

FLINDERS UNIVERSITY

# FINANCIAL STATEMENTS

2017

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## Income Statement for the year ended 31 December 2017

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
<b>Income from continuing operations</b>					
Australian Government financial assistance					
Australian Government grants	3	228,019	234,041	228,019	234,041
HELP - Australian Government payments	3	101,502	98,477	101,502	98,477
State and local Government financial assistance	4	7,637	8,434	7,637	8,466
HECS-HELP - Student payments		6,901	7,541	6,901	7,541
Fees and charges	5	102,641	94,070	102,601	93,994
Investment revenue	6	7,082	6,399	6,934	5,958
Royalties, trademarks & licences	7	727	1,293	790	921
Consultancy and contracts	8	14,748	8,698	13,296	8,081
Other revenue	9	25,084	26,107	11,536	14,806
Gains on disposal of assets		(60)	1,263	59	1,263
Share of profit or loss on investments accounted for using the equity method	21	(509)	976	-	-
Other investment income	6	3,768	2,510	3,768	2,642
Other income	9	-	386	-	386
<b>Total income from continuing operations</b>		<b>497,540</b>	<b>490,195</b>	<b>483,043</b>	<b>476,576</b>
<b>Expenses from continuing operations</b>					
Employee related expenses	10	309,958	313,526	300,143	302,997
Depreciation and amortisation	11	35,244	33,869	34,951	33,522
Repairs and maintenance	12	11,834	12,533	11,637	12,302
Borrowing Costs	13	176	276	176	276
Impairment of assets	14	3,022	528	4,490	1,022
Investment losses	6	97	-	97	-
Other expenses	15	110,838	101,877	106,786	99,051
<b>Total expenses from continuing operations</b>		<b>471,169</b>	<b>462,609</b>	<b>458,280</b>	<b>449,170</b>
<b>Net result for the year</b>		<b>26,371</b>	<b>27,586</b>	<b>24,763</b>	<b>27,406</b>
Net result attributable to non-controlling interest		-	(99)	-	-
<b>Net result attributable to members of Flinders University</b>		<b>26,371</b>	<b>27,685</b>	<b>24,763</b>	<b>27,406</b>

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

## Statement of Comprehensive Income for the year ended 31 December 2017

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
<b>Net result for the year</b>		26,371	27,586	24,763	27,406
<b>Items that maybe reclassified to profit or loss</b>					
Gain / (loss) on value of available for sale financial assets	29	5,143	1,902	4,200	484
<b>Total</b>		5,143	1,902	4,200	484
<b>Items that will not be reclassified to profit or loss</b>					
Gain / (loss) on revaluation of land, buildings, library and artwork	29	-	9,884	-	9,884
<b>Total</b>		-	9,884	-	9,884
<b>Total comprehensive income</b>		<b>31,514</b>	<b>39,372</b>	<b>28,963</b>	<b>37,774</b>
Total comprehensive income attributable to non-controlling interest		-	(99)	-	-
Total comprehensive income attributable to the University		31,514	39,471	28,963	37,774
<b>Total comprehensive income attributable to members of Flinders University</b>		<b>31,514</b>	<b>39,372</b>	<b>28,963</b>	<b>37,774</b>

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

## Statement of Financial Position as at 31 December 2017

	Note	Consolidated		University	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	16	42,998	56,142	42,040	55,003
Receivables	17	15,946	18,882	14,122	17,826
Inventories	18	198	338	195	195
Other financial assets	19	54,896	19,658	54,896	19,658
Other non-financial assets	20	4,933	8,927	4,860	8,821
<b>Total current assets</b>		<b>118,971</b>	<b>103,947</b>	<b>116,113</b>	<b>101,503</b>
<b>Non-current assets</b>					
Receivables	17	45,855	46,928	45,855	46,928
Investments accounted for using the equity method	21	2,402	976	-	-
Other financial assets	19	84,903	60,968	84,885	61,156
Property, plant and equipment	23	599,963	602,093	598,390	600,381
Investment property	22	8,703	8,800	8,703	8,800
Intangible assets	24	24,250	19,215	23,978	18,231
Other non-financial assets	20	3,612	4,059	3,612	4,059
<b>Total non-current assets</b>		<b>769,688</b>	<b>743,039</b>	<b>765,423</b>	<b>739,555</b>
<b>Total assets</b>		<b>888,659</b>	<b>846,986</b>	<b>881,536</b>	<b>841,058</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	25	44,359	34,131	42,784	31,330
Borrowings	26	1,850	1,743	1,850	1,743
Provisions	27	22,482	23,654	22,114	22,793
Other liabilities	28	17,223	12,522	17,349	12,850
<b>Total current liabilities</b>		<b>85,914</b>	<b>72,050</b>	<b>84,097</b>	<b>68,716</b>
<b>Non-current liabilities</b>					
Trade and other payables	25	3,324	3,594	3,324	3,417
Borrowings	26	-	2,450	-	1,850
Provisions	27	68,925	70,901	68,925	70,848
<b>Total non-current liabilities</b>		<b>72,249</b>	<b>76,945</b>	<b>72,249</b>	<b>76,115</b>
<b>Total liabilities</b>		<b>158,163</b>	<b>148,995</b>	<b>156,346</b>	<b>144,831</b>
<b>Net assets</b>		<b>730,496</b>	<b>697,991</b>	<b>725,190</b>	<b>696,227</b>
<b>Equity</b>					
<b>University interest</b>					
Reserves	29	167,923	162,780	170,313	166,113
Retained earnings	29	561,958	535,144	554,877	530,114
<b>University interest</b>		<b>729,881</b>	<b>697,924</b>	<b>725,190</b>	<b>696,227</b>
<b>Non-controlling interest</b>		<b>615</b>	<b>67</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>730,496</b>	<b>697,991</b>	<b>725,190</b>	<b>696,227</b>

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

## Statement of Changes in Equity for the year ended 31 December 2017

	Reserves	Retained Earnings	Total Group Interest	Non-controlling Interest	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated</b>					
<b>Balance as at 1 January 2016</b>	150,994	507,459	658,453	168	658,621
Net result	-	27,685	27,685	(99)	27,586
Gain on revaluation of land, buildings, infrastructure, library and artwork	9,884	-	9,884	-	9,884
Gain on revaluation of available-for-sale financial assets	1,902	-	1,902	-	1,902
<b>Total comprehensive income</b>	<b>11,786</b>	<b>27,685</b>	<b>39,471</b>	<b>(99)</b>	<b>39,372</b>
Recognition of non-controlling interest	-	-	-	(2)	(2)
<b>Balance at 31 December 2016</b>	<b>162,780</b>	<b>535,144</b>	<b>697,924</b>	<b>67</b>	<b>697,991</b>
<b>Balance at 1 January 2017</b>	162,780	535,144	697,924	67	697,991
Net result	-	26,371	26,371	-	26,371
Gain on revaluation of land, buildings, infrastructure, library and artwork	-	-	-	-	-
Gain on revaluation of available-for-sale financial assets	5,143	-	5,143	-	5,143
Prior period adjustment	-	443	443	-	443
<b>Total comprehensive income</b>	<b>5,143</b>	<b>26,814</b>	<b>31,957</b>	<b>-</b>	<b>31,957</b>
Recognition of non-controlling interest	-	-	-	548	548
<b>Balance at 31 December 2017</b>	<b>167,923</b>	<b>561,958</b>	<b>729,881</b>	<b>615</b>	<b>730,496</b>
<b>University</b>					
<b>Balance as at 1 January 2016</b>			155,745	502,708	658,453
Net result			-	27,406	27,406
Gain on revaluation of land, buildings, infrastructure, library and artwork			9,884	-	9,884
Gain on revaluation of available-for-sale financial assets			484	-	484
<b>Total comprehensive income</b>			<b>10,368</b>	<b>27,406</b>	<b>37,774</b>
<b>Balance at 31 December 2016</b>			<b>166,113</b>	<b>530,114</b>	<b>696,227</b>
<b>Balance at 1 January 2017</b>			166,113	530,114	696,227
Net result			-	24,763	24,763
Gain on revaluation of land, buildings, infrastructure, library and artwork			-	-	-
Gain on revaluation of available-for-sale financial assets			4,200	-	4,200
<b>Total comprehensive income</b>			<b>4,200</b>	<b>24,763</b>	<b>28,963</b>
<b>Balance at 31 December 2017</b>			<b>170,313</b>	<b>554,877</b>	<b>725,190</b>

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

## Statement of Cash Flows for the year ended 31 December 2017

	Note	Consolidated		University	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Cash flows from operating activities</b>					
<b>Inflows:</b>					
Australian Government Grants	3(g)	329,981	336,900	329,981	336,900
OS-HELP (net)	3(g)	842	1,141	842	1,141
Superannuation Supplementation	3(g)	2,701	3,295	2,701	3,295
State Government Grants		7,557	9,163	7,557	9,195
Local Government Grants		80	43	80	43
HECS-HELP – Student payments		6,901	7,541	6,901	7,541
Receipts from student fees and other customers		150,898	137,055	134,123	124,053
Dividends received		1,246	2,118	1,125	1,708
Interest received		2,760	2,180	2,733	2,149
Other investment income		3,076	2,722	3,076	2,722
GST recovered / (paid)		6,530	6,871	6,530	6,871
<b>Outflows:</b>					
Payments to suppliers and employees (inclusive of GST)		(435,738)	(445,783)	(419,979)	(432,807)
Interest and other costs of finance		(176)	(276)	(176)	(276)
<b>Net cash provided by / (used in) operating activities</b>	40	<b>76,658</b>	<b>62,970</b>	<b>75,494</b>	<b>62,535</b>
<b>Cash flows from investing activities</b>					
<b>Inflows:</b>					
Proceeds from sale of property, plant & equipment		975	1,603	975	1,603
Proceeds from sale of financial assets		3,607	4,591	3,607	4,591
Repayment of loans by related parties		-	-	-	-
Increase/(Decrease) in funds held on behalf of other entities		(614)	(1,035)	(614)	(1,035)
<b>Outflows:</b>					
Payments for property, plant and equipment		(35,731)	(42,220)	(35,999)	(41,361)
Payments for financial assets		(55,696)	(15,706)	(54,683)	(15,263)
<b>Net cash provided by / (used in) investing activities</b>		<b>(87,459)</b>	<b>(52,767)</b>	<b>(86,714)</b>	<b>(51,465)</b>
<b>Cash flows from financing activities</b>					
<b>Inflows:</b>					
Proceeds from borrowings		(600)	-	-	-
<b>Outflows:</b>					
Repayment of finance leases		(1,743)	(1,643)	(1,743)	(1,643)
<b>Net cash provided by / (used in) financing activities</b>		<b>(2,343)</b>	<b>(1,643)</b>	<b>(1,743)</b>	<b>(1,643)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>		<b>(13,144)</b>	<b>8,560</b>	<b>(12,963)</b>	<b>9,427</b>
Cash and cash equivalents at beginning of the financial year		<b>56,142</b>	<b>47,582</b>	<b>55,003</b>	<b>45,576</b>
<b>Cash and cash equivalents at the end of the financial year</b>	1(g), 16	<b>42,998</b>	<b>56,142</b>	<b>42,040</b>	<b>55,003</b>
Borrowings	26				
Non-cash investing and financing activities	41				

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

## Note 1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented unless otherwise stated. The financial statements include separate statements for Flinders University as the parent entity and Flinders University and its subsidiaries as the Consolidated entity.

The principal address of Flinders University is:

Sturt Road  
Bedford Park  
South Australia 5042

### (a) Basis of preparation

The annual financial statements represent the audited general purpose financial statements of Flinders University. They have been prepared on an accrual basis and comply with the Australian Accounting Standards.

Flinders University applies Tier 1 reporting requirements.

Additionally, the statements have been prepared in accordance with the following statutory requirements:

- *Higher Education Support Act 2003* (Financial Statement Guidelines)
- *Australian Charities and Not-for-Profit Commission (ACNC) Act 2012 (Cwth)*
- *relevant provisions of the Treasurer's Instructions issued pursuant to the Public Finance and Audit Act 1987 and the Accounting Policy Framework issued pursuant to the Treasurer's Instructions, except where they conflict with the Department of Education and Training Guidelines.*

Flinders University is a not-for-profit entity and these statements have been prepared on that basis. Some of the Australian Accounting Standards requirements for not-for-profit entities are inconsistent with the IFRS requirements.

The financial report has been prepared based on a twelve month operating cycle and is presented in Australian dollars.

### Date of authorisation for issue

The financial statements were authorised for issue by the Council members of Flinders University on 24 May 2018.

### Historical cost convention

These financial statements have been prepared on an accrual basis and under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

### Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The main areas involving a high degree of judgement where assumptions and estimates are significant to the financial statements are superannuation receivable and provision, valuation

of property, plant and equipment, long service leave liability and depreciation.

### (b) Principles of consolidation

#### (i) Subsidiaries

The Consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the University as at 31 December 2017 and the results of all subsidiaries for the year then ended. The University and its subsidiaries together are referred to in this financial report as the Group or the Consolidated entity.

The financial statements of the Consolidated entity comprise the accounts of Flinders University (the Parent entity) and all of its subsidiaries. A subsidiary is any entity controlled by the University. Control exists where the University is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. A list of subsidiaries is contained in Note 35.

Intercompany transactions, balances and unrealised gains on transactions between members of the Consolidated entity are eliminated to the extent of the Consolidated entity's interest in the subsidiaries. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated entity.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated statement of comprehensive income, statement of financial position and statement of changes in equity respectively.

#### (ii) Associates

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

#### (iii) Joint Arrangements

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

### Joint operations

The University has an interest in a number of joint operations. The University's share of assets, liabilities, revenue and expenses have been incorporated in the University's financial statements under the appropriate headings. Details of joint operations are set out in Note 36.

### Joint ventures

The University has an interest in a number of joint venture entities.

If material, the interest in a joint venture entity is accounted for in the Consolidated financial statements using the equity method and is carried at cost by the University. Under the equity method, the share of profits or losses of the entity is recognised in the income statement, and the share of movements in reserves is recognised in reserves in the statement of comprehensive income and the statement of changes in equity. Details relating to the entities are set out in Note 36.

## Note 1 Summary of significant accounting policies

**(c) Foreign currency translation****(i) Functional and presentation currency**

The Consolidated financial statements are presented in Australian dollars which is the Consolidated entity's functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions were converted to Australian currency at the rates of exchange prevailing at the dates of the transactions. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement. Note 42 discloses foreign currency monetary items outstanding at balance date.

**(d) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

**(i) Government grants**

Grant revenue is recognised in the year that the University gains control of the revenue which is generally when it is received. Where the University obtains control of the right to receive the grant and when revenue recognition criteria are met, the grant revenue is recognised in the period to which it relates.

Note disclosure is made in Notes 3 & 4.

**(ii) Student fees and charges**

Student tuition fees and charges are recognised as income in the year in which the service is provided. Note disclosure is made in Note 5.

**(iii) 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 8.

**(iv) Donations and Bequests**

Donations and bequests are received in cash and non-cash forms. Non cash donations and bequests are recognised at the University's estimate of the fair value of the items donated or bequeathed. Note disclosure is made in Note 9.

**(v) Investment revenue and income**

Interest revenue is recognised as it accrues. Dividend revenue and imputation credits are recognised only when declared before the 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. All movements in the value of investments classified as "financial assets at fair value through profit and loss" are included in the Net Operating Result. For "Available for sale investments" and investments classified as "Other financial assets", realised gains are included in the Net Operating Result while unrealised gains and losses are taken to the Available for Sale Revaluation Surplus for Investments except to the extent that unrealised losses exceed previous revaluation increments for all investments held in that reserve. Note disclosure is made in Note 6.

**(e) Leases****(i) University as lessee**

Leases of property, plant and equipment where the Consolidated entity, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are classified as borrowings. Note disclosure is made in Note 26. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term. Note disclosure is made in Note 23.

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under an operating lease are expensed in the period to which the payment relates. Note disclosure is made in Note 33(b).

**(ii) University as lessor**

The University leases space in its 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. The leases are all classified as operating leases.

Note disclosure is made in Note 33(b).

**(f) Impairment of assets**

At each reporting date, the University undertakes an assessment of its significant assets to determine if there is any evidence of impairment. Where impairment exists, the University recognises an impairment loss in the Income Statement. This is calculated as the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

**(g) Cash and cash equivalents**

For Statement of Cash Flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank accounts are recognised at nominal amounts. Note disclosure is made in Note 16.

**(h) 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 17.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that amounts due according to the original terms will not be able to be collected. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency

## Note 1 Summary of significant accounting policies

in payments are considered indicators that the trade receivable is impaired.

Details regarding the receivable from the Australian Government relating to the State Super Scheme are disclosed in Note 1(u)(v) Superannuation.

### (i) Investments and other financial assets

#### (j) Recognition

Subsequent to initial recognition, investments in subsidiaries are measured at fair value. Subsequent to initial recognition, investments in associates are accounted for under the equity method in the Consolidated financial statements and the cost method in the University's financial statements.

In accordance with AASB 139 *Financial Instruments: Recognition and Measurement* other financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'held-to-maturity' investments, 'available-for-sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. In the case of assets classified as held-to-maturity, the University re-evaluates this designation at each reporting date.

#### (ii) Financial assets at fair value through profit or loss

The Consolidated entity has classified certain shares as financial assets at fair value through profit or loss. Financial assets held for trading purposes are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

#### (iii) Loans and receivables

Trade receivables, loans, and other receivables are recorded at cost less impairment.

