Foreword

The financial statements are general purpose financial reports prepared in accordance with prescribed requirements.

The financial statements comprise the following components:

•	Statement of Financial Performance	4
•	Statement of Financial Position	5
•	Statement of Cash Flows	6
•	Notes to the Financial Statements	7
•	Management Certificate	67
•	Audit Report	68

Within the above components, the financial statements have been aggregated into the following disclosures:

- a) University (as an entity in its own right) column headed "Parent Entity"
- b) Consolidated (University and controlled entities: refer Note 28 for a listing of these entities) column headed "Economic Entity".



FLINDERS UNIVERSITY

Statement of Financial Performance for the Financial Year Ended 31 December 2003

	Notes	Economic [Consolid		Parent Entity [University]	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Revenue from Ordinary Activities	=	,		·	·
Commonwealth Government Financial					
Assistance	1(k),2.1	94,856	91,997	94,856	91,943
South Australian Government Financial	2.2				
Assistance		5,181	5,544	5,125	5,544
Higher Education Contribution Scheme					
 Student contributions 		4,739	4,124	4,739	4,124
Commonwealth payments		32,350	27,996	32,350	27,996
Postgraduate Education Loan Scheme	4(1) 0.0	1,264	721	1,264	721
Fees and Charges	1(k),2.3	25,430	23,846	24,179	21,855
Superannuation	22		2 200		2 200
Deferred Government contribution	22	1 222	2,300	1 222	2,300
Commonwealth supplementation Investment Income	1/1/ 2 /	1,323	1,820	1,323	1,820
Investment Income Royalties, Trademarks & Licenses	1(k),2.4 2.5	3,596 148	3,291 357	3,451 148	3,368 282
Consultancy and Contract Research	1(k),2.6	14,044	11,801	7,641	8,340
Other Revenue	2.7	12,177	11,601	12,673	11,164
Total revenue from ordinary activities		195,108	185,405	187,749	179,457
Total revenue from oralinary activities		155,100	103,403	107,743	177,137
Expense from Ordinary Activities					
Employee Benefits	3.1	116,049	115,524	113,368	112,804
Depreciation and Amortisation	3.2	8,995	8,266	8,498	7,734
Buildings and Grounds	3.3	10,151	9,623	10,136	9,590
Bad and Doubtful Debts	3.4	225	470	362	538
Other	3.5	45,588	42,542	40,568	38,595
Total expenses from ordinary activities		181,008	176,425	172,932	169,261
Net Operating Result		14,100	8,980	14,817	10,196
Net Operating Result attributable to outside		157	_	_	_
equity interests	-	17			
Net Operating Result attributable to Parent Entity (University)		14,083	8,980	14,817	10,196
Adjustment to retained accumulated funds		14,003	0,900	14,017	10,190
as a result of the adoption of revised					
accounting standard AASB 1028 "Employee					
Benefits"	1(d) (t)	(111)	_	(107)	_
Increase in Asset Revaluation Reserve	18	14,158	2,771	13,744	9,189
					7,207
Total Revenue, Expense and Valuation					
Adjustments attributable to the Parent		20.120	11 771	20.454	10.205
Entity and Recognised Directly in Equity	-	28,130	11,751	28,454	19,385
Total Changes in Equity Other than those					
Resulting from transactions with Owners as					
Owners	-	28,130	11,751	28,454	19,385

Statement of Financial Position as at 31 December 2003

		Notes	Economic Entity [Consolidated]		Parent Entity [University]	
Current Assets 1(0),7 3,432 554 3,097 354 Receivables 1(c),8 11,599 11,027 10,945 9,346 Inventories 1(h),9 375 409 375 409 Other Financial Assets 1(c),10 37,157 28,198 33,891 24,930 Other Assets 11 2,143 2,080 3,413 2,049 Total Current Assets 1 2,143 2,080 3,413 2,049 Non-Current Assets 1 2,143 2,080 3,413 2,049 Non-Current Assets 1 2,826 23,114 23,128 23,114 23,128 Other Financial Assets 1(c),10 28,258 28,606 31,338 31,189 Property, Plant and Equipment 1(0),12 21,158 190,177 210,658 186,612 Other Assets 1 1,240 1,176 1,153 1,241 Total Assets 1 1,241 1,309 9,147 11,037 <			2003			
Cach Assets 1(o),7 3,432 554 3,097 354 Receivables 1(c),8 11,599 11,027 10,945 9,346 Inventories 1(h),9 375 409 375 409 Other Financial Assets 1(c),10 37,157 28,198 33,891 24,930 Other Financial Assets 11 2,143 2,088 3,143 2,049 Non-Current Assets Receivables 1(c),10 28,258 28,606 31,338 31,189 Property, Plant and Equipment 1(l),10 28,258 28,606 31,338 31,189 Property, Plant and Equipment 1(l),12 214,158 19,177 210,658 186,612 Other Assets 11 1,420 1,176 - 1,525 Total Non-Current Assets 321,656 285,355 316,831 279,542 Current Liabilities 1(c),14 11,309 9,147 11,037 8,499 Interest-bearing Liabilities 15 7,98		<u>-</u>	\$'000	\$'000	\$'000	\$'000
Receivables	Current Assets					
The number of the policy of	Cash Assets					
Other Financial Assets 1(c),10 37,157 28,198 33,891 24,930 Other Assets 11 2,143 2,080 3,413 2,049 Non-Current Assets 54,706 42,268 51,721 37,088 Non-Current Assets 1(c),8 23,114 23,128 23,114 23,128 Other Financial Assets 1(c),10 28,258 28,606 31,338 31,89 Property, Plant and Equipment 1(l),12 214,158 190,177 210,658 186,612 Other Assets 1 1,420 1,176 - 1,525 Total Non-Current Assets 1 1,420 243,087 265,110 242,454 Total Assets 1(c),14 11,309 9,147 11,037 8,499 Interest-bearing Liabilities 15 7,498 3,376 9,169 4,037 Provisions 16 7,715 7,213 7,508 6,960 Other Liabilities 17 4,888 3,694 2,421 2,375	Receivables			11,027	10,945	,
Other Assets 11 2,143 2,080 3,413 2,049 Total Current Assets 54,706 42,268 51,721 37,088 Non-Current Assets 1(c),8 23,114 23,128 23,114 23,128 23,114 23,128 23,114 23,128 23,114 23,128 23,118 20,107 210,658 31,388 31,189 10,102 214,158 190,177 210,658 186,612 10,12 214,158 190,177 210,658 186,612 10,12 14,20 1,176 210,658 186,612 10,176 210,658 186,612 10,177 210,658 186,612 10,177 210,658 186,612 10,177 210,658 186,612 10,176 242,454 10,458 10,176 242,454 10,458 10,176 242,454 10,458 10,458 10,458 10,458 10,458 10,458 10,458 10,458 10,458 10,458 10,458 10,458 10,458 10,458 10,458 10,458 10,459 10,458 <th< td=""><td></td><td></td><td></td><td></td><td></td><td></td></th<>						
Non-Current Assets						
Non-Current Assets Receivables 1(c),8 23,114 23,128 23,114 23,128 23,114 23,128 23,114 23,128 23,114 23,128 24,000 28,258 28,600 31,338 31,189 214,158 190,177 210,658 186,612 214,158 190,177 210,658 186,612 214,158 190,177 210,658 186,612 266,950 243,087 265,110 242,454 242,4		11 _				
Receivables 1(c),8 23,114 23,128 23,114 23,128 Other Financial Assets 1(c),10 28,258 28,606 31,338 31,189 Property, Plant and Equipment 1(l),12 214,158 190,177 210,658 186,612 Other Assets 11 1,420 1,176 - 1,525 Total Non-Current Assets 266,950 243,087 265,110 242,454 Total Assets 321,656 285,355 316,831 279,542 Current Liabilities 15 7,498 3,376 9,169 4,037 Provisions 1(d),(e), 16 7,715 7,213 7,508 6,960 Other Liabilities 17 4,488 3,694 2,421 2,375 Total Current Liabilities 15 597 552 597 552 Payables 1(c), 14 1,241 1,153 1,233 1,146 Interest-bearing Liabilities 15 597 552 597 552 <td< td=""><td>Total Current Assets</td><td></td><td>54,706</td><td>42,268</td><td>51,721</td><td>37,088</td></td<>	Total Current Assets		54,706	42,268	51,721	37,088
Other Financial Assets 1(c),10 28,258 28,606 31,338 31,189 Property, Plant and Equipment Other Assets 1(l),12 214,158 190,177 210,658 186,612 Other Assets 11 1,420 1,176 - 1,525 Total Non-Current Assets 266,950 243,087 265,110 242,454 Current Liabilities Payables 1(c),14 11,309 9,147 11,037 8,499 Interest-bearing Liabilities 15 7,498 3,376 9,169 4,037 Provisions 1(d),(e), 7 7,213 7,508 6,960 Other Liabilities 17 4,488 3,694 2,421 2,375 Total Current Liabilities 15 597 552 597 552 Payables 1(c), 14 1,241 1,153 1,233 1,146 Interest-bearing Liabilities 15 597 552 597 552 Provisions 1(d),(e), 16 36,107	Non-Current Assets					
Other Financial Assets 1(c),10 28,258 28,606 31,338 31,189 Property, Plant and Equipment Other Assets 1(l),12 214,158 190,177 210,658 186,612 Other Assets 11 1,420 1,176 - 1,525 Total Non-Current Assets 266,950 243,087 265,110 242,454 Current Liabilities Payables 1(c),14 11,309 9,147 11,037 8,499 Interest-bearing Liabilities 15 7,498 3,376 9,169 4,037 Provisions 1(d),(e), 7,715 7,213 7,508 6,960 Other Liabilities 17 4,488 3,694 2,421 2,375 Total Current Liabilities 15 597 552 597 552 Payables 1(c), 14 1,241 1,153 1,233 1,146 Interest-bearing Liabilities 15 597 552 597 552 Provisions 1(d),(e), 36,107 35,	Receivables	1(c),8	23,114	23,128	23,114	23,128
Other Assets 11 1,420 1,176 - 1,525 Total Non-Current Assets 266,950 243,087 265,110 242,454 Total Assets 321,656 285,355 316,831 279,542 Current Liabilities 1(c),14 11,309 9,147 11,037 8,499 Interest-bearing Liabilities 15 7,498 3,376 9,169 4,037 Provisions 1(d),(e), 16 7,715 7,213 7,508 6,960 Other Liabilities 17 4,488 3,694 2,421 2,375 Total Current Liabilities 1(c),14 1,241 1,153 1,233 1,146 Interest-bearing Liabilities 15 597 552 597 552 Provisions 1(d),(e), 16 36,107 35,671 36,038 35,599 Total Non-Current Liabilities 37,945 37,376 37,868 37,297 Total Liabilities 68,955 60,806 68,003 59,168 Ne	Other Financial Assets					
Other Assets 11 1,420 1,176 - 1,525 Total Non-Current Assets 266,950 243,087 265,110 242,454 Total Assets 321,656 285,355 316,831 279,542 Current Liabilities 1(c),14 11,309 9,147 11,037 8,499 Interest-bearing Liabilities 15 7,498 3,376 9,169 4,037 Provisions 1(d),(e), 16 7,715 7,213 7,508 6,960 Other Liabilities 17 4,488 3,694 2,421 2,375 Total Current Liabilities 1(c),14 1,241 1,153 1,233 1,146 Interest-bearing Liabilities 15 597 552 597 552 Provisions 1(d),(e), 16 36,107 35,671 36,038 35,599 Total Non-Current Liabilities 37,945 37,376 37,868 37,297 Total Liabilities 68,955 60,806 68,003 59,168 Ne	Property, Plant and Equipment	1(1),12	214,158	190,177	210,658	186,612
Total Assets 321,656 285,355 316,831 279,542 Current Liabilities 1(c),14 11,309 9,147 11,037 8,499 Payables 1(c),14 11,309 9,147 11,037 8,499 Interest-bearing Liabilities 15 7,498 3,376 9,169 4,037 Provisions 16 7,715 7,213 7,508 6,960 Other Liabilities 17 4,488 3,694 2,421 2,375 Total Current Liabilities 17 4,488 3,694 2,421 2,375 Non-Current Liabilities 15 597 552 597 552 Provisions 1(d),(e), 16 36,107 35,671 36,038 35,599 Total Non-Current Liabilities 37,945 37,376 37,868 37,297 Total Liabilities 68,955 60,806 68,003 59,168 Net Assets 252,701 224,549 248,828 220,374 Equity 20 20			1,420	1,176	-	1,525
Current Liabilities Payables 1(c),14 11,309 9,147 11,037 8,499 Interest-bearing Liabilities 15 7,498 3,376 9,169 4,037 Provisions 1(d),(e), 16 7,715 7,213 7,508 6,960 Other Liabilities 17 4,488 3,694 2,421 2,375 Total Current Liabilities 31,010 23,430 30,135 21,871 Non-Current Liabilities 1(c), 14 1,241 1,153 1,233 1,146 Interest-bearing Liabilities 15 597 552 597 552 Provisions 1(d),(e), 16 36,107 35,671 36,038 35,599 Total Non-Current Liabilities 37,945 37,376 37,868 37,297 Total Liabilities 68,955 60,806 68,003 59,168 Net Assets 252,701 224,549 248,828 220,374 Equity 18 31,949 17,255 37,249	Total Non-Current Assets	-	266,950	243,087	265,110	242,454
Payables Interest-bearing Liabilities Provisions 1(c),14 11,309 9,147 11,037 8,499 4,037 1(d),(e), 1(d),(e), 16 7,715 7,213 7,508 6,960 16 7,715 7,213 7,508 6,960 17 4,488 3,694 2,421 2,375 1,000 23,430 30,135 21,871 1,000 1,0	Total Assets	<u>-</u>	321,656	285,355	316,831	279,542
Payables Interest-bearing Liabilities Provisions 1(c),14 11,309 9,147 11,037 8,499 4,037 1(d),(e), 1(d),(e), 16 7,715 7,213 7,508 6,960 16 7,715 7,213 7,508 6,960 17 4,488 3,694 2,421 2,375 1,000 23,430 30,135 21,871 1,000 23,430 30,135 21,871 1,000	Current Liabilities					
Interest-bearing Liabilities 15 7,498 3,376 9,169 4,037 Provisions 1(d),(e), 16 7,715 7,213 7,508 6,960 Other Liabilities 17 4,488 3,694 2,421 2,375 Total Current Liabilities 31,010 23,430 30,135 21,871 Non-Current Liabilities 15 597 552 597 552 Payables 1(c), 14 1,241 1,153 1,233 1,146 Interest-bearing Liabilities 15 597 552 597 552 Provisions 1(d),(e), 16 36,107 35,671 36,038 35,599 Total Non-Current Liabilities 37,945 37,376 37,868 37,297 Total Liabilities 68,955 60,806 68,003 59,168 Net Assets 252,701 224,549 248,828 220,374 Equity Reserves 18 31,949 17,255 37,249 22,969 Accumulated funds 19 220,730 207,294 211,579 197,405 Total Parent Entity (University) Interest 252,679 224,549 248,828 220,374 Outside equity interest 20 22 -		1(c).14	11.309	9.147	11.037	8.499
Provisions 1(d),(e), 16 7,715 7,213 7,508 6,960 Other Liabilities 17 4,488 3,694 2,421 2,375 Total Current Liabilities 31,010 23,430 30,135 21,871 Non-Current Liabilities 1(c), 14 1,241 1,153 1,233 1,146 Interest-bearing Liabilities 15 597 552 597 552 Provisions 1(d),(e), 16 36,107 35,671 36,038 35,599 Total Non-Current Liabilities 37,945 37,376 37,868 37,297 Total Liabilities 68,955 60,806 68,003 59,168 Net Assets 252,701 224,549 248,828 220,374 Equity Reserves 18 31,949 17,255 37,249 22,969 Accumulated funds 19 220,730 207,294 211,579 197,405 Total Parent Entity (University) Interest Outside equity interest 20 22 - - -						
Other Liabilities 16 7,715 7,213 7,508 6,960 Other Liabilities 17 4,488 3,694 2,421 2,375 Total Current Liabilities Payables 1(c), 14 1,241 1,153 1,233 1,146 Interest-bearing Liabilities 15 597 552 597 552 Provisions 1(d),(e), 36,107 35,671 36,038 35,599 Total Non-Current Liabilities 37,945 37,376 37,868 37,297 Total Liabilities 68,955 60,806 68,003 59,168 Net Assets 252,701 224,549 248,828 220,374 Equity Reserves 18 31,949 17,255 37,249 22,969 Accumulated funds 19 220,730 207,294 211,579 197,405 Total Parent Entity (University) Interest Outside equity interest 20 22 - - - - - -			,	-,-	.,	,
Other Liabilities 17 4,488 3,694 2,421 2,375 Total Current Liabilities 31,010 23,430 30,135 21,871 Non-Current Liabilities 1(c), 14 1,241 1,153 1,233 1,146 Interest-bearing Liabilities 15 597 552 597 552 Provisions 1(d),(e), 16 36,107 35,671 36,038 35,599 Total Non-Current Liabilities 37,945 37,376 37,868 37,297 Total Liabilities 68,955 60,806 68,003 59,168 Net Assets 252,701 224,549 248,828 220,374 Equity Reserves 18 31,949 17,255 37,249 22,969 Accumulated funds 19 220,730 207,294 211,579 197,405 Total Parent Entity (University) Interest Outside equity interest 20 22 - - - - - - - - - - - -			7,715	7,213	7,508	6,960
Non-Current Liabilities Payables 1(c), 14 1,241 1,153 1,233 1,146 Interest-bearing Liabilities 15 597 552 597 552 Provisions 1(d),(e), 16 36,107 35,671 36,038 35,599 Total Non-Current Liabilities 37,945 37,376 37,868 37,297 Total Liabilities 68,955 60,806 68,003 59,168 Net Assets 252,701 224,549 248,828 220,374 Equity Reserves 18 31,949 17,255 37,249 22,969 Accumulated funds 19 220,730 207,294 211,579 197,405 Total Parent Entity (University) Interest Outside equity interest 20 22 - - - - -	Other Liabilities	17	4,488			
Payables 1(c), 14 1,241 1,153 1,233 1,146 Interest-bearing Liabilities 15 597 552 597 552 Provisions 1(d),(e), 36,107 35,671 36,038 35,599 Total Non-Current Liabilities 37,945 37,376 37,868 37,297 Total Liabilities 68,955 60,806 68,003 59,168 Net Assets 252,701 224,549 248,828 220,374 Equity Reserves 18 31,949 17,255 37,249 22,969 Accumulated funds 19 220,730 207,294 211,579 197,405 Total Parent Entity (University) Interest Outside equity interest 20 22 -	Total Current Liabilities	-	31,010	23,430	30,135	21,871
Payables 1(c), 14 1,241 1,153 1,233 1,146 Interest-bearing Liabilities 15 597 552 597 552 Provisions 1(d),(e), 36,107 35,671 36,038 35,599 Total Non-Current Liabilities 37,945 37,376 37,868 37,297 Total Liabilities 68,955 60,806 68,003 59,168 Net Assets 252,701 224,549 248,828 220,374 Equity Reserves 18 31,949 17,255 37,249 22,969 Accumulated funds 19 220,730 207,294 211,579 197,405 Total Parent Entity (University) Interest Outside equity interest 20 22 -	Non-Current Liabilities					
Interest-bearing Liabilities 15 597 552 597 552 597 552 1(d),(e), 16 36,107 35,671 36,038 35,599 37,945 37,376 37,868 37,297 37,945 37,376 37,868 37,297 37,868 37,297 37,868 37,297 37,868 37,297 37,868 37,297 37,868 37,297 37,868 37,297 37,868 37,297 37,868 37,297 37,868 37,297 37,868 37,297 37,249 248,828 220,374 37,868 31,949 31,255 37,249 22,969 37,249		1(c) 14	1 241	1 153	1 233	1 146
Provisions 1(d),(e), 16 36,107 35,671 36,038 35,599 Total Non-Current Liabilities 37,945 37,376 37,868 37,297 Total Liabilities 68,955 60,806 68,003 59,168 Net Assets 252,701 224,549 248,828 220,374 Equity Reserves						
Total Non-Current Liabilities 16 36,107 35,671 36,038 35,599 Total Liabilities 68,955 60,806 68,003 59,168 Net Assets 252,701 224,549 248,828 220,374 Equity Reserves			0,77	30 2	0,7	002
Total Non-Current Liabilities 37,945 37,376 37,868 37,297 Total Liabilities 68,955 60,806 68,003 59,168 Net Assets 252,701 224,549 248,828 220,374 Equity Reserves	110 (1616)		36,107	35,671	36,038	35,599
Net Assets 252,701 224,549 248,828 220,374 Equity Reserves	Total Non-Current Liabilities	-	37,945	37,376	37,868	37,297
Equity Reserves 18 31,949 17,255 37,249 22,969 Accumulated funds 19 220,730 207,294 211,579 197,405 Total Parent Entity (University) Interest 252,679 224,549 248,828 220,374 Outside equity interest 20 22 - - - -	Total Liabilities	<u>-</u>	68,955	60,806	68,003	59,168
Reserves 18 31,949 17,255 37,249 22,969 Accumulated funds 19 220,730 207,294 211,579 197,405 Total Parent Entity (University) Interest 252,679 224,549 248,828 220,374 Outside equity interest 20 22 - - - -	Net Assets	<u>-</u>	252,701	224,549	248,828	220,374
Reserves 18 Accumulated funds 31,949 220,730 17,255 37,249 22,969 211,579 220,740 Total Parent Entity (University) Interest Outside equity interest 20 224,549 248,828 220,374 220	Fauity	-				
Accumulated funds 19 220,730 207,294 211,579 197,405 Total Parent Entity (University) Interest 252,679 224,549 248,828 220,374 Outside equity interest 20 22 - - - -		10	21.040	17.055	27 240	22.000
Total Parent Entity (University) Interest Outside equity interest 252,679 224,549 248,828 220,374 20 22 - - -			·	,		
Outside equity interest 20 <u>22</u>	Accumulated futius	17 -	440,730	207,294	211,3/9	177,403
Outside equity interest 20 22	Total Parent Entity (University) Interest		252,679	224,549	248,828	220,374
Total Equity 252,701 224,549 248,828 220,374		20	22	-	-	
	Total Equity	_	252,701	224,549	248,828	220,374

