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## To the Chancellor University of Adelaide

### Opinion

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

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

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

The consolidated financial report comprises:

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

### Basis for opinion

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

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

The Council is responsible for overseeing the financial reporting process.

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

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 25(2) of the *University of Adelaide Act 1971*, I have audited the financial report of the University of Adelaide and the consolidated entity comprising the University of Adelaide and its controlled entities for the financial year ended 31 December 2021.

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

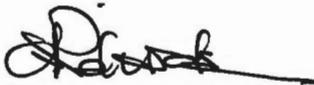
As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University of Adelaide's internal control

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Vice-Chancellor and President
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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



Andrew Richardson

**Auditor-General**

1 April 2022



# **Financial Statements**

**2021**



**Statement by the Chancellor, Vice-Chancellor & President  
and Chief Financial Officer**

In our opinion:

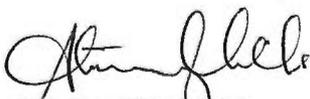
- (a) the Financial Statements of The University of Adelaide have been prepared in accordance with the accounts and records of the University and present a true and fair view of the financial position of the University of Adelaide as at 31 December 2021 and the results of its operations and cash flows for the year ended 31 December 2021;
- (b) in all material respects, the Financial Statements have been prepared in accordance with Treasurer's Instructions promulgated under the provisions of the Public Finance and Audit Act 1987, the Higher Education Funding Act 1988, the Higher Education Support Act 2003, Australian equivalents to International Financial Reporting Standards and other mandatory professional reporting requirements including Urgent Issues Group Consensus Views; and the requirements of the *Australian Charities and Non-for-profits Commission Act 2012*;
- (c) at the date of signing this Statement there are reasonable grounds to believe that The University of Adelaide will be able to pay its debts as and when they fall due;
- (d) the amount of Australian Government financial assistance expended during the reporting period was for the purpose for which it was intended;
- (e) The University of Adelaide has complied with applicable legislation, contracts, agreements and programme guidelines in making expenditure of the Australian Government financial assistance;
- (f) internal controls over financial reporting have been effective throughout the reporting period; and
- (g) The University of Adelaide has 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 fees were spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

We are not aware, at the date of signing this Statement, of any circumstances which would render any particulars included in the Financial Statements to be misleading or inaccurate.

Signed in accordance with a resolution of the Council of The University of Adelaide.

  
THE HON CATHERINE BRANSON AC QC  
Chancellor

  
PROFESSOR PETER HOJ AC FTSE FNAI (US)  
Vice-Chancellor and President

  
MS STACEY MILLS  
Chief Financial Officer CA, GAICD

28 March 2022

## Statement of Comprehensive Income for the year ended 31 December 2021

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>Revenue from continuing operations</b>					
<b>Received under Higher Education Support Act</b>					
Base operating financial assistance	4	182,059	172,536	182,059	172,536
Other operating financial assistance	4	7,859	3,623	7,859	3,623
Higher Education Contribution Scheme	4	120,349	124,613	120,349	124,613
		<b>310,267</b>	<b>300,772</b>	<b>310,267</b>	<b>300,772</b>
<b>Learning and Teaching</b>					
Student fees	4	299,371	289,491	299,371	289,491
Grants	4	21,346	17,306	21,346	17,306
		<b>320,717</b>	<b>306,797</b>	<b>320,717</b>	<b>306,797</b>
<b>Research Grants and Fees</b>					
National competitive grants		78,437	79,331	78,437	79,331
Public sector - other		118,641	71,641	118,235	71,144
Industry and other		43,744	39,067	43,697	39,052
		<b>240,822</b>	<b>190,039</b>	<b>240,369</b>	<b>189,527</b>
<b>Research - Other</b>					
Cooperative Research Centre direct funding		7,150	6,020	7,150	6,020
Research Training Program		46,616	46,680	46,616	46,680
Research Support Program		82,124	39,620	82,124	39,620
		<b>135,890</b>	<b>92,320</b>	<b>135,890</b>	<b>92,320</b>
<b>Other</b>					
Investment revenue	4	57,394	26,000	57,847	26,196
Property revenue	4	14,076	13,753	13,667	13,315
Specialist services and trading	4	36,671	35,646	19,780	20,183
Bequests, donations & other revenue	4	30,752	27,950	30,749	27,796
		<b>138,893</b>	<b>103,349</b>	<b>122,043</b>	<b>87,490</b>
<b>Total revenue from continuing operations</b>		<b>1,146,589</b>	<b>993,277</b>	<b>1,129,286</b>	<b>976,906</b>
<b>Expenses from continuing operations</b>					
Salaries and related expenses	5	536,845	561,615	528,497	552,895
Student services		41,702	50,271	41,702	50,271
Teaching and research	5	120,434	105,799	120,434	105,797
Buildings and grounds	5	52,437	50,451	51,541	49,344
Finance costs	5	12,151	5,322	12,151	5,319
Administration, communication and travel	5	89,126	85,232	81,259	77,188
Finance and fund administration	5	5,271	5,048	6,173	6,099
Misc equip, dep'n and net loss on disposal of assets	5	87,788	89,623	87,495	89,177
<b>Total expenses from continuing operations</b>		<b>945,754</b>	<b>953,361</b>	<b>929,252</b>	<b>936,090</b>
<b>Net operating result for the year</b>		<b>200,835</b>	<b>39,916</b>	<b>200,034</b>	<b>40,816</b>