The carrying amount of investments is reviewed annually by the University to ensure that all items are carried at fair value. Note disclosure for other financial assets (investments) is made in Note 19.

#### (iv) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Consolidated entity's management has the positive intention and ability to hold to maturity.

Interest on term deposits is recognised at balance date based on the proportion of the term that has elapsed.

#### (v) Available-for-sale financial assets

Certain shares held are classified as being available-for-sale and are stated at fair value less impairment. Gains and losses arising from changes in fair value are recognised directly in the available-for-sale revaluation reserve, until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in the available-for-sale revaluation reserve is included in profit or loss for the period. This category includes investments classified as "Available-for-sale" and any investments that do not fit the definitions for inclusion in the previous categories. Consequently it should not be assumed that the University has plans to dispose of these assets.

They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

### Fair value

The fair value of investments and other financial assets are based on quoted prices in an active market. If the market for a financial asset is not active (and for unlisted securities), the Consolidated entity establishes fair value by using valuation techniques that maximise the use of relevant data. These include reference to the estimated price in an orderly transaction that would take place between market participants at the measurement date. Other valuation techniques used are the cost approach and the income approach based on the characteristics of the asset and the assumptions made by market participants.

### (j) Derivatives

The Consolidated entity enters into foreign currency hedges (derivative financial instruments) to manage its exposure to movements in exchange rates for library purchases and certain equipment acquisitions.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at balance date. Changes in the fair value of derivatives are recorded in the Income Statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Where the maturity date of a hedge is more than 12 months, the asset and liability are classified as non-current, otherwise they are classified as current.

### (k) Property, plant and equipment

Property, plant and equipment are shown 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 asset class' fair value at that date. Where necessary, the asset class is revalued to reflect its fair value. Note disclosure is made in Note 23.

#### (i) Land

Land is owned by the University in its own right and by the State and Northern Territory Governments. 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 independently revalued as at 31 December 2016 by Richard Wood B.App.Sc (Val) AAPI CPV, of Opteon Pty Ltd. Comprehensive independent land valuations are undertaken triennially with an annual update based on relevant price movements if material. There have been no material valuation movements since 2016.

#### (ii) Buildings and infrastructure

Buildings and above ground infrastructure controlled by the University were independently revalued as at 31 December 2016 by Richard Wood B.App.Sc (Val) AAPI CPV of Opteon Pty Ltd. Comprehensive independent valuations are undertaken triennially with an annual update based on relevant price movements if material.

Below ground Infrastructure is not included as an asset as the value is not able to be reliably estimated.

Buildings under construction are measured at cost.

#### (iii) Leased Buildings

The University has entered into various arrangements with other entities to occupy buildings on land not owned by the University.

The University initially recognises a lease asset as the value of its contribution to construction costs plus any future amounts payable

## Note 1 Summary of significant accounting policies

under the lease agreement and revalues it to fair value each year. The University depreciates the asset over the shorter of their useful life or the remaining life of the lease.

### (iv) Leasehold improvements

Leasehold improvements are capitalised and amortised over the shorter of their useful life or the remaining life of the lease.

### (v) Library collection

The University has determined that purchased Library collections are measured at historical cost which approximates fair value. For library items received free of charge, fair value of these items is based on average costs of purchased items over the year. The value is depreciated over a 10 year period on a straight-line basis.

### (vi) Equipment

This class of assets includes computer hardware (not 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 Income Statement in the period acquired. The depreciated value of equipment is deemed to be its fair value.

Leased equipment is capitalised and amortised over the shorter of their useful life or the remaining life of the lease.

### (vii) Works of art

The value of the Works of Art collection is assessed annually at fair value at Council valuation. The last independent valuation was conducted as at 31 December 2013 by Helen Miller BA SYD AVAA CPV NCJV (Fine Arts Division) Rodney Hyman Asset Services Pty Ltd.

### (viii) Revaluations

Increases in the carrying amounts arising on revaluation of land, buildings & infrastructure, library and works of art are recognised, under revaluation surplus. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset class are also recognised in under revaluation surplus to the extent of the remaining reserve attributable to the asset class. All other decreases are charged to the Income Statement.

## (l) Intangible assets

### (i) Research and development

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

Expenditure on development activities, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if the product or service is technically and commercially feasible and adequate resources are available to complete development. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the Income Statement as an expense when incurred.

The University expenses development costs when incurred, as the expenses are not recoverable beyond reasonable doubt. One of

the University's subsidiaries, Flinders Partners Pty Ltd, has the rights to commercialise intellectual property arising from the University. Development costs incurred by Flinders Partners Pty Ltd 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.

Development costs are capitalised and are included in the Consolidated Statement of Financial Position under Project costs carried forward. Note disclosure is made in Note 24.

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.

### (ii) Software costs

The University capitalises certain software costs with a purchase price greater than \$40,000 and an expected useful life greater than 12 months, together with costs associated with implementation. These are recorded on the basis of cost less amortisation once the system is operational. Impairment is assessed annually. IT development in progress relates to costs incurred in the development of IT software projects. On project completion the balances are transferred to software costs.

Note disclosure is made in Note 24.

## (m) Depreciation and amortisation

The basis for depreciation and the depreciation rates are reviewed annually. 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. Where material, buildings are componentised and the individual components are depreciated over their useful lives. The following rates are based on the estimated useful life of the assets to the University:

Item	Percentage
<b>Depreciation:</b>	
Buildings and infrastructure	1.6 - 20.0
Equipment	
- Motor vehicles	20.0
- General equipment	10.0 - 33.3
- Computer hardware	16.6 - 33.3
- Furniture	10.0
Library collection	10.0
<b>Amortisation:</b>	
Computer software	20.0
Leased Equipment	20.0
Leasehold Improvements	5.0 - 20.0

The gross amount of depreciable assets and the related accumulated depreciation is provided within Note 23. Depreciation and amortisation expense by asset class is shown in Note 11.

## Note 1 Summary of significant accounting policies

### (n) Repairs and Maintenance

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacements of a component of an asset, in which case, the costs are capitalised and depreciated. Other routine operating maintenance, repair and minor renewal costs are also recognised as expenses, as incurred.

### (o) Investment property

Investment properties exclude properties held to meet service delivery objectives of the University. The University holds an investment property which is measured on a fair value basis, based on active market prices of similar properties, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, alternative valuation methods such as recent prices in less active markets or discounted cash flow projections are used.

Independent valuations are undertaken annually. At each reporting date, the reported value is reviewed to ensure that it does not differ materially from the property's fair value at that date. Changes to fair value are recorded in the Income Statement as other income.

The investment property was independently valued at fair value as at 31 December 2017 by Richard Wood AAPI CPV, B.App.Sc (Val) of Opteon Pty Ltd.

Rental revenue from the leasing of investment properties is recognised in the Income Statement in the periods in which it is receivable, as this represents the pattern of service rendered through the provision of the properties. Note disclosure is made in Note 22.

### (p) 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 25. The amounts are unsecured and the standard University terms of trade is payment within 30 days of invoice.

### (q) Borrowings

Finance leases are allocated under borrowings as prescribed by the Department of Education and Training Guidelines. The current liability portion represents the amount expected to be paid in the following 12 months with the balance greater than 12 months reported in the non-current portion. Note disclosure is made in Note 26.

### (r) Borrowing costs

Finance charges in respect of finance leases represent the interest charges implicit in the finance lease and are included in the definition of borrowing costs. Note disclosure is made in Note 13.

### (s) Interest bearing liabilities

The University has no loans. However the University receives deposits from subsidiaries, certain joint ventures and related external entities for group investment along with University funds and shares the investment income with those entities. Note disclosure is made in Note 28.

### (t) Other liabilities: Funds held on behalf of external entities

Funds held on behalf of external entities are shown at amounts due. These do not incur any interest charges. Note disclosure is made in Note 28.

### (u) Employee benefits and provisions

Employee expenses 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. Oncosts 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 Framework - Part IV (APS 5.25). 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) Short term obligations

Liabilities for short-term employee benefits including salaries, non-monetary benefits and bonuses due to be settled within 12 months after the end of the period are measured at the amount expected to be paid when the liability is settled and recognised in Trade and other payables.

#### (ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

The long service leave liability is independently actuarially estimated each year in accordance with AASB 119 Employee Benefits. The last update was performed at 31 December 2017 by Anthony Sassine, FIAA, of Mercer (Australia) Pty Ltd. The assumptions used by the actuary include:

- investment earnings rate of 2.44% pa (2016: 2.5%) pa. salary inflation rate of 2.5% pa (2016: 3.0%).
- on costs have been applied at the rate of 15.11% (2016: 16.4%).
- the proportion of leave taken in service is 65% (2016: 65%), the balance at termination of service.

The current portion represents the amount expected to be paid in the following 12 months. Note disclosure is made in Notes 25 and 27.

#### (iii) Annual leave

The calculation to measure the value of annual leave has assumed a 2.5 % salary inflation factor. The provision for annual leave is classified as a current liability as the University does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Note disclosure is made in Notes 25 and 27.

#### (iv) 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 expected to be less than the annual entitlement for sick leave.

#### (v) Superannuation

##### Superannuation schemes

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 costs from unfunded schemes are expensed in the Income Statement. Except in the case of multi-employer schemes such as UniSuper, the University recognises, as an asset or a liability, the difference between the employer

## Note 1 Summary of significant accounting policies

established defined benefit superannuation scheme's accrued benefits and the net market value of the scheme's assets. Note 44 provides details in respect of the individual schemes.

### Unfunded superannuation - State Superannuation Scheme

An arrangement exists between the Australian Government and the State Government to share the unfunded liability for the University's beneficiaries of the State Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the *State Grants (General Revenue) Amendment Act 1987*, *Higher Education Funding Act 1988* and subsequent amending legislation. Accordingly the unfunded liabilities have been recognised in the Statement of Financial Position under Provisions with a corresponding asset recognised under Receivables. The recognition of both the asset and the liability consequently does not affect the year end net asset position of the University or the Consolidated entity. Refer to Note 44 (ii).

Superannuation Supplementation funding received from the Australian Government must not be shown as revenue as this is a partial settlement of an asset recognised in accordance with AASB 119.116. The net difference between the gross expense and the amount received from the Australian Government is shown as an expense within employee related expenses.

### (vi) Severance

Provision is made for severance payments where it is probable payments will be made under industrial awards for fixed-term staff. The current portion represents the amount expected to be paid in the following 12 months. Severance payments are included under Salaries within Employee related expenses. Note disclosure of the provision is made in Note 27.

### (vii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The University recognises the expense when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing redundancy benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance date are discounted to present value. Expenses are disclosed in Note 10. Amounts unpaid at balance are included under Trade and Other Payables.

### (viii) Redundancy benefits

Redundancy benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The University recognises redundancy benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing redundancy benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance date are discounted to present value. Expenses are disclosed in Note 10. Amounts unpaid at balance date are included under Trade and Other Payables.

### (v) Workers' compensation

The University is responsible for payments of workers' compensation and is registered with ReturnToWorkSA as an exempt employer. Lawsons Risk Management Services Pty Ltd

administers workers' compensation arrangements on behalf of the University.

The provision for workers' compensation liability is actuarially determined each year. The valuation as at 31 December 2017 was performed by Laurie Brett, FIA, FIAA. 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 liability for workers' compensation is disclosed in Note 27.

### (w) Inventories

Inventories are stores of consumable items including printing and maintenance materials and are measured at cost. 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 18.

### (x) Website costs

Costs in relation to website contents are charged as expenses in the period in which they are incurred.

### (y) Goods and services tax (GST)

The University recognises revenues, expenses and assets net of the amount of associated (GST), except where the amount of GST incurred by the University is not recoverable from the Australian Taxation Office (ATO). In this case, it is recognised as part of the cost acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included 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 ATO is classified as operating cash flows.

Commitments and contingencies are disclosed net of GST recoverable from or payable to the ATO.

### (z) Income tax status

The University does not provide for Australian income tax as it is exempt under the provisions of Division 50 of the *Income Tax Assessment Act 1997*.

Whilst University's major subsidiaries are exempt from income tax, smaller entities within the group pay income tax when it is incurred.

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

### (aa) Current and non-current classification

Assets and liabilities are characterised as either current or non-current. The University and the Consolidated entity operate on a 12 month operating cycle. Assets and liabilities that are sold, consumed or realised as part of the 12 month operating cycle are classified as current. All other assets and liabilities are classified as non-current.

### (ab) Rounding to the nearest \$'000

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

## Note 1 Summary of significant accounting policies

### (ac) New or revised Australian Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2017 reporting periods. The University has not early adopted these standards.

The University has assessed the impact of the new and amended standards and interpretations and has determined there is no material impact.

There are no material impacts from new or revised Australian Accounting Standards and Interpretations for the reporting period ending 31 December 2017.

### (ad) 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.

### (ae) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous year.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2017 reporting periods. The University has elected not to early adopt any of these standards. The University's assessment of the impact of these new standards and interpretations is set out below:

**AASB 16 Leases** - Effective date 1 January 2019: Requires a lessee to recognise assets and liabilities for leases of greater than 12 months duration unless the asset is of low value. The impact of this standard in future years has yet to be determined as it will depend on lease agreements in place at that time.

**AASB 1058 Income of Not-for-Profit Entities** – Effective date 1 January 2019: Simplifies the income recognition requirements for not-for-profit entities in conjunction with AASB 15 *Revenue from Contracts with Customers* relating to timing of the transaction giving rise to a liability or other performance obligation or contribution by owners related to an asset received by an entity. The revenue impact in future years has yet to be determined as it will depend on contracts in place at that time.

**AASB 9 Financial Instruments** – Effective date 1 January 2018: Incorporates classification and measurement requirements for financial assets and liabilities and recognition and derecognition requirements for financial instruments. Impairment requirements are to be based on an "expected loss model" rather than the current "incurred loss" model in relation to long-term or life-time expected credit loss and Hedge accounting has been simplified. The University is yet to determine the impact with an expectation it will be minimal.

**AASB 15 Revenue from Contracts with Customers** – Effective date 1 January 2019: This Standard establishes the principles that shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

The core principle of AASB 15 is that revenue is recognised when transfers of goods or services to customers occur in exchange for consideration which the vendor expects to be entitled to in exchange for the provision of those goods or services (i.e. fulfilment of performance obligations). Revenue will only be

recognised when control over the goods or services is transferred to the customer, either over time or at a point in time.

The revenue impact in future years has yet to be determined as it will depend on contracts in place at that time.

## Note 2 Disaggregated information

The University operates in the field of higher education in Australia and its primary activities are the provision of teaching and research services. It has no material offshore operations.

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
<b>Note 3 Australian Government financial assistance including Australian Government loan programs (HELP)</b>					
<b>(a) Commonwealth Grant Scheme and Other Grants</b>	47.a				
Commonwealth Grant Scheme (CGS) <sup>#1</sup>		148,782	145,328	148,782	145,328
Indigenous Student Success Program		1,274	790	1,274	790
Higher Education Participation Program <sup>#2</sup>		3,074	4,352	3,074	4,352
Disability Support Program		338	282	338	282
Promotion of Excellence in Learning and Teaching		10	231	10	231
<b>Total Commonwealth Grant Scheme and Other Grants</b>		<b>153,478</b>	<b>150,983</b>	<b>153,478</b>	<b>150,983</b>
<b>(b) Higher Education Loan Programs</b>	47.b				
HECS-HELP		89,938	87,290	89,938	87,290
FEE-HELP <sup>#3</sup>		9,719	9,200	9,719	9,200
SA-HELP	47.g	1,845	1,987	1,845	1,987
<b>Total Higher Education Loan Programs</b>		<b>101,502</b>	<b>98,477</b>	<b>101,502</b>	<b>98,477</b>
<b>(c) Scholarships</b>	47.c				
Research Training Program		15,599	15,745	15,599	15,745
<b>Total Scholarships</b>		<b>15,599</b>	<b>15,745</b>	<b>15,599</b>	<b>15,745</b>
<b>(d) EDUCATION Research</b>	47.c				
Research Support Program		12,394	11,912	12,394	11,912
<b>Total EDUCATION Research Grants</b>		<b>12,394</b>	<b>11,912</b>	<b>12,394</b>	<b>11,912</b>

<sup>#1</sup> Includes the basic CGS grant amount, CGS - Regional Loading, CGS - Enabling Loading, CGS-Medical Student Loading.

<sup>#2</sup> Includes Access and Participation Fund and National Priorities Pool.