Statement of Cash Flows for the year ended 31 December 2003

	Notes	Economic [Consolia		Parent E [Univer	
_	34	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Cash Flows from Operating	_	φ 000	φυσ	φυσ	φυσ
Activities					
Inflows:					
Financial Assistance					
• DEST		78,887	79,581	78,887	79,581
 Other Commonwealth Government 		17,643	16,524	17,643	16,470
Total Commonwealth Government		96,530	96,105	96,530	96,051
• South Australian Government		5,324	5,980	5,268	5,980
Higher Education Contribution Scheme:		4,739	4 124	4.720	4 104
Student paymentsCommonwealth payments		4,739 32,350	4,124 28,567	4,739 32,350	4,124 28,567
Fees and Charges		26,949	25,251	24,410	22,183
Investment Income		3,554	3,029	3,410	2,774
Consultancy & Contract Research		14,505	12,968	8,102	9,507
Other Revenue		12,420	11,659	10,799	12,559
Outflows:		,	,	,	,
Staff Salaries		(95,274)	(92,283)	(90,058)	(90,109)
Staff Related Costs		(18,584)	(20,461)	(19,804)	(19,996)
Other		(57,286)	(57,758)	(51,996)	(53,659)
Net Cash provided by operating activities	34(i)	25,227	17,181	23,750	17,981
Cash Flows from Investing Activities					
Inflows:					
Proceeds from sale of property, plant					
and equipment		884	505	838	505
Proceeds from sale of investments		5,085	10,056	5,000	9,004
Outflows:					
Purchase of property, plant and		(10.464)	(11 100)	(17,000)	(11 170)
equipment		(18,464)	(11,198)	(17,909)	(11,172)
Purchase of investments Change in Funds Held on Behalf of Other Entities		(14,000) 4,061	(8,677) 1,598	(14,342) 5,326	(8,349) 1,471
Net Cash provided in Investing Activities	-	(22,434)	(7,716)	(21,087)	(8,541)
iver cush province in investing receivings		(22,434)	(7,710)	(21,007)	(0,511)
Cash Flows from Financing					
Activities					
Inflows:					
Proceeds from sale of subsidiary shares		5	-	-	-
Outflows:		-	-	-	-
Net cash used by financing activities		5 2.709	0.465	2 ((2	0.440
Net increase in cash held Cash at beginning of reporting period		2,798 11,984	9,465 2,519	2,663 11,784	9,440 2,344
σιών με σεχιτικίας ση τερστεκίας μετίσα		11,704	<u> </u>	11,704	4,044
Cash at End of Reporting Period	1(o),7	14,782	11,984	14,447	11,784



FLINDERS UNIVERSITY





No	otes to and forming part of the Financial Statements:	Page
1.	Summary of Accounting Policies	10-19
2.	Revenue from Ordinary Activities	20-22
	2.1 Commonwealth Government Financial Assistance (excl. HECS & PELS)	20
	2.2 South Australian Government Financial Assistance	21
	2.3 Fees and Charges	21
	2.4 Investment Income	21
	2.5 Royalties, Trademarks and Licenses	21
	2.6 Consultancy and Contract Research	21
	2.7 Other Revenue	22
3.	Expenses from Ordinary Activities	22-24
	3.1 Employee Benefits	22-23
	3.2 Depreciation and Amortisation	23
	3.3 Building and Grounds	23
	3.4 Bad and Doubtful Debts	23
	3.5 Other Expenses	24
4.	Sale of Assets	24
5.	Responsible Persons and Executive Officers	25-29
	5.1 Responsible Persons	25-28
	5.2 Executive Officers	29
6.	Remuneration of Auditors	29
7.	Cash Assets	30
8.	Receivables	30
9.	Inventories	30
10.	Other Financial Assets (Investments)	31
11.	Other Assets	31
12.	Property, Plant and Equipment	32-34
13.	Restricted Assets	34
14.	Payables	34
15.	Interest-bearing Liabilities	35
16.	Provisions	35-36
17.	Other Liabilities	36
18.	Reserves	36
19.	Retained Surplus (Accumulated Funds)	37
20.	Outside Equity Interest	37
21.	Commitments for Expenditure	37-38
		Page

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FLINDERS UNIVERSITY

24.	Leases	42-43
25.	Economic Dependency	43
26.	Joint Venture Operations	43-44
27.	Joint Venture Entities	45-49
28.	Controlled Entities	49-50
29.	Associated Entities	50
30.	Disaggregated Information	50
31.	Discontinuing Operations	51
32.	Subsequent Events	51
33.	Assets and Liabilities of Trusts for which the Institution is Trustee	51
34.	Notes to the Statement of Cash Flows	52-53
35.	Financial Instruments	53-56
36.	Acquittal of Commonwealth Government Financial Assistance	57-65
	36.1 Teaching and Learning	57-59
	36.2 Australian Research Council - Discovery	60-62
	36.3 DEST Research Financial Assistance	62-64
	36.4 Summary of Unspent Financial Assistance	65
37.	Entity Information	66

1. Summary of Accounting Policies

Financial Reporting Framework

The financial statements are a general purpose financial report. They have been prepared on a full accrual basis and in accordance with applicable Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and the requirements of the Commonwealth Department of Education, Science and Training (DEST)¹.

The financial statements are generally consistent with relevant provisions of the Treasurer's Instructions issued pursuant to the Public Finance and Audit Act 1987 and the Accounting Policy Statements issued pursuant to the Treasurer's Instructions, except where the foregoing conflict with the DEST guidelines.

The financial statements have been prepared on the basis of historical costs and do not take into account changing money values, the only exception being financial assets and property, plant and equipment which are measured on a fair value basis.

The consolidated financial statements (the economic entity) comprise the accounts of the University (the parent entity) and all of its controlled entities.

Significant Accounting Policies

The significant accounting policies that have been adopted in the preparation of these financial statements are:

(a) Principles of consolidation

A controlled entity is any entity controlled by Flinders University (the University). Control exists where the University has the capacity to dominate decision making in relation to the financial and operating policies of another entity so that the other entity operates with the University to achieve the objectives of the University. A list of controlled entities is contained in Note 28.

The effects of transactions between controlled entities and the University have been eliminated on consolidation.

(b) Depreciation

Depreciation is calculated on a straight line basis on all property, plant and equipment, other than land and works of art, which are not depreciated. The following rates are based on the

estimated useful life of the assets to the University: -

Item	Percentage
	%
Buildings and Infrastructure	2.50
Equipment	
Motor Vehicles	20.00
General Equipment	16.67
Computer Hardware	33.33
Computer Software	20.00
Aircraft	10.00
Library	
Library Monographs	2.50
Library Serials	2.00

The gross amount of depreciable assets and the related accumulated depreciation is provided within Note 12. Depreciation expense by asset class is shown in Note 3.2.

(c) Financial Instruments

i. Cash

Bank accounts are recognised at nominal amounts, and interest is credited to revenue in the period it is earned. Note disclosure is made in Note 7.

ii. Receivables

Receivables are shown at amounts due from customers, inclusive of GST and reduced for expected credit losses (provision for doubtful debts). The University's credit terms are net 30 days. Note disclosure is made in Note 8.

iii. Other Financial Assets (Investments)

Investments include term deposits and deposits at 24 hour call, government securities, Commonwealth Indexed Bonds, managed funds, interest in business undertakings, equities, investment property and debenture stock.

