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| <b>Credit standby arrangements</b>       |                     |               |                   |               |
| <b>Total facilities</b>                  |                     |               |                   |               |
| Credit card facility                     | <b>3,000</b>        | 3,000         | <b>3,000</b>      | 3,000         |
| Documentary letter of credit facility    | <b>200</b>          | 200           | <b>200</b>        | 200           |
| Bank guarantee                           | <b>5,100</b>        | 5,100         | <b>5,100</b>      | 5,100         |
| Overseas bills purchased facility        | <b>1,000</b>        | 1,000         | <b>1,000</b>      | 1,000         |
| <b>Total credit standby arrangements</b> | <b>9,300</b>        | 9,300         | <b>9,300</b>      | 9,300         |
| <b>Used at balance date</b>              |                     |               |                   |               |
| Credit card facility                     | <b>1,141</b>        | 1,204         | <b>1,141</b>      | 1,204         |
| Documentary letter of credit facility    | -                   | -             | -                 | -             |
| Bank guarantee                           | <b>1,600</b>        | 1,600         | <b>1,600</b>      | 1,600         |
| Overseas bills purchased facility        | -                   | -             | -                 | -             |
| <b>Total used at balance date</b>        | <b>2,741</b>        | 2,804         | <b>2,741</b>      | 2,804         |
| <b>Unused at balance date</b>            |                     |               |                   |               |
| Credit card facility                     | <b>1,859</b>        | 1,796         | <b>1,859</b>      | 1,796         |
| Documentary letter of credit facility    | <b>200</b>          | 200           | <b>200</b>        | 200           |
| Bank guarantee                           | <b>3,500</b>        | 3,500         | <b>3,500</b>      | 3,500         |
| Overseas bills purchased facility        | <b>1,000</b>        | 1,000         | <b>1,000</b>      | 1,000         |
| <b>Total unused at balance date</b>      | <b>6,559</b>        | 6,496         | <b>6,559</b>      | 6,496         |

**20. Provisions**

|  | <b>Consolidated</b> |               | <b>University</b> |               |
|--|---------------------|---------------|-------------------|---------------|
|  | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| <b>Current provisions expected to be settled within 12 months</b>          |                     |               |                   |               |
| Annual leave*  | <b>15,476</b>       | 14,837        | <b>15,406</b>     | 14,782        |
| Long service leave**   | <b>7,187</b>        | 6,591         | <b>7,021</b>      | 6,448         |
| Separation scheme  | -                   | 1,402         | -                 | 1,402         |
| Workers' compensation liability  | <b>469</b>          | 375           | <b>469</b>        | 375           |
|  | <b>23,132</b>       | 23,205        | <b>22,896</b>     | 23,007        |
| <b>Current provisions expected to be settled after more than 12 months</b> |                     |               |                   |               |
| Annual leave*  | <b>7,741</b>        | 8,069         | <b>7,741</b>      | 8,069         |
| Long service leave**   | <b>30,131</b>       | 28,046        | <b>30,131</b>     | 28,046        |
|  | <b>37,872</b>       | 36,115        | <b>37,872</b>     | 36,115        |
| <b>Total current provisions</b>  | <b>61,004</b>       | 59,320        | <b>60,768</b>     | 59,122        |
| <b>Non-current</b>   |                     |               |                   |               |
| Long service leave**   | <b>13,016</b>       | 12,152        | <b>13,016</b>     | 12,152        |
| Workers' compensation liability  | <b>453</b>          | 556           | <b>453</b>        | 556           |
| <b>Total non-current provisions</b>  | <b>13,469</b>       | 12,708        | <b>13,469</b>     | 12,708        |
| <b>Total provisions</b>  | <b>74,473</b>       | 72,028        | <b>74,237</b>     | 71,830        |

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

|  | <b>Consolidated</b> |               | <b>University</b> |               |
|--|---------------------|---------------|-------------------|---------------|
|  | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| Carrying amount at start of year           | <b>931</b>          | 863           | <b>931</b>        | 863           |
| Additional provisions recognised           | <b>291</b>          | 640           | <b>291</b>        | 640           |
| Amounts used                               | <b>(209)</b>        | (234)         | <b>(209)</b>      | (234)         |
| Unused amounts reversed                    | <b>(107)</b>        | (350)         | <b>(107)</b>      | (350)         |
| Increase / (decrease) in discounted amount | <b>16</b>           | 12            | <b>16</b>         | 12            |
| Carrying amount at end of year             | <b>922</b>          | 931           | <b>922</b>        | 931           |



## 20. 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 2018 by Bruce Watson FIA, FIAA of Brett & Watson Pty Ltd.

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

#### 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 2018 by Bruce Watson FIA, 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. Only on-costs accruing to employees are recognised under employee provisions, while related on-costs are recognised as payables.

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.

### 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 2018 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.




**21. Other liabilities**

|   | <b>Consolidated</b> |        | <b>University</b> |        |
|---|---------------------|--------|-------------------|--------|
|   | <b>2018</b>         | 2017   | <b>2018</b>       | 2017   |
|   | <b>\$'000</b>       | \$'000 | <b>\$'000</b>     | \$'000 |
| <b>Current</b>                            |                     |        |                   |        |
| Funds held on behalf of external entities | <b>3,383</b>        | 2,760  | <b>3,165</b>      | 2,488  |
| Commonwealth and State Government grants  | <b>27,697</b>       | 34,620 | <b>27,697</b>     | 34,620 |
| Income in advance on incomplete projects  | <b>4,362</b>        | 2,912  | <b>4,362</b>      | 2,912  |
| Student fees and charges in advance       | <b>17,808</b>       | 14,129 | <b>17,808</b>     | 14,129 |
| Other                                     | <b>543</b>          | 1,605  | <b>549</b>        | 1,610  |
| <b>Total other liabilities</b>            | <b>53,793</b>       | 56,026 | <b>53,581</b>     | 55,759 |

**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 Grants represents Australian Government Grants received and represents funding received but not spent as detailed in Note 2 accounting policy.