<sup>#3</sup> Program is in respect of FEE-HELP for Higher Education only

	Note	Consolidated		University	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Note 3 Australian Government financial assistance including Australian Government loan programs (HELP) (continued)</b>					
<b>(e) Australian Research Council</b>					
<i>(i) Discovery</i>					
	47.d (i)				
Project		3,920	3,108	3,920	3,108
Fellowships <sup>#4</sup>		1,471	3,186	1,471	3,186
Indigenous Researchers Development		11	18	11	18
<b>Total Discovery</b>		<b>5,402</b>	<b>6,312</b>	<b>5,402</b>	<b>6,312</b>
<i>(ii) Linkages</i>					
	47.d (ii)				
Infrastructure		217	745	217	745
Projects		1,072	1,601	1,072	1,601
<b>Total Linkages</b>		<b>1,289</b>	<b>2,346</b>	<b>1,289</b>	<b>2,346</b>
<i>(iii) Networks and Centres</i>					
	47.d (iii)				
Centres		321	5	321	5
<b>Total Networks and Centres</b>		<b>321</b>	<b>5</b>	<b>321</b>	<b>5</b>
<b>Special Research Initiatives</b>	47.d (iii)	<b>30</b>	<b>149</b>	<b>30</b>	<b>149</b>
<b>Total Australian Research Council</b>		<b>7,042</b>	<b>8,812</b>	<b>7,042</b>	<b>8,812</b>
<b>(f) Other Australian Government financial assistance</b>					
<b>Non-capital</b>					
National Health and Medical Research Council		7,027	9,705	7,027	9,705
Other Research		12,640	16,724	12,640	16,724
Other Non-Research		19,523	19,846	19,523	19,846
Commonwealth Scholarships		316	314	316	314
<b>Total non-capital</b>		<b>39,506</b>	<b>46,589</b>	<b>39,506</b>	<b>46,589</b>
<b>Capital</b>					
Capital programs		-	-	-	-
<b>Total Capital</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total other Australian Government financial assistance</b>		<b>39,506</b>	<b>46,589</b>	<b>39,506</b>	<b>46,589</b>
<b>Total Australian Government financial assistance</b>		<b>329,521</b>	<b>332,518</b>	<b>329,521</b>	<b>332,518</b>
<b>Reconciliation</b>					
Australian Government grants (a+c+d+e+f)		228,019	234,041	228,019	234,041
Higher Education Loan Programs (b):					
HECS-HELP payments		89,938	87,290	89,938	87,290
FEE-HELP payments		9,719	9,200	9,719	9,200
SA-HELP payments		1,845	1,987	1,845	1,987
<b>Total Australian Government financial assistance</b>		<b>329,521</b>	<b>332,518</b>	<b>329,521</b>	<b>332,518</b>

<sup>#4</sup> Includes Early Career Researcher Award

	Note	Consolidated		University	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b>Note 3 Australian Government financial assistance including Australian Government loan programs (HELP) (continued)</b>					
<b>(g) Australian Government Grants received - cash basis</b>					
CGS and Other EDUCATION Grants	47.a	153,770	155,740	153,770	155,740
Higher Education Loan Programs	47.b	101,692	98,507	101,692	98,507
Scholarships	47.c	15,599	15,745	15,599	15,745
EDUCATION Research	47.c	12,394	11,912	12,394	11,912
ARC grants - Discovery	47.d (i)	5,585	6,220	5,585	6,220
ARC grants - Linkages	47.d (ii)	1,425	1,956	1,425	1,956
ARC grants - Networks and Centres	47.d (iii)	-	-	-	-
Other Australian Government Grants		39,516	46,820	39,516	46,820
<b>Total Australian Government Grants received - cash basis</b>		<b>329,981</b>	<b>336,900</b>	<b>329,981</b>	<b>336,900</b>
OS-HELP (Net)	47.e	842	1,141	842	1,141
Superannuation Supplementation	47.f	2,701	3,295	2,701	3,295
<b>Total Australian Government funding received - cash basis</b>		<b>333,524</b>	<b>341,336</b>	<b>333,524</b>	<b>341,336</b>

**Note 4 State and Local Government financial assistance**

<b>Non-Capital</b>					
South Australian State Government financial assistance		6,370	7,308	6,370	7,340
South Australian Local Government financial assistance		80	43	80	43
Other State/Territory Governments financial assistance		1,187	1,083	1,187	1,083
<b>Total State and Local Government financial assistance</b>		<b>7,637</b>	<b>8,434</b>	<b>7,637</b>	<b>8,466</b>

**Note 5 Fees and charges**

<b>Course fees and charges</b>					
Fee-paying onshore overseas students		71,009	63,369	71,009	63,369
Fee-paying offshore overseas students		4,737	5,008	4,737	5,008
Fee-paying domestic postgraduate students		3,740	3,918	3,740	3,918
Fee-paying domestic undergraduate students		5,380	4,682	5,380	4,682
Fee-paying domestic non-award students		102	109	102	109
Other domestic course fees and charges		3,019	2,532	3,019	2,532
<b>Total course fees and charges</b>		<b>87,987</b>	<b>79,618</b>	<b>87,987</b>	<b>79,618</b>
<b>Other non-course fees and charges</b>					
Student Services and Amenities Fees from students	47.g	2,539	2,375	2,539	2,375
Student accommodation		6,560	6,941	6,560	6,941
Rental charges		1,253	1,444	1,213	1,364
Other student charges		538	432	538	432
Other hire fees		178	181	178	181
Parking fees		2,469	2,518	2,469	2,518
Other fees and charges		1,117	561	1,117	565
<b>Total other fees and charges</b>		<b>14,654</b>	<b>14,452</b>	<b>14,614</b>	<b>14,376</b>
<b>Total fees and charges</b>		<b>102,641</b>	<b>94,070</b>	<b>102,601</b>	<b>93,994</b>

	<i>Consolidated</i>		<i>University</i>	
<i>Note</i>	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>

## Note 6 Investment revenue and other investment income

<b>Investment revenue</b>				
Dividends from equity investments				
Other entities	1,246	1,505	1,125	1,095
<b>Total Dividends</b>	<b>1,246</b>	<b>1,505</b>	<b>1,125</b>	<b>1,095</b>
Interest income	2,760	2,172	2,733	2,141
Managed funds distributions	1,641	1,547	1,641	1,547
Investment property rental revenue	1,435	1,175	1,435	1,175
<b>Total investment revenue</b>	<b>7,082</b>	<b>6,399</b>	<b>6,934</b>	<b>5,958</b>
<b>Other Investment gains / (losses)</b>				
Net gain/(loss) arising on financial assets designated at fair value through profit or loss	3,649	1,642	3,649	1,774
Realised gain/(loss) on disposal of investments	119	368	119	368
Movements in fair value of investment properties	(97)	500	(97)	500
<b>Total investment income gains / (losses)</b>	<b>3,671</b>	<b>2,510</b>	<b>3,671</b>	<b>2,642</b>
<b>Total investment income</b>	<b>10,753</b>	<b>8,909</b>	<b>10,605</b>	<b>8,600</b>

## Note 7 Royalties, trademarks and licences

<b>Total royalties, trademarks and licences</b>	<b>727</b>	<b>1,293</b>	<b>790</b>	<b>921</b>
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## Note 8 Consultancy and contracts

Consultancy	3,755	2,092	1,630	1,514
Contract research	10,993	6,606	11,666	6,567
<b>Total consultancy and contracts</b>	<b>14,748</b>	<b>8,698</b>	<b>13,296</b>	<b>8,081</b>

## Note 9 Other revenue and other income

<b>Other revenue</b>				
Donations and bequests	1,047	1,475	1,047	1,775
Scholarships and prizes	572	684	572	684
Non-government grants	4,338	4,721	4,225	4,464
Contribution of assets	317	54	317	54
Reimbursements	2,005	2,202	2,089	2,261
Sales and other charges	10,509	14,271	1,674	4,771
Other revenue	6,296	2,700	1,612	797
<b>Total other revenue</b>	<b>25,084</b>	<b>26,107</b>	<b>11,536</b>	<b>14,806</b>
<b>Other income</b>				
	-	386	-	386
<b>Total other revenue and income</b>	<b>25,084</b>	<b>26,493</b>	<b>11,536</b>	<b>15,192</b>

	<i>Consolidated</i>		<i>University</i>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
<i>Note</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
<b>Note 10 Employee related expenses</b>				
<b>Academic</b>				
Salaries	124,243	123,332	124,243	123,332
Contributions to superannuation and pension schemes				
Contributions to funded schemes	17,550	17,805	17,550	17,805
Contributions to unfunded schemes	46	131	46	131
Payroll tax	7,287	7,457	7,287	7,457
Workers' compensation	96	360	96	360
Long service leave expense	2,684	2,234	2,684	2,234
Annual leave	8,417	8,429	8,417	8,429
Redundancy expenses	186	6,670	186	6,670
<b>Total academic</b>	<b>160,509</b>	<b>166,418</b>	<b>160,509</b>	<b>166,418</b>
<b>Non-academic</b>				
Salaries	110,279	108,059	101,704	98,539
Contributions to superannuation and pension schemes				
Contributions to funded schemes	15,892	15,823	15,070	14,956
Contributions to unfunded schemes	12	33	12	33
Payroll tax	6,057	5,745	5,951	5,800
Workers' compensation	20	304	1	284
Long service leave expense	1,624	1,672	1,650	1,651
Annual leave	7,223	7,262	7,123	7,106
Redundancy expenses	8,342	8,210	8,123	8,210
<b>Total non-academic</b>	<b>149,449</b>	<b>147,108</b>	<b>139,634</b>	<b>136,579</b>
<b>Total employee related expenses</b>	<b>309,958</b>	<b>313,526</b>	<b>300,143</b>	<b>302,997</b>

**Note 11 Depreciation and amortisation**

<b>Depreciation</b>				
Buildings	16,827	16,670	16,827	16,633
Infrastructure	1,369	1,078	1,369	1,078
Plant and equipment	6,441	6,269	6,172	5,985
Leased Equipment	1,649	1,649	1,649	1,649
Library	3,830	3,662	3,830	3,662
<b>Total depreciation</b>	<b>30,116</b>	<b>29,328</b>	<b>29,847</b>	<b>29,007</b>
<b>Amortisation</b>				
Software	4,443	3,856	4,419	3,830
Leasehold Improvements	685	685	685	685
<b>Total amortisation</b>	<b>5,128</b>	<b>4,541</b>	<b>5,104</b>	<b>4,515</b>
<b>Total depreciation and amortisation</b>	<b>35,244</b>	<b>33,869</b>	<b>34,951</b>	<b>33,522</b>

**Note 12 Repairs and maintenance**

Buildings and grounds	7,351	7,792	7,211	7,577
Minor new works	1,297	1,985	1,280	2,009
Equipment and artwork	3,186	2,756	3,146	2,716
<b>Total repairs and maintenance</b>	<b>11,834</b>	<b>12,533</b>	<b>11,637</b>	<b>12,302</b>

Note	Consolidated		University	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000

### Note 13 Borrowing Costs

Finance charges in respect of finance leases	176	276	176	276
<b>Total borrowing costs expensed</b>	<b>176</b>	<b>276</b>	<b>176</b>	<b>276</b>

### Note 14 Impairment of assets

Bad and doubtful debts	2,732	269	4,490	911
Impairment of assets	290	259	-	111
<b>Total impairment of assets</b>	<b>3,022</b>	<b>528</b>	<b>4,490</b>	<b>1,022</b>

### Note 15 Other expenses

Scholarships, grants & prizes	14,664	14,826	14,665	14,826
Non-capitalised equipment	7,001	5,476	6,946	5,574
Advertising, marketing & promotional expenses	5,174	4,389	5,156	4,394
Fees & charges	12,579	13,245	12,044	13,248
Consultancy fees	3,201	3,759	3,055	2,610
General consumables	7,794	6,211	7,320	6,540
Printing & photocopying	1,358	1,344	1,340	1,327
Operating lease rental expenses	4,002	3,819	3,964	3,897
Telecommunications	4,972	3,788	4,921	3,772
Travel, staff development and entertainment	14,009	14,049	13,896	13,914
Utilities	6,933	6,494	6,719	6,338
Student related expenditure	10,373	8,974	10,691	9,109
Library	2,680	2,190	2,684	2,190
Software	8,354	6,328	8,224	6,232
Postage & freight	810	732	797	724
Insurance	1,317	1,378	1,216	1,287
Miscellaneous	5,617	4,874	3,148	3,069
<b>Total other expenses</b>	<b>110,838</b>	<b>101,876</b>	<b>106,786</b>	<b>99,051</b>

Note	Consolidated		University	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000

**Note 16 Cash and cash equivalents**

Cash at bank and on hand		42,998	31,142	42,040	30,003
Term deposits with a maturity term of less than 90 days		-	25,000	-	25,000
<b>Total cash and cash equivalents</b>	40	<b>42,998</b>	<b>56,142</b>	<b>42,040</b>	<b>55,003</b>

**(a) Reconciliation to cash at the end of the year**

The above figures are reconciled to cash at the end of the year as shown in the statement of cash flows as follows:

Balances as above		42,998	56,142	42,040	55,003
Less: Bank overdrafts		-	-	-	-
<b>Balance per statement of cash flows</b>		<b>42,998</b>	<b>56,142</b>	<b>42,040</b>	<b>55,003</b>

**(b) Cash at bank and on hand**

Cash on hand is non-interest bearing. Cash at bank earns floating interest rates between 1.25% and 1.90% (2016: 1.25% to 1.80%).

**(c) Deposits at call**

The deposits are bearing floating interest rates between 2.46% and 2.76% (2016: 2.20% to 2.80%). These deposits have an average maturity of 156 days (2016: 114 days).

**Note 17 Receivables**

**Current**

Student fees		1,417	1,042	1,417	1,042
Less: Provision for impaired receivables		(302)	(256)	(302)	(256)
		<b>1,115</b>	<b>786</b>	<b>1,115</b>	<b>786</b>
Trade receivables		9,172	11,006	7,686	10,391
Less: Provision for impaired receivables		(34)	(201)	(34)	(106)
		<b>9,138</b>	<b>10,805</b>	<b>7,652</b>	<b>10,285</b>
Subsidiary and Associate debtors		2,859	-	5,183	762
Less: Provision for impaired receivables		(2,859)	-	(5,183)	(737)
		-	-	-	25
<b>Sub total</b>		<b>10,253</b>	<b>11,591</b>	<b>8,767</b>	<b>11,096</b>
Accrued income		2,780	3,607	2,442	3,046
Deferred government benefit for superannuation	44	2,913	3,684	2,913	3,684
<b>Total current receivables</b>		<b>15,946</b>	<b>18,882</b>	<b>14,122</b>	<b>17,826</b>

**Non-current**

Deferred government benefit for superannuation	44	45,855	46,928	45,855	46,928
<b>Total non-current receivables</b>		<b>45,855</b>	<b>46,928</b>	<b>45,855</b>	<b>46,928</b>
<b>Total receivables</b>		<b>61,801</b>	<b>65,810</b>	<b>59,977</b>	<b>64,754</b>

As at 31 December 2017 current receivables of the Group with a nominal value of \$4.32m (2016: \$3.492m) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing of these receivables is as follows:

	<i>Consolidated</i>		<i>University</i>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
<i>Note</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
<b>Note 17 Receivables (continued)</b>				
<b>Student Fees</b>				
3 to 6 months	567	400	567	400
6 to 12 months	22	33	22	33
over 12 months	-	-	-	-
<b>Total past due but not impaired current receivables</b>	<b>589</b>	<b>433</b>	<b>589</b>	<b>433</b>
<b>Trade receivables</b>				
3 to 6 months	-	5	98	5
6 to 12 months	5	9	1	9
over 12 months	-	-	-	-
<b>Total past due but not impaired current receivables</b>	<b>5</b>	<b>14</b>	<b>99</b>	<b>14</b>
<b>Total past due but not impaired receivables</b>	<b>594</b>	<b>447</b>	<b>688</b>	<b>447</b>

**(a) Impaired receivables**

As at 31 December 2017 current receivables of the Group with a nominal value of \$3.195m (2016: \$0.457m) were impaired. The provision is based on an aged analysis of the debt types based on collectability. The ageing of these receivables is as follows:

<b>Student Fees</b>				
3 to 6 months	204	52	204	52
6 to 12 months	49	110	49	110
over 12 months	49	94	49	94
<b>Total current impaired Student receivables</b>	<b>302</b>	<b>256</b>	<b>302</b>	<b>256</b>
<b>Trade receivables</b>				
3 to 6 months	-	3	-	3
6 to 12 months	31	37	31	37
over 12 months	3	-	3	-
<b>Total current impaired Trade receivables</b>	<b>34</b>	<b>40</b>	<b>34</b>	<b>40</b>
<b>Subsidiary and Associate receivables</b>				
0 - 3 months	-	-	161	21
3 to 6 months	-	-	507	10
6 to 12 months	-	-	895	35
over 12 months	2,859	-	3,620	671
<b>Total current impaired Subsidiary and Associate receivables</b>	<b>2,859</b>	<b>-</b>	<b>5,183</b>	<b>737</b>
<b>Total current impaired receivables</b>	<b>3,195</b>	<b>296</b>	<b>5,519</b>	<b>1,033</b>

Movements in the provision for impaired receivables are as follows:

At 1 January provision for impairment	457	703	1,099	703
Provision for impairment recognised during the year	2,843	269	5,471	911
Receivables written off during the year as uncollectible	(60)	(129)	(70)	(129)
Unused amount reversed	(45)	(386)	(981)	(386)
<b>At 31 December</b>	<b>3,195</b>	<b>457</b>	<b>5,519</b>	<b>1,099</b>

The creation and release of the provision for impaired receivables has been included in "Impairment of Assets" in the Income statement. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash.

The other amounts within receivables do not contain impaired assets and are not past due. Based on credit history, it is expected that these amounts will be received when due.

Subsidiary and Associate receivables are for Flinders Partners and Flinders Reproductive Medicine. The impairment was based on an assessment of their operations and future capacity to repay amounts owed.