Investments are recognised at fair value.

The Mark Oliphant Building Investment property was independently valued as at 31 December 2002 by Norm Satchell, AAPI, B.App.Sc (Val) of Edward Rushton Pty Ltd.

The carrying amount of investments is reviewed annually by the University to ensure that all items are carried at fair value.

Note disclosure is made in Note 10.

iv Payables

Payables are shown at amounts due to suppliers, inclusive of GST and exclusive of any applicable discounts that will be taken. Note disclosure is made in Note 14.

v Interest Bearing Liabilities

The University holds funds on behalf of affiliated student entities, controlled entities, certain joint ventures and two external entities (Mawson Fellowship Program Fund and the South Australian Research Education Network). The University invests these funds along with University funds and shares the investment income.

vi Other Liabilities: Funds Held on behalf of other entities

Funds held on behalf of other entities are shown at amounts due. These do not incur any interest charges.

(d) Employee Benefits

Employee benefits expected to be settled within one year have been recognised at their nominal amount. These liabilities are measured at the amounts expected to be paid when the liability is settled. On-costs on the Leave Liabilities accruing to employees are recognised as provisions and on-costs not accruing to employees are classed as payables as required under SA State Government Accounting Policy Statement 9. Benefits expected to be settled later than one year have been measured at the present value of the estimated applicable future cash flows to be made for those benefits and related on-costs.

i. Long Service Leave

The long service leave liability is independently actuarially estimated by the long hand method prescribed by AASB 1028 *Employee Benefits*. Note disclosure is made in Notes 14 and 16.

ii. Annual Leave

The University has a liability for unused annual leave for non academic staff. In accordance with conditions of employment, academic staff are required to take annual leave each year and no annual leave is accrued at year end. Note disclosure is made in Notes 14 and 16.

iii. Sick Leave

No provision has been made for sick leave as all sick leave is non vesting and the average sick leave taken each year is less than the annual entitlement for sick leave.

iv. Superannuation

Superannuation schemes exist to provide benefits to University employees and their dependents upon resignation, retirement, disability or death. The contributions made to these schemes by the University and the emerging cost from unfunded Schemes are expensed in the Statement of Financial Performance. Note 22 provides details in respect of the individual Schemes.

v. Invalidity Scheme

The Invalidity Scheme exists to provide benefits to certain members of University Superannuation Scheme Number 1 and a small number of other staff in the event of invalidity. The University calculates the present liability of the scheme by extrapolation from an independent actuarial review conducted as at 31 December 2000. Details are disclosed in Note 22.

vi. Redundancy/Severance

Provision is also made for redundancy payments in circumstances where the University has formally approved individuals' redundancies and a reliable estimate of the amount of the payments can be determined.

Provision is also made for severance payments where it is probable payments will be made under industrial awards for fixed term staff. The liability for severance payments is disclosed in Note 16.

(e) Workers' Compensation

The University is responsible for payments of workers' compensation and is registered with Workcover as an exempt employer. Unisure Pty Ltd administers workers' compensation arrangements on behalf of the University.

The provision for workers' compensation liability is actuarially determined every five years, with the intervening years calculated by applying an extrapolation of the most recent actuarial calculation to the latest value of claims on hand. The method used is the claims paid development method where all past claims are brought to current values with an allowance for late claims reporting and administration costs. The last actuarial calculation was conducted as at 31 December 2000. The liability for workers' compensation is disclosed in Note 16.

(f) Foreign Currency

Foreign currency transactions were converted to Australian currency at the rates of exchange ruling at the date of the transactions. There are no material foreign currency monetary items outstanding at balance date.

(g) Goods and Services Tax

The University recognises revenues and expenses net of the amount of goods and services tax (GST), except where the amount of GST incurred by the University is not recoverable from the taxation authority.

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

Cash flows included in the Statement of Cash Flows are on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(h) Inventories

Inventories are stores of consumable items including printing and maintenance materials. Annual stocktakes are used to verify inventory account balances. Other small inventories of consumable items including stationery, fuel and antisera are expensed as purchased. Note disclosure is made in Note 9.

(i) Investments in Business Undertakings

Controlled Entities

Investments in controlled entities are carried in the University's Statement of Financial Position at fair value. Dividends are brought to account when they are declared. Note disclosure is made in Note 10.

Associates

Apart from the investment in Unisure Pty Ltd, the University has no material investments in associates and does not include any amount in the financial statements for its interest in associated entities. Note disclosure is made in Note 29.

Joint Ventures

Joint Venture Operations

The University's interest in the share of the assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the University's Statement of Financial Position and Statement of Financial Performance, where material. Details of joint ventures are included in Note 26.

Ioint Venture Entities

The University has no material interest in joint venture entities and does not include any amount in the financial statements for its interest in joint venture entities. Disclosure is made in Note 27.

(j) Leased Assets

University as Lessee

Leases of assets where substantially all the risks and benefits of ownership, but not legal ownership, are transferred to the University, are classified as finance leases. Finance leases are capitalised, recording an asset and liability equal to the present value of the minimum lease payments, including any guaranteed residual value. They are then amortised on a straight line basis over the lease term.

Leases of assets where substantially all the risks and benefits of ownership remain with the lessor are classified as operating leases. Payments made under an operating lease are expensed in the period to which the payment relates.

University as Lessor

The University leases space in an investment property to external entities. Accommodation on campus is leased to students. The University also leases a small amount of space on its main campus to commercial entities for provision of services to students and staff and a portion of the Lincoln Marine Science Centre to other research entities. The leases are all classified as operating leases.

Note disclosure is made in Note 24.

(k) Revenue Recognition

i. Commonwealth Financial Assistance

DEST provide annual grants for teaching and research to the University each year, with the first payment being received at the end of the previous year. This advance payment is brought to account in the period in which it is received because the University has control of the funds and there is not a direct reciprocal obligation to DEST.

Other revenue from DEST is brought to account when earned.

Other Commonwealth grant revenue is recognised when received.

Note disclosure is made in Note 21.

ii. Consultancy and Contract Research

Revenue from Consultancy and Contract Research is recognised in the period in which the consultancies/contract services are provided. Research Grant revenue is recognised as revenue when received. Note disclosure is made in Note 2.6.

iii. Donations

Donations are received in cash and non cash forms. Non cash donations are recognised at the University's estimate of the fair value of the items donated. Note disclosure is made in Note 2.7.

iv. Fees and Charges: Student revenue

Revenue comprises fees from students for the provision of courses. The fees are recognised in the periods during which the courses are provided. Note disclosure is made in Note 2.3.

v. Investment income

Interest income is recognised as it accrues. The indexation component of indexed bonds is recorded as revenue in the year that it is earned. Dividend income and imputation credits are recognised only when declared, determined or recommended by external entities before 31 December reporting date.

Income distributions from Managed Funds are recognised on receipt of official advice from investment companies of the University's entitlement to distributions. Realised gains and losses are included in the Net Operating Result. Unrealised gains and losses are taken to the Asset Revaluation Reserve for Investments except to the extent that unrealised losses exceed previous revaluation increments for all investments held in that reserve. Capital gains and losses on other investments are recognised when the investment is sold. Note disclosure is made in Note 2.4.

(1) Property, Plant and Equipment

Property, Plant and Equipment, except for Library (refer 1(1)(iii)), are measured on a fair value basis. At each reporting date, the value of each asset class is reviewed to ensure that it does not differ materially from the assets class' fair value at that date. Where necessary, the asset class is revalued to reflect its fair value. Note disclosure is made in Note 12.

i. Land

Land occupied by the University is owned by the University in its own right and by the State Government. The value of land owned by the State Government is reflected in the University's financial statements on the basis that the University effectively controls the land occupied.

Land controlled by the University was revalued as at 31 December 2003 by Greg McCloud AAPI, B.App.Sc (Val) of Edward Rushton Australia Pty Ltd.

ii. Buildings and Infrastructure

Buildings and infrastructure controlled by the University were independently revalued as at 31 December 2001 by Norm Satchell, AAPI, B.App.Sc (Val) and Greg McCloud AAPI (Val) B.App.Sc (Val), of Edward Rushton Australia Pty Ltd. An aircraft hangar owned by ARA Airborne Research Australia Pty Ltd, a controlled entity, was independently revalued in 2002 by Alex Smithson B App Sc (Val) FAPI of Knight Frank.

Buildings under construction are measured at cost.

Independent building and infrastructure valuations are undertaken triennially. In

iii. Library Books - Monographs and Serials

The base value of the Library collection is reported at Council's valuation based on current average written down replacement cost as at 31 December 1993. Additions subsequent to 31 December 1993 are capitalised at cost. It is planned to revalue the Library to fair value no later than 30 June 2005 under the transitional provisions of AASB 1041 Revaluation of Non Current Assets.

iv. Equipment

This class of assets includes computer hardware and software, furniture, vehicles, marine and general equipment. Individual items costing \$10,000 or more are capitalised and recorded in the Statement of Financial Position initially at cost. Items costing less than \$10,000 are recognised as an expense in the Statement of Financial Performance in the period acquired. The depreciated value of equipment is deemed to be its fair value. The acquisition cost for software includes the cost of staff time and consultants costs incurred in implementing the software.

v. Aircraft

Individual items costing \$10,000 or more are capitalised and recorded in the Statement of Financial Position at cost. Items costing less than \$10,000 are recognised as an expense in the Statement of Financial Performance in the period acquired.

Aircraft were independently revalued in 2000 by R A Douglas MSAA of Douglas Aircraft Sales.

vi. Works of Art

The University revalued the Works of Art collection as at 31 December 2003.

(m) Student Service Fees

The University collects fees on behalf of the incorporated student organisations. The organisations provide services and amenities not available to students directly through the University. Student services fee revenue and associated expenditure are not reflected in the financial statements.

(n) Doubtful debts

The collectability of receivables is assessed at balance date and provision made for any doubtful debts. Note disclosure is made in Note 8.

(o) Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand, at call deposits with financial institutions and investments readily convertible to cash within three working days. Note 7 provides a reconciliation of cash disclosure.

For the purpose of the Statement of Financial Position, Cash Assets are at call deposits at bank and cash on hand.

(p) Income Tax Status

The activities of the University are exempt from income tax as are all but one of its wholly owned controlled entities. Flinders Reproductive Medicine, operating through the Flinders ART Clinic Trust is subject to income tax but fully distributes all net earnings, so no tax is payable.

The University is subject to fringe benefits tax, the goods & services tax and payroll tax.

(q) Research and Development Costs

The University (parent entity) expenses Research and Development costs when incurred, as the expenses are not recoverable beyond reasonable doubt. One of the University's controlled entities, Flinders Technologies Pty Ltd, has the rights to commercialise intellectual property arising from the University. Research and Development costs incurred by Flinders Technologies are treated as deferred expenditure:

- During the assessment phase of projects until financial viability is determined and
- For projects expected to be financially viable, to offset future revenue.

Research and Development costs treated as deferred expenditure are included in the Consolidated Statement of Financial Position and are disclosed under Note 11 as Project costs carried forward.

The recoverability of deferred expenditure is reviewed annually and any amounts previously deferred that are no longer expected to be recovered are charged to the Net Operating Result.

(r) Rounding to the Nearest \$'000

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

(s) Comparative Figures

The previous year's figures are provided in the financial statements for comparative purposes. Where practicable, comparative figures have been adjusted to conform to changes in presentation and classification in the present year.

(t) Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous year except for the following:

In accordance with Accounting Standard AASB 1028 *Employee Benefits*, on 1 January 2003 the consolidated entity changed its policy for recognising the liability for annual leave. Under the new policy, the amount of the liability is calculated using remuneration rates expected to apply at the time the liability is settled, rather than the remuneration rates that applied at reporting date. The effect of this change has been to decrease 2003 opening retained earnings by an amount of \$111,000 (consolidated entity) and \$107,000 (parent entity).

The following table shows how the annual leave expense and liability would have been disclosed had the new accounting policy always been applied.

	Economic l	Economic Entity [Consolidated]		itity
	[Consolid			ity]
	2003	2003 2002		2002
	<i>\$'000</i>	\$'000	\$'000	\$'000
Annual leave expense	6,854	6,843	6,857	6,699
Annual leave liability	3,146	2,927	3,043	2,756

	Economic Entity		Parent Entity		
Notes	[Consolidated]		[Univer	sity]	
	2003	2002	2003	2002	
	\$'000	\$'000	\$'000	\$'000	

2. Revenue from Ordinary Activities

2.1 Commonwealth Government Financial Assistance (including Superannuation contributions from the Commonwealth, but excluding HECS & PELS)

Teaching & Learning:	36.1				
Operating excluding HECS &		40.044	40.600	10.011	40.600
PELS		49,911	49,689	49,911	49,689
Teaching Hospitals		185	182	185	182
Capital Development Pool		789	1,171	789	1,171
ARC ¹ :	36.2				
Discovery – Project (Large Grants)		1,548	1,703	1,548	1,703
Discovery - Fellowships		87	197	87	197
Discovery – Indigenous Researchers					
Development		39	30	39	30
Linkage – Infrastructure		498	220	498	220
Linkage - International Research					
Exchange		10	15	10	15
Linkage – Projects (includes Strategic					
Partnerships with Industry					
(SPIRT))		934	674	934	674
DEST Research:	36.3				
Institutional Grants Scheme		7,025	7,038	7,025	7,038
Research Infrastructure Block Grants		3,467	2,954	3,467	2,954
Research Training Scheme		11,062	10,631	11,062	10,631
Systemic Infrastructure Initiative		-	460	-	460
Australian Postgraduate Awards		1,828	1,815	1,828	1,815
International Postgraduate Research		1,020	1,010	1,020	1,010
Scholarships		240	261	240	261
1		77,623	77,040	77,623	77,040
Other Commonwealth Government		,	,	,	,
National Health and Medical					
Research Council		5,821	5,887	5,821	5,887
Other Research		5,475	4,824	5,475	4,824
Other Commonwealth Non-Research		5,937	4,246	5,937	4,192
outer commonweard ron negerier		17,233	14,957	17,233	14,903
		17,200	11,701	17,200	14,700
Total Commonwealth Government		94,856	91,997	94,856	91,943

		[Consolidated]		[University]	
		2003 \$'000	2002 \$'000		2002 \$'000
		φ 000	φυσ	φυσ	φ 000
2.2	South Australian Government Financial Assistance				
	Research Financial Assistance Reimbursements	1,103 3,084	1,485 3,021	1,103 3,028	1,485 3,021