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

**22. Reserves and retained earnings**

|  | <b>Consolidated</b> |         | <b>University</b> |         |
|--|---------------------|---------|-------------------|---------|
|  | <b>2018</b>         | 2017    | <b>2018</b>       | 2017    |
|  | <b>\$'000</b>       | \$'000  | <b>\$'000</b>     | \$'000  |
| Property, plant and equipment revaluation surplus  |                     |         |                   |         |
| Land, Buildings and Infrastructure   | <b>226,230</b>      | 226,230 | <b>226,230</b>    | 226,230 |
| Art collection   | <b>1,417</b>        | 1,417   | <b>1,417</b>      | 1,417   |
|  | <b>227,647</b>      | 227,647 | <b>227,647</b>    | 227,647 |
| Available-for-sale investments revaluation surplus   | -                   | 26,571  | -                 | 26,571  |
| Equity instruments designated at fair value through other comprehensive income revaluation surplus | <b>27,783</b>       | -       | <b>27,783</b>     | -       |
| <b>Total reserves</b>  | <b>255,430</b>      | 254,218 | <b>255,430</b>    | 254,218 |

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.



**23. Key management personnel disclosures**

**(a) Names of responsible persons**

The following persons were responsible persons of the University during the 2018 year. Council members include University employees who may be ex-officio members or elected staff members.

**2018 Council Members**

Ms Pauline Carr, Chancellor (commenced as Chancellor 1 September 2018)  
Mr Jim McDowell, Chancellor (until 31 August 2018)  
Professor David Lloyd, Vice Chancellor and President  
Dr Wendy Craik AM, Deputy Chancellor (until 31 March 2018)  
Hon John Hill, Deputy Chancellor (commenced as Deputy Chancellor 19 December 2018)  
Mr Jim Hazel, Pro Chancellor (commenced as Pro Chancellor 19 December 2018)  
Mr Michael Abbott AO QC  
Mr Eric Granger  
Ms Karen Hunt  
Professor Caroline McMillen (commenced 19 December 2018)  
Mr Jordan Mumford (until 31 December 2018)  
Ms Mary Patetsos  
Ms Kate Riggall (until 31 December 2018)  
Ms Miriam Silva  
Associate Professor Deirdre Tedmanson  
Professor Vicki Waye  
Mr Jim Whalley

**2018 University Senior Management**

Professor David Lloyd, Vice Chancellor and President  
Mr Paul Beard  
Professor Simon Beecham  
Ms Jane Booth  
Dr Laura-Anne Bull  
Professor Joanne Cys (commenced 8 January 2018)  
Professor Allan Evans  
Professor Tanya Monro  
Mr Nigel Relph  
Professor Robert Vink (until 31 December 2018)  
Professor Irene Watson  
Professor Marie Wilson



## 23. Key management personnel disclosures (continued)

## (b) Remuneration of key management personnel

|  | Consolidated   |                | University     |                |
|--|----------------|----------------|----------------|----------------|
|  | 2018<br>Number | 2017<br>Number | 2018<br>Number | 2017<br>Number |
| <b>Remuneration of Council members</b> |                |                |                |                |
| Nil                                    | 4              | 4              | 4              | 4              |
| \$1 to \$9,999                         | 1              | 1              | 1              | 1              |
| \$10,000 to \$19,999                   | 8              | 6              | 8              | 6              |
| \$20,000 to \$29,999                   | 1              | 4              | 1              | 4              |
| \$30,000 to \$39,999                   | 1              | -              | 1              | -              |
| \$40,000 to \$49,999                   | 1              | -              | 1              | -              |
| \$60,000 to \$69,999                   | -              | 1              | -              | 1              |
|  | <b>16</b>      | <b>16</b>      | <b>16</b>      | <b>16</b>      |

Remuneration received and receivable by Council members for their services as Council members was \$198,925 (2017: \$224,475). The total remuneration received and receivable by Council members in their position as Council members and as Directors of subsidiary companies was \$198,925 (2017: \$224,475).

|   | Consolidated   |                | University     |                |
|---|----------------|----------------|----------------|----------------|
|   | 2018<br>Number | 2017<br>Number | 2018<br>Number | 2017<br>Number |
| <b>Remuneration of executive officers</b> |                |                |                |                |
| \$160,000 to \$169,999                    | -              | 1              | -              | 1              |
| \$170,000 to \$179,999                    | 1              | -              | 1              | -              |
| \$330,000 to \$339,999                    | 1              | 1              | 1              | 1              |
| \$360,000 to \$369,999                    | -              | 1              | -              | 1              |
| \$370,000 to \$379,999                    | -              | 2              | -              | 2              |
| \$380,000 to \$389,999                    | 2              | 2              | 2              | 2              |
| \$390,000 to \$399,999                    | 2              | -              | 2              | -              |
| \$400,000 to \$409,999                    | 1              | 1              | 1              | 1              |
| \$420,000 to \$429,999                    | 1              | -              | 1              | -              |
| \$500,000 to \$509,999                    | -              | 1              | -              | 1              |
| \$510,000 to \$519,999                    | 1              | -              | 1              | -              |
| \$620,000 to \$629,999                    | -              | 1              | -              | 1              |
| \$630,000 to \$639,999                    | -              | 1              | -              | 1              |
| \$650,000 to \$659,999                    | 1              | -              | 1              | -              |
| \$670,000 to \$679,999                    | 1              | -              | 1              | -              |
| \$1,030,000 to \$1,039,999                | -              | 1              | -              | 1              |
| \$1,090,000 to \$1,099,999                | 1              | -              | 1              | -              |
|   | <b>12</b>      | <b>12</b>      | <b>12</b>      | <b>12</b>      |


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

Executive officers are defined as the Vice Chancellor and President and the University's Senior Management Group. 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**

|   | <b>Consolidated</b> |               | <b>University</b> |               |
|---|---------------------|---------------|-------------------|---------------|
|   | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|   | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| Short-term employee benefits                  | <b>5,216</b>        | 4,955         | <b>5,216</b>      | 4,955         |
| Post-employment benefits                      | <b>633</b>          | 629           | <b>633</b>        | 629           |
| <b>Total executive officers' compensation</b> | <b>5,849</b>        | 5,584         | <b>5,849</b>      | 5,584         |

**(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. In 2018 \$1.00 million was received from the Neurosurgical Research Foundation Inc. (NRF) of which a Senior Management member was the President.