	<i>Consolidated</i>		<i>University</i>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
<b>Note 18 Inventories</b>				
<b>Current</b>				
Inventories held for other than distribution	198	338	195	195
<b>Total current inventories</b>	<b>198</b>	<b>338</b>	<b>195</b>	<b>195</b>
<b>Total inventories</b>	<b>198</b>	<b>338</b>	<b>195</b>	<b>195</b>

**Note 19 Other financial assets**

<b>Current</b>				
Held-to-maturity - Term deposits greater than 90 days	54,896	19,658	54,896	19,658
<b>Total current other financial assets</b>	<b>54,896</b>	<b>19,658</b>	<b>54,896</b>	<b>19,658</b>
<b>Non-current</b>				
Available-for-sale				
Interests in business undertakings:				
· Subsidiaries at Council valuation	35	-	2,969	3,912
· Other entities <sup>(1)</sup>	16,245	11,102	16,245	11,102
Australian equities	2,987	3,724	-	-
<b>Total available-for-sale</b>	<b>19,232</b>	<b>14,826</b>	<b>19,214</b>	<b>15,014</b>
Fair value through profit or loss <sup>A</sup>				
Managed Funds				
· JBWere	18,950	3,971	18,950	3,971
	<b>18,950</b>	<b>3,971</b>	<b>18,950</b>	<b>3,971</b>
Equities				
· Australian equities	35,912	32,992	35,912	32,992
· International equities	10,809	9,179	10,809	9,179
<b>Total fair value through profit or loss</b>	<b>65,671</b>	<b>46,142</b>	<b>65,671</b>	<b>46,142</b>
<b>Total non-current other financial assets</b>	<b>84,903</b>	<b>60,968</b>	<b>84,885</b>	<b>61,156</b>
<b>Total other financial assets</b>	<b>139,799</b>	<b>80,626</b>	<b>139,781</b>	<b>80,814</b>

<sup>A</sup> Changes in fair values of other financial assets at fair value through profit or loss are recorded in investment revenue and income in the Income Statement and disclosed in Note 6 Investment revenue and other investment income.

<sup>(1)</sup> Education Australia has been revalued to \$16.2m (2016 \$11.0m).

**Note 20 Other non-financial assets**

<b>Current</b>				
Prepayments	4,933	8,927	4,860	8,821
<b>Non Current</b>				
Prepayments	3,612	4,059	3,612	4,059
<b>Total other non-financial assets</b>	<b>8,545</b>	<b>12,986</b>	<b>8,472</b>	<b>12,880</b>

## Note 21 Investments accounted for using the equity method

### Associates

Each of the Associates is incorporated in Australia.

#### Flinders Reproductive Medicine (FRM)

FRM provides a high quality comprehensive infertility investigatory and treatment service. The University has a 50% interest in Flinders Reproductive Medicine (FRM) which is Trustee for the Flinders Charitable Trust. The Trust fully distributes its surpluses each year following a declaration by the trustees. The Trustees have not made a distribution declaration for the 2017 financial year due to the Trust incurring a loss for the financial year ended 31 December 2017.

#### GPEX Ltd

GPEX Ltd was formed in 2015 to develop and deliver quality education and training services to general practice registrars.

Summarised financial information for these associates is set out below:

	FRM		GPEX	
	Ownership interest		Ownership interest	
	2017	2016	2017	2016
	50%	50%	50%	50%
	<i>Consolidated</i>		<i>Consolidated</i>	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
<b>Financial Position</b>				
Current assets	3,287	4,523	7,852	3,705
Non-current assets	2,535	2,109	-	-
<b>Total assets</b>	<b>5,822</b>	<b>6,632</b>	<b>7,852</b>	<b>3,705</b>
Current Liabilities	6,823	6,115	5,808	2,024
Non-current liabilities	289	97	90	79
<b>Total Liabilities</b>	<b>7,112</b>	<b>6,212</b>	<b>5,898</b>	<b>2,103</b>
<b>Net Assets</b>	<b>(1,290)</b>	<b>420</b>	<b>1,954</b>	<b>1,602</b>
<b>Share of associate's net assets</b>	<b>(645)</b>	<b>210</b>	<b>977</b>	<b>801</b>
<b>Reconciliation of carrying amounts</b>				
Balance as at 1 January	210	300	801	-
Share of profit for the year	(645)	210	407	801
Prior period adjustment to Result	-	-	(231)	-
Distribution to the beneficiary	(210)	(300)	-	-
<b>Balance as at 31 December</b>	<b>(645)</b>	<b>210</b>	<b>977</b>	<b>801</b>
<b>Financial Performance</b>				
Income	4,978	5,174	16,585	17,851
Expenses	6,268	4,754	15,772	16,249
<b>Profit/(loss)</b>	<b>(1,290)</b>	<b>420</b>	<b>813</b>	<b>1,602</b>
<b>Share of associate's profit/(loss)</b>	<b>(645)</b>	<b>210</b>	<b>407</b>	<b>801</b>

**Note 21 Investments accounted for using the equity method (continued)**

**Re-Time Pty Ltd**

Re-Time was formed in 2010 to help people re-time their body clocks and improve their sleep. The investment in Re-Time Pty Ltd is held by Flinders Partners and is accounted for using the equity method of accounting.

**Clevertar Pty Ltd**

Clevertar was formed in 2008 and is a health software development company. The investment in Clevertar Pty Ltd is held by Flinders Partners and is accounted for using the equity method of accounting.

Summarised financial information for this associate is set out below:

	<b>Re-Time</b>		<b>Clevertar</b>	
	<b>Ownership interest</b>		<b>Ownership interest</b>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
	35%	35%	33%	51%
	<b>Consolidated</b>		<b>Consolidated</b>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
<b>Financial Position</b>				
Current assets	686	491	98	113
Non-current assets	268	104	250	12
<b>Total assets</b>	<b>954</b>	<b>595</b>	<b>348</b>	<b>125</b>
Current Liabilities	588	124	221	240
Non-current liabilities	-	-	1,060	1,134
<b>Total Liabilities</b>	<b>588</b>	<b>124</b>	<b>1,281</b>	<b>1,374</b>
<b>Net Assets</b>	<b>366</b>	<b>471</b>	<b>(933)</b>	<b>(1,249)</b>
<b>Share of associate's net assets</b>	<b>127</b>	<b>163</b>	<b>(308)</b>	<b>(637)</b>
<b>Reconciliation of carrying amounts</b>				
Balance as at 1 January	163	304	-	-
Share of profit for the year	(78)	(101)	-	-
Prior period adjustment to Result	42	-	-	-
Distribution	-	(40)	-	-
Fair value on deconsolidation	-	-	1,900	-
<b>Balance as at 31 December</b>	<b>127</b>	<b>163</b>	<b>1,900</b>	<b>-</b>
<b>Financial Performance</b>				
Income	382	482	-	-
Expenses	607	772	-	-
<b>Profit/(loss)</b>	<b>(225)</b>	<b>(290)</b>	<b>-</b>	<b>-</b>
<b>Share of associate's profit/(loss)</b>	<b>(78)</b>	<b>(101)</b>	<b>-</b>	<b>-</b>

	<i>Consolidated</i>		<i>University</i>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
<b>Note 22 Investment property</b>				
<b>At Fair value:</b>				
Opening balance at 1 January	8,800	8,300	8,800	8,300
Net gain/(loss) from fair value adjustments	(97)	500	(97)	500
<b>Closing balance at 31 December</b>	<b>8,703</b>	<b>8,800</b>	<b>8,703</b>	<b>8,800</b>
<b>(a) Amounts recognised in profit or loss for investment properties</b>				
Rental Income	1,435	1,175	1,435	1,175
Direct operating expenses (rent generating properties)	(456)	(494)	(456)	(494)
Other direct operating expenses	(101)	(114)	(101)	(114)
<b>Total recognised in profit or loss</b>	<b>878</b>	<b>567</b>	<b>878</b>	<b>567</b>
For fair value hierarchy categorisation of investment properties see note 43(b).				
<b>(b) Valuation basis</b>				
The investment property is valued at fair value being the estimated price that would be received to sell the property in an orderly transaction between market participants at the valuation date.				
<b>(c) Non-current assets pledged as security</b>				
No non-current assets have been pledged.				
<b>(d) Contractual obligations</b>				
There are no capital commitments for the investment property.				
<b>(e) Leasing arrangements</b>				
The future minimum lease payments under non-cancellable operating leases in the aggregate and for each of the following periods:				
Not later than one year	328	392	328	392
Later than one year and not later than 5 years	790	472	790	472
Later than 5 years	-	-	-	-
<b>Total lease commitments as lessor</b>	<b>1,118</b>	<b>864</b>	<b>1,118</b>	<b>864</b>

In 2000 the University purchased the Mark Oliphant building in Science Park as an investment property. As at 31 December 2017, 93% (2016: 95%) of the building is leased or available for lease to entities outside the Consolidated entity. 0% (2016: 0%) was leased to entities outside the University but within the Consolidated entity.

	<i>Consolidated</i>		<i>University</i>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
<i>Note</i>				
<b>Note 23 Property, plant and equipment</b>				
<b>Land, buildings and infrastructure</b>				
<b>Crown Land:</b>				
2016 Independent valuation	31,040	31,040	31,040	31,040
<b>Net book amount</b>	<b>31,040</b>	<b>31,040</b>	<b>31,040</b>	<b>31,040</b>
<b>Freehold Land:</b>				
2016 Independent valuation	7,412	6,875	7,412	6,875
<b>Net book amount</b>	<b>7,412</b>	<b>6,875</b>	<b>7,412</b>	<b>6,875</b>
<b>Total Land</b>	<b>38,452</b>	<b>37,915</b>	<b>38,452</b>	<b>37,915</b>
<b>Buildings:</b>				
2016 Independent valuation	459,242	460,420	459,242	460,420
At cost	8,938	402	8,580	-
<b>Total Buildings</b>	<b>468,180</b>	<b>460,822</b>	<b>467,822</b>	<b>460,420</b>
<b>Infrastructure:</b>				
2016 Independent valuation	35,554	35,568	35,554	35,568
At cost	8,306	-	8,306	-
<b>Total Infrastructure</b>	<b>43,860</b>	<b>35,568</b>	<b>43,860</b>	<b>35,568</b>
<b>Total Buildings and infrastructure</b>	<b>512,040</b>	<b>496,390</b>	<b>511,682</b>	<b>495,988</b>
Less: Accumulated depreciation	(18,174)	(45)	(18,179)	-
<b>Total Buildings and infrastructure net book amount</b>	<b>493,866</b>	<b>496,345</b>	<b>493,503</b>	<b>495,988</b>
<b>Leasehold Improvements</b>				
Leasehold Improvements at cost	5,886	5,886	5,886	5,886
Less: Accumulated amortisation	(2,268)	(1,584)	(2,268)	(1,584)
<b>Net book amount</b>	<b>3,618</b>	<b>4,302</b>	<b>3,618</b>	<b>4,302</b>
Construction in progress	6,134	5,733	6,134	5,733
<b>Total Land, buildings and infrastructure net book amount</b>	<b>542,070</b>	<b>544,295</b>	<b>541,707</b>	<b>543,938</b>
<b>Library collection</b>				
At cost deemed at fair value	40,601	37,066	40,601	37,066
Less: Accumulated depreciation	(18,840)	(17,165)	(18,840)	(17,165)
<b>Net book amount</b>	<b>21,761</b>	<b>19,901</b>	<b>21,761</b>	<b>19,901</b>
<b>Equipment</b>				
At cost deemed at fair value	77,586	73,291	75,080	69,984
Less: Accumulated depreciation	(49,460)	(44,877)	(48,164)	(42,925)
<b>Net book amount</b>	<b>28,126</b>	<b>28,414</b>	<b>26,916</b>	<b>27,059</b>
<b>Leased Equipment</b>				
At fair value	8,245	8,245	8,245	8,245
Less: Accumulated depreciation	(6,596)	(4,947)	(6,596)	(4,947)
<b>Net book amount</b>	<b>1,649</b>	<b>3,298</b>	<b>1,649</b>	<b>3,298</b>
<b>Works of Art</b>				
2013 Independent valuation	5,654	5,654	5,654	5,654
At Council valuation	703	531	703	531
<b>Net book amount</b>	<b>6,357</b>	<b>6,185</b>	<b>6,357</b>	<b>6,185</b>
<b>Total property, plant and equipment</b>	<b>599,963</b>	<b>602,093</b>	<b>598,390</b>	<b>600,381</b>

## Note 23 Property, plant and equipment (continued)

### Valuations of land and buildings

Land, buildings and infrastructure were revalued as at 31 December 2016 by Richard Wood B.App.Sc (Val) AAPI CPV of Opteon Pty Ltd. The basis of the valuation was written down current value (existing use). The basis of valuation of land, buildings and infrastructure is fair value being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition.

### Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current year are as follows:

	Land	Buildings	Infra-structure	Construction in progress	Leasehold Improvements	Library	Equipment	Leased Equipment	Works of Art	Total
	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000		\$'000	\$'000
<b>Consolidated</b>										
<b>Year ended 31 December 2016</b>										
Opening net book amount	38,976	395,361	27,403	63,554	4,987	18,055	28,419	4,947	6,059	587,761
Additions	-	2,566	114	20,051	-	5,508	7,908	-	4	36,151
Reclassification	-	71,296	6,454	(77,872)	-	-	-	-	122	-
Disposals	-	(46)	-	-	-	-	(1,644)	-	-	(1,690)
Revaluation increment / (decrement)	(1,061)	8,270	2,675	-	-	-	-	-	-	9,884
Depreciation/amortisation charge	-	(16,670)	(1,078)	-	(685)	(3,662)	(6,269)	(1,373)	-	(29,737)
Finance costs on leased equipment	-	-	-	-	-	-	-	(276)	-	(276)
<b>Closing net book amount</b>	<b>37,915</b>	<b>460,777</b>	<b>35,568</b>	<b>5,733</b>	<b>4,302</b>	<b>19,901</b>	<b>28,414</b>	<b>3,298</b>	<b>6,185</b>	<b>602,093</b>
<b>Year ended 31 December 2017</b>										
Opening net book amount	37,915	460,777	35,568	5,733	4,302	19,901	28,414	3,298	6,185	602,093
Additions	-	359	13	16,921	-	5,690	6,432	-	172	29,587
Reclassification	832	7,372	8,316	(16,520)	-	-	-	-	-	-
Disposals	(295)	(318)	(25)	-	-	-	(278)	-	-	(916)
Revaluation increment / (decrement)	-	(16,827)	(1,369)	-	-	-	-	-	-	-
Depreciation/amortisation charge	-	(16,827)	(1,369)	-	(685)	(3,830)	(6,441)	(1,473)	-	(30,625)
Finance costs on leased equipment	-	-	-	-	-	-	-	(176)	-	(176)
<b>Closing net book amount</b>	<b>38,452</b>	<b>451,363</b>	<b>42,503</b>	<b>6,134</b>	<b>3,617</b>	<b>21,761</b>	<b>28,127</b>	<b>1,649</b>	<b>6,357</b>	<b>599,963</b>
<b>University</b>										
<b>Year ended 31 December 2016</b>										
Opening net book amount	38,976	395,175	27,403	63,554	4,987	18,055	27,043	4,947	6,059	586,199
Additions	-	2,358	114	20,051	-	5,508	7,681	-	4	35,716
Reclassification	-	71,296	6,454	(77,872)	-	-	-	-	122	-
Disposals	-	(46)	-	-	-	-	(1,680)	-	-	(1,726)
Revaluation increment / (decrement)	(1,061)	8,270	2,675	-	-	-	-	-	-	9,884
Depreciation/amortisation charge	-	(16,633)	(1,078)	-	(685)	(3,662)	(5,985)	(1,373)	-	(29,416)
Finance costs on leased equipment	-	-	-	-	-	-	-	(276)	-	(276)
<b>Closing net book amount</b>	<b>37,915</b>	<b>460,420</b>	<b>35,568</b>	<b>5,733</b>	<b>4,302</b>	<b>19,901</b>	<b>27,059</b>	<b>3,298</b>	<b>6,185</b>	<b>600,381</b>
<b>Year ended 31 December 2017</b>										
Opening net book amount	37,915	460,420	35,568	5,733	4,302	19,901	27,059	3,298	6,185	600,381
Additions	-	358	13	16,924	-	5,689	6,301	-	172	29,457
Reclassification	832	7,372	8,316	(16,520)	-	-	-	-	-	-
Disposals	(295)	(318)	(25)	-	-	-	(278)	-	-	(916)
Revaluation increment / (decrement)	-	(16,827)	(1,369)	-	-	-	-	-	-	-
Depreciation/amortisation charge	-	(16,827)	(1,369)	-	(685)	(3,830)	(6,172)	(1,473)	-	(30,356)
Finance costs on leased equipment	-	-	-	-	-	-	-	(176)	-	(176)
<b>Closing net book amount</b>	<b>38,452</b>	<b>451,005</b>	<b>42,503</b>	<b>6,137</b>	<b>3,617</b>	<b>21,760</b>	<b>26,910</b>	<b>1,649</b>	<b>6,357</b>	<b>598,390</b>

Note: The University has restrictions imposed on the real property listed in this Note under *The Flinders University of South Australia Act, 1966*. Section 3 (5) of the Act states;

"The University must not alienate (except by way of lease for a term not exceeding 21 years), mortgage or charge land vested in or conveyed to the University on trust except with, and in accordance with any terms or conditions of, an approval given by the Governor."

The University also occupies various sites in the Northern Territory on Crown Land. The value of these properties is \$16.69m.