Economic Entity

Parent Entity

1

	Non research	994	1,038	994	1,038
		5,181	5,544	5,125	5,544
	F 1.01				
2.3	Fees and Charges				
	Fee-paying overseas students	15,990	13,868	15,990	13,868
	Fee-paying domestic postgraduate students	1,813	1,955	1,813	1,955
	Fee-paying domestic students undertaking non-award students	137	81	137	81
	Other	137	01	137	01
	Student Housing & other rental charges	2,582	2,448	2,576	2,438
	Car parking revenue	846	843	846	843
	Other _	4,062	4,651	2,817	2,670
	-	25,430	23,846	24,179	21,855
2.4	Investment Income				
	Dividends				
	Wholly-owned controlled entities	_	_	_	500
	Other entities	315	469	254	210
	-	315	469	254	710
	Interest	2,047	1,589	1,911	1,412
	Managed Funds	469	450	455	436
	Rental Revenue	765	783	831	810
	-	3,596	3,291	3,451	3,368
2.5	Royalties, Trademarks and Licenses	148	357	148	282
2.6	Consultancy and Contract Research				
	Consulting	7,651	7,033	1,990	4,271
	Other research	6,393	4,768	5,651	4,069
		14,044	11,801	7,641	8,340

		Economic l [Consolid		Parent En [Univers	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
2.7	Other Revenue				
	Proceeds from sale of assets	974	738	838	505
	Contribution of assets	1,247	1,289	1,247	1,289
	Donations and bequests	1,287	884	1,287	884
	Scholarships and prizes Other	902	1,016	902	1,027
	Other State Government Education				
	Grants	3,213	2,752	3,213	2,824
	Other	4,554	4,929	5,186	4,635
		12,177	11,608	12,673	11,164

3. Expenses from Ordinary Activities

3.1 Employee Benefits

Academic				
Salaries	45,352	43,908	44,824	43,144
Contributions to superannuation and pension				
schemes:				
 Deferred employee benefits for 				
superannuation	-	1,840	-	1,840
 Emerging cost 	1,298	1,671	1,298	1,671
 Funded 	6,621	6,522	6,585	6,467
Payroll tax	3,025	3,076	3,011	3,053
Worker's compensation	304	301	299	294
Long service leave expense	1,561	1,480	1,561	1,480
Annual leave	3,995	4,193	3,995	4,193
Redundancy expenses	204	1,631	204	1,631
Total Academic	62,360	64,622	61,777	63,773

		Economic Entity [Consolidated]			
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
3.1	Employee Benefits (Cont'd)				
	Non-academic Salaries Contributions to superannuation and pension schemes: • Deferred employee benefits for	40,385	38,057	38,480	36,560
	superannuation	_	460	_	460
	Emerging cost	324	418	324	418
	• Funded	5,810	5,563	5,689	5,415
	Payroll tax	2,647	2,491	2,601	2,444
	Worker's compensation	264	262	255	252
	Long service leave expense	1,227	982	1,207	953
	Annual leave	2,859	2,539	2,862	2,399
	Redundancy expenses	173	130	173	130
	Total Non-academic	53,689	50,902	51,591	49,031
	Total Employee Benefits	116,049	115,524	113,368	112,804
3.2	Depreciation and Amortisation				
	Buildings & Infrastructure	2,475	2,370	2,465	2,339
	Equipment	3,659	3,197	3,540	3,083
	Aircraft	368	387	-	-
	Library Collections	2,493	2,312	2,493	2,312
	·	8,995	8,266	8,498	7,734
3.3	Building and Grounds				
	Utilities	1,960	1,714	1,954	1,703
	Maintenance	3,551	3,366	3,548	3,351
	Minor Works	3,242	3,215	3,242	3,215
	Flinders Medical Centre Occupancy	1,013	962	1,013	962
	Other	385	366	379	359
		10,151	9,623	10,136	9,590
3.4	Bad & Doubtful Debts	225	470	362	538

4.

		Economic l [Consolid		Parent E1 [Univers	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
3.5	Other Expenses				
	Scholarships & prizes	6,574	5,947	6,571	5,944
	Telecommunications	1,386	1,689	1,364	1,646
	Non-capitalised equipment	4,418	4,161	4,351	4,128
	Travel, staff development & entertainment	6,430	6,342	6,252	5,929
	Operating lease rental expenses	619	985	577	787
	Carrying amount of assets sold	1,285	433	1,167	258
	Student Related Expenditure	1,151	916	1,151	916
	Library	1,048	1,374	1,048	1,370
	Advertising	994	1,021	987	1,020
	Fees & Charges	4,630	4,403	4,160	3,322
	Consultancies	2,950	2,926	1,197	1,827
	Equipment Maintenance	1,696	1,482	1,564	1,428
	Software	1,636	1,436	1,621	1,425
	Consumables	6,077	5,440	4,207	4,781
	Postage & Freight	792	832	787	824
	Printing & Photocopying	882	760	843	748
	Insurance	1,169	778	1,083	666
	Other	1,851	1,617	1,638	1,576
	Total Other Expenses	45,588	42,542	40,568	38,595
C - 1 -	of Assets				
Sale	01 1100 010				
Procee	ds from Sale	90	233	_	_
<i>Procee</i> Investr	ds from Sale ments	90 884	233 505	- 838	- 505
<i>Procee</i> Investr	ds from Sale	884	505	838 838	
Procee Investr Proper	ds from Sale ments ty, plant & equipment			838 838	
Proceed Investr Proper Carryin	ds from Sale ments ty, plant & equipment ng amount of Assets Sold	884 974	505 738		
Procee Investr Proper Carryi Investr	ds from Sale ments ty, plant & equipment ng amount of Assets Sold ments	884 974 79	505 738 175	838	505
Procee Investr Proper Carryi Investr	ds from Sale ments ty, plant & equipment ng amount of Assets Sold	884 974 79 1,206	505 738 175 258	838 - 1,167	505 - 258
Procee Investr Proper Carryi Investr Proper	ds from Sale ments ty, plant & equipment ng amount of Assets Sold ments ty, plant & equipment	884 974 79	505 738 175	838	505 - 258
Proceed Investry Proper Carrying Investry Proper Net Ga	ds from Sale ments ty, plant & equipment ng amount of Assets Sold ments ty, plant & equipment tins on Sale of Assets	884 974 79 1,206 1,285	505 738 175 258 433	838 - 1,167	505 - 258
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Proceed Investr Proper Carryin Investr Proper Net Ga Investr Proper Net Lo Investr	ds from Sale ments ty, plant & equipment ing amount of Assets Sold ments ty, plant & equipment sins on Sale of Assets ments ty, plant & equipment sty, plant & equipment sty, plant & equipment	884 974 79 1,206 1,285	505 738 175 258 433 58 247	838 - 1,167	- 505 505 - 258 258 - 247 247

5. Responsible Persons and Executive Officers

5.1 Responsible Persons

The principal governing body of the University is its Council. All members of the University Council were appointed or elected under the provisions of *The Flinders University of South Australia Act*, 1966. Council members include University employees who may be ex-officio members or elected staff members. An asterisk indicates University employees.

No members of Council received any remuneration from the University other than by way of salary and related benefits arising from a normal employment relationship.

(a) Names of Responsible Persons:

Names of 2003 Council Members

Persons listed were all Council members for the full year unless otherwise indicated.

Members ex officio

Chancellor

Sir Eric James Neal, AC, CVO

Vice-Chancellor

*Professor Anne Rosalie Edwards

Presiding member of the Academic Senate

*Professor Hilary Winchester (member to March 2003)

*Professor Robin Storer (member from March 2003 to June 2003)

*Professor Joan Cooper (member from September 2003)

General Secretary of the Students' Association

Emily Davis

Members appointed by the Council

Kerrie Ashcroft Nicholas Begakis, AM John Branson Ian Arthur Chesterman, AM Leonie Clyne Andrew V Fletcher Gosia Hill Judith Mary Roberts, AO Michael Shanahan, AM Ian Garth Yates

Member co-opted and appointed by the Council

Mary Mitchell

5. Responsible Persons and Executive Officers Cont'd

5.1 Responsible Persons Cont'd

Members elected by the academic staff

*Associate Professor Owen Covick

*Professor Lindon Wing

Members elected by the general staff

*Hugh Kearns

*Ron George Slee

Undergraduate student member

Demi Pnevmatikos

Postgraduate student member

Sentha Govin-Vel (member to June 2003)

Simon Fuller (member from June 2003 to October 2003)

Nigel Palmer (member from October 2003)

Directors of University Controlled Entities:

Persons listed were all Directors for the full year unless otherwise indicated.

Airborne Research Australia Pty Ltd

Mr Austin Taylor (Chair)

Professor John Browett

Associate Professor Jörg Hacker (Managing Director)

Dr. Rob Lewis

Mr. David Twiss

Flinders Bioremediation Pty Ltd

Mr Richard Krantz (Chair)

Mr Gary Cornelius

Ms Denise Martin

Mr Tony Read

Associate Professor John Rice

Flinders Consulting Pty Ltd

Ms Leonie Clyne (Chair)

Professor Dean Forbes

Dr Wayne Harvey (Managing Director)

Mr Mark Legg

Ms Sally MacDonald-Taylor

Mr Christopher Short

Professor John Skinner (to February 2003)

Mr Douglas Strain



Flinders Reproductive Medicine Pty Ltd

Dr Wayne Harvey (from November 2003) (Chair) Professor John Skinner (to October 2003) (Chair) Ms Heather Denholm Associate Professor Stephen Judd (Managing Director) Professor Marc Keirse Mr Nick Swann Mr Michael Szwarcbord

Flinders Technologies Pty Ltd

Mr John Branson (Chair)
Ms Barbara Fergusson (to June 2003)
Ms Janet Grieve (from July 2003)
Professor Christopher Marlin
Mr Geoffrey Pitt (from July 2003)
Mr Graham Scott (to June 2003)
Dr John Turner (Managing Director)

Flinders MediTech Pty Ltd (established May 2003)

Mr John Branson (Chair)
Professor Harry Owen
Associate Professor John Rice
Dr John Turner (Executive Director)

MediMolecular Pty Ltd

Mr John Branson (Chair) Mr Rahmon Coupe Dr John Turner

Heaslip Trust

Mr Andrew Goode (Chair) Ms Barbara Fergusson Mr Cesare Silvestri Dr David Tye Professor Lindon Wing

Lung Health Diagnostics Pty Ltd

Dr Ian H Pitman (Chair) Dr Ian Ross Doyle Dr Neville John McCarthy, AO Professor Christopher Marlin Dr Robert George Edwards

National Institute of Labour Studies Inc

Mr Mike Terlet AO (Chair) Mr Mark Cully (to March 2003) Professor Sue Richardson Professor Christopher Marlin Mr John Lesses AM

National Institute of Labour Studies Foundation Inc

Professor Judith Sloan (Chair) Mr Hedley Bachmann Professor John Browett Mr Peter Dewhurst Mr Richard Huxter Mr Bruce Sheldrick

Remuneration of Responsible Persons

The table comprises total remuneration that falls within the prescribed bandwidths for Responsible Persons

	Economic [Consolid		Parent E [Univers		
	Numb	Number Num		ıber	
	2003	2002	2003	2002	
Nil	67	56	22	22	
\$1 - \$9,999	9	9	-	-	
\$10,000 - \$19,999	4	4	-	-	
\$20,000 - \$29,999	1	1	-	-	
\$30,000 - \$39,999	1	-	-	-	
	82	70	22	22	
	\$'000	\$'000	\$'000	\$'000	
Aggregate Remuneration of Responsible Persons	134	109	Nil	Nil	

5.2 Executive Officers

Executive Officer's Remuneration

The table comprises total remuneration that falls within the prescribed bandwidths for executives whose total remuneration is over \$100,000:

	Economic [Consolid		Parent E [Univers	0
	Number of	Staff	Number of	Staff
	2003	2002	2003	2002
\$100,000 - \$109,999	1	1	-	-
\$110,000 - \$119,999	1	3	1	2
\$120,000 - \$129,999	2	-	1	-
\$130,000 - \$139,999	1	4	1	4
\$140,000 - \$149,999	2	2 1		1
\$160,000 - \$169,999	1	-	1	-
\$180,000 - \$189,999	1	-	1	-
\$190,000 - \$199,999	-	2	-	2
\$200,000 - \$209,999	2	1	1	-
\$280,000 - \$289,999	-	1	-	1
\$320,000 - \$329,999	1	-	1	-
	12	13	9	10
Aggregate Persuperation of Everytimes	\$'000 1.082	<i>\$'000</i>	\$'000	\$'000
Aggregate Remuneration of Executives	1,982	2,002	1,547	1,584

The DEST Guidelines specify that executives are defined as the Chief Executive Officer and those staff in a senior line position directly reporting to that position.

The remuneration includes salary, employer's superannuation costs and other benefits, including the associated fringe benefits tax.

6. Remuneration of Auditors

	Economic Entity [Consolidated]		Parent Entity [University]	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Auditing the financial report				
South Australian Auditor-General	185	157	185	157
Other Auditors	17	14	2	2
	202	171	187	159

		Economic E [Consolida		Parent Entity [University]	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
7.	Cash Assets Cash at bank	3,432	554	3,097	354

Reconciliation of Cash

Cash at end of the financial year as shown in the statement of cash flow is reconciled to items in the statement of financial position as follows:

	Note	Economic Entity [Consolidated]		Parent Entity [University]	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Cash		3,432	554	3,097	354
Deposits at call within three days	10	11,350 14,782	11,430 11,984	11,350 14,447	11,430 11,784
3. Receivables					
Current					
General Debtors		9,906	8,729	9,457	7,113
Student Debtors		917	1,338	917	1,338
Loans Receivable		14	14	14	14
Superannuation Receivable		1,900	1,900	1,900	1,900
Provision for doubtful debts	-	(1,138)	(954)	(1,343)	(1,019)
		11,599	11,027	10,945	9,346
Non Current					
Loans Receivable		14	42	14	42
Loans Receivable, controlled entity		-	-	208	208
Superannuation Receivable		23,100	23,100	23,100	23,100
Provision for doubtful debts	-	- 22 11 4	(14)	(208)	(222)
		23,114	23,128	23,114	23,128
). Inventories					
Current		277	400	275	400
At cost	-	375	409	375	409
		375	409	375	409

		Economic Entity [Consolidated]		Parent Entity [University]	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
10.	Other Financial Assets				
	Investments				
	Current				
	Deposits				
	Deposits at call within three days	11,350	11,430	11,350	11,430
	Term deposits	25,807	16,768	22,541	13,500
		37,157	28,198	33,891	24,930
	Non Current				
	Bonds & Other				
	Government securities	2,300	2,441	2,300	2,441
	Indexed Bonds	5,871	5,870	5,871	5,870
	Debenture Stock	505	553	-	-
	Equities				
	Interests in business undertakings:				
	 Controlled entities at Council Valuation 	-	-	7,398	7,465
	 Other entities 	149	531	149	531
	Other equities – Australian	5,997	6,127	3,871	3,532
	Other equities - International	784	871	-	-
	Managed Funds				
	HSBC Asset Management	2,154	2,028	2,154	2,028
	Tower Trust	903	863	-	-
	Unisure Pty Ltd	4,472	4,200	4,472	4,200
	Property				
	Property Trust	8	7	8	7
	Property held for Investment Purposes	5,115	5,115	5,115	5,115
		28,258	28,606	31,338	31,189
	Total Investments	65,415	56,804	65,229	56,119
11.	Other Assets				
	Current				
	Prepayments	2,143	2,080	2,143	2,049
	Short term advances to controlled entities	-	-	1,270	_
		2,143	2,080	3,413	2,049
	Non Current				1 505
	Advances to controlled entity	4 400	-	-	1,525
	Project costs carried forward	1,420	1,176		
		1,420	1,176	-	1,525