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

**Statement of Comprehensive Income for the year ended 31 December 2021 - continued**

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>Operating result for the period</b>		<b>200,835</b>	<b>39,916</b>	<b>200,034</b>	<b>40,816</b>
<b>Items that may be reclassified to net operating result</b>					
Gain / (loss) on swap contracts	10	12,683	289	12,683	289
Gain / (loss) on cash flow hedges		-	(6)	-	(6)
<b>Total</b>		<b>12,683</b>	<b>283</b>	<b>12,683</b>	<b>283</b>
<b>Items that will not be reclassified to net operating result</b>					
Gain / (loss) on revaluation of works of art	13	-	1,755	-	1,755
Revaluation of equity instruments designated at fair value through Other Comprehensive Income	21(b)	50,417	10,870	50,564	9,156
Share of other comprehensive income of investments accounted for using the equity method	4	(156)	(23)	(156)	58
Remeasurements of Defined Benefit Plans	25(c)	3,118	767	3,118	767
<b>Total</b>		<b>53,379</b>	<b>13,369</b>	<b>53,526</b>	<b>11,736</b>
<b>Total other comprehensive income</b>		<b>66,062</b>	<b>13,652</b>	<b>66,209</b>	<b>12,019</b>
<b>Total comprehensive income attributable to the University of Adelaide</b>		<b>266,897</b>	<b>53,568</b>	<b>266,243</b>	<b>52,835</b>