Note	Consolidated		University	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000

**Note 24 Intangible assets**

**Non-current**

Software costs	32,874	30,220	32,874	30,220
Less: accumulated amortisation and impairment	(20,425)	(16,006)	(20,425)	(16,006)
	12,449	14,214	12,449	14,214
IT development in progress	11,529	4,017	11,529	4,017
<b>Net book value of software costs</b>	<b>23,978</b>	<b>18,231</b>	<b>23,978</b>	<b>18,231</b>
Project costs carried forward (development costs)	272	984	-	-
<b>Net book value of project costs</b>	<b>272</b>	<b>984</b>	<b>-</b>	<b>-</b>
<b>Net book amount</b>	<b>24,250</b>	<b>19,215</b>	<b>23,978</b>	<b>18,231</b>

	Consolidated				University		
	Software costs	IT Develop Costs	Project costs	Total	Software costs	IT Develop Costs	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2016</b>							
Cost	26,556	3,215	1,602	31,373	26,556	3,215	29,771
Accumulated amortisation and impairment	(12,779)	-	(832)	(13,611)	(12,779)	-	(12,779)
<b>Net book amount</b>	<b>13,777</b>	<b>3,215</b>	<b>770</b>	<b>17,762</b>	<b>13,777</b>	<b>3,215</b>	<b>16,992</b>
<b>Year ended 31 December 2016</b>							
Opening net book amount	13,777	3,215	770	17,762	13,777	3,215	16,992
Additions	4,267	6,795	569	11,631	4,267	6,795	11,062
Disposals	-	-	(355)	(355)	-	-	-
Write-back of amortisation on disposal	-	-	-	-	-	-	-
Capitalisation	-	(5,993)	-	(5,993)	-	(5,993)	(5,993)
Amortisation charge	(3,830)	-	-	(3,830)	(3,830)	-	(3,830)
<b>Closing net book amount</b>	<b>14,214</b>	<b>4,017</b>	<b>984</b>	<b>19,215</b>	<b>14,214</b>	<b>4,017</b>	<b>18,231</b>
<b>At 31 December 2016</b>							
Cost	30,823	4,017	1,816	36,656	30,823	4,017	34,840
Accumulated amortisation and impairment	(16,609)	-	(832)	(17,441)	(16,609)	-	(16,609)
<b>Net book amount</b>	<b>14,214</b>	<b>4,017</b>	<b>984</b>	<b>19,215</b>	<b>14,214</b>	<b>4,017</b>	<b>18,231</b>
<b>Year ended 31 December 2017</b>							
Opening net book amount	14,214	4,017	984	19,215	14,214	4,017	18,231
Additions	2,678	11,623	94	14,395	2,654	11,623	14,277
Disposals	-	-	(806)	(806)	-	-	-
Write-back of amortisation on disposal	-	-	-	-	-	-	-
Capitalisation	-	(4,111)	-	(4,111)	-	(4,111)	(4,111)
Amortisation charge	(4,443)	-	-	(4,443)	(4,419)	-	(4,419)
<b>Closing net book amount</b>	<b>12,449</b>	<b>11,529</b>	<b>272</b>	<b>24,250</b>	<b>12,449</b>	<b>11,529</b>	<b>23,978</b>
<b>At 31 December 2017</b>							
Cost	33,501	11,529	1,104	46,134	33,477	11,529	45,006
Accumulated amortisation and impairment	(21,052)	-	(832)	(21,884)	(21,028)	-	(21,028)
<b>Net book amount</b>	<b>12,449</b>	<b>11,529</b>	<b>272</b>	<b>24,250</b>	<b>12,449</b>	<b>11,529</b>	<b>23,978</b>

	<i>Consolidated</i>		<i>University</i>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
<b>Note 25 Trade and other payables</b>				
<b>Current</b>				
Creditors	15,346	11,927	13,941	10,338
OS-HELP Liability to Australian Government	2,628	1,787	2,628	1,787
Accrued Expenses <sup>(1)</sup>	22,666	16,734	22,497	15,522
Annual leave on costs	3,044	3,002	3,044	3,002
Long service leave on costs	674	681	674	681
<b>Total current trade and other payables</b>	<b>44,358</b>	<b>34,131</b>	<b>42,784</b>	<b>31,330</b>
<b>Non-current</b>				
Creditors	-	177	-	-
Long service leave on costs	3,324	3,417	3,324	3,417
<b>Total non-current trade and other payables</b>	<b>3,324</b>	<b>3,594</b>	<b>3,324</b>	<b>3,417</b>
<b>Total trade and other payables</b>	<b>47,682</b>	<b>37,725</b>	<b>46,108</b>	<b>34,747</b>

<sup>(1)</sup> Accrued expenses include 2017 redundancy expenses paid in 2016

**(a) Foreign currency risk**

There are no material exposures to foreign currency in the carrying amounts of the Consolidated entity and University's payables.

**Note 26 Borrowings**

<b>Current</b>				
Finance lease liabilities	1,850	1,743	1,850	1,743
<b>Total current borrowings</b>	<b>1,850</b>	<b>1,743</b>	<b>1,850</b>	<b>1,743</b>
<b>Non-Current</b>				
Finance lease liabilities	(600)	1,850	-	1,850
Long Term Borrowings	600	600	-	-
<b>Total Non-current borrowings</b>	<b>-</b>	<b>2,450</b>	<b>-</b>	<b>1,850</b>
<b>Total Borrowings</b>	<b>1,850</b>	<b>4,193</b>	<b>1,850</b>	<b>3,593</b>

The above finance lease liability is for network equipment over a five year period commencing January 2014.

The amounts payable are denoted in Australian dollars and do not vary with interest rate movements.

**(a) Assets pledged as security**

There are no assets pledged as security.

**(b) Financing arrangements**

The Group has the following arrangements in place –

Overdraft facility <sup>(1)</sup>	500	500	500	500
Amount used	-	-	-	-
<b>Unused overdraft facility</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>
Credit card facility <sup>(1)</sup>	1,160	4,560	1,100	4,500
Amount used	(578)	(587)	(578)	(555)
<b>Unused credit cards facility</b>	<b>582</b>	<b>3,973</b>	<b>522</b>	<b>3,945</b>

<sup>(1)</sup> These facilities are unsecured.

	<i>Consolidated</i>		<i>University</i>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
<b>Note 27 Provisions</b>				
<b>Current provisions expected to be settled within 12 months</b>				
Annual leave	10,577	10,526	10,395	10,176
Long service leave	3,855	4,077	3,781	3,860
Defined benefit obligation	44 2,913	3,684	2,913	3,684
Severance (contract employees)	803	956	691	663
Workers' compensation	283	450	283	449
<b>Sub total</b>	<b>18,431</b>	<b>19,693</b>	<b>18,063</b>	<b>18,832</b>
<b>Current provisions expected to be settled after more than 12 months</b>				
Annual leave	4,051	3,961	4,051	3,961
<b>Total current provisions</b>	<b>22,482</b>	<b>23,654</b>	<b>22,114</b>	<b>22,793</b>
<b>Non-current provisions</b>				
Long service leave	22,691	23,273	22,691	23,220
Defined benefit obligation	44 45,855	46,928	45,855	46,928
Severance (contract employees)	214	265	214	265
Workers' compensation	165	435	165	435
<b>Total non-current provisions</b>	<b>68,925</b>	<b>70,901</b>	<b>68,925</b>	<b>70,848</b>
<b>Total provisions</b>	<b>91,407</b>	<b>94,555</b>	<b>91,039</b>	<b>93,641</b>

**Annual and long service leave**

Provision is made for benefits accruing to employees in respect of annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably. Refer to note 1(u)(i)&(ii).

**Workers' compensation provision**

Provision is made based on an actuarial assessment of workers' compensation estimated claims liability for future years. Refer to note 1(v)

	<i>Consolidated</i>		<i>University</i>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
<b>Note 28 Other liabilities</b>				
<b>Current</b>				
Income received in advance				
Fees & charges	16,283	10,886	16,283	10,886
Other	416	1,121	176	468
<b>Total Income received in advance</b>	<b>16,699</b>	<b>12,007</b>	<b>16,459</b>	<b>11,354</b>
Australian Government unspent financial assistance	-	-	-	-
Funds held on behalf of external entities	8	-	8	-
<b>Total current other liabilities</b>	<b>16,707</b>	<b>12,007</b>	<b>16,467</b>	<b>11,354</b>
Interest-bearing funds held on behalf of external entities				
Student entities	11	10	377	991
Other entities	505	505	505	505
<b>Total current unsecured interest bearing liabilities</b>	<b>516</b>	<b>515</b>	<b>882</b>	<b>1,496</b>
<b>Total current other liabilities</b>	<b>17,223</b>	<b>12,522</b>	<b>17,349</b>	<b>12,850</b>
<b>Total other liabilities</b>	<b>17,223</b>	<b>12,522</b>	<b>17,349</b>	<b>12,850</b>

Interest bearing liabilities consist of funds held at the request of related entities. These are not borrowings. The University invests these funds and provides an investment return to those entities. Funds held are at call. The University has no assets pledged as security for interest bearing liabilities.

	Notes	Consolidated		University	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
<b>Note 29 Reserves and retained earnings</b>					
<b>(a) Reserves</b>					
<b>Asset revaluation surplus</b>					
Property, plant and equipment revaluation surplus		152,314	152,314	152,833	152,833
Available-for-sale investments revaluation surplus		15,609	10,466	17,480	13,280
<b>Total reserves</b>		<b>167,923</b>	<b>162,780</b>	<b>170,313</b>	<b>166,113</b>
<b>Movements in reserves</b>					
<b>Property, Plant and Equipment</b>					
Balance 1 January		152,314	142,430	152,833	142,949
Increment/ (decrement) on revaluation of Property, plant and equipment	23	-	9,884	-	9,884
<b>Balance 31 December</b>		<b>152,314</b>	<b>152,314</b>	<b>152,833</b>	<b>152,833</b>
<b>Available-for-sale investments revaluation surplus</b>					
Balance 1 January		10,466	8,564	13,280	12,796
Increment/ (decrement) on revaluation		5,143	1,902	4,200	484
<b>Balance 31 December</b>		<b>15,609</b>	<b>10,466</b>	<b>17,480</b>	<b>13,280</b>
<b>Movements in retained earnings were as follows:</b>					
Retained earnings at 1 January		535,144	507,459	530,114	502,708
Net result for the period		26,371	27,685	24,763	27,406
Prior period adjustment		443	-	-	-
<b>Retained earnings at 31 December</b>		<b>561,958</b>	<b>535,144</b>	<b>554,877</b>	<b>530,114</b>

**(b) Nature and purpose of reserves***(1) Property, plant and equipment reserve*

The property, plant and equipment revaluation surplus records revaluation in land, buildings, infrastructure, library and artwork.

*(2) Available-for-sale investments revaluation reserve*

The available-for-sale investments revaluation surplus records revaluations in available-for-sale investments.

## Note 30 Key management personnel disclosures

### 30.1 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.

#### (a) Names of responsible persons and executive officers:

The following persons were responsible persons and executive officers of Flinders University during the financial year:

#### COUNCIL MEMBERS IN 2017

Persons listed were all Council members for the full year unless otherwise indicated. An asterisk indicates University employees.

#### Members ex officio

##### Chancellor

Mr Stephen Gerlach AM

##### Vice-Chancellor

\*Professor Colin Stirling

##### Presiding member of the Academic Senate

\*Professor Eimear Muir-Cochrane (to 30/6/17)

\*Professor John Roddick (from 1/7/17)

#### Members appointed by the Council

Mrs Leonie Clyne OAM

Mr Douglas Gautier AM

Ms Kathryn Gramp

Mr Stephen Hains

Ms Elizabeth Perry

Mr Austin Taylor

Professor Brenda Wilson

Mrs Christine Zeitz

#### Member co-opted and appointed by the Council

Mr John Hood (from 9/3/17)

#### Members elected by the academic staff

\*Professor Konrad Pesudovs (to 22/12/17)

\*Associate Professor Nik Taylor

#### Members elected by the non-academic staff

\*Ms Natalie Hills

\*Ms Sally Wheldrake

#### Student members elected by the students

Mr Jordon O'Reilly

Mr Shihab Siddiquee

Mr Caleb Pattinson

#### UNIVERSITY SENIOR MANAGEMENT IN 2017

Professor John Beynon

Professor Richard Maltby (to 31/1/17)

Professor Andrew Parkin (to 30/6/17)

Mr Richard Porter

Professor Clare Pollock

Mr Sebastian Ranekold

Professor Robert Saint

Professor Colin Stirling

Professor Phyllis Tharenou

Ms Callista Thillou

Mr Mark Gregory (from 3/1/17)

Professor Alison Kitson (from 18/9/17)

**Note 30 Key management personnel disclosures (continued)**

**30.1 Responsible persons (continued)**

**(b) Remuneration of Council members**

The following table comprises total remuneration that falls within the prescribed bandwidths for Council members. Remuneration for Executive Officers who are also Council members is shown as zero in this table, with their total remuneration shown under Remuneration of University senior management. Some members of Council are employees of the University and they receive no additional remuneration above their normal entitlements for being a Council member. University Council members receive no remuneration for being a Council member but may receive remuneration for board membership of subsidiaries.

	<b>Consolidated</b>		<b>University</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>
Nil	21	20	21	21
\$20,000 - \$29,999	-	1	-	-
Number of members	21	21	21	21
<b>Aggregate remuneration of Council members (\$'000)</b>	<b>Nil</b>	<b>24</b>	<b>Nil</b>	<b>Nil</b>

**30.2 Key management personnel**

**(a) Remuneration of University Senior Management**

The remuneration includes salary, bonuses, employer's superannuation costs and other benefits, including the associated fringe benefits tax. No loans have been provided to key management personnel and any other transaction between personnel and the University has been undertaken on a normal commercial basis. 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.

The table comprises total remuneration that falls within the prescribed bandwidths for executives:

	<b>2017</b>	<b>2016</b>
	<b>Number of staff</b>	
\$140,000 - \$149,999	1	1
\$190,000 - \$199,999	-	1
\$200,000 - \$209,999	1	1
\$220,000 - \$229,999	-	1
\$260,000 - \$269,999	-	1
\$280,000 - \$289,999	1	-
\$290,000 - \$299,999	-	2
\$300,000 - \$309,999	1	-
\$310,000 - \$319,999	-	1
\$320,000 - \$329,999	1	-
\$400,000 - \$409,999	1	2
\$410,000 - \$419,999	-	1
\$420,000 - \$429,999	1	-
\$430,000 - \$439,999	1	1
\$470,000 - \$479,999	1	1
\$480,000 - \$489,999	1	-
\$1,050,000 - \$1,059,999	-	1
\$1,070,000 - \$1,079,999	1	-
	<b>** 11</b>	<b>14</b>
<b>Aggregate remuneration of Executives (\$'000)</b>	<b>4,548</b>	<b>5,116</b>

\*\*The number of executives has decreased by three from 2016 and is attributed to the timing of staff movements occurring part way through the year.

### Note 30 Key management personnel disclosures (continued)

#### 30.2 Key management personnel (continued)

##### (a) Remuneration of key management personnel (continued)

###### Senior University Management compensation

	2017	2016
	\$'000	\$'000
Short-term employee benefits	3,947	4,360
Post-employment benefits	587	665
Other long-term benefits	14	91
Termination benefits	-	-
<b>Total key management personnel compensation</b>	<b>4,548</b>	<b>5,116</b>

The Department of Education and Training Guidelines specify that: "For the purposes of AASB 124, key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the University, directly or indirectly, including any director (whether executive or otherwise) of the University". The Department of Education guidelines provide further guidance on the definition of key management personnel applicable to Universities by stating that "such persons should have authority and responsibility for planning, directing and controlling the activities of the whole University, and not just a faculty".

#### 30.3 Related party transactions

From time to time University Council members have interests in entities with which the University conducts business. In all cases, transactions are undertaken on a normal commercial basis. The University may employ close family members of senior management. When this occurs it follows normal recruitment practice.

In 2017 the following transactions occurred between the University and entities in which Council members have declared an interest:

Entity	Nature of goods/services	Value \$'000	Council members interest
Bedford Phoenix Group	Grounds maintenance	43	Director
North Adelaide Local Area Health Network	Health related	70	Director
ACH Group	Health related	69	Director
RAA	Security Services	12	Director

Consolidated		University	
2017	2016	2017	2016
\$'000	\$'000	\$'000	\$'000

### Note 31 Remuneration of auditors

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

#### Audit of the financial statements

Fees paid to the South Australian Auditor-General's Department	308	308	308	308
Nexia Edwards Marshall	18	21	-	-
<b>Total paid for audit</b>	<b>326</b>	<b>329</b>	<b>308</b>	<b>308</b>

#### Other audit and assurance services

Fees paid to KPMG	239	247	239	247
Fees paid to Others	112	55	112	55
<b>Total paid for audit and assurance</b>	<b>351</b>	<b>302</b>	<b>351</b>	<b>302</b>
<b>Total remuneration for audit services</b>	<b>677</b>	<b>631</b>	<b>659</b>	<b>610</b>

Fees paid for other audit and assurance services include payment for internal audit (Deloitte and KPMG), audit of the Higher Education Research Data Collection (Messenger Zerner) and grant reporting, and medical grant programs (Australian Independent Audit Services).

**Note 32 Contingencies**

**Contingent assets**

There were no contingent assets.

**Contingent liabilities**

The University is an exempt employer for ReturnToWorkSA purposes. The University is required by ReturnToWorkSA to have a bank guarantee in place for the purposes of covering workers compensation liabilities in the event that the University was unable to pay them. As at 31 December 2017 the University had a bank guarantee facility of \$1.136m in place (2016: \$1.616m).