		Economic Entity [Consolidated]		Parent Entity [University]	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
12.	Property, Plant and Equipment		,	,	,
	Land, Buildings and Infrastructure				
	Crown Land: 2003 Independent valuation 2001 Independent valuation	17,200 -	10,420	17,200 -	10,420
	Freehold Land:	2 222		2 000	
	2003 Independent valuation 2001 Independent valuation	2,080	1,190	2,080	1,190
	Buildings:				
	2003 Council valuation	91,410 400	- 97.00E	91,410	96.605
	2001, 2002 Independent valuation At cost	400	87,095 2,501	-	86,695 2,501
		91,810	89,596	91,410	89,196
	Infrastructure:				
	Council valuation	5,092	-	5,092	-
	2001 Independent valuation	-	4,415	-	4,415
	At cost	5,092	300 4,715	5,092	300 4,715
			·		
	Accumulated Depreciation	116,182 (10)	105,921 (2,339)	115,782 -	105,521 (2,339)
	Buildings under construction:	11,798	1,449	11,798	
	buildings under construction.	127,970	105,031	127,580	1,449 104,631
	Library collection				
	Library collection 1993 University valuation	80,545	81,320	80,545	81,320
	At cost	33,646	29,937	33,646	29,937
	A 1. 1D	114,191	111,257	114,191	111,257
	Accumulated Depreciation	(46,321) 67,870	(44,383) 66,874	(46,321) 67,870	(44,383) 66,874
		07,070	00,071	07,070	00,071
	Equipment At fair value	34,215	35,651	33,124	34,616
	Accumulated Depreciation	(23,471)	(24,519)	(22,595)	(23,733)
	1	10,744	11,132	10,529	10,883
	Aircraft				
	At Independent valuation 2000	3,670	3,670	-	-
	At cost	347	- (55 4)	-	-
	Accumulated Depreciation	(1,122) 2,895	(754) 2,916	<u>-</u>	<u>-</u>
		2,070	2,710	_	_

							arent Entity University]	
				2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	
12.	Property, Plant and	Equipment	(Cont'd	1)				
	Works of Art 2002 University valuation 2003 University valuation At cost			- 4,679 -	4,224 - -	- 4,679 -	4,224 - -	
				4,679	4,224	4,679	4,224	
				214,158	190,177	210,658	186,612	
	Movement in Carrying Amo	unts						
	Movement in the carrying an beginning and end of the rep		ass of Proj	perty, Plant and	d Equipmer	nt between the		
	(a) Economic Entity							
		Land, Buildings &	Library	Equipment	Aircraft	Works of Art	Total	
		Infrastructure \$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
	Balance at beginning of the							
	year	105,031	66,874	11,132	2,916	4,224	190,177	
	Additions	11,326	3,708	4,258	347	31	19,670	
	Disposals	-	(219)	(987)	-	-	(1,206)	
	Revaluation increments/	14.000				40.4	14 510	
	(decrements)	14,088 (2,475)	(2,493)	(3,659)	(368)	424	14,512 (8,995)	
	Depreciation expense Carrying amount at end of	(2,473)	(2,493)	(3,039)	(306)	<u>-</u>	(8,993)	
	reporting period	127,970	67,870	10,744	2,895	4,679	214,158	
	(b) Parent Entity							
	·	Land, Buildings & Infrastructure	Library	Equipment	Aircraft	Works of Art	Total	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
	Balance at beginning of the						40	
	year	104,631	66,874	10,883	-	4,224	186,612	
	Additions	11,326	3,708	4,134	-	31	19,199	
	Disposals Revaluation increments/	-	(219)	(948)	-	-	(1,167)	
	(decrements)	14,088				424	14,512	
	Depreciation expense	(2,465)	(2,493)	(3,540)	- -	424	(8,498)	
	Carrying amount at end of	(2,400)	(4,470)	(0,040)			(0,470)	
	reporting period	127 580	67 870	10 529	_	4 679	210 658	

127,580

reporting period

67,870

10,529

4,679

210,658

12. Property, Plant and Equipment (Cont'd)

Land, Buildings and Infrastructure revaluation

Land, buildings and infrastructure were revalued as at 31 December 2001 by Norm Satchell AAPI B.App.Sc (Val) and Greg McCloud AAPI B.App.Sc (Val) of Edward Rushton Pty Ltd. The basis of both valuations was current market value (existing use).

During 2002, an aircraft hangar owned by ARA Airborne Research Australia Pty Ltd, a controlled entity of the University, was written down to its fair value, based on an independent market valuation conducted by Alex Smithson, B App Sc (Val) FAPI of Knight Frank. The amount of the write down is \$523,000, and on consolidation this has been charged to the Asset Revaluation Reserve.

13. Restricted Assets

Crown Land is not owned by the University and therefore cannot be sold by the University

The University has restrictions imposed on the real property listed above (land, buildings and improvements) under *The Flinders University of South Australia Act*, 1966. Section 3 (4) of the Act states;

"The University cannot alienate, mortgage, charge, or demise any lands, tenements, or heriditaments of the University other than with the approval of the Governor, except by way of lease for a term not exceeding 21 years from the time when the lease is made in and by which there is reserved, during the whole term, the highest rent that can be reasonably obtained."

14. Payables

	Economic Entity [Consolidated]		Parent Entity [University]	
	2003	2002	2003	2002
	\$'000	\$'000	\$'000	\$'000
Current				
Creditors	4,072	3,579	3,815	3,468
Accrued Expenses	6,485	4,896	6,499	4,397
Annual Leave On-costs	500	452	483	425
Long Service Leave On-costs	252	220	240	209
Total Current	11,309	9,147	11,037	8,499
Non Current				
Long Service Leave On-costs	1,241	1,153	1,233	1,146
Total Non Current	1,241	1,153	1,233	1,146

		Economic Entity [Consolidated]		Parent Entity [University]	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
15.	Interest Bearing Liabilities				
	Current Funds held on behalf of external entities South Australian Research and Education				
	Network	$3,857^2$	-	$3,857^2$	-
	Student Entities	2,258	1,877	2,258	1,877
	Other Entities	1,383	1,499	1,383	1,499
	Advances from Controlled Entities			1,671	661
	Total Current	7,498	3,376	9,169	4,037
	Non Current Funds held on behalf of external entities	597	552	597	552
	Total Non Current	597	552	597	552
16.	Provisions				
	Current				
	Annual leave	2,646	2,364	2,560	2,224
	Long Service Leave	2,444	2,189	2,323	2,076
	SA Superannuation Scheme	1,900	1,900	1,900	1,900
	Outstanding claims – Unisure P/L	534	563	534	563
	Severance – contract employees	191	197	191	197
	Total Current	7,715	7,213	7,508	6,960
	Non Current				
	Long Service Leave	12,031	11,476	11,962	11,404
	SA Superannuation Scheme	23,100	23,100 250	23,100	23,100 250
	Invalidity Scheme Outstanding claims – Unisure P/L	175 801	845	175 801	845
	Total Non Current	36,107	35,671	36,038	35,599
	add Leave On-costs	1,993	1,825	1,956	1,780
	Aggregate employee benefits	45,815	37,496	45,502	37,379
		10,010	0.7130	10,002	01,013
	Reconciliation of Leave Provisions	2 (4)	2.264	2.5(0	2 224
	Annual Leave Annual Leave On-costs	2,646 500	2,364 452	2,560 483	2,224 425
	Total Annual Leave Provision	3,146	2,816	3,043	2,649
	Long Service Leave	14,475	13,665	14,285	13,480
	Long Service Concosts	1,493	1,373	14,283	1,355
	Total Long Service Leave Provision	15,968	15,038	15,758	14,835
	Total Leave Provisions	19,114	17,854	18,801	17,484
		•	•	•	,

Provisions (Cont'd) 16.

No. No. No. No. Number of full time equivalent employees at year end 1,459 1,474 1,430 1,442

Other Liabilities 17.

	Economic Entity [Consolidated]		Parent Entity [University]	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Current				
Income in Advance				
Fees & Charges	1,800	1,645	1,800	1,645
Other	2,215	1,470	148	151
	4,015	3,115	1,948	1,796
Funds held on behalf of external entities	473	579	473	579
Total Current	4,488	3,694	2,421	2,375
Reserves				

18.

(a)	Reserves Comprise				
	Asset revaluation	21,084	6,926	26,384	12,640
	Endowment	10,365	9,829	10,365	9,829
	Other	500	500	500	500
		31.949	17.255	37.249	22.969

The asset revaluation reserve is used to record increases and decreases in the value of non current assets.

The endowment reserve is used to record the value of gifts, prizes and bequests provided to the University.

The other reserve is used to record the balance held in the student loan fund.

(b) Movements in Reserves

11100011101110 111 110001000				
Asset Revaluation Reserve				
Balance at beginning of financial year	6,926	4,155	12,640	3,451
Asset revaluation increment	14,512	3,294	14,512	9,189
Asset revaluation decrement	(354)	(523)	(768)	-
Balance at end of financial year	21,084	6,926	26,384	12,640
Endowment				
Balance at beginning of financial year	9,829	8,929	9,829	8,929
Transfers to/(from) reserves	536	900	536	900
Balance at end of financial year	10,365	9,829	10,365	9,829
Other Reserves				
Balance at beginning of financial year	500	503	500	503
Transfers to/(from) reserves	-	(3)	-	(3)
Balance at end of financial year	500	500	500	500
	Asset Revaluation Reserve Balance at beginning of financial year Asset revaluation increment Asset revaluation decrement Balance at end of financial year Endowment Balance at beginning of financial year Transfers to/(from) reserves Balance at end of financial year Other Reserves Balance at beginning of financial year Transfers to/(from) reserves	Asset Revaluation Reserve Balance at beginning of financial year 6,926 Asset revaluation increment 14,512 Asset revaluation decrement (354) Balance at end of financial year 21,084 Endowment Balance at beginning of financial year 9,829 Transfers to/(from) reserves 536 Balance at end of financial year 10,365 Other Reserves Balance at beginning of financial year 500 Transfers to/(from) reserves -	Asset Revaluation Reserve Balance at beginning of financial year 6,926 4,155 Asset revaluation increment 14,512 3,294 Asset revaluation decrement (354) (523) Balance at end of financial year 21,084 6,926 Endowment Balance at beginning of financial year 9,829 8,929 Transfers to/(from) reserves 536 900 Balance at end of financial year 10,365 9,829 Other Reserves Balance at beginning of financial year 500 503 Transfers to/(from) reserves - (3)	Asset Revaluation Reserve Balance at beginning of financial year 6,926 4,155 12,640 Asset revaluation increment 14,512 3,294 14,512 Asset revaluation decrement (354) (523) (768) Balance at end of financial year 21,084 6,926 26,384 Endowment 8 8,929 9,829 Transfers to / (from) reserves 536 900 536 Balance at end of financial year 10,365 9,829 10,365 Other Reserves Balance at beginning of financial year 500 503 500 Transfers to / (from) reserves - (3) -

			Economic Entity [Consolidated]		Parent Entity [University]	
		_ 	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
19.	Ret	ained Surplus (Accumulated Fund	s)			
		Balance at the Beginning of Year Adjustment to Opening Balance (Note 1(t)) Operating Result from Ordinary Activities	207,294 (111)	199,212 -	197,405 (107)	188,106
		attributable to Parent Entity Transfers to/from Reserves	14,083 (536)	8,979 (897)	14,817 (536)	10,196 (897)
		Balance at the End of Year	220,730	207,294	211,579	197,405
20.	Ou	tside Equity Interest				
	comp	side equity interests in controlled entities orises:				
		ed Capital	5	-	-	-
	Keta	ined Results	17 22	-	<u>-</u>	<u>-</u>
21.	Co	mmitments For Expenditure				
	(a)	Capital Expenditure Commitments				
		Buildings Works Within 12 months Twelve months or longer and not longer than	1,102	10,699	1,102	10,699
		five years	-	-	-	-
		Longer than 5 years	1,102	10,699	1,102	10,699
		Plant and equipment Within 12 months	578	932	578	932
		Twelve months or longer and not longer than five years Longer than 5 years	-	-	-	-
		<u>-</u>	578	932	578	932
		Joint Ventures Within 12 months Twelve months or longer and not longer than	-	-	-	-
		five years Longer than 5 years	-	- -	- -	- -
			-	-	-	-

(b)

*Lease Commitments*Finance lease liabilities and non-cancellable operating lease commitments are disclosed in Note 24 to the financial statements.

			Economic Entity [Consolidated]		Parent Entity [University]	
			2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
21.	Co	mmitments For Expenditure (Cont'd	1)			
	(c)	Other Expenditure Commitments Within 12 months Twelve months or longer and not longer than	1,213	2,602	1,213	1,994
		five years Longer than 5 years	524	981	524	981
		Longer than 5 years	1,737	3,583	1,737	2,975

22. Superannuation Plans

The University contributes to the following employee superannuation funds:

UniSuper

(a) UniSuper Defined Benefit Plan or Investment Choice Plan (formerly Superannuation Scheme for Australian Universities – (SSAU))

UniSuper Management Pty Ltd administers the scheme and UniSuper Ltd is the Trustee. As at 1 July 1998, the rules governing the fund were amended to allow employees the option to remain within the defined benefits arrangement or to convert to an accumulation fund. The University contributes at a rate double the contributions made by employees. Employees' contributions are normally 7% of their gross salaries. The fund provides the option of defined benefits based on years of service and final average salary or an accumulation fund.

Actuarial investigations are normally undertaken triennially as at the end of respective calendar years. Grant Harslett, FIA, FIAA of Towers Perrin completed the last actuarial investigation on 16 May 2003. A funding and solvency certificate required under regulation 9.09(1) of the Superannuation Industry (Supervision) Regulations has been obtained with a date of effect of 31 July 2003. The certificate is valid until 31 December 2007 unless certain specified events occur in which case the certificate is valid to the date of those events.

UniSuper reports its results on a financial year ending 30 June.



As at 30 June, the amounts of the fund applicable to Flinders University for members in the defined benefit plan were:

	Parent [Unive	
	2003 \$'000	2002 \$'000
Net Market Value Less Accrued Benefits	105,737 100,265	112,327 96,552
Surplus	5,472	15,775
Vested Benefits	119,995	120,760

In 2003 UniSuper adopted a change in accounting policy. In previous years the value of accrued benefits were determined as the greater of:

- a) the present value of future payments of benefits to the members which arise from the membership of UniSuper up to the reporting date, determined using the actuary's current expectations of earnings on UniSuper's assets, future inflation, salary levels and other relevant assumptions; and
- b) the vested benefits

For 2003 the accrued benefits have been calculated as per a) above.