**24. 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:

|   | <b>Consolidated</b> |               | <b>University</b> |               |
|---|---------------------|---------------|-------------------|---------------|
|   | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|   | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| <b>Audit the Financial Statements</b>     |                     |               |                   |               |
| Fees paid to Auditor-General's Department | <b>276</b>          | 301           | <b>276</b>        | 301           |
| Fees paid to BDO Australia Ltd            | <b>18</b>           | 18            | -                 | -             |
| <b>Total paid for audit</b>               | <b>294</b>          | 319           | <b>276</b>        | 301           |

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 2018 were \$0.30m (2017: \$0.30m).

**25. Contingencies**

The University has no material contingent liabilities or assets.



**26. Commitments****(a) Capital commitments**

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

|  | <b>Consolidated</b> |               | <b>University</b> |               |
|--|---------------------|---------------|-------------------|---------------|
|  | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| Property, plant and equipment:                         |                     |               |                   |               |
| Within one year  | <b>8,814</b>        | 30,211        | <b>8,814</b>      | 30,211        |
| <b>Total Property, plant and equipment commitments</b> | <b>8,814</b>        | 30,211        | <b>8,814</b>      | 30,211        |

**(b) Lease commitments - Operating leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are recognised to the Statement of Comprehensive Income over the lease term.

Commitments in relation to leases contracted for at the reporting date, but not recognised as liabilities (i.e. operating leases), are payable as follows:

|  | <b>Consolidated</b> |               | <b>University</b> |               |
|--|---------------------|---------------|-------------------|---------------|
|  | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| Within one year                            | <b>3,012</b>        | 3,065         | <b>3,012</b>      | 3,065         |
| Between one and five years                 | <b>5,647</b>        | 6,383         | <b>5,647</b>      | 6,383         |
| <b>Total future minimum lease payments</b> | <b>8,659</b>        | 9,448         | <b>8,659</b>      | 9,448         |

Major operating leases are for office spaces. Some of these lease agreements include renewal options ranging between one and ten years. Renewal options have been excluded from the numbers shown above.

**(c) Other expenditure commitments**

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

|  | <b>Consolidated</b> |               | <b>University</b> |               |
|--|---------------------|---------------|-------------------|---------------|
|  | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| Within one year                            | <b>8,975</b>        | 7,196         | <b>12,028</b>     | 10,205        |
| Between one and five years                 | <b>4,706</b>        | 5,879         | <b>7,804</b>      | 12,031        |
| Later than five years                      | <b>425</b>          | 450           | <b>425</b>        | 450           |
| <b>Total other expenditure commitments</b> | <b>14,106</b>       | 13,525        | <b>20,257</b>     | 22,686        |

Other expenditure commitments includes material commitments arising from grants received from the NHMRC, contributions to Co-operative Research Centres (CRC) and cleaning. The Consolidated other expenditure commitments eliminates \$6.20 million of commitments between the University and its subsidiaries for Service Level Agreements (2017: \$9.20 million).

**27. 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 29.

**(c) Key management personnel**

Disclosures relating to directors and specified executives are set out in note 23.

**(d) Transactions with related parties**

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

|   | <b>2018</b>   | 2017   |
|---|---------------|--------|
|   | <b>\$'000</b> | \$'000 |
| Fees paid to subsidiaries for the provision of services under agreement | <b>2,860</b>  | 3,000  |



## **28. 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 2018 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 9.5% for 2018.

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".

No further Clause 34 monitoring periods have been initiated since the end of the monitoring period on 30 June 2017.

As at 30 June 2018 the assets of the DBD aggregate (i.e. entire multi-employer DBD plan) were estimated to be:

- \$3,785 million above (2017: \$2,797 million in excess) vested benefits, after allowing for various reserves. The Vested Benefits Index based on funding assumption was 118.5%. 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.
- \$5,477 million above (2017: \$4,258 million in excess) accrued benefits, after allowing for various reserves. The Accrued Benefits Index based on best estimate assumptions was 129.1%. 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.

**28. 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 2018. The financial assumptions used were:

|   | <b>Vested Benefits</b> | <b>Accrued Benefits</b> |
|---|------------------------|-------------------------|
| Gross of tax investment return - DBD pensions                     | 5.3% p.a.              | 6.6% p.a.               |
| Gross of tax investment return - commercial rate indexed pensions | 2.9% p.a.              | 2.9% p.a.               |
| Net of tax investment return - non pensioner members              | 4.7% p.a.              | 5.8% p.a.               |
| Consumer Price Index  | 2.0% p.a.              | 2.0% p.a.               |
| Inflationary salary increases long term                           | 3.0% p.a.              | 3.0% 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 2018. The actuarial valuation was based on 30 June 2018 membership data which was projected to 31 December 2018 using the Projected Unit Credit Method. The University's present value of the defined benefit obligations was assessed to be \$459.82 million (2017: \$463.12 million).

The University's liability under the scheme has been partly funded by assets of \$47.96 million (2017: \$47.17 million) from 3% productivity employer contributions. This results in an unfunded liability of \$411.86 million (2017: \$415.94 million).