<i>Consolidated</i>		<i>University</i>	
<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>

**Note 33 Commitments**

**(a) Capital commitments**

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

**Property, Plant and Equipment**

Within one year	7,660	6,890	7,660	6,839
Between one and five years	160	1,231	160	1,231
Later than five years	-	-	-	-
	<b>7,820</b>	<b>8,121</b>	<b>7,820</b>	<b>8,070</b>

**Intangible assets**

Within one year	1,317	861	1,317	861
Between one and five years	-	-	-	-
Later than five years	-	-	-	-
	<b>1,317</b>	<b>861</b>	<b>1,317</b>	<b>861</b>

**Total Capital commitments**

	<b>9,137</b>	<b>8,982</b>	<b>9,137</b>	<b>8,931</b>
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**(b) Lease commitments**

*Operating leases*

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

**University as lessee**

Total lease payments recognised as an expense during the reporting period	<b>4,002</b>	<b>3,819</b>	<b>3,964</b>	<b>3,897</b>
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**Commitments**

Commitments in relation to leases contracted for as at the reporting date but not recognised as liabilities are payable as follows:

Within one year	2,413	3,198	2,341	3,126
Between one and five years	4,124	5,863	3,917	5,655
Later than 5 years	8,892	9,712	8,892	9,712

**Total future minimum lease payments**

	<b>15,429</b>	<b>18,773</b>	<b>15,150</b>	<b>18,493</b>
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**University as lessor**

Lease receivables contracted but not included in the financial statements and receivable as follows:

Within one year	943	753	943	753
Between one and five years	1,543	929	1,543	929
Later than 5 years	324	375	324	375

**Total lease commitments as lessor**

	<b>2,810</b>	<b>2,057</b>	<b>2,810</b>	<b>2,057</b>
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The University has accommodation for 561 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 above table includes Investment Property operating leases. Refer to note 22, Investment Property.

The University leases a small amount of space on its main campus to commercial entities that provide services to students and staff.

	<i>Consolidated</i>		<i>University</i>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
<b>Note 33 Commitments (continued)</b>				
<b>(c) Other expenditure commitments</b>				
Commitments in existence at the reporting date but not recognised as liabilities, payable:				
Within one year	19,546	13,956	19,515	13,931
Between one year and five years	5,743	8,216	9,997	8,141
Later than five years	276	1,140	276	1,140
<b>Total other expenditure commitments</b>	<b>25,565</b>	<b>23,312</b>	<b>29,788</b>	<b>23,212</b>

**Note 34 Related parties**

**(a) Parent entity**

The ultimate parent entity within the group is Flinders University.

**(b) Subsidiaries, joint operations and associates**

Interests in subsidiaries are set out in Note 35, interests in joint operations are set out in Note 36 and interests in associates are set out in Note 38.

**(c) Council members and senior management**

Disclosures relating to the University Council Members and Senior Management are detailed in Note 30.

**(d) Students at the Flinders University**

From time to time, Council members will have members of their immediate family who are students at the University. Such students are subject to the same fee structure and scholarships as any other students. This also applies to members of Council who are enrolled as students.

**(e) Loans to/(from) Subsidiaries**

	<i>University</i>	
	<i>2017</i>	<i>2016</i>
	<i>\$'000</i>	<i>\$'000</i>
Beginning of the year	530	515
Loans advanced	1,794	250
Loans repayments received	-	(250)
Interest charged	-	22
Interest received	-	(7)
<b>End of year</b>	<b>2,324</b>	<b>530</b>

**(f) Outstanding balances**

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	<i>Consolidated</i>		<i>University</i>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
<b>Current receivables (sale of goods and services)</b>				
Subsidiaries	-	-	2,324	762
<b>Total current receivables</b>	<b>-</b>	<b>-</b>	<b>2,324</b>	<b>762</b>

### Note 35 Subsidiaries

Flinders University is the Parent entity or ultimate Parent entity of the following entities, all of which are incorporated in Australia. The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1(b):

<i>Name of entity</i>	<i>Principal activities</i>	<i>Ownership interest</i>	
		<i>2017</i>	<i>2016</i>
		<i>%</i>	<i>%</i>
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 Campus Community Services Inc.	Provides on-campus services and support for students	100	100
Flinders Partners Pty Ltd	Commercialisation of University sourced intellectual property and conduct of commercial consultancies	100	100
Strategiize Pty Ltd (formerly Flinders MediTech Pty Ltd ) (subsidiary of Flinders Partners Pty Ltd)	Software development company	100	100
InRemedy Pty Ltd (subsidiary of Flinders Partners Pty Ltd)	Healthcare consultancy	100	100
unIPartners Ltd (subsidiary of Flinders Partners Pty Ltd)	Creates new growth companies from University research in South Australia	62	62
FCD Health <sup>^</sup>	Operate the Palmerston GP Super Clinic providing placements for medical students in NT	50	50
Lung Health Diagnostics Pty Ltd	Biotech development company	60	60

<sup>^</sup> FCD Health cannot pay dividends and on wind-up, the assets cannot be distributed to the University.

The principal place of business for all subsidiaries is in Australia.

**Note 36 Joint Operations**

	<i>Consolidated</i>		<i>University</i>		
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>	
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>	
<b>(a) Joint operations</b>			<b>Ownership interest</b>		
<b>Jointly controlled operations</b>			%	%	
<b>Entity name</b>	<b>Principal activity and place of business</b>				
Rubuntja Building, Alice Springs Hospital	Education and research services providing health services to local & remote Indigenous populations. Operates in the Northern Territory, Australia.			41	
			41	41	
<b>Assets</b>					
Property, plant and equipment	929	984	929	984	
<b>Share of net assets employed in the joint operation</b>	<b>929</b>	<b>984</b>	<b>929</b>	<b>984</b>	
<hr/>					
<b>Entity name</b>	<b>Principal activity and place of business</b>			<b>Ownership interest</b>	
			<b>2017</b>	<b>2016</b>	
			%	%	
<b>Universities' Research Repositories of South Australia</b>	Provision of storage area for library materials from three South Australian Universities'. Operates in South Australia.			28	28
 <i>Universities Research Repository of South Australia (URRSA)</i>					
<b>Assets</b>					
Property, plant and equipment	1,489	1,532	1,489	1,532	
<b>Share of net assets employed in the joint operation</b>	<b>1,489</b>	<b>1,532</b>	<b>1,489</b>	<b>1,532</b>	

The assets employed in the above jointly controlled operations are detailed below. The amounts are included in the financial statements under their respective categories.

The University's joint operations have contingent liabilities of \$nil as at 31 December 2017 (2016: \$nil).

**Other**

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 Income Statement.

**(b) Joint ventures**

The University participates in a number of joint ventures for which the University's interest is not considered to be material. Accordingly they have not been taken up in the University's accounts.

Relevant disclosures are as follows:-

*(U) Unincorporated*

*(I) Incorporated*

<i>Name of entity</i>	<i>Reporting date</i>	<i>Principal activity, principal place of business</i>	<i>Ownership interest</i>	
			<i>2017</i>	<i>2016</i>
			%	%
eResearch SA Ltd (eRSA)	(I) 31-Dec	eRSA is a collaborative joint venture between Flinders University, the University of Adelaide and the University of South Australia. eRSA is the South Australian provider of high-performance computing, data management and storage, research collaboration and visualisation services for researchers in SA and Australia. It operates in South Australia.	33	33

**Note 36 Joint Operations (continued)**

<i>Name of entity</i>	<i>Reporting date</i>	<i>Principal activity, principal place of business</i>	<i>Ownership interest</i>	
			<i>2017 %</i>	<i>2016 %</i>
South Australian Tertiary Admission Centre (SATAC)	(U) 31-Dec	SATAC is a joint venture between the three South Australian public universities, Charles Darwin University and the Minister of Higher Education and Skills. SATAC receives and processes undergraduate and postgraduate applications for admission to TAFE SA, Charles Darwin University and the three public universities in South Australia. It operates in South Australia.	20	25

**(c) 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.

**Note 37 Cooperative Research Centres (CRC)**

The University participates in a number of Cooperative Research Centres (CRC) Programme. A CRC is a research initiative of the Australian Government established to pursue specific areas of research and supports industry-led collaborations between researchers, industry and the community. Flinders University participates in the below listed CRCs but does not control or have any significant influence in these entities that require the University to record them as either Joint Operations or Associates. The University does not record any of the CRC entities as investments in the financial statements.

<b>Name of Entity</b>	<b>Principal Activity</b>
Alertness CRC Ltd	To promote the prevention and control of sleep loss and sleep disorders and to develop new tools and products for individuals and organisations to improve alertness, productivity and safety.
Innovative Manufacturing CRC	To lead Australia's transition into high value, high knowledge based manufacturing through support and facilitation of innovative manufacturing organisations.
Pork CRC	To maintain local pork production of high quality food for a reasonable price and return on production capital invested, without negatively impacting pig welfare, the environment or the health of the consumer.
The CRC for Remote Economic Participation	To deliver solutions to the economic challenges that affect remote Australia.
The Lowitja Institute	To provide a cross cultural framework for strategic research leading to evidence based improvements in education and health practice.

**Note 38 Associates**

The University has significant influence but not control over the following associates.

Name of entity	Reporting date	Principal activity	Ownership interest	
			2017 %	2016 %
Flinders Reproductive Medicine (FRM)	30-Jun	FRM provides a high quality comprehensive infertility investigatory and treatment service.	50	50
GPEX Ltd	31-Dec	GPEX Ltd was formed in 2015 to develop and deliver quality education and training services to general practice registrars.	50	50
Re-Time Pty Ltd	30-Jun	Re-Time Pty Ltd was formed in 2010 to help people re-time their body clocks and improve sleep.	35	35
SABRENet Ltd	30-Jun	Delivers high capacity broadband network services to the education and research sector.	25	25
Clevertar Pty Ltd	31-Dec	Clevertar Pty Ltd was established in 2008 and is a health software development company.	33	51

FRM, GPEX Ltd, Re-Time Pty Ltd and Clevertar Pty Ltd are accounted for using the equity method. Refer to note 21.

SABRENet Ltd is established to be a non-profit institution to further use of advanced data networking for the conduct of research and education in South Australia. The founding members are the three South Australian Universities and the South Australian Government. The Defence Science and Technology Organisation (DSTO) is a contractual partner. SABRENet Ltd is not accounted for using the equity method as this is considered to be immaterial. The University has no rights to the residual assets of SABRENet Ltd.

**Note 39 Events occurring after the end of the reporting period**

The University has long term investments in Australian and International equities managed by professional fund managers. The value of these investments fluctuates broadly in line with indicators of equity market movements and any adjustments to these values are taken up as unrealised gains or losses in the Income Statement. Note 19 has information about the value of these investments as at 31 December 2017.

### Note 40 Reconciliation of net result to net cash provided by / (used in) operating activities

	Notes	Consolidated		University	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Net result for the period		26,371	27,586	24,763	27,406
<b>Non-cash items:</b>					
Depreciation and amortisation		35,244	33,869	34,951	33,522
Net (gain)/loss on sale of non-current assets		60	(1,263)	(59)	(1,263)
Net contribution of assets		(317)	(54)	(317)	(54)
Fair value gains on other financial assets at fair value through profit or loss		(3,649)	(2,406)	(3,649)	(2,274)
Distributions		509	(300)	-	(300)
Impairment of Assets		2,561	528	4,490	1,022
Investment expenses paid direct from funds		116	153	35	57
Other		626	(1,245)	21	(368)
<b>Total non-cash items</b>		<b>35,150</b>	<b>29,282</b>	<b>35,472</b>	<b>30,342</b>
<b>Change in assets and liabilities</b>					
Decrease/(Increase) in receivables		1,738	5,767	287	5,634
Decrease/(Increase) in inventories		140	49	-	46
(Increase)/Decrease in other operating assets		4,441	(797)	4,408	(795)
Increase/(Decrease) in payables		6,650	121	8,053	(577)
(Decrease)/Increase in other provisions		(3,148)	(2,704)	(2,602)	(2,684)
Increase/(Decrease) in other operating liabilities		5,316	3,666	5,113	3,163
<b>Net cash provided by / (used in) operating activities</b>		<b>76,658</b>	<b>62,970</b>	<b>75,494</b>	<b>62,535</b>

#### Cash balances not available for use

All cash balances are available for use (2016: all available).

#### Tax status

The activities of the University are exempt from income tax. Certain subsidiaries may pay tax but as the amount is immaterial it is included under other expenses.

### Note 41 Non-cash investing and financing activities

During the reporting period the University acquired works of art and library materials with an aggregate fair value of \$0.3 million (2016: \$0.054 million) by means of donations. These acquisitions are not reflected in the Statement of Cash Flows.

**Note 42 Financial risk management**

The Consolidated entity's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The University has policies that manage financial instrument risk.

Investments tend to be largely held in term deposits with banking institutions, with a policy requirement that no more than 60% of short term investments are held with a single financial institution. The University's policy on short term investments requires investments to have a minimum Standard & Poors' or equivalent short-term credit rating of A-1. The University invests in Australian and International equities, mostly through professional fund managers. The University utilises derivative instruments such as forward exchange contracts solely to hedge foreign currency cash flow exposures. Investment funds managers used by the University also utilise derivative instruments in accordance with their respective risk policies which have been reviewed and accepted by the University. Debtors are spread across a large number of customers and are predominantly public sector. The University holds funds on behalf of other entities associated with the University and these funds are invested with University investments with the entities receiving a share of the investment returns.

<i>Recognised financial instruments</i>	<i>Notes</i>	<i>Accounting Policies</i>	<i>Terms and Conditions</i>
<b>(i) Financial assets</b>			
Cash at bank	1(g), 16	Recognised at nominal amounts.	Interest accrued credited to revenue in the period it is earned.
Deposits within 3 days	16	Recognised at nominal amounts.	Interest accrued credited to revenue in the period it is earned.
Term deposits	16, 19	Recognised at nominal amounts.	Interest accrued credited to revenue in the period it is earned.
Bonds	19	Recognised at market value.	Carrying amount of investments adjusted to market value monthly.
Equities	19	Recognised at market value.	Carrying amount of investments adjusted to market value monthly.
Managed funds	19	Recognised at market value.	Accrued distributions credited to revenue monthly. Investments adjusted to market value monthly.
Interest in business undertakings	19	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.
Receivables	17	Shown at amounts due from customers, inclusive of GST and reduced for expected credit losses (Provision for doubtful debts).	Credit is allowed for a 30 day term.
Derivative Instruments - Hedge Receivable	17	Recognised at fair value in revenue.	The gross payable and receivable values are recognised in the balance sheet. The net fair value is recognised as revenue or expense for the reporting period.
<b>(ii) Financial liabilities</b>			
Trade and other Payables	25	Liabilities are recognised for amounts to be paid in future for goods and services received, whether or not billed to the Consolidated entity.	The University standard terms of trade is payment 30 days after receipt of invoice.
Interest bearing liabilities	28	Carried at their principal amounts.	Interest is credited monthly at the University's (weighted) interest earning rate on short term investments reduced by a nominal administration fee.
Income in advance	28	Carried at their nominal amounts.	Income is recognised in the period in which it is earned.
Non-interest bearing liabilities	28	Carried at their nominal amounts.	Nil

The Consolidated Entity uses forward exchange contracts to manage foreign currency cash flow risk, however other types of derivative financial instruments such as interest rate swaps are not directly used. The Consolidated Entity has approved the use of derivatives by its appointed Fund Managers within the bounds of their risk management policies. The main risks the Consolidated Entity is exposed to through its financial instruments are interest rate risk, foreign exchange risk, price risk, credit risk and liquidity risk.

**Note 42 Financial risk management (continued)**

**(a) Market risk**

**(i) Foreign exchange risk**

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Consolidated entity's exposure to foreign exchange risk includes its investments in international equities of \$10.809m in 2017 (2016: \$9.179m), foreign currency cash holdings of \$11k in AUD equivalent (2016: \$308k) and there is the equivalent of AUD \$243k (2016: \$730k) denoted in foreign currency receivables. There are \$NIL (2016: \$NIL) of trade and other payables denoted in foreign currency as per Note 25. The University utilised cash flow hedges to manage currency risk exposures. The net loss on cash flow hedges in 2017 was (\$117k) (2016: gain \$54k).

**(ii) Price risk**

Price risk is the risk that the value of a financial instrument will fluctuate due to the volatility of its share price. The Consolidated entity's exposure to price risk is limited to its shareholdings in Australian companies of \$52.157m in 2017 (2016: \$44.094m).

**(iii) Cash flow and fair value interest rate risk**

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Consolidated Entity has a finance lease with a fixed implicit interest rate with no other borrowings and therefore its interest rate risk exposure relates to income only. As at 31 December 2017 the Consolidated Entity held \$54.896m (2016: \$44.658m) in term deposits and short-term deposits earning interest at market rates. Refer Notes 16 and 19. The Consolidated Entity also held \$12.229m (2016: \$3.716m) in fixed interest managed funds. Refer Note 19.

**(iv) Summarised sensitivity analysis**

The following table summarises the sensitivity of the Consolidated Entity's financial assets and financial liabilities to interest rate risk, foreign exchange risk and price risk.