The change in accounting policy was made as the Trustees believe that, as there are more than 100 participating employers in the Fund, accrued benefits calculated as per a) above are a more relevant measure of UniSuper's accrued liability because all members are not expected to voluntarily leave service at one time. The comparative amounts for 2002 have been changed to reflect the change in accounting policy.

Had the change not been made, the amounts reported would be as follows:

	Parent Entity [University]		
	2003 \$'000	2002 \$'000	
Net Market Value Less Accrued Benefits	105,737 119,995	112,327 120,760	
Surplus	(14,258)	(8,433)	
Vested Benefits	119,995	120,760	

(b) UniSuper Award Plus Plan (formerly Tertiary Education Superannuation Scheme (TESS))

UniSuper Management Pty Ltd administers the fund and TESS Superannuation Ltd is the Trustee. The University contributes to the fund at a rate determined by the trust deed. The scheme is non contributory for employees. The fund provides benefits based on the defined contributions of the University during the membership of the employee.

The University also makes contributions into the fund for employee benefits arising under the Superannuation Guarantee Legislation.

South Australian Superannuation Scheme

The University has 89 (2002 94) present and former employees who are members of closed state government superannuation schemes. Under the schemes, defined benefits are paid as a lump sum or continuing pension on the termination of the employees' service, based on contributions made by the employee and the employees' final salary. Employee contributions and certain employer contributions are paid to the South Australian Superannuation Board (the Board) which is responsible for administering the schemes. Under current arrangements, the Board pays the benefits and is reimbursed by the University. The Commonwealth government funds the University on an emerging cost basis and recovers the state's share of the cost directly from the State government.

The unfunded superannuation liability for future benefits for current employees and pensioners was assessed as at 31 December 2003 by the Director Superannuation, South Australian Department of Treasury and Finance, at \$25.0 million (2002 \$25.0 million). This represents no change in the liability since 31 December 2002. The net unfunded amount has been recognised in the accounts of the University as a liability with a corresponding receivable from the Commonwealth government (see Note 8). Recognition of the receivable from the Commonwealth is in accordance with Urgent Issues Group Abstract 51 *Recovery of Unfunded Superannuation of Universities* and DEST Guidelines and reflects an assessment that while there is no legislated requirement, the Commonwealth has committed to fund the University's emerging costs.

Assumptions adopted by the Director Superannuation (State Superannuation Office), South Australian Department of Treasury and Finance in determining the University's liability were:

•	Rate of increase in the Consumer Price Index (CPI)	2.5% per annum
•	Rate of salary increases	4.0% per annum
•	Investment earnings	7.5% per annum

These assumptions have not changed since 1999.

These rates provide for a 1.5% real gap between CPI and salary increases and a further 3.5% real gap between salary increases and investment earnings.



The liability and asset have been classified as current and non current according to the cash flow projections of the assessment.

	Parent E [Univers	U
	2003 \$'000	2002 \$'000
University's Gross Liability	26,400	26,300
Less Funded Component Unfunded Liability	1,400 25,000	1,300 25,000

Superannuation Scheme No. 1

Superannuation Scheme

Prior to the inception of the Superannuation Scheme for Australian Universities – SSAU (now UniSuper) – the University operated its own schemes. Employees were given the option of transferring to SSAU or remaining with the University's own scheme. As at 30 June 2003, there were 14 members of the scheme (2002: 14 staff). The scheme, managed by a Board of Trustees, is similar to that of UniSuper with the University contributing, as a minimum, twice that of employees.

The administrator of the scheme has calculated the value of members' accrued benefits at 30 June each year. As at 30 June, the financial position of the fund was:

		Parent Entity [University]		
	2003 \$'000	2002 \$'000		
Net Market Value Less Accrued Benefits	5,012 4,636	5,158 4,338		
Surplus	376	820		
Vested Benefits	4,636	4,338		

The surplus in the fund is 8% (2002 19%).

NSP Buck undertook the last actuarial review as at 1 January 2001. At that time the Scheme had a surplus of \$1.090 million, which was 21% of members' accrued benefits. As a result of that review, the actuary concluded that the favourable position of the Scheme allowed the suspension of employer's contributions until 31 December 2003. No employer contributions were made in 2003 (2002 nil).

Invalidity Scheme

Certain members of Superannuation Scheme No. 1 and a small number of other staff are members of the Invalidity Scheme. The Scheme was established to provide benefits to members who suffered disablement or temporary incapacity and the benefits are identical to those provided under the



UniSuper defined benefit fund. The University is directly responsible for the financial administration of the Scheme and for ensuring that the future liabilities of the Scheme are adequately funded. The University has taken out insurance to protect the majority of the risk and has set funds aside to cover the remaining risk.

Based on independent actuarial advice, the University has recognised a liability of \$175,000 (2002: \$250,000) for the Scheme. This is equal to the estimated present value of future disablement benefits as at 31 December 2003. The last actuarial investigation was completed as at 31 December 2000 by J Holbrook BEc BSc of William M Mercer Pty Ltd.

23. Contingent Liabilities and Contingent Assets

Contingent Liabilities

There are no material contingent liabilities.

Contingent Assets

There are no material contingent assets.

24. Leases

	Economic Entity [Consolidated]		Parent Entity [University]	
- -	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
University as Lessee				
Total rents paid during the reporting period	619	985	577	787
Commitments Contracted but not provided for in the financial				
statements and payable as follows:		(2	5 0	20
Within 12 months Twelve months or longer and not longer than	75	63	50	38
five years	275	300	175	200
Longer than five years	307	357	-	25
<u>-</u>	657	720	225	263

The University has various operating leases of property and equipment. Lease amounts have only been included in the above table where there is a non-cancellable commitment.

University as Lessor				
Lease receivables contracted but not included in the				
financial statements and receivable as follows:				
Within 12 months	585	523	649	583
Twelve months or longer and not longer than five				
years	1,250	532	1,309	639
Longer than five years	-	-	-	-
	1.838	1.055	1.961	1.222

24. Leases (Cont'd)

In 2000 the University purchased the Mark Oliphant building in Science Park. The University has recognised this as an investment property with a gross value of \$5.115 million. In accordance with Australian Accounting Standard AAS4, *Depreciation*, it is not depreciated.

As at 31 December 2003 82% (2002 75%) of the building is leased or available for lease to entities outside the economic entity. A further 8% (2002 5%) is leased to entities outside the University but within the economic entity.

The University has accommodations for 551 students available on campus that are leased on a yearly basis. As leases are not entered into until February and are completed before the end of the year, they are not included in the above figures.

The University also leases a small amount of space on its main campus to commercial entities that provide services to students and staff and to other research entities in the Port Lincoln Marine Science Centre.

25. Economic Dependency

The economic entity is to a significant extent dependant on monies received pursuant to the Commonwealth Department of Education, Science and Training (DEST) operating and research grants and the Higher Education Contribution Scheme (HECS). In 2003, funding from both DEST and HECS totalled \$110.6 million (2002 \$105.0 million) and represented 57 per cent (2002 57 per cent) of revenue.

26. Joint Venture Operations

Name of Entity	Principal Activity	Output Interest		
		2003 %	2002 %	
Centre for Remote Health	Provision of health education and research to remote areas	50	50	
Greater Green Triangle University Department of Rural Health	Creation of a network of excellence in health professional education, population health, research and clinical service, the Greater Green Triangle region	50	50	

26. Joint Venture Operations (Cont'd)

The economic entity's interest in assets employed in the above joint venture operations is detailed below. The amounts are included in the University financial reports and consolidated financial reports under their respective asset categories:

· · · · · · · · · · · · · · · · · · ·	Economic Entity [Consolidated]		Parent Entity [University]	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Centre for Remote Health				
Current Assets				
Receivables	804	951	804	951
Non-Current Assets				
Property, plant and equipment	1,530	1,608	1,530	1,608
Total Assets	2,334	2,559	2,334	2,559
Current Liabilities				
Payables	(55)	(39)	(55)	(39)
Annual Leave	(9)	(8)	(9)	(8)
Total Current Liabilities	(64)	(47)	(64)	(47)
Non- Current Liabilities				
Long Service Leave Reserve	(18)	(12)	(18)	(12)
Total Liabilities	(82)	(59)	(82)	(59)
Net Assets	2,252	2,500	2,252	2,500
Greater Green Triangle				
Current Assets				
Receivables	527	548	527	548
Non-Current Assets				
Property, plant and equipment	60	48	60	48
Total Assets	587	596	587	596
Current Liabilities				
Payables	(6)	-	(6)	-
Annual Leave	(8)	(3)	(8)	(3)
Total Current Liabilities	(14)	(3)	(14)	(3)
Non- Current Liabilities				
Long Service Leave Reserve	(4)	(1)	(4)	(1)
Total Liabilities	(18)	(4)	(18)	(4)
Net Assets	569	592	569	592

The University's joint venture operations have no contingent liabilities as at 31 December 2003 (2002 Nil).

The University has collaborative arrangements in place with a number of overseas institutions for joint teaching of students. Revenue is shared between the University and collaborating institutions. The University's share of revenue and expense is included in the Statement of Financial Performance.

27. Joint Venture Entities

Interest in Joint Venture Entities

(a) The University participates in a number of joint venture entities, however as the University's interest is not considered to be material, they have not been taken up in the accounts on an equity basis as per the Australian Accounting Standard AAS19 *Accounting for Interest in Joint Ventures*.

Relevant disclosures are as follows:-

Name of Entity		Reporting Date	Principal Activity	Ownership Interest 2003 2002	
				2003 %	2002 %
Co-operative Research Centres (CRC)					
Co-operative Research Centre for Aboriginal Health (CRCAH)	(U)	30 June	To provide a cross cultural framework for strategic research leading to evidence based improvements in education and health practice.	21	10
Co-operative Research Centre for Sensor Signal Information Processing (CSSIP)	(U)	30 June	To provide research and postgraduate education in signal and information processing for sensors.	9	9
Co-operative Research Centre for Tissue Growth and Repair (TGR)	(U)	30 June	To coordinate research, postgraduate training and commercialisation of applications of growth factors that support the growth and repair of human and animal tissues.	-	10
Other Joint Venture Entities					
Australian Centre for Community Services Research (ACCSR)	(U)	31 Dec	Applies social science research methods to the design and evaluation of community service programs	50	50
Australian Housing and Urban Research Institute (AHURI) – Southern Research Centre	(U)	30 June	Is a cooperative venture between five universities to carry out research into housing and related issues with emphasis on economic, social and policy aspects.	7	7

27. Joint Venture Entities (Cont'd)

Name of Entity		Reporting Date	Principal Activity	Owner Inter 2003 %	•	
Centre for Groundwater Studies (CGS)	(U)	30 June	Is a cooperative research and education venture focussed on processes affecting recharge, discharge, contamination and remediation of groundwater.	10	10	
Helpmann Academy for the Visual and Performing Arts Inc (Helpmann Academy)	(I)	31 Dec	Offers award courses for people seeking professional careers in the arts.	-*	_*	
South Australian Academic Research and Development Network (SAARDNet)	(U)	31 Dec	To provide high speed communication links and enhanced network and shared resources between higher education and research organisations.	-	20	
South Australian Centre for Economic Studies (SACES)	(U)	31 Dec	To conduct research on economic issues for government and private sector bodies with particular application to South Australia.	50	50	
South Australian Consortium for Information Technology and Telecommunications (SACITT)	(I)	31 Dec	To explore collaborative IT&T research and development issues.	33	33	
South Australian Partnership for Advanced Computing (SAPAC)	(U)	31 Dec	To support and promote the use of advanced and high-performance computing and communications in South Australia.	33	33	
South Australian Tertiary Admissions Centre (SATAC)	(U)	30 June	Agent for tertiary institutions in Adelaide for receiving & processing applications for admission to tertiary level courses.	25	25	

⁽I) Incorporated (U) Unincorporated * Partner but no right to residual assets

27. Joint Venture Entities (Cont'd)

Ownership (or voting rights) interest as determined by agreement or proportion of cash and in kind contributions.

contributions.	Share Accumulated Funds		Expenditure Commitments ³	
	2003 \$'000	2002 \$'000	2004 \$'000	2003 \$'000
Co-operative Research Centre for Aboriginal Health (CRCAH)	294	132	50	50
Co-operative Research Centre for Sensor Signal Information Processing (CSSIP)	35	74	20	20
Co-operative Research Centre for Tissue Growth and Repair (TGR)	-	37	-	-
Australian Centre for Community Services Research	31	13	-	-
Australian Housing & Urban Research Institute (AHURI) – Southern Research Centre	171	154	50	50
Centre for Groundwater Studies (CGS)	31	31	-	-
Helpmann Academy for the Visual and Performing Arts Inc (Helpmann Academy)	-	-	35	33
South Australian Academic Research and Development Network (SAARDNet)	-	3	-	-
South Australian Centre for Economic Studies (SACES)	97	43	-	-
South Australian Consortium for Information Technology and Telecommunications (SACITT)	92	27	-	-
South Australian Partnership for Advanced Computing (SAPAC)	90	127	100	100
South Australian Tertiary Admissions Centre (SATAC)	249	281	259	336
(O/11/1C)	1,090	922	514	589

(b) Other Information

- (1) *Capital Expenditure Commitments*No material capital expenditure commitments.
- (2) *Contingent Liabilities*No material contingent liabilities.
- (3) After Balance Date Events
 No material after balance date events.

27A Other Business Undertakings

Investments in business undertakings that are carried in the Financial Statements at fair value.

University

University	Principal Activities	Ownership Interest 2003 2002 %		Investment at 2003 \$'000	Fair Value 2002 \$'000
AARNet	Delivers high capacity internet based network services to the education and research sector.	2.6	2.6	1	1
AITEC Pty Ltd	Provides educational programs and project management services.	9.9	9.9	42	-
GroPep Ltd	Biotechnology	<0.1%	<0.1%	20	40
IDP Education Australia Ltd	Promotes Australian Universities to international students.	2.6	2.6	10	10
International Education Network Pty Ltd	Provision of Education in China	10.0	8.7	68	300
International Education Network (Hong Kong) Ltd	Provision of Education in China	8.7	8.7	-	-
m.Net Corporation Ltd	Provision of wireless and mobile internet technology	0.5	12.5	-	30
Monoquant Pty Ltd	Biotechnology	7.5	-	-	-
Ngapartji Pty Ltd	Technology training	10.5	14.9	8	150
Australian Orthopaedic Innovations Pty Ltd	Commercialisation of orthopaedic inventions.	3.4	3.4	-	-
Spire Innovations Pty Ltd	Handles commercialisation of CSSIP Intellectual Property.	12.5	12.5	-	-
TGR Biosciences Pty Ltd	Biotechnology development company	7.7	7	-	-
				149	531

27A Other Business Undertakings (Cont'd)

University (Cont'd)

The University's investment in IDP Education Australia Ltd and AARNet is at cost. These shareholdings are not tradeable and no dividends are paid.