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

The weighted average duration of the defined benefit obligation is 12.03 years (2017: 12.45 years). The expected maturity analysis of undisclosed benefit obligations is as follows:

|  | <b>Less than 1<br/>year</b> | <b>Between 1<br/>and 2 years</b> | <b>Between 2<br/>and 5 years</b> | <b>More than 5<br/>years</b> | <b>Total</b>  |
|--|-----------------------------|----------------------------------|----------------------------------|------------------------------|---------------|
|  | <b>\$'000</b>               | <b>\$'000</b>                    | <b>\$'000</b>                    | <b>\$'000</b>                | <b>\$'000</b> |
| Defined Benefit obligation - 31 Dec 2018 | 30,493                      | 29,673                           | 87,957                           | 465,041                      | 613,164       |
| Defined Benefit obligation - 31 Dec 2017 | 30,923                      | 30,112                           | 89,057                           | 498,584                      | 648,676       |

The analysis of the plan assets and the expected rate of return at the balance sheet date is as follows:

|                               | <b>2018 (%)</b>      |                             | <b>2017 (%)</b>      |                             |
|-------------------------------|----------------------|-----------------------------|----------------------|-----------------------------|
|                               | <b>Active Market</b> | <b>No Active<br/>Market</b> | <b>Active Market</b> | <b>No Active<br/>Market</b> |
| Equity instruments            | <b>53.6</b>          | <b>0.0</b>                  | 52.3                 | 0.0                         |
| Property                      | <b>2.4</b>           | <b>13.9</b>                 | 2.2                  | 13.0                        |
| Diversified Strategies Growth | <b>0.7</b>           | <b>13.2</b>                 | 1.0                  | 10.8                        |
| Diversified Strategies Income | <b>14.4</b>          | <b>0.0</b>                  | 15.2                 | 0.0                         |
| Inflation Linked Securities   | <b>0.7</b>           | <b>0.2</b>                  | 3.2                  | 1.0                         |
| Cash                          | <b>0.9</b>           | <b>0.0</b>                  | 1.3                  | 0.0                         |
| <b>Total</b>                  | <b>72.7</b>          | <b>27.3</b>                 | 75.2                 | 24.8                        |



## 28. Superannuation plans (continued)

## (d) Amounts recognised in the Statement of Financial Position

|  | University     |          |
|--|----------------|----------|
|  | 2018           | 2017     |
|  | \$'000         | \$'000   |
| <b>Reconciliation of the present value of the defined benefit obligation</b> |                |          |
| <b>Present value of defined benefit obligation at beginning of year</b>      | <b>463,115</b> | 472,852  |
| Current service cost   | 207            | 515      |
| Interest cost  | 12,534         | 14,183   |
| Actuarial (gain) / loss  |                |          |
| (a) Impact of changes in demographic assumptions                             | -              | (6,412)  |
| (b) Impact of changes in financial assumptions                               | 17,954         | 13,749   |
| (c) Experience items   | (4,342)        | (2,727)  |
| Benefits and expenses paid   | (29,652)       | (29,045) |
| <b>Present value of defined benefits obligations at end of year</b>          | <b>459,816</b> | 463,115  |
| <b>Reconciliation of the fair value of the defined benefit plan assets</b>   |                |          |
| <b>Fair value of Scheme assets at start of year</b>                          | <b>47,173</b>  | 42,391   |
| Interest income  | 1,309          | 1,281    |
| Actual return on assets less Interest income                                 | (549)          | 3,477    |
| Employer contributions   | 29,678         | 29,069   |
| Benefits and expenses paid   | (29,652)       | (29,045) |
| <b>Fair value of Scheme assets at end of year</b>                            | <b>47,959</b>  | 47,173   |
| <b>Net Liability</b>   |                |          |
| Defined Benefit Obligation   | 459,816        | 463,115  |
| Less: Fair value of plan assets  | (47,959)       | (47,173) |
| <b>Net Liability</b>   | <b>411,857</b> | 415,942  |
| <b>Defined Benefit Provision</b>   |                |          |
| Current  | 30,493         | 30,900   |
| Non-current  | 381,364        | 385,042  |
| <b>Total Defined Benefit Provision</b>                                       | <b>411,857</b> | 415,942  |

The net unfunded amount of \$411.90 million (2017: \$415.90 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.



## 28. 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) 2.5% per annum (2017 2.5%)
- Salary increases 4.0% per annum (2017 4.0%)
- Discount Rate 2.4% per annum (2017 2.8%)

These rates provide for a 1.5% real gap between long term CPI and salary increases.

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

| Significant Assumption | Increase in assumption | Impact on Defined Benefit Obligation | Decrease in assumption | Impact on Defined Benefit Obligation |
|------------------------|------------------------|--------------------------------------|------------------------|--------------------------------------|
| Discount rate          | 0.5%                   | Decrease by 4.8%                     | 0.5%                   | Increase by 5.3%                     |
| Pension increase rate  | 0.5%                   | Increase by 5.4%                     | 0.5%                   | Decrease by 5.0%                     |
| Mortality rate         | 10.0%                  | Decrease by 3.3%                     | 10.0%                  | Increase by 3.7%                     |

### Accounting Policy

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

### Unfunded superannuation

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



## 29. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy included in Note 14 Other financial assets:

| Name of Entity  | Principal Activities   | Principal place of business | Ownership interest |           |
|---|--|-----------------------------|--------------------|-----------|
|   |  |                             | 2018<br>%          | 2017<br>% |
| 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       |

## 30. 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.

## 31. 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 2018:50% (2017:50%)) and Mawson Centre Building (Ownership Interest 2018:63% (2017:63%)).

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 are eResearch SA (Ownership Interest 2018:33% (2017:33%)) and South Australian Tertiary Admissions Centre Ltd (Ownership Interest 2018:20% (2017:20%)).

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.




**32. 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 operations, or the state of affairs of the University or the Group in future periods.