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

## Statement of Financial Position as at 31 December 2021

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>Current Assets</b>					
Cash and cash equivalents	6	316,317	126,237	313,792	124,589
Receivables	7	56,249	32,990	55,906	31,683
Contract Assets	8	8,961	7,181	8,961	7,181
Other financial assets	9	1,168	7,122	1,168	7,122
Inventories		1,939	1,633	-	-
Other non-financial assets	11	16,086	19,927	16,018	19,854
Deferred government superannuation contribution	25(d)	3,900	4,600	3,900	4,600
<b>Total current assets</b>		<b>404,620</b>	<b>199,690</b>	<b>399,745</b>	<b>195,029</b>
<b>Non-current Assets</b>					
Other financial assets	9	485,060	418,808	497,894	431,495
Investments accounted for using the equity method	12	568	93	568	93
Property, plant and equipment	13	1,563,820	1,578,310	1,550,795	1,565,458
Intangible assets	14	26,614	26,005	26,614	26,005
Other non-financial assets	11	4,236	5,077	4,236	5,077
Deferred government superannuation contribution	25(d)	52,660	61,471	52,660	61,471
<b>Total non-current assets</b>		<b>2,132,958</b>	<b>2,089,764</b>	<b>2,132,767</b>	<b>2,089,599</b>
<b>Total assets</b>		<b>2,537,578</b>	<b>2,289,454</b>	<b>2,532,512</b>	<b>2,284,628</b>
<b>Current Liabilities</b>					
Payables	15	79,011	58,515	77,270	56,939
Contract Liabilities	16	95,195	80,393	95,195	80,393
Borrowings	17	9,471	14,781	9,454	14,760
Employee benefit provisions	19	30,603	33,161	30,016	32,260
Provisions	19	917	1,283	917	1,283
Defined benefit obligation	25(d)	3,900	4,600	3,900	4,600
Other	20	25,076	31,226	24,244	30,181
<b>Total current liabilities</b>		<b>244,173</b>	<b>223,959</b>	<b>240,996</b>	<b>220,416</b>
<b>Non-current Liabilities</b>					
Payables	15	12,114	12,561	12,092	12,537
Contract Liabilities	16	116,699	91,334	116,699	91,334
Borrowings	17	21,494	69,098	21,494	69,081
Employee benefit provisions	19	68,192	70,935	68,079	70,793
Provisions	19	3,859	4,293	3,859	4,293
Derivative financial instruments	10	8,370	12,683	8,370	12,683
Defined benefit obligation	25(d)	52,660	61,471	52,660	61,471
<b>Total non-current liabilities</b>		<b>283,388</b>	<b>322,375</b>	<b>283,253</b>	<b>322,192</b>
<b>Total liabilities</b>		<b>527,561</b>	<b>546,334</b>	<b>524,249</b>	<b>542,608</b>
<b>Net assets</b>		<b>2,010,017</b>	<b>1,743,120</b>	<b>2,008,263</b>	<b>1,742,020</b>
<b>Equity</b>					
Capital reserves	21	769,867	787,521	780,858	798,365
Specific purpose reserves	21	503,777	445,011	503,777	445,011
Retained surplus	21	736,373	510,588	723,628	498,644
<b>Total equity</b>		<b>2,010,017</b>	<b>1,743,120</b>	<b>2,008,263</b>	<b>1,742,020</b>

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

## Statement of Changes in Equity for the year ended 31 December 2021

Consolidated	Note	Capital Reserves \$000	Specific Purpose Reserves \$000	Retained Surplus \$000	Total \$000
<b>Balance at 1 January 2020</b>		774,925	411,712	502,915	1,689,552
<b>Net result</b>		-	-	39,916	39,916
<b>Other comprehensive income</b>					
Gain / (loss) on revaluation of works of art		1,755	-	-	1,755
Gain / (loss) on swap contracts		-	-	289	289
Gain / (loss) on cash flow hedges		(6)	-	-	(6)
Revaluation of equity instruments designated at fair value through Other Comprehensive Income		10,870	-	-	10,870
Share of other comprehensive income of investments accounted for using the equity method	30(d)	(23)	-	-	(23)
Remeasurements of Defined Benefit Plans		-	-	767	767
<b>Total other comprehensive income</b>		<b>12,596</b>	<b>-</b>	<b>1,056</b>	<b>13,652</b>
Transfer (to) / from retained surplus		-	33,299	(33,299)	-
<b>Balance at 31 December 2020</b>		<b>787,521</b>	<b>445,011</b>	<b>510,588</b>	<b>1,743,120</b>
<b>Balance at 1 January 2021</b>		787,521	445,011	510,588	1,743,120
<b>Net result</b>		-	-	200,835	200,835
<b>Other comprehensive income</b>					
Gain / (loss) on swap contracts		-	-	12,683	12,683
Revaluation of equity instruments designated at fair value through Other Comprehensive Income		50,417	-	-	50,417
Share of other comprehensive income of investments accounted for using the equity method	30(d)	(156)	-	-	(156)
Remeasurements of Defined Benefit Plans		-	-	3,118	3,118
<b>Total other comprehensive income</b>		<b>50,261</b>	<b>-</b>	<b>15,801</b>	<b>66,062</b>
Transfer (to) / from retained surplus		(67,915)	58,766	9,149	-
<b>Balance at 31 December 2021</b>		<b>769,867</b>	<b>503,777</b>	<b>736,373</b>	<b>2,010,017</b>