Consolidated,	other than University				
	Principal Activities	Ownership I	nterest	Investment at I	Fair Value
		2003	2002	2003	2002
		%	%	\$'000	\$'000
YourAmigo Pty	An enterprise search and				
Ltd	Internet infrastructure				
	company	14%	14%	2,595	2,595

28. Controlled Entities

Flinders University is the parent entity or ultimate parent entity of the following entities, all of which are incorporated in Australia.

-		Ownership I	nterest
	Principal Activities	2003 %	2002 %
Airborne Research Australia Pty Ltd	Undertakes atmospheric research.	100	100
Flinders Bioremediation Pty Ltd	Develop and extend commercial activities of the University in the areas of soil bioremediation, organic waste management and related technologies.	100	100
Flinders Consulting Pty Ltd	Arranges the conduct of commercial consultancies.	100	100
Flinders Reproductive Medicine Pty Ltd (100% owned by Flinders Consulting Pty Ltd)	Provides a high quality comprehensive infertility investigatory and treatment service.	100	100
Flinders Technologies Pty Ltd	Commercialisation of University sourced intellectual property.	100	100
Flinders MediTech Pty Ltd (75% owned by Flinders Technologies Pty Ltd)	Medical device company	75	-
MediMolecular Pty Ltd (75% owned by Flinders Technologies Pty Ltd)	Biotech company	75	75

28. Controlled Entities (Cont'd)

		Ownership I	nterest
	Principal Activities	2003 %	2002 %
Heaslip Trust	Supports medical education activities in the School of Medicine	100	100
Lung Health Diagnostics Pty Ltd	Biotech development company	60	60
National Institute of Labour Studies Inc (NILS Inc)	Undertakes independent research and consultancy services in labour studies.	100	100
National Institute of Labour Studies Foundation Inc (100% owned by NILS Inc)	Supports the activities of NILS Inc.	100	100

29. Associated Entities

		Ownership Interest		Carrying Amount	
Name of Entity	Principal Activity	2003 %	2002 %	2003 \$'000	2002 \$'000
Unisure Pty Ltd	Provision of workers' compensation services and investment of funds set aside for workers' compensation	33.3	33.3	-	-

Unisure Pty Ltd

The University is an exempt employer under the Workers Rehabilitation and Compensation Act, 1986, and is a shareholder along with the University of Adelaide and the University of South Australia in Unisure Pty Ltd, which manages workers' compensation claims on behalf of the three institutions. Unisure Pty Ltd is the trustee of the Unisure Unit Trust, which holds the University's workers compensation liability and the associated investment funds. As at 31 December 2003 the Unisure Unit Trust held net assets of \$3.2 million on behalf of the University (2002: \$2.9 million).

The University has incorporated its share of the financial transactions of the Unisure Unit Trust into the University column of the financial statements.

30. Disaggregated Information

The University operates in the field of higher education in Australia and provides teaching and research services.

31. Discontinuing Operations

In 2003 the University decided to cease the operations of the National Tidal Facility Australia (NTFA). The NTFA fulfils an important national role as it specialises in tidal predictions, sea level monitoring and contemporary marine science issues. However as it is not involved in the University's core teaching and research activities, it was decided that it is more appropriate for the services to be provided by the Commonwealth Government. The operation was transferred to the Commonwealth Government effective from 1 January 2004.

After excluding costs associated with the transfer, in 2003 the NTFA earned revenues of \$1.4 million and incurred expenses of \$1.5 million. As at 31 December 2003, 13 staff were employed in the NTFA.

32. Subsequent Events

One of the University's controlled entities, ARA Airborne Research Australia Pty Ltd, sold one of its aircraft in February 2004 for \$1.850 million (net of GST). As the sale occurred after 31 December 2003, the impact of this sale does not affect the 2003 financial statements.

33. Assets and Liabilities of Trusts for which the Institution is Trustee

The University is the trustee of two trusts:

Trust Name Purpose
ADS Students Payment of stipends to AUSAid students

Sir Ewen Waterman Promotion and encouragement of biomedical science education

The amount held in trust for Sir Ewen Waterman is immaterial.

ADS Students

The only asset of the trust is cash received from AUSAid. The following table shows the cash flows:

	2003 \$'000	2002 \$'000
Opening Balance	52	41
Receipts	3,516	2,733
	3,568	2,774
Less Payments	3,518	2,722
Closing Balance	50	52

The funds held in trust for AUSAid are not included in the University's Statement of Financial Position and Statement of Financial Performance.

A controlled entity of the University, Flinders Reproductive Medicine Pty Ltd is the trustee of the Flinders ART Clinic Trust. The assets and liabilities of the trust are brought to account in the consolidated entity's Statement of Financial Performance and Statement of Financial Position.

Economic E	Economic Entity		tity
[Consolidated]		[Universi	ity]
2003	2002	2003	2002
\$'000	\$'000	\$'000	\$'000

34. Notes to the Statement of Cash Flows

i. Reconciliation of Cash Flow from Operations with Operating Result

Operating result	14,100	8,980	14,817	10,196
Add (Gain)/Loss from Sale of Assets	311	(305)	329	(247)
	14,411	8,675	15,146	9,949
Non-cash items:				
 Depreciation 	8,995	8,266	8,498	7,734
 Assets received for no consideration 	(1,247)	(1,289)	(1,247)	(1,289)
 Capitalised investment revenue 	(708)	(262)	(659)	(262)
Prior period adjustment	75	_	-	-
• Other	555	(334)	-	(332)
Sub Total	22,081	15,056	21,738	15,800
Change in Assets and Liabilities				
(Increase)Decrease in receivables	(558)	(1,397)	(1,585)	(478)
(Increase)Decrease in inventories	34	4	34	4
(Increase)Decrease in other assets	(307)	(871)	(94)	(659)
Increase (Decrease)in payables	2,250	667	2,625	751
Increase (Decrease)in provisions	827	2,378	880	2,297
Increase (Decrease) in other liabilities	900	1,344	152	266
Net Cash Provided by Operating Activities	25,227	17,181	23,750	17,981

ii Financing Facilities

Flinders University has the following arrangements with the ANZ Bank –

Overdraft Facility (1)	500	500	500	500
Amount used	-	-	-	-
Unused Overdraft facility	500	500	500	500
Visa Credit Cards Facility (2)	1,805	2,783	1,755	2,693
Amount used	178	176	176	171
Unused Credit Cards facility	1,627	2,607	1,579	2,522

⁽¹⁾ Facility is secured by a Charge over Term Deposit \$500,000.

⁽²⁾ The Credit Cards facility is unsecured.

34. Notes to the Statement of Cash Flows (Cont'd)

iv. Non cash financing and investing activities

During the reporting period the University acquired works of art and library materials with an aggregate fair value of \$1.247 million (2002: \$1.289 million) by means of donations. These acquisitions are not reflected in the Statement of Cash Flows.

v. Cash balances not available for use

All cash balances are available for use (2002 all available).

vi. Tax Status

The activities of the University are exempt from income tax as are all but one of its wholly owned controlled entities. Flinders Reproductive Medicine, operating through the Flinders ART Clinic Trust is subject to income tax but fully distributes all net earnings, so no tax is payable.

35. Financial Instruments

The following is the Institutions accounting policies and terms and conditions for each class of financial asset, financial liability and equity instruments:

Recognised financial instruments	Notes	Accounting Policies	Terms and Conditions
(i) Financial assets Cash at Bank	1(o)	Recognised at nominal amounts.	Interest accrued generally credited to revenue in the period it is earned.
Deposits at 24 hour call	10	Recognised at nominal amounts.	Interest accrued generally credited to revenue in the period it is earned.
Term Deposits	10	Recognised at nominal amounts.	Interest accrued credited to revenue on maturity.
Government Securities (excluding Indexed Bonds)	10	Recognised at nominal amounts.	Interest accrued credited to revenue on half yearly basis.
Commonwealth Indexed Bonds	10	Recognised at market value.	Interest accrued credited to revenue on quarterly basis. Indexation factor credited to revenue as at year end.

35. Financial Instruments (Cont'd)

Recognised financial instruments	Note	Accounting policies	Terms and Conditions
Debenture Stock	10	Recognised at cost, which approximates to fair value.	Carrying amount of investments adjusted to fair value as at year end.
Managed Funds	10	Recognised at market value.	Accrued distributions credited to revenue in June and December. Capital increments/decrements also recognised in June and December.
Equities	10	Recognised at market value.	Carrying amount of investments adjusted to market value in June and December.
Interest in Business Undertakings	10	Recognised at fair value.	Carrying amount of investments reviewed annually to ensure that it is not in excess of the recoverable amount of these investments.
Investment Property – Mark Oliphant Building	10	Recognised at market value.	Independently valued by Edward Rushton Australia Pty Ltd as at 31 December 2002.
Receivables	8	Shown at amounts due from customers, inclusive of GST and reduced for expected credit losses (ie Provision for Bad and Doubtful Debts).	Credit is allowed for a 30 day term.
(ii) Financial liabil	ities		
Trade Creditors and Accruals	14	Liabilities are recognised for amounts to be paid in future for goods and services received, whether or not billed to the University.	Trade Liabilities are normally settled within 30 days of statement.
Interest Bearing Liabilities	15	Carried at their principal amounts.	Interest is credited monthly at the University's (weighted) interest earning rate on short term investments.

35. Financial Instruments (Cont'd)

The economic entity's exposure to interest rate risks and the effective interest rates of financial assets and liabilities at balance date are shown below.

			Fixed Into	erest Rate l	Maturity		
2003	Weighted Average Interest	Variable Interest Rate	Less than 1 Year \$'000	1 to 5 Years	More than 5 Years \$'000	Non- Interest Bearing	Total
	Rate %	\$'000		\$'000		\$'000	\$'000
Financial Assets Cash Receivables Investments	3.75% 8.50% 5.44%	3,432 - 28,920 32,352	14 15,766 15,780	14 5,728 5,742	2,466 2,466	34,685 12,535 47,220	3,432 34,713 65,415 103,560
Weighted Average Interest Rate		5.26%	5.31%	6.42%	4.00%	-	
Financial Liabilities Payables Interest Bearing Liabilities	- 5.15%	8,095 8,095	- 	- -	- -	10,557 - 10,557	10,557 8,095 18,652
Weighted Average Interest Rate		5.15%	-	-	-	-	10,002
Net Financial Assets/(Liabilities)		24,257	15,780	5,742	2,466	36,663	84,908
				erest Rate I			
2002	Weighted Average Interest Rate %	Variable Interest Rate \$'000	Less than 1 Year \$'000	1 to 5 Years \$'000	More than 5 Years \$'000	Non- Interest Bearing \$'000	Total \$'000
Financial Assets	Tute 70	Ψ 000		Ψ 000		Ψοσο	Ψ 000
Cash Receivables Investments	3.25 8.50 4.94	554 - 18,521 19,075	14 16,768 16,782	42 5,901 5,943	2,464 2,464	34,099 13,150 47,249	554 34,155 56,804 91,513
Weighted Average Interest Rate		4.72%	4.73%	6.53%	4.00%	-	•
Financial Liabilities Payables Interest Bearing	-	-	-	-	-	8,475	8,475
Liabilities	4.52	3,928 3,928	-	- -	-	- 8,475	3,928 12,403
Weighted Average Interest Rate		4.52%	-	-	-	-	
Net Financial Assets/(Liabilities)							

35. Financial Instruments (Cont'd)

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

Currency risk/foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The economic entity's exposure to foreign exchange risk is limited to its investments in international equities of \$784,000 and a component of its managed funds that are invested in international equities/international fixed interest.

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Except for the following concentration of credit risk, the economic entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic entity:

• Superannuation receivable from DEST of \$25 million (2002 \$25 million).

Net Fair Value

At reporting date the carrying amount of financial assets and liabilities approximates their net fair values.

36. Acquittal of Commonwealth Government Financial Assistance

Amounts received and expended pursuant to the Higher Education Funding Act 1988, excluding HECS:

36.1 TEACHING AND LEARNING

	Parent Entity [University]			
	Operating financial		Teaching H	ospitals
	assista	nce		
	2003	2002	2003	2002
	\$'000	\$'000	\$'000	\$'000
A. Financial Assistance in Advance (paid in the				
previous reporting period for the current reporting				
period)	3,760	3,779	15	14
B. Plus Financial Assistance received during reporting				
period.	48,815	48,957	185	182
C. Less Financial Assistance in Advance (received in				
the reporting period for the next reporting period)	(3,850)	(3,760)	(15)	(15)
Total from DEST A+B-C	48,725	48,976	185	181
Accrual Adjustments				
 2002 Undergraduate Overenrolment (paid in 				
current reporting period)	697	35	-	-
Undergraduate Overenrolment	399	697	-	-
 Financial Assistance in Advance for the current 				
reporting period paid in the previous reporting	(2.7(0)	(2 ==0)	(4.5)	(4.1)
period.	(3,760)	(3,779)	(15)	(14)
• Financial Assistance in Advance recognised as	2.050	2.760	15	15
Revenue for the Period	3,850	3,760	15	15
Revenue attributed to the reporting period	49,911	49,689	185	182
Plus Surplus/Deficit Prior Year	5,749	7,135	15	14
Funds available for the reporting period	55,660	56,824	200	196
Less Expenses for current period	(43,440)	(51,075)	(185)	(181)
Surplus/Deficit for reporting period	12,220	5,749	15	15

Note: Financial assistance excludes Superannuation Supplementation, the Research Training Scheme and the Institutional Grants Scheme.