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

|   | <b>Consolidated</b> |               | <b>University</b> |               |
|---|---------------------|---------------|-------------------|---------------|
|   | <b>2018</b>         | <b>2017</b>   | <b>2018</b>       | <b>2017</b>   |
|   | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b> |
| Operating result for the period   | <b>19,504</b>       | 13,169        | <b>19,406</b>     | 13,271        |
| Add / (less) non-cash items:  |                     |               |                   |               |
| Depreciation and amortisation   | <b>40,763</b>       | 33,632        | <b>40,747</b>     | 33,614        |
| Non-cash donations  | <b>(346)</b>        | (297)         | <b>(346)</b>      | (297)         |
| Net (gain) / loss on sale of property, plant and equipment                              | <b>301</b>          | 305           | <b>301</b>        | 305           |
| Net (gain) / loss on sale of available-for-sale financial assets                        | -                   | (306)         | -                 | (306)         |
| Fair value (gain) / loss on other financial assets at fair value through profit or loss | -                   | 1,093         | -                 | 510           |
| Impairment of property, plant and equipment   | <b>697</b>          | -             | <b>697</b>        | -             |
| Property, plant and equipment in progress adjustments                                   | <b>428</b>          | 578           | <b>428</b>        | 578           |
| Changes in operating assets and liabilities:  |                     |               |                   |               |
| (Increase) / decrease in receivables  | <b>1,303</b>        | 2,615         | <b>1,401</b>      | 2,565         |
| (Increase) / decrease in other assets   | <b>(240)</b>        | (1,408)       | <b>(243)</b>      | (1,222)       |
| Increase / (decrease) in payables and tax liabilities                                   | <b>4,324</b>        | 2,068         | <b>4,206</b>      | 2,691         |
| Increase / (decrease) in provisions   | <b>2,445</b>        | 54            | <b>2,407</b>      | 30            |
| Increase / (decrease) in other liabilities  | <b>(2,205)</b>      | 12,566        | <b>(2,157)</b>    | 11,926        |
| <b>Net cash provided by / (used in) operating activities</b>                            | <b>66,974</b>       | 64,069        | <b>66,847</b>     | 63,665        |



### **34. 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 2018 the University held MYR0.14 million (AUD\$0.05 million) (2017: MYR0.14 million (AUD\$0.04 million)) in an offshore bank account.

As at 31 December 2018 the University held USD\$4.91 million (AUD\$6.96 million) (2017: USD\$4.91 million (AUD\$6.30 million)) in an offshore bank account.

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.



### **34. 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 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 is an interest earning financial asset and due to mature in less than a year.

### **35. Fair value measurement**

#### **(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:

- Equity instruments designated at fair value through other comprehensive income
- 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)                                  |

**35. Fair value measurement (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 2018.

**Fair value measurements**

|  | Note | 2018<br>\$'000 | Level 1<br>\$'000 | Level 2<br>\$'000 | Level 3<br>\$'000 |
|--|------|----------------|-------------------|-------------------|-------------------|
| <b>Recurring fair value measurements at 31 Dec 2018</b>                        |      |                |                   |                   |                   |
| <b>Financial assets</b>  |      |                |                   |                   |                   |
| Equity instruments designated at fair value through other comprehensive income | 14   | 44,360         | 14,614            | 24,668            | 5,078             |
| Total financial assets   |      | 44,360         | 14,614            | 24,668            | 5,078             |
| <b>Non-financial assets</b>  |      |                |                   |                   |                   |
| Land and buildings   | 16   |                |                   |                   |                   |
| Land   |      | 159,958        | -                 | 159,958           | -                 |
| Buildings  |      | 841,336        | -                 | 11,000            | 830,336           |
| Infrastructure   |      | 41,417         | -                 | -                 | 41,417            |
| Other non-financial assets   | 16   |                |                   |                   |                   |
| Art Collection   |      | 3,840          | -                 | -                 | 3,840             |
| Total non-financial assets   |      | 1,046,551      | -                 | 170,958           | 875,593           |
|  | Note | 2017<br>\$'000 | Level 1<br>\$'000 | Level 2<br>\$'000 | Level 3<br>\$'000 |
| <b>Recurring fair value measurements at 31 Dec 2017</b>                        |      |                |                   |                   |                   |
| <b>Financial assets</b>  |      |                |                   |                   |                   |
| Available-for-sale financial assets  | 14   | 41,938         | 15,167            | 24,801            | 1,970             |
| Total financial assets   |      | 41,938         | 15,167            | 24,801            | 1,970             |
| <b>Non-financial assets</b>  |      |                |                   |                   |                   |
| Land and buildings   | 16   |                |                   |                   |                   |
| Land   |      | 159,945        | -                 | 159,945           | -                 |
| Buildings  |      | 557,350        | -                 | 11,000            | 546,350           |
| Infrastructure   |      | 42,128         | -                 | -                 | 42,128            |
| Other non-financial assets   | 16   |                |                   |                   |                   |
| Art collection   |      | 3,810          | -                 | -                 | 3,810             |
| Total non-financial assets   |      | 763,233        | -                 | 170,945           | 592,288           |

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





**35. Fair value measurement (continued)**

**(b) Fair value hierarchy (continued)**

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.

**(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.

If there are significant inputs to a valuation which are not obtained from observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities.

**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 2016, the fair values of Land, Buildings and Infrastructure have been determined by Opteon Pty Ltd. One of the University's buildings was partly damaged by fire and impaired as a result of Opteon Pty Ltd determination of the building's fair value as at 31 December 2017.

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. Ten 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 last valuation was at 31 December 2016.