31 December 2017	Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Price risk			
		-1%		+1%		-1%		+1%		-1%		+1%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
<b>Financial assets</b>													
- Cash & cash equivalents	42,998	(430)	(430)	430	430	-	-	-	-	-	-	-	-
- Receivables	61,801	-	-	-	-	(2)	(2)	2	2	-	-	-	-
- Other financial assets	139,799	(738)	(738)	738	738	(108)	(108)	108	108	(630)	(630)	630	630
<b>Financial liabilities</b>													
- Payables	47,682	-	-	-	-	-	-	-	-	-	-	-	-
- Other liabilities	524	(5)	(5)	5	5	-	-	-	-	-	-	-	-
<b>Total increase /(decrease)</b>	<b>196,392</b>	<b>(1,173)</b>	<b>(1,173)</b>	<b>1,173</b>	<b>1,173</b>	<b>(110)</b>	<b>(110)</b>	<b>110</b>	<b>110</b>	<b>(630)</b>	<b>(630)</b>	<b>630</b>	<b>630</b>

31 December 2016	Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Price risk			
		-1%		+1%		-1%		+1%		-1%		+1%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
<b>Financial assets</b>													
- Cash & cash equivalents	56,142	(558)	(558)	558	558	(3)	(3)	3	3	-	-	-	-
- Receivables	65,810	-	-	-	-	(7)	(7)	7	7	-	-	-	-
- Other financial assets	80,626	(236)	(236)	236	236	(92)	(92)	92	92	(533)	(533)	533	533
<b>Financial liabilities</b>													
- Payables	37,548	-	-	-	-	-	-	-	-	-	-	-	-
- Other liabilities	515	(5)	(5)	5	5	-	-	-	-	-	-	-	-
<b>Total increase /(decrease)</b>	<b>164,515</b>	<b>(799)</b>	<b>(799)</b>	<b>799</b>	<b>799</b>	<b>(102)</b>	<b>(102)</b>	<b>102</b>	<b>102</b>	<b>(533)</b>	<b>(533)</b>	<b>533</b>	<b>533</b>

The interest rate risk on other financial liabilities not included above is nil as these funds are invested on behalf of related entities and they bear the interest rate risk. For foreign exchange risk, a 1% movement in exchange rates would vary investments by \$108k and receivables by \$2k.

The above sensitivity analysis has been prepared on the assumption that all other variables remain constant.

**Note 42 Financial risk management (continued)**

**(b) Credit risk**

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. The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and Notes to the financial statements. Except for the following concentration of credit risk, the Consolidated entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Consolidated entity:

- Superannuation receivable from EDUCATION of \$48.768m (2016: \$50.612m).

**(c) Liquidity risk**

Liquidity risk is the risk that financial obligations will not be able to be met when they fall due. The University manages liquidity risk by monitoring forecast cash flows and maintains sufficient cash to maintain short term flexibility and enable the University to meet financial commitments in a timely manner.

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

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

<b>31 December 2017</b>	<i>Average Interest Rate</i>	<i>Less than 1 Year</i>	<i>1 to 5 Years</i>	<i>5+</i>	<i>Years</i>	<i>Non-interest bearing</i>	<i>Total</i>
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>							
Cash and cash equivalents	1.87%	42,973	-	-	-	25	42,998
Receivables	-	-	-	-	-	61,801	61,801
Other financial assets	2.64%	62,178	2,864	8,804	-	65,953	139,799
<b>Total financial assets</b>	<b>2.36%</b>	<b>105,151</b>	<b>2,864</b>	<b>8,804</b>	<b>-</b>	<b>127,779</b>	<b>244,598</b>
<b>Financial liabilities</b>							
Payables	-	-	-	-	-	47,682	47,682
Other liabilities	2.17%	516	-	-	-	8	524
<b>Total financial liabilities</b>	<b>2.17%</b>	<b>516</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,690</b>	<b>48,206</b>
<b>Net financial assets</b>	<b>-</b>	<b>104,635</b>	<b>2,864</b>	<b>8,804</b>	<b>-</b>	<b>80,089</b>	<b>196,392</b>
<b>31 December 2016</b>							
	<i>Average Interest Rate</i>	<i>Less than 1 Year</i>	<i>1 to 5 Years</i>	<i>5+</i>	<i>Years</i>	<i>Non-interest bearing</i>	<i>Total</i>
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>							
Cash and cash equivalents	2.10%	55,814	-	-	-	328	56,142
Receivables	-	-	-	-	-	65,810	65,810
Other financial assets	2.85%	20,852	1,185	1,592	-	56,997	80,626
<b>Total financial assets</b>	<b>2.33%</b>	<b>76,666</b>	<b>1,185</b>	<b>1,592</b>	<b>-</b>	<b>123,135</b>	<b>202,578</b>
<b>Financial liabilities</b>							
Payables	-	-	-	-	-	37,548	37,548
Other liabilities	2.21%	515	-	-	-	-	515
<b>Total financial liabilities</b>	<b>2.21%</b>	<b>515</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,548</b>	<b>38,063</b>
<b>Net financial assets</b>	<b>-</b>	<b>76,151</b>	<b>1,185</b>	<b>1,592</b>	<b>-</b>	<b>85,587</b>	<b>164,515</b>

**Note 43 Fair value measurements**

**(a) Fair Value Measurements**

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

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

The consolidated carrying amounts and aggregate fair values of financial assets and liabilities at balance date are:

	Notes	Consolidated			
		Carrying Amount		Fair Value	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>					
Cash and cash equivalents	16	42,998	56,142	42,998	56,142
Receivables	17	61,801	65,810	61,801	65,810
Investments using the equity method	21	2,402	976	2,402	976
Other financial assets					
Held to maturity	19	54,896	19,658	54,896	19,658
Available-for-sale	19	19,232	14,826	19,232	14,826
Financial assets at fair value through profit or loss	19	65,671	46,142	65,671	46,142
<b>Total Financial Assets</b>		<b>247,000</b>	<b>203,554</b>	<b>247,000</b>	<b>203,554</b>
<b>Non-Financial assets</b>					
Other non-financial assets	20	8,545	12,986	8,545	12,986
<b>Total Non-Financial assets</b>		<b>8,545</b>	<b>12,986</b>	<b>8,545</b>	<b>12,986</b>
<b>Financial Liabilities</b>					
Payables	25	47,682	37,725	47,682	37,725
Borrowings	26	1,850	4,193	1,850	4,193
Other financial liabilities	28	516	515	516	515
<b>Total Financial Liabilities</b>		<b>50,048</b>	<b>42,433</b>	<b>50,048</b>	<b>42,433</b>

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

- Financial assets at fair value through profit or loss
- Available-for-sale financial assets
- Land, buildings and infrastructure
- Investment property

**Note 43 Fair value measurements (continued)**

**(b) Fair Value hierarchy**

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

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

**Recognised fair value measurements**

Fair value measurements recognised in the Statement of Financial Position are categorised into the following levels at 31 December 2017.

Fair value measurements at 31 December 2017	Notes	Consolidated			
		2017	Level 1	Level 2	Level 3
<b>Recurring fair value measurements</b>		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>					
Fair value through profit or loss					
Equity securities	19	49,708	1,838	44,883	2,987
Debt securities	19	18,950	-	18,950	-
Available for sale					
Other entities	19	16,245	-	-	16,245
Investments using the equity method	21	2,402	-	-	2,402
<b>Total Financial Assets</b>		<b>87,305</b>	<b>1,838</b>	<b>63,833</b>	<b>21,634</b>
<b>Non Financial Assets</b>					
Investment property	22	8,703	-	-	8,703
Land, buildings and infrastructure	23	535,936	-	-	535,936
Library	23	21,761	-	-	21,761
Works of Art	23	6,357	-	-	6,357
<b>Total Non Financial Assets</b>		<b>572,757</b>	<b>-</b>	<b>-</b>	<b>572,757</b>
<b>Financial Liabilities</b>					
Derivatives used for hedging		117	-	117	-
<b>Total Financial Liabilities</b>		<b>117</b>	<b>-</b>	<b>117</b>	<b>-</b>
<b>Total Fair Value measurements at 31 December 2017</b>		<b>659,945</b>	<b>1,838</b>	<b>63,716</b>	<b>594,391</b>

Fair value measurements at 31 December 2016	Notes	Consolidated			
		2016	Level 1	Level 2	Level 3
<b>Recurring fair value measurements</b>		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>					
Fair value through profit or loss					
Equity securities	19	45,895	1,906	40,265	3,724
Debt securities	19	3,971	-	3,971	-
Available for sale					
Other entities	19	11,102	-	-	11,102
Investments using the equity method	21	976	-	-	976
<b>Total Financial Assets</b>		<b>61,944</b>	<b>1,906</b>	<b>44,236</b>	<b>15,802</b>
<b>Non Financial Assets</b>					
Investment property	22	8,800	-	-	8,800
Land, buildings and infrastructure	23	538,562	-	-	538,562
Library	23	19,901	-	-	19,901
Works of Art	23	6,185	-	-	6,185
<b>Total Non Financial Assets</b>		<b>573,448</b>	<b>-</b>	<b>-</b>	<b>573,448</b>
<b>Financial Liabilities</b>					
Derivatives used for hedging		54	-	54	-
<b>Total Financial Liabilities</b>		<b>54</b>	<b>-</b>	<b>54</b>	<b>-</b>
<b>Total Fair Value measurements at 31 December 2016</b>		<b>635,338</b>	<b>1,906</b>	<b>44,182</b>	<b>589,250</b>

**Note 43 Fair value measurements (continued)**

**(c) Valuation techniques used to derive level 2 and level 3 fair values**

*Recurring fair value measurements*

The fair value of financial instruments that are not traded in an active market (for example, managed investments and cash flow hedges) are determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The Consolidated entity uses quoted market prices or dealer quotes based on market conditions existing at each balance date. All of the resulting fair value estimates are included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investments accounted for using the equity method.

An independent valuation was performed in December 2017 on investment properties and on freehold land and building (classified as property, plant and equipment). All properties are revalued independently at least every three years. At the end of each reporting period, the Consolidated entity updates their assessment of the fair value of each property, taking into account the most recent independent valuations. The Consolidated entity determines the property's value within a range of reasonable fair value estimates.

The best evidence of fair value is the current price in an active market for similar properties. Where such information is not available the Consolidated entity considers information from a variety of sources, including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- capitalised income projections based on a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence

All resulting fair value estimates for properties are included in level 3.

**(d) Valuation inputs and relationships to fair value**

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

Description	Fair value at 31 Dec 2017	Unobservable inputs	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
	\$'000			
Unlisted equity securities	19,232	Earnings growth factor	Net asset position and future earnings	Increase in net assets and increase in future earnings would result in higher fair value. Decrease in net assets and decrease in future earnings would result in lower fair value.

**Note 43 Fair value measurements (continued)**

**(e) Fair value measurements using significant unobservable inputs (level 3)**

The following table is a reconciliation of level 3 items for the periods ended 31 December 2017 and 2016:

*Consolidated*

Level 3 Fair Value Measurements 2017	Unlisted equity securities	Land, Buildings and Infrastructure	Library	Works of Art	Investment Property	Other financial assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance 1 January 2017	14,826	538,562	19,901	6,185	8,800	976	589,250
Gains or (losses) in profit or loss							
Additions	-	16,892	5,690	172	-	976	23,730
Disposals	-	(638)	-	-	-	(300)	(938)
Depreciation recognised in net result	-	(18,881)	(3,830)	-	-	-	(22,711)
<b>Total gains or (losses) in profit or loss</b>	-	<b>(2,627)</b>	<b>1,860</b>	<b>172</b>	-	<b>676</b>	<b>81</b>
Gains or (losses) in comprehensive income:							
Gain/(Loss) in other comprehensive income	5,143	-	-	-	-	-	5,143
Revaluation increment or (decrement)	(737)	-	-	-	(97)	-	(834)
<b>Total gains or (losses) in other comprehensive income</b>	<b>4,406</b>	-	-	-	<b>(97)</b>	-	<b>4,309</b>
Closing balance 31 December 2017	19,232	535,935	21,761	6,357	8,703	1,652	593,640

*Consolidated*

Level 3 Fair Value Measurements 2016	Unlisted equity securities	Land, Buildings and Infrastructure	Library	Works of Art	Investment Property	Other financial assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance 1 January 2016	12,637	466,727	18,055	6,059	8,300	300	512,078
Gains or (losses) in profit or loss							
Additions	-	80,430	5,508	126	-	976	87,040
Disposals/Distribution	-	(46)	-	-	-	(300)	(346)
Depreciation recognised in net result	-	(18,433)	(3,662)	-	-	-	(22,095)
<b>Total gains or (losses) in profit or loss</b>	-	<b>61,951</b>	<b>1,846</b>	<b>126</b>	-	<b>676</b>	<b>64,599</b>
Gains or (losses) in comprehensive income:							
Gain/(Loss) in other comprehensive income	1,902	-	-	-	-	-	1,902
Revaluation increment or (decrement)	287	9,884	-	-	500	-	10,671
<b>Total gains or (losses) in other comprehensive income</b>	<b>2,189</b>	<b>9,884</b>	-	-	<b>500</b>	-	<b>12,573</b>
Closing balance 31 December 2016	14,826	538,562	19,901	6,185	8,800	976	589,250

**Note 44 Defined benefit plans**

The University contributes to the following employee superannuation funds:

**(i) UniSuper Limited Superannuation Schemes**

**(a) UniSuper Defined Benefit Plan or Accumulation 2**

UniSuper Management Pty Ltd administers the Scheme and UniSuper Ltd is the Trustee. 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.

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

As at 30 June 2017 there is no funding surplus or deficit which currently affects, or is expected to affect, the amount of future contributions payable by participating employers to the Defined Benefit Plan.

In 2006 the UniSuper Trust Deed was amended so that in the event UniSuper assets are insufficient to provide for the benefits payable the Trustee must consider whether to reduce member benefits on a fair and equitable basis instead of requesting additional payments from employers. While remaining a defined benefits plan under superannuation law, the change in the UniSuper Trust Deed effectively alters the nature of the scheme to a defined contribution scheme under AASB 119.

As set out under paragraph 28 of AASB119 a defined benefit contribution plan is a plan where the employer's legal or constructive obligation is limited to the amount it agrees to contribute to the fund and the actuarial risk and investment risk fall on the employee.

As at 30 June 2017 the assets of the Defined Benefit Division (DBD) in aggregate were estimated to be:

- \$2,797 million (June 2016: \$2,252m) above vested benefits. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the DBD.
- \$4,258 million (June 2016: \$3,757m) above accrued benefits. The accrued benefits have been calculated as the present value of expected future benefit payments to members and indexed pensioners which arise from membership of UniSuper up to the reporting date.

The vested benefit and accrued benefit liabilities were determined by the Fund's actuary using the actuarial demographic assumptions outlined in their report on the actuarial investigation of the DBD as at 1 July 2017. The financial assumptions used were:

	<i>Vested Benefits</i>	<i>Accrued Benefits</i>
Gross of tax investment return:		
- Defined Benefit Division pensions	5.30%	6.60%
- Commercial rate indexed pensions	2.90%	2.90%
Net of tax investment return - non pensioner members	4.70%	5.80%
Consumer Price Index	2.00%	2.00%
Inflationary salary increases long term	3.00%	3.00%

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

At 1 July 2017 the Vested Benefit Index (VBI) was 114.5% (2016: 112.2%) and the Accrued Benefit Index (ABI) was 123.9% (2016: 122.2%). As a result of the VBI being greater than 100% at this date, the monitoring period and process set out in Clause 34 of the Trust Deed has not been instigated.

Clause 34 of the Trust Deed provides a mechanism for reducing benefits if after initially falling below specified threshold levels and after a period of at least four years, the ABI and VBI are below those thresholds (100% and 95% respectively).

A Clause 34 monitoring period was initiated following the 30 June 2013 actuarial investigation. Following the end of the monitoring period on 30 June 2017, the Fund's actuary advised that the Trustee is not required to take any further action, and that the monitoring period is now ceased.

**Note 44 Defined Benefit Plans (continued)**

**(i) UniSuper (continued)**

**(a) UniSuper Defined Benefit Plan or Accumulation 2 (continued)**

Following the end of the monitoring period commenced in relation to the 31 December 2008 actuarial investigation, the UniSuper Limited Board made a decision not to reduce accrued benefits but to reduce the rate at which benefits accrue in respect of the DBD membership after 1 January 2015.

After the four year monitoring periods ending on 30 June 2015, 30 June 2016 and 30 June 2017, if the ABI and/or VBI are below the specified thresholds (or the level of contribution is such that they are expected to decline to below those thresholds) the Trustee must consider if it is in the interests of members of Division A and Division B as a whole to reduce the benefits payable and if so must do so on a fair and equitable basis.

**(b) UniSuper Award Plus Plan**

UniSuper Management Pty Ltd administers the scheme and TESS Superannuation Ltd is the Trustee. The University contributes to the scheme 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 scheme for employee benefits arising under the Superannuation Guarantee Legislation.

**(ii) South Australian Superannuation Scheme**

**a) Fund specific disclosure**

The University has 66 (2016: 71) present and former employees who are members of closed State Government Pension and Lump Sum 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 for the shortfall in the employer's contribution. 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 University's superannuation liability with respect to future benefits for current employees and pensioners was assessed as at 31 December 2017. This assessment was performed by PricewaterhouseCoopers Securities Ltd Actuaries on information that was provided by the Director Superannuation, South Australian Department of Treasury and Finance. The University's superannuation liability was assessed as being \$48.8 million (2016: \$50.6 million). 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 17). Recognition of the receivable from the Commonwealth is in accordance with Department of Education and Training Guidelines and reflects an assessment that while there is no specific legislated requirement, the Commonwealth has committed to funding the University's emerging costs.