36. Acquittal of Commonwealth Government Financial Assistance (Cont'd) 36.1 TEACHING AND LEARNING

	Parent Entity [U Capital Development Pool		University] HEC	S	
	2003	2002	2003	2002	
	\$'000	\$'000	\$'000	\$'000	
A. Financial Assistance in Advance (paid in the previous reporting period for the current reporting period, including Commonwealth superannuation					
supplementation) B. <i>Plus</i> Financial Assistance received during reporting	-	-	2,463	2,232	
period (including Commonwealth superannuation					
supplementation)	789	1,171	30,943	28,571	
C. Plus contributions actually received from students		,	4,741	4,124	
D. Less Financial Assistance in Advance (received in the reporting period for the next reporting period, including Commonwealth superannuation					
supplementation)	_	_	(2,611)	(2,463)	
Total from DEST A+B+C-D	789	1,171	35,536	32,464	
Accrual Adjustments	, 0,	1/17 1	00,000	02,101	
Adjustment to prior year upfront receipts in the					
current reporting period	-	-	(58)	(4)	
DEST 2002 adjustment paid in 2003			2,187	-	
• Financial Assistance in Advance for the current reporting period paid in the previous reporting			, -		
period.	-	-	(2,463)	(2,232)	
Financial Assistance in Advance recognised as			() ,	() ,	
Revenue for the Period	-	-	2,611	2,463	
• Shortfall in Student Receipts from DEST estimate	-	-	(722)	(571)	
Revenue attributed to the reporting period	789	1,171	37,091	32,120	
Plus Surplus/Deficit Prior Year	1,171	-	2,463	2,232	
Funds available for the reporting period	1,960	1,171	39,544	34,352	
Less Expenses for current period	(140)	-	(36,943)	(31,889)	
Surplus/Deficit for reporting period	1,820	1,171	2,611	2,463	

36. Acquittal of Commonwealth Government Financial Assistance (Cont'd) 36.1 TEACHING AND LEARNING

	Parent Entity [University]	
	PELS	
	2003	2002
	\$'000	\$'000
A. Financial Assistance in Advance (paid in the		
previous reporting period for the current reporting		
period, including Commonwealth superannuation		
supplementation)	-	-
B. <i>Plus</i> Financial Assistance received during reporting		
period (including Commonwealth superannuation		
supplementation)	1,218	649
C. Less Financial Assistance in Advance (received in	,	
the reporting period for the next reporting period,		
including Commonwealth superannuation		
supplementation)	-	-
Total from DEST A+B-C	1,218	649
Accrual Adjustments	,	
 Funds owed by DEST for the current reporting 		
period	117	72
• Less Financial Assistance for the previous		
reporting period paid in the current reporting		
period	(72)	-
Revenue attributed to the reporting period	1,263	721
Plus Surplus/Deficit Prior Year	-	-
Funds available for the reporting period	1,263	721
Less Expenses for current period	(1,263)	(721)
Surplus/Deficit for reporting period	-	<u> </u>

reporting period for next reporting period)

Total from ARC A+B-C

36 Acquittal of Commonwealth Government Financial Assistance (Cont'd) 36.2 AUSTRALIAN RESEARCH COUNCIL

	$P\iota$	arent Entity	[University]	
	Discove	ery –	Discov	ery –
	Projec	cts	Fellows	hips
	(Large gi	rants)		-
-	2003	2002	2003	2002
	\$'000	\$'000	\$'000	\$'000
A. Financial Assistance in Advance (paid during	·	·	•	· · · · · · · · · · · · · · · · · · ·
previous reporting period)	134	_	6	_
B. <i>Plus</i> Financial Assistance received during				
reporting period	1,548	1,703	87	197
C. Less Financial Assistance in Advance (received in	•	,		
reporting period for next reporting period)	-	(134)	-	(6)
Total from ARC A+B-C	1,682	1,569	93	191
Accrual Adjustments	,	,		
Financial Assistance in Advance recognised as				
Revenue for the Period	-	134	-	6
 Financial Assistance in Advance for the current 				
reporting period paid in the previous reporting				
period.	(134)	-	(6)	-
Revenue attributed to the reporting period	1,548	1,703	87	197
Plus Surplus/Deficit Prior Year	690	946	(17)	8
Funds available for the reporting period	2,238	2,649	70	205
Less Expenses for current period	(1,690)	(1,959)	(66)	(222)
Surplus/Deficit for reporting period	548	690	4	(17)
	Pa	arent Entity	Universitul	
	Discove		Linka	ge -
	Indiger		Infrastr	
	Researc			
	Develop	ment		
-	2003	2002	2003	2002
	\$'000	\$'000	\$'000	\$'000
A. Financial Assistance in Advance (paid during				
previous reporting period)	3	-	-	-
B. <i>Plus</i> Financial Assistance received during				
reporting period	39	30	498	220
C. Less Financial Assistance in Advance (received in				
non-outing powing for most non-outing powing)		(2)		(6)

42

(6)

214

Acquittal of Commonwealth Government Financial Assistance (Cont'd) 36 36.2 AUSTRALIAN RESEARCH COUNCIL

30.2 AUSTRALIAN RESEARCH COUNC			DT : '4 1	
	Parent Entity [Discovery – Indigenous Researchers Development		Linkage - Infrastructure	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Total from ARC A+B-C c/f Accrual Adjustments • Financial Assistance in Advance recognised as	42	27	498	214
Revenue for the PeriodFinancial Assistance in Advance for the current	-	3	-	6
reporting period paid in the previous reporting period.	(3)	-	-	_
Revenue attributed to the reporting period	39	30	498	220
Plus Surplus/Deficit Prior Year	16	13	188	-
Funds available for the reporting period	55	43	686	220
Less Expenses for current period	(26)	(27)	(564)	(32)
Surplus/Deficit for reporting period	29	16	122	188
	Linkaş International Exchai	ge – l Research	[University] Linkas Projects (i Strategic Par with Industr	ncludes tnerships
	Linkaş International	ge – l Research	Linka Projects (i Strategic Par	ncludes tnerships
A. Financial Assistance in Advance (paid during previous reporting period) B. Plus Financial Assistance received during	International Exchan	ge – I Research nge	Projects (i Strategic Par with Industr 2003	ncludes etnerships y (SPIRT)) 2002
previous reporting period) B. <i>Plus</i> Financial Assistance received during reporting period	Linkag International Exchair 2003 \$'000	ge – I Research nge	Linka; Projects (i Strategic Par with Industr 2003 \$'000	ncludes etnerships y (SPIRT)) 2002
previous reporting period) B. <i>Plus</i> Financial Assistance received during reporting period C. <i>Less</i> Financial Assistance in Advance (received in	Linkag International Exchan	ge – I Research nge 2002 \$'000	Linka; Projects (i: Strategic Par with Industr 2003 \$'000	rcludes therships y (SPIRT)) 2002 \$'000
previous reporting period) B. <i>Plus</i> Financial Assistance received during reporting period C. <i>Less</i> Financial Assistance in Advance (received in reporting period for next reporting period)	Linkag International Exchan 2003 \$'000 1 10	ge – I Research nge 2002 \$'000	Linka; Projects (i: Strategic Par with Industr; 2003 \$'000	ricludes therships y (SPIRT)) 2002 \$'000
previous reporting period) B. Plus Financial Assistance received during reporting period C. Less Financial Assistance in Advance (received in reporting period for next reporting period) Total from ARC A+B-C Accrual Adjustments • Financial Assistance in Advance recognised as Revenue for the Period • Financial Assistance in Advance for the current	Linkag International Exchan	ge – I Research nge 2002 \$'000 - 15 (1)	Linka; Projects (i: Strategic Par with Industr 2003 \$'000	rcludes rtnerships y (SPIRT)) 2002 \$'000
previous reporting period) B. Plus Financial Assistance received during reporting period C. Less Financial Assistance in Advance (received in reporting period for next reporting period) Total from ARC A+B-C Accrual Adjustments • Financial Assistance in Advance recognised as Revenue for the Period	Linkag International Exchan 2003 \$'000 1 10	ge – I Research nige 2002 \$'000 - 15 (1) 14	Linka; Projects (i: Strategic Par with Industr; 2003 \$'000	ncludes rtnerships y (SPIRT)) 2002 \$'000 - 674 (52) 622

36 Acquittal of Commonwealth Government Financial Assistance (Cont'd) 36.2 AUSTRALIAN RESEARCH COUNCIL

	Parent Entity [University]				
	Linka	ge –	Linka	ge –	
	Internationa	l Research	Projects (i	ncludes	
	Excha	nge	Strategic Par	rtnerships	
			with Industr	y (SPIRT))	
	2003	2002	2003	2002	
	\$'000	\$'000	\$'000	\$'000	
Revenue attributed to the reporting period c/f	10	15	934	674	
Plus Surplus/Deficit Prior Year	19	7	523	466	
Funds available for the reporting period	29	22	1,457	1,140	
Less Expenses for current period	(25)	(3)	(862)	(617)	
Surplus/Deficit for reporting period	4	19	595	523	

36.3 DEST RESEARCH FINANCIAL ASSISTANCE

	Parent Entity [University]			
	Institutional Grants Scheme		Resea Infrastru Block G	ıcture
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
A. Financial Assistance in Advance (paid during previous reporting period)B. <i>Plus</i> Financial Assistance received during	562	562	276	232
reporting period C. Less Financial Assistance in Advance (received in	7,025	7,038	3,467	2,954
reporting period for next reporting period)	(542)	(562)	(278)	(276)
Total from DEST A+B-C	7,045	7,038	3,465	2,910
 Accrual Adjustments Financial Assistance in Advance for the current reporting period paid in the previous reporting 				
period.	(562)	(562)	(276)	(232)
 Financial Assistance in Advance recognised as Revenue for the Period 	542	562	278	276
Revenue attributed to the reporting period	7,025	7,038	3,467	2,954
Plus Surplus/Deficit Prior Year	949	848	900	869
Funds available for the reporting period	7,974	7,886	4,367	3,823
Less Expenses for current period	(6,988)	(6,937)	(3,136)	(2,923)
Surplus/Deficit for reporting period	986	949	1,231	900

36. Acquittal of Commonwealth Government Financial Assistance (Cont'd) 36.3 DEST RESEARCH FINANCIAL ASSISTANCE

	Parent Entity [University]			
	Research Training Scheme		Syster Infrastru Initiat	ıcture
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
A. Financial Assistance in Advance (paid during				
previous reporting period)	899	845	-	40
B. <i>Plus</i> Financial Assistance received during reporting period C. <i>Less</i> Financial Assistance in Advance (received in	11,270	10,631	3,800	460
reporting period for next reporting period)	(902)	(899)	(1,511)	_
Total from DEST A+B-C	11,267	10,577	2,289	500
Accrual Adjustments				
 Take up Revenue as a Liability⁴ 	-	-	(3,800)	-
 Financial Assistance in Advance for the current reporting period paid in the previous reporting 				
period.	(899)	(845)	-	(40)
 Financial assistance in Advance recognised as 				
Revenue for the Period	902	899	1,511	-
Estimated amount likely to be repaid back to	(200)			
DEST	(208)	-	-	-
Revenue attributed to the reporting period	11,062	10,631	-	460
Plus Surplus/Deficit Prior Year	1,024	845	50	40
Plus Funds Held as a Liability *	-	-	2,289	-
Plus Financial Assistance in Advance for the current				
reporting period paid in the previous reporting				
period.			1,511	
Funds available for the reporting period	12,086	11,476	3,850	500
Less Expenses for current period	(11,184)	(10,452)	(50)	(450)
Surplus/Deficit for reporting period	902	1,024	3,800	50

36.3 DEST RESEARCH FINANCIAL ASSISTANCE

	Parent Entity Australian Postgraduate Awards		[University] Austra Postgraduat	
		Pre 2002 Funding Component		wards mponent
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
A. Financial Assistance in Advance (paid during previous reporting period)	_	_	_	_
B. Plus Financial Assistance received during reporting period C. Less Financial Assistance in Advance (received in reporting period for next reporting period) Total from DEST A+B-C Accrual Adjustments Revenue attributed to the reporting period Plus Surplus/Deficit Prior Year Funds available for the reporting period Less Expenses for current period	723	1,815	1,104	- -
	723	1,815	1,104	-
	723 20	1,815 75	1,104 87	
	743 (769)	1,890 (1,783)	1,191 (1,025)	
Surplus/Deficit for reporting period	(26)	107	166	-
	P	arent Entity	[University] Internat Postgraduate Scholars	Research ships
		arent Entity	Internat Postgraduate	Research
A. Financial Assistance in Advance (paid during previous reporting period)	P	arent Entity	Internat Postgraduate Scholars 2003	e Research ships 2002
previous reporting period) B. <i>Plus</i> Financial Assistance received during reporting period C. <i>Less</i> Financial Assistance in Advance (received in	P	arent Entity	Internat Postgraduate Scholars 2003	e Research ships 2002
previous reporting period) B. Plus Financial Assistance received during reporting period C. Less Financial Assistance in Advance (received in reporting period for next reporting period) Total from DEST A+B-C	P	arent Entity	Internat Postgraduate Scholars 2003 \$'000	e Research ships 2002 \$'000
previous reporting period) B. Plus Financial Assistance received during reporting period C. Less Financial Assistance in Advance (received in reporting period for next reporting period) Total from DEST A+B-C Accrual Adjustments • Less Difference between DEST estimate and IPRS expenditure	P	arent Entity	Internat Postgraduate Scholars 2003 \$'000	e Research ships 2002 \$'000 261 261
previous reporting period) B. Plus Financial Assistance received during reporting period C. Less Financial Assistance in Advance (received in reporting period for next reporting period) Total from DEST A+B-C Accrual Adjustments • Less Difference between DEST estimate and IPRS expenditure Revenue attributed to the reporting period	P	arent Entity	Internat Postgraduate Scholars 2003 \$'000	e Research ships 2002 \$'000
previous reporting period) B. Plus Financial Assistance received during reporting period C. Less Financial Assistance in Advance (received in reporting period for next reporting period) Total from DEST A+B-C Accrual Adjustments • Less Difference between DEST estimate and IPRS expenditure	P	arent Entity	Internat Postgraduate Scholars 2003 \$'000	e Research ships 2002 \$'000 261 261

36. Acquittal of Commonwealth Government Financial Assistance (Cont'd) 36.4 SUMMARY OF UNSPENT FINANCIAL ASSISTANCE

Category of Financial Assistance	Amount of unspent financial assistance as at 31 December 2003	Amount of unspent financial assistance that it is more likely will be approved by the Commonwealth for carry forward	Amount of unspent financial assistance that it is more likely will be recovered by the Commonwealth
Category of I maneral Assistance	2003	2003	2003
	\$'000	\$'000	\$'000
Teaching & Learning Operating, excluding HECS & PELS Teaching Hospitals Capital Development Pool HECS PELS ARC: Discovery – Projects (Large Grants) Discovery - Fellowships Discovery - Indigenous Researchers Development Linkage - Infrastructure Linkage - International Research	12,220 15 1,820 2,611 - 548 4 29 122	12,220 15 1,820 2,611 - 548 4 29 122	
Exchange Linkage – Projects (includes Strategic Partnerships with	4	4	-
Industry (SPIRT))	595	595	-
DEST: Institutional Grants Scheme Research Infrastructure Block	986	986	-
Grants	1,231	1,231	-
Research Training Scheme Systemic Infrastructure Initiative Australian Postgraduate Awards –	902 3,800	902 3,800	-
Pre 2002 Funding Component Australian Postgraduate Awards – 2002 Onwards Funding	(26)	(26)	-
Component International Postgraduate	166	166	-
Research Scholarships Total	25,027	25,027	

FLINDERS UNIVERSITY Financial Statements for the year ended 31 December 2003

37. Entity Information

Flinders University is a body corporate established by an Act of the South Australian Parliament, "The Flinders University of South Australia Act, 1966". It is domiciled in Australia and its address is Sturt Road, Bedford Park, South Australia, 5042. The University's Australian Business Number (ABN) is 65 542 596 200.