### 35. Fair value measurement (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 2018 and 2017.

| <b>Level 3 Fair Value Measurement 2018</b> | <b>Unlisted equity securities<br/>\$'000</b> | <b>Buildings<br/>\$'000</b> | <b>Infrastructure<br/>\$'000</b> | <b>Art collection<br/>\$'000</b> | <b>Total<br/>\$'000</b> |
|--|--|-----------------------------|----------------------------------|----------------------------------|-------------------------|
| Opening balance                            | 1,970  | 546,350                     | 42,128                           | 3,810                            | 594,258                 |
| Additions                                  | 177  | 308,840                     | 1,091                            | 30                               | 310,138                 |
| Recognised in profit or loss               | -  | (24,854)                    | (1,802)                          | -                                | (26,656)                |
| Recognised in other comprehensive income   | 2,931  | -                           | -                                | -                                | 2,931                   |
| Closing balance                            | <b>5,078</b>                                 | <b>830,336</b>              | <b>41,417</b>                    | <b>3,840</b>                     | <b>880,671</b>          |

| <b>Level 3 Fair Value Measurement 2017</b> | <b>Unlisted equity securities<br/>\$'000</b> | <b>Buildings<br/>\$'000</b> | <b>Infrastructure<br/>\$'000</b> | <b>Art Collection<br/>\$'000</b> | <b>Total<br/>\$'000</b> |
|--|--|-----------------------------|----------------------------------|----------------------------------|-------------------------|
| Opening balance                            | 3,013  | 543,692                     | 42,060                           | 3,810                            | 592,575                 |
| Additions                                  | 302  | 25,353                      | 1,844                            | -                                | 27,499                  |
| Disposals                                  | (473)  | -                           | -                                | -                                | (473)                   |
| Recognised in profit or loss               | -  | (19,168)                    | (1,776)                          | -                                | (20,944)                |
| Recognised in other comprehensive income   | (872)  | (3,527)                     | -                                | -                                | (4,399)                 |
| Closing balance                            | <b>1,970</b>                                 | <b>546,350</b>              | <b>42,128</b>                    | <b>3,810</b>                     | <b>594,258</b>          |

#### (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.

**35. Fair value measurement (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.

| <b>Description</b>         | <b>Fair value at<br/>31 December<br/>2018<br/>\$'000</b> | <b>Unobservable<br/>inputs</b>   | <b>Range of inputs<br/>(probability<br/>weighted average)</b> | <b>Relationship of<br/>unobservable inputs to<br/>fair value</b>   |
|----------------------------|--|--|---|--|
| Unlisted equity securities | 5,078  | 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. |



**36. Acquittal of Australian Government financial assistance**

**(a) Education - CGS and other Education grants**

|  | Note | Commonwealth Grants Scheme |           | Higher Education Participation Funding |         | Promotion of Excellence in Learning and Teaching |        | Disability Performance Funding |        |
|--|------|----------------------------|-----------|--|---------|--|--------|--------------------------------|--------|
|  |      | 2018                       | 2017      | 2018                                   | 2017    | 2018   | 2017   | 2018                           | 2017   |
|  |      | \$'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) |      | <b>180,486</b>             | 185,262   | <b>5,329</b>                           | 5,512   | -  | 84     | <b>92</b>                      | 114    |
| Net accrual adjustments  |      | <b>3,466</b>               | (3,195)   | <b>154</b>                             | 360     | <b>139</b>                                       | 156    | -                              | -      |
| <b>Revenue for the period</b>  | 2    | <b>183,952</b>             | 182,067   | <b>5,483</b>                           | 5,872   | <b>139</b>                                       | 240    | <b>92</b>                      | 114    |
| Movement in deferred income  |      | -                          | -         | <b>(154)</b>                           | (361)   | <b>(139)</b>                                     | (156)  | -                              | -      |
| Surplus / (deficit) from the previous year   |      | -                          | -         | <b>154</b>                             | 514     | <b>292</b>                                       | 453    | -                              | 91     |
| <b>Total revenue including accrued revenue</b>   |      | <b>183,952</b>             | 182,067   | <b>5,483</b>                           | 6,025   | <b>292</b>                                       | 537    | <b>92</b>                      | 205    |
| Less expenses including accrued expenses   |      | <b>(183,952)</b>           | (182,067) | <b>(5,483)</b>                         | (5,871) | <b>(161)</b>                                     | (245)  | <b>(92)</b>                    | (205)  |
| <b>Surplus / (deficit) for reporting period</b>  |      | -                          | -         | -                                      | 154     | <b>131</b>                                       | 292    | -                              | -      |





36. Acquittal of Australian Government financial assistance (continued)

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

|  | Australian Maths & Science Partnership Program |            | Indigenous Student Success Program |              | Total          |                |
|--|--|------------|------------------------------------|--------------|----------------|----------------|
|  | 2018   | 2017       | 2018                               | 2017         | 2018           | 2017           |
|  | \$'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) | (15)   | -          | 1,779                              | 1,692        | 187,671        | 192,664        |
| Net accrual adjustments  | 269  | 77         | -                                  | -            | 4,028          | (2,602)        |
| <b>Revenue for the period</b>  | <b>254</b>                                     | <b>77</b>  | <b>1,779</b>                       | <b>1,692</b> | <b>191,699</b> | <b>190,062</b> |
| Movement in deferred income  | (269)  | (77)       | -                                  | -            | (562)          | (594)          |
| Surplus / (deficit) from the previous year   | 269  | 346        | 12                                 | 143          | 727            | 1,547          |
| <b>Total revenue including accrued revenue</b>   | <b>254</b>                                     | <b>346</b> | <b>1,791</b>                       | <b>1,835</b> | <b>191,864</b> | <b>191,015</b> |
| Less expenses including accrued expenses   | (254)  | (77)       | (1,689)                            | (1,823)      | (191,631)      | (190,288)      |
| <b>Surplus / (deficit) for reporting period</b>  | <b>-</b>                                       | <b>269</b> | <b>102</b>                         | <b>12</b>    | <b>233</b>     | <b>727</b>     |