The University expects to make a contribution of \$2.9 million (2016: \$3.7 million) to the defined benefit plan during the next financial year.

The weighted average duration of the defined benefit obligation is 13.45 years (2016: 14.02 years). The expected maturity analysis of undiscounted benefit obligations is as follows:

	<i>Less than 1 year</i>	<i>Between 1 and 2 years</i>	<i>Between 2 and 5 years</i>	<i>Over 5 years</i>	<i>Total</i>
	\$'000	\$'000	\$'000	\$'000	\$'000
Defined benefit obligation - 31 Dec 2017	2,901	2,971	9,299	60,743	75,914
Defined benefit obligation - 31 Dec 2016	3,647	3,136	9,568	66,092	82,443

**b) Categories of plan assets**

	2017		2016	
	%	%	%	%
	Active Market	No Active Market	Active Market	No Active Market
Cash and cash equivalents	1.3%	0.0%	2.4%	0.0%
Equity instruments	52.3%	0.0%	48.1%	0.0%
Debt instruments	0.0%	0.0%	2.8%	0.0%
Property	2.2%	13.0%	2.5%	11.8%
Diversified strategies growth	1.0%	10.8%	0.8%	10.2%
Diversified strategies income	15.2%	0.0%	15.7%	0.0%
Inflation linked securities	3.2%	1.0%	0.0%	5.7%
<b>Total</b>	<b>75.2%</b>	<b>24.8%</b>	<b>72.3%</b>	<b>27.7%</b>

**Note 44 Defined Benefit Plans (continued)**

**(ii) South Australian Superannuation Scheme (continued)**

**b) Categories of plan assets (continued)**

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	<b>2017</b>	<b>2016</b>
	%	%
Discount rate	2.8	3.1
Expected rate of salary increase	4.0	4.0
Long term CPI Increases	2.5	2.5

**c) Actuarial assumptions and sensitivity**

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

Assumption	Increase in assumption	Impact on DBO liability	Decrease in assumption	Impact on DBO liability
	+	%	-	%
Discount rate	0.50%	(5.20%)	(0.50%)	5.70%
Expected rate of salary increase	0.50%	0.10%	(0.50%)	(0.10%)

The above sensitivity analyses are based on a change in an assumption while holding all the other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the defined benefit liability recognised in the Statement of Financial Position.

**d) Statement of Financial Position amounts**

	<b>2017</b>	<b>2016</b>
	\$'000	\$'000
<b>Reconciliation of the present value of the defined benefit obligation</b>		
<b>Present value of defined benefit obligations</b>		
Opening defined benefit obligation	54,826	55,998
Current Service Cost	335	206
Interest expense	1,643	1,742
	<u>56,804</u>	<u>57,946</u>
<b>Remeasurements</b>		
Actuarial losses/(gains) arising from changes in demographic assumptions	(515)	-
Actuarial losses/(gains) arising from changes in financial assumptions	1,706	648
Experience (gains)/losses	(95)	(1,298)
	<u>57,900</u>	<u>57,296</u>
Benefits paid	(4,609)	(2,470)
<b>Closing defined benefit obligation</b>	<u><b>53,291</b></u>	<u><b>54,826</b></u>
<b>Net Liability Reconciliation</b>		
Defined Benefit Obligation	53,291	54,826
Fair value of plan assets	(4,523)	(4,214)
<b>Net Liability</b>	<u><b>48,768</b></u>	<u><b>50,612</b></u>
<b>Present value of obligation</b>		
Opening defined benefit obligation	50,612	52,104
Current service costs	1,862	1,818
Remeasurements	908	(816)
Employer contributions	(4,614)	(2,494)
<b>Total net liability/(asset) in balance sheet</b>	<u><b>48,768</b></u>	<u><b>50,612</b></u>

**Note 45 Entity information**

Flinders University is a body corporate established by an Act of the South Australian Parliament, Flinders University Act 1966 (Version: 10.10.2017). 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.

**Note 46 Acronyms and abbreviations**

AASB	Australian Accounting Standards Board
ARC	Australian Research Council
ATO	Australian Taxation Office
CGS	Commonwealth Grants Scheme
CPI	Consumer Price Index
CRC	Cooperative Research Centre
EDUCATION	Australian Government Department of Education and Training
FEE-HELP	Fee Higher Education Loan Programme (financial support for full-fee paying domestic students)
GST	Goods and Services Tax
HECS-HELP	Higher Education Contribution Scheme - Higher Education Loan Program
HESA	Higher Education Support Act
IFRS	International Financial Reporting Standards
JRE	Joint Research Engagement
NHMRC	National Health & Medical Research Council
NILS	National Institute of Labour Studies
OS-HELP	Overseas - Higher Education Loan Program
SA-HELP	Student Amenities Fee - Higher Education Loan Program

**Note 47 Acquittal of Australian Government financial assistance**

**47.a Education - CGS and Other Education Grants**

Note	<i>University ONLY</i>					
	Commonwealth Grant Scheme <sup>[1]</sup>		Indigenous Student Success Program		Higher Education Participation Program <sup>[2]</sup>	
	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	149,063	150,475	1,289	869	3,070	3,883
Net accrual adjustments	(281)	(5,147)	(15)	(79)	4	469
<b>Revenue for the period</b>	<b>148,782</b>	<b>145,328</b>	<b>1,274</b>	<b>790</b>	<b>3,074</b>	<b>4,352</b>
Surplus/ (deficit) from the previous year	-	-	75	77	640	1,267
Total revenue including accrued revenue	148,782	145,328	1,349	867	3,714	5,619
Less expenses including accrued expenses	148,782	145,328	1,296	792	3,706	4,979
<b>Surplus/ (deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>53</b>	<b>75</b>	<b>8</b>	<b>640</b>

[1] Includes the basic CGS grant amount, CGS-Regional loading, CGS-Enabling loading and CGS Medical student loading.

[2] Includes Access and Participation Fund and National Priorities Pool.

Note	<i>University ONLY</i>					
	Disability Support Program		Promotion of Excellence in Learning and Teaching		Total	
	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	338	282	10	231	153,770	155,740
Net accrual adjustments	-	-	-	-	(292)	(4,757)
<b>Revenue for the period</b>	<b>338</b>	<b>282</b>	<b>10</b>	<b>231</b>	<b>153,478</b>	<b>150,983</b>
Surplus/ (deficit) from the previous year	-	-	366	563	1,081	1,907
Total revenue including accrued revenue	338	282	376	794	154,559	152,890
Less expenses including accrued expenses	338	282	82	428	154,204	151,809
<b>Surplus/ (deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>294</b>	<b>366</b>	<b>355</b>	<b>1,081</b>

**Note 47 Acquittal of Australian Government financial assistance (continued)**

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

		<i>University ONLY</i>					
		HECS-HELP (Australian Government payments only) <sup>[1]</sup>		FEE-HELP <sup>[2]</sup>		SA-HELP <sup>[3]</sup>	
Note		2017	2016	2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Cash Payable / (Receivable) at beginning of year	1,809	1,683	204	74	(208)	18
	Financial assistance received in CASH during the reporting period	89,865	87,416	9,779	9,330	2,048	1,761
	Cash available for period	91,674	89,099	9,983	9,404	1,840	1,779
	<b>Revenue earned</b>	<b>89,938</b>	<b>87,290</b>	<b>9,719</b>	<b>9,200</b>	<b>1,845</b>	<b>1,987</b>
	<b>Cash Payable / (Receivable) at end of year</b>	<b>1,736</b>	<b>1,809</b>	<b>264</b>	<b>204</b>	<b>(5)</b>	<b>(208)</b>

[1] HECS-HELP - \$485k to be returned to the Department

[2] Program is in respect of FEE-HELP for Higher Education only. This includes \$264k to be returned to the Department

[3] SA-HELP - \$5k additional funding to be provided by the Department

		<i>University ONLY</i>	
		Total	
Note		2017	2016
		\$'000	\$'000
	Cash Payable / (Receivable) at beginning of year	1,805	1,775
	Financial assistance received in CASH during the reporting period	101,692	98,507
	Cash available for period	103,497	100,282
	<b>Revenue earned</b>	<b>101,502</b>	<b>98,477</b>
	<b>Cash Payable / (Receivable) at end of year</b>	<b>1,995</b>	<b>1,805</b>

**Note 47 Acquittal of Australian Government financial assistance (continued)**

47.c (i) Department of Education and Training Research

		<i>University ONLY</i>					
		Research Training Program		Research Support Program		Total	
Note		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
	Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	15,599	15,745	12,394	11,912	27,993	27,657
	Net accrual adjustments	-	-	-	-	-	-
	<b>Revenue for the period</b>	<b>15,599</b>	<b>15,745</b>	<b>12,394</b>	<b>11,912</b>	<b>27,993</b>	<b>27,657</b>
	Surplus/ (deficit) from the previous year	896	988	33	-	929	988
	Total revenue including accrued revenue	16,495	16,733	12,427	11,912	28,922	28,645
	Less expenses including accrued expenses	15,838	15,837	12,427	11,879	28,265	27,716
	<b>Surplus/ (deficit) for reporting period</b>	<b>657</b>	<b>896</b>	<b>-</b>	<b>33</b>	<b>657</b>	<b>929</b>

The reported surplus for the Research Training Program of \$0.657 million for 2017 is expected to be rolled over for future use by the University.

47.c (ii) Total Higher Education Provider Research Training Program expenditure

	<i>Total Domestic Students</i> \$'000	<i>Total Overseas Students</i> \$'000
Research Training Program Fees offsets	10,481	485
Research Training Program Stipends	4,359	474
Research Training Program Allowances	5	34
<b>Total for all types of support</b>	<b>14,845</b>	<b>993</b>

**Note 47 Acquittal of Australian Government financial assistance (continued)**

**47.d Australian Research Council Grants**

**(i) Discovery**

		<i>University ONLY</i>					
		Projects		Fellowships <sup>(1)</sup>		Indigenous Researchers Development	
Note		2017	2016	2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	4,138	3,034	1,447	3,186	-	-
	Net accrual adjustments	(218)	74	24	-	11	18
	<b>Revenue for the period</b>	<b>3,920</b>	<b>3,108</b>	<b>1,471</b>	<b>3,186</b>	<b>11</b>	<b>18</b>
	Surplus/ (deficit) from the previous year	1,923	1,748	2,710	2,632	18	-
	Total revenue including accrued revenue	5,843	4,856	4,181	5,818	29	18
	Less expenses including accrued expenses	3,604	2,933	2,400	3,108	1	-
	<b>Surplus/ (deficit) for reporting period</b>	<b>2,239</b>	<b>1,923</b>	<b>1,781</b>	<b>2,710</b>	<b>28</b>	<b>18</b>

[1] Includes Early Career Researcher Award.

		<i>University ONLY</i>	
		Total Discovery	
Note		2017	2016
		\$'000	\$'000
	Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	5,585	6,220
	Net accrual adjustments	(183)	92
	<b>Revenue for the period</b>	<b>5,402</b>	<b>6,312</b>
	Surplus/ (deficit) from the previous year	4,651	4,380
	Total revenue including accrued revenue	10,053	10,692
	Less expenses including accrued expenses	6,005	6,041
	<b>Surplus/ (deficit) for reporting period</b>	<b>4,048</b>	<b>4,651</b>

**(ii) Linkages**

		<i>University ONLY</i>					
		Infrastructure		Projects		Total Linkages	
Note		2017	2016	2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	465	500	960	1,456	1,425	1,956
	Net accrual adjustments	(248)	245	112	145	(136)	390
	<b>Revenue for the period</b>	<b>217</b>	<b>745</b>	<b>1,072</b>	<b>1,601</b>	<b>1,289</b>	<b>2,346</b>
	Surplus/ (deficit) from the previous year	229	297	1,257	940	1,486	1,237
	Total revenue including accrued revenue	446	1,042	2,329	2,541	2,775	3,583
	Less expenses including accrued expenses	382	813	1,145	1,284	1,527	2,097
	<b>Surplus/ (deficit) for reporting period</b>	<b>64</b>	<b>229</b>	<b>1,184</b>	<b>1,257</b>	<b>1,248</b>	<b>1,486</b>

**Note 47 Acquittal of Australian Government financial assistance (continued)**

(iii) Networks and Centres and Special Research Initiatives

	Note	University ONLY					
		Centres		Special Research Initiatives		Total	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		-	-	-	-	-	-
Net accrual adjustments		321	5	30	149	351	154
<b>Revenue for the period</b>	<b>3(e)(iii)</b>	<b>321</b>	<b>5</b>	<b>30</b>	<b>149</b>	<b>351</b>	<b>154</b>
Surplus/ (deficit) from the previous year		80	263	362	369	442	632
Total revenue including accrued revenue		401	268	392	518	793	786
Less expenses including accrued expenses		198	188	204	156	402	344
<b>Surplus/ (deficit) for reporting period</b>		<b>203</b>	<b>80</b>	<b>188</b>	<b>362</b>	<b>391</b>	<b>442</b>

47.e OS-HELP <sup>(1)</sup>

	Note	University ONLY	
		2017 \$'000	2016 \$'000
Cash received during the reporting period		3,297	3,786
Cash Spent during the reporting period		2,455	2,645
<b>Net cash received</b>	<b>3 (g)</b>	<b>842</b>	<b>1,141</b>
Cash Surplus / (deficit) from the previous period		1,787	646
<b>Cash Surplus / (deficit) for reporting period</b>		<b>2,629</b>	<b>1,787</b>

<sup>(1)</sup> OS-HELP is not included in income. The University effectively acts as a transfer agency with regard to the OS-HELP monies received from the Australian Government.

	Note	University ONLY	
		2017 \$'000	2016 \$'000
<b>47.f Higher Education Superannuation Program</b>			
Cash received during the reporting period	3 (g)	2,701	3,295
University contribution in respect of current employees		57	164
Cash available		2,758	3,459
Cash Surplus / (deficit) from the previous period		230	(490)
<b>Cash available for current period</b>		<b>2,988</b>	<b>2,969</b>
Contributions to specified defined benefit funds		4,003	2,739
<b>Cash Surplus / (deficit) this period</b>		<b>(1,015)</b>	<b>230</b>

	Note	University ONLY	
		2017 \$'000	2016 \$'000
<b>47.g Student Services and Amenities Fee</b>			
Unspent / (overspent) revenue from previous period		3,695	3,646
SA-HELP Revenue Earned	3 (b)	1,845	1,987
Student Services and Amenities Fees direct from Students	5	2,539	2,375
<b>Total revenue expendable in period</b>		<b>8,079</b>	<b>8,008</b>
Student Services expenses during period		4,794	4,313
<b>Unspent / (overspent) Student Services revenue</b>		<b>3,285</b>	<b>3,695</b>

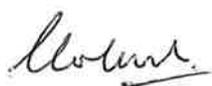
# Financial Statements 2017

## FLINDERS UNIVERSITY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

To the best of our knowledge and belief –

- the attached General Purpose Financial Report for Flinders University presents a true and fair view, in accordance with the Treasurer's Instructions issued under Section 41 of the Public Finance and Audit Act 1987, applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and to conform to the Department of Education and Training Financial Statement Guidelines for Australian Higher Education Providers for the 2017 Reporting Period, the financial position of Flinders University as at 31 December 2017, the results of its operations and its cash flows for the financial year;
- the attached financial statements are in accordance with the accounts and records of the University;
- internal controls over financial reporting and the general purpose financial report have been effective throughout the reporting period;
- at the time of signing of this statement, there are reasonable grounds to believe that the University will be able to pay its debts as and when they become due and payable;
- the amount of Australian Government financial assistance expended during the reporting period was for the purposes for which it was intended; and
- Flinders University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure.
- Flinders University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

Signed in accordance with a resolution of the Council



Mr Stephen Gerlach, AM  
**Chancellor**

24 May 2018



Professor Colin Stirling  
**Vice-Chancellor**

24 May 2018



Mr Richard Porter  
**Chief Financial Officer**

24 May 2018

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## To the Chancellor Flinders University

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 25(2) of the *Flinders University Act 1966*, I have audited the financial report of Flinders University and the consolidated entity comprising Flinders University and its controlled entities for the financial year ended 31 December 2017.

### Opinion

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

- a) giving a true and fair view of the financial position of Flinders University as at 31 December 2017, its financial performance and its cash flows for the year then ended, and
- b) complying with Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

The consolidated financial report comprises:

- an Income Statement for the year ended 31 December 2017
- a Statement of Comprehensive Income for the year ended 31 December 2017
- a Statement of Financial Position as at 31 December 2017
- a Statement of Changes in Equity for the year ended 31 December 2017
- a Statement of Cash Flows for the year ended 31 December 2017
- notes, comprising significant accounting policies and other explanatory information

### Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of Flinders University and its controlled entities. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 Code of Conduct for Professional Accountants have been met.

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

### **Responsibilities of the Vice-Chancellor and the Council for the financial report**

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

The Council is responsible for overseeing the financial reporting process.

### **Auditor's responsibilities for the audit of the financial report**

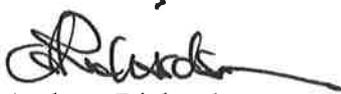
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

A handwritten signature in black ink, appearing to read 'A Richardson', with a long horizontal flourish extending to the right.

Andrew Richardson

**Auditor-General**

1 June 2018



**Flinders**  
UNIVERSITY

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**FOR FURTHER INFORMATION**

**Flinders University**

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CRICOS No. 00114A