Note

2



**36. Acquittal of Australian Government financial assistance (continued)**

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

|   | <b>HECS-HELP<br/>(Australian<br/>Government<br/>payments only)</b> |               | <b>FEE-HELP</b> |               | <b>SA-HELP</b> |               | <b>Total</b>   |               |
|---|--|---------------|-----------------|---------------|----------------|---------------|----------------|---------------|
|   | <b>2018</b>  | <b>2017</b>   | <b>2018</b>     | <b>2017</b>   | <b>2018</b>    | <b>2017</b>   | <b>2018</b>    | <b>2017</b>   |
| <b>Note</b>   | <b>\$'000</b>  | <b>\$'000</b> | <b>\$'000</b>   | <b>\$'000</b> | <b>\$'000</b>  | <b>\$'000</b> | <b>\$'000</b>  | <b>\$'000</b> |
| Cash Payable / (Receivable) at the beginning of the year          | <b>(701)</b>   | (2,340)       | <b>37</b>       | (20)          | <b>68</b>      | 69            | <b>(596)</b>   | (2,291)       |
| Financial assistance received in cash during the reporting period | <b>129,402</b>   | 124,072       | <b>8,938</b>    | 9,147         | <b>3,247</b>   | 3,087         | <b>141,587</b> | 136,306       |
| Cash available for the period                                     | <b>128,701</b>   | 121,732       | <b>8,975</b>    | 9,127         | <b>3,315</b>   | 3,156         | <b>140,991</b> | 134,015       |
| Revenue earned  | <b>129,178</b>   | 122,433       | <b>8,390</b>    | 9,090         | <b>3,431</b>   | 3,088         | <b>140,999</b> | 134,611       |
| Cash Payable / (Receivable) at the end of the year                | <b>(477)</b>   | (701)         | <b>585</b>      | 37            | <b>(116)</b>   | 68            | <b>(8)</b>     | (596)         |



36. Acquittal of Australian Government financial assistance (continued)

(c) Department of Education and Training Research

|  | Research Training Program |               | Research Support Program |               | Total         |               |
|--|---------------------------|---------------|--------------------------|---------------|---------------|---------------|
|  | 2018                      | 2017          | 2018                     | 2017          | 2018          | 2017          |
| Note   | \$'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) | 19,765                    | 19,843        | 15,351                   | 15,836        | 35,116        | 35,679        |
| Net accrual adjustments  | -                         | -             | -                        | (374)         | -             | (374)         |
| <b>Revenue for the period</b>  | <b>19,765</b>             | <b>19,843</b> | <b>15,351</b>            | <b>15,462</b> | <b>35,116</b> | <b>35,305</b> |
| Surplus / (deficit) from the previous year   | 2,798                     | 2,649         | 5                        | 391           | 2,803         | 3,040         |
| <b>Total revenue including accrued revenue</b>   | <b>22,563</b>             | <b>22,492</b> | <b>15,356</b>            | <b>15,853</b> | <b>37,919</b> | <b>38,345</b> |
| Less expenses including accrued expenses   | (20,469)                  | (19,694)      | (15,356)                 | (15,848)      | (35,825)      | (35,542)      |
| <b>Surplus / (deficit) for reporting period</b>  | <b>2,094</b>              | <b>2,798</b>  | <b>-</b>                 | <b>5</b>      | <b>2,094</b>  | <b>2,803</b>  |

The reported surpluses for Research Training Program (RTP) of \$2.09 million for 2018 are expected to be rolled over for future use by the University.

**36. Acquittal of Australian Government financial assistance (continued)****(d) Total Higher Education Provider Research Training Program expenditure**

|  | <b>Total domestic<br/>students<br/>\$'000</b> | <b>Total overseas<br/>students<br/>\$'000</b> |
|--|---|---|
| Research Training Program fees offsets | <b>14,210</b>                                 | <b>-</b>                                      |
| Research Training Program stipends     | <b>5,273</b>                                  | <b>841</b>                                    |
| Research Training Program allowances   | <b>10</b>                                     | <b>135</b>                                    |
| <b>Total for all types of support</b>  | <b>19,493</b>                                 | <b>976</b>                                    |

**(e) Other capital funding**

|  | <b>Linkage Infrastructure,<br/>Equipment and<br/>Facilities Grant</b> |               | <b>Total</b>  |               |
|--|---|---------------|---------------|---------------|
|  | <b>2018</b>   | <b>2017</b>   | <b>2018</b>   | <b>2017</b>   |
| <b>Note</b>  | <b>\$'000</b>   | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b> |
| Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program) | -   | -             | -             | -             |
| Net accrual adjustments  | <b>37</b>   | <b>8</b>      | <b>37</b>     | <b>8</b>      |
| <b>Revenue for the period</b>  | <b>37</b>   | <b>8</b>      | <b>37</b>     | <b>8</b>      |
| Movement in deferred income  | <b>62</b>   | <b>13</b>     | <b>62</b>     | <b>13</b>     |
| Surplus / (deficit) from the previous year   | <b>13</b>   | <b>-</b>      | <b>13</b>     | <b>-</b>      |
| <b>Total revenue including accrued revenue</b>   | <b>112</b>  | <b>21</b>     | <b>112</b>    | <b>21</b>     |
| Less expenses including accrued expenses   | <b>(37)</b>   | <b>(8)</b>    | <b>(37)</b>   | <b>(8)</b>    |
| <b>Surplus / (deficit) for reporting period</b>  | <b>75</b>   | <b>13</b>     | <b>75</b>     | <b>13</b>     |





36. Acquittal of Australian Government financial assistance (continued)

(f) Australian Research Council Grants

|  | Note | Discovery    |         | Linkages     |         | Networks and Centres |        | Total         |         |
|--|------|--------------|---------|--------------|---------|----------------------|--------|---------------|---------|
|  |      | 2018         | 2017    | 2018         | 2017    | 2018                 | 2017   | 2018          | 2017    |
|  |      | \$'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) |      | 3,708        | 4,212   | 981          | 1,480   | -                    | -      | 4,689         | 5,692   |
| Net accrual adjustments  |      | 860          | 420     | 1,022        | 1,616   | 217                  | 223    | 2,099         | 2,259   |
| <b>Revenue for the period</b>  | 2    | <b>4,568</b> | 4,632   | <b>2,003</b> | 3,096   | <b>217</b>           | 223    | <b>6,788</b>  | 7,951   |
| Movement in deferred income  |      | (815)        | (175)   | (544)        | (578)   | 73                   | 77     | (1,286)       | (676)   |
| Surplus / (deficit) from the previous year   |      | 3,450        | 3,625   | 2,406        | 2,983   | 188                  | 111    | 6,044         | 6,719   |
| <b>Total revenue including accrued revenue</b>   |      | <b>7,203</b> | 8,082   | <b>3,865</b> | 5,501   | <b>478</b>           | 411    | <b>11,546</b> | 13,994  |
| Less expenses including accrued expenses   |      | (4,569)      | (4,632) | (2,003)      | (3,095) | (217)                | (223)  | (6,789)       | (7,950) |
| <b>Surplus / (deficit) for reporting period</b>  |      | <b>2,634</b> | 3,450   | <b>1,862</b> | 2,406   | <b>261</b>           | 188    | <b>4,757</b>  | 6,044   |

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

|   | 2018         | 2017         |
|---|--------------|--------------|
|   | \$'000       | \$'000       |
| Cash received during the reporting period         | 2,264        | 3,328        |
| Cash spent during the reporting period            | (1,940)      | (2,213)      |
| Net cash received                                 | 324          | 1,115        |
| Cash surplus / (deficit) from the previous period | 1,180        | 65           |
| <b>Cash surplus for the reporting period</b>      | <b>1,504</b> | <b>1,180</b> |

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**(h) Superannuation Supplementation**

|   | 2018         | 2017         |
|---|--------------|--------------|
|   | \$'000       | \$'000       |
| Cash received during the reporting period         | 26,601       | 32,691       |
| Cash available                                    | 26,601       | 32,691       |
| Cash surplus / (deficit) from the previous period | 3,218        | (601)        |
| Cash available for current period                 | 29,819       | 32,090       |
| Contributions to specified defined benefit funds  | (28,612)     | (28,872)     |
| <b>Cash surplus for the reporting period</b>      | <b>1,207</b> | <b>3,218</b> |

**(i) Student services and amenities fee**

|  | 2018       | 2017       |
|--|------------|------------|
|  | \$'000     | \$'000     |
| Unspent / (overspent) revenue from previous period | 253        | 493        |
| SA-HELP revenue earned                             | 3,431      | 3,088      |
| Student services fees direct from students         | 1,317      | 1,120      |
| Total revenue expendable in period                 | 5,001      | 4,701      |
| Student services expenses during period            | (4,731)    | (4,448)    |
| <b>Unspent student services revenue</b>            | <b>270</b> | <b>253</b> |

Note

4



**CERTIFICATE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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, except to the extent noted in the Accounting Policy in Note 2 Australian Government Grants and the Independent Audit Report; and
  - present a true and fair view of the financial position of the University as at 31 December 2018 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.

Ms Pauline Carr  
Chancellor

2 May 2019

Professor David G. Lloyd  
Vice Chancellor and President

2 May 2019

Mr Peter Prest  
Chief Financial Officer

2 May 2019



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## To the Chancellor University of South Australia

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 the consolidated entity comprising the University of South Australia and its controlled entities for the financial year ended 31 December 2018.

### Qualified opinion

In my opinion, except for the effects of the matter described in the 'Basis for qualified opinion' section of my report, the accompanying financial report has been prepared in accordance with the 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 2018, 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 consolidated financial report comprises:

- a Statement of Comprehensive Income for the year ended 31 December 2018
- a Statement of Financial Position as at 31 December 2018
- a Statement of Changes in Equity for the year ended 31 December 2018
- a Statement of Cash Flows for the year ended 31 December 2018
- notes, comprising significant accounting policies and other explanatory information.

### Basis for qualified opinion

The University and its controlled entities has recognised \$30.2 million of unspent funding as a liability for the year ended 31 December 2018. These amounts have been accounted for as income received in advance and included in 'Other Liabilities - Commonwealth and State Government Grants', 'Other Liabilities - Income in advance on incomplete projects' and 'Other Liabilities - Other' in note 21 to the financial report. The University has disclosed its accounting treatment of these funds in note 21 to the financial report.



The funds represent contributions and meet the recognition criteria of income in accordance with Accounting Standard AASB 1004 Contributions. The University controls these funds upon receipt and it is highly probable that any unspent funds will be spent in accordance with stipulated conditions. It is highly unlikely that unspent funds will need to be repaid to the granting bodies and as such funds should be recognised as income at the time of receipt.

As a result, the following has been misstated in the 2018 financial report:

- Revenue recognised as Australian Government grants is overstated by \$2.2 million (\$1.3 million understated in 2017)
- Revenue recognised as State and Local Government financial assistance is understated by \$193 000 (\$2.6 million understated in 2017)
- Revenue recognised as Consultancy and contract research is understated by \$1.7 million (\$1.6 million understated in 2017)
- Operating result attributable to members of University of South Australia is overstated by \$308 000 (\$5.6 million understated in 2017)
- Other liabilities is overstated by \$30.2 million (\$30.5 million overstated in 2017)
- Closing retained earnings is understated by \$30.2 million (\$30.5 million understated in 2017).

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. 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 have been met.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my qualified 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 the Treasurer’s Instructions issued under the provisions of the *Public Finance and Audit Act 1987*, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Higher Education Support Act 2003* and 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 that 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**

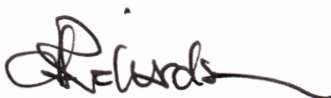
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an 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
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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



Andrew Richardson

**Auditor-General**

3 May 2019

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**University of  
South Australia**

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