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

**Statement of Changes in Equity for the year ended 31 December 2021 - continued**

University	Capital Reserves \$000	Specific Purpose Reserves \$000	Retained Surplus \$000	Total \$000
<b>Balance at 1 January 2020</b>	<b>787,402</b>	<b>411,712</b>	<b>490,071</b>	<b>1,689,185</b>
<b>Net result</b>	-	-	<b>40,816</b>	<b>40,816</b>
<b>Other comprehensive income</b>				
Gain / (loss) on revaluation of works of art	1,755	-	-	1,755
Revaluation of equity instruments designated at fair value through Other Comprehensive Income	9,156	-	-	9,156
Gain / (loss) on swap contracts	-	-	289	289
Gain / (loss) on cash flow hedges	(6)	-	-	(6)
Share of other comprehensive income of investments accounted for using the equity method	58	-	-	58
Remeasurements of Defined Benefit Plans	-	-	767	767
<b>Total other comprehensive income</b>	<b>10,963</b>	<b>-</b>	<b>1,056</b>	<b>12,019</b>
Transfer (to) / from retained surplus	-	33,299	(33,299)	-
<b>Balance at 31 December 2020</b>	<b>798,365</b>	<b>445,011</b>	<b>498,644</b>	<b>1,742,020</b>
<b>Balance at 1 January 2021</b>	<b>798,365</b>	<b>445,011</b>	<b>498,644</b>	<b>1,742,020</b>
<b>Net result</b>	-	-	<b>200,034</b>	<b>200,034</b>
<b>Other comprehensive income</b>				
Revaluation of equity instruments designated at fair value through Other Comprehensive Income	50,564	-	-	50,564
Gain / (loss) on swap contracts	-	-	12,683	12,683
Share of other comprehensive income of investments accounted for using the equity method	(156)	-	-	(156)
Remeasurements of Defined Benefit Plans	-	-	3,118	3,118
<b>Total other comprehensive income</b>	<b>50,408</b>	<b>-</b>	<b>15,801</b>	<b>66,209</b>
Transfer (to) / from retained surplus	(67,915)	58,766	9,149	-
<b>Balance at 31 December 2021</b>	<b>780,858</b>	<b>503,777</b>	<b>723,628</b>	<b>2,008,263</b>

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

## Statement of Cash Flows for the year ended 31 December 2021

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>Cash flows from operating activities</b>					
<b>Inflows:</b>					
Australian Government financial assistance	34(g)	626,863	566,443	626,863	566,343
OS-Help (net)	34(g)	8	4,692	8	4,692
Higher Education Superannuation	34(g)	3,743	3,928	3,743	3,928
State Government financial assistance		29,203	25,962	28,797	25,465
HECS-HELP student upfront payments		11,959	8,537	11,959	8,537
Fee paying student revenue received		268,855	255,488	268,855	255,488
Fees and charges		25,079	25,060	25,079	25,060
Donations and bequests		9,156	4,643	9,156	4,643
Interest and dividends received		3,319	7,679	3,315	7,663
Consultancy and contract research		64,587	53,943	64,537	53,943
Specialist services and produce trading		18,547	21,312	9,465	10,385
GST received		24,285	23,081	23,706	21,912
Other		47,532	34,380	39,497	29,257
<b>Total inflows</b>		<b>1,133,136</b>	<b>1,035,148</b>	<b>1,114,979</b>	<b>1,017,316</b>
<b>Outflows:</b>					
Salaries and related expenses		(547,753)	(553,636)	(539,418)	(544,800)
Student services		(41,524)	(50,284)	(41,524)	(50,284)
Goods and services		(223,950)	(260,832)	(215,547)	(250,988)
Costs of finance		(558)	(596)	(558)	(594)
GST paid		(26,975)	(24,492)	(25,670)	(23,177)
<b>Total outflows</b>		<b>(840,760)</b>	<b>(889,840)</b>	<b>(822,717)</b>	<b>(869,843)</b>
<b>Net cash provided by operating activities</b>	22	<b>292,376</b>	<b>145,308</b>	<b>292,262</b>	<b>147,473</b>

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

**Statement of Cash Flows for the year ended 31 December 2021 - continued**

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>Cash flows from investing activities</b>					
<b>Inflows:</b>					
Proceeds from sale of property, plant and equipment		174	69	75	18
Proceeds from sale of financial assets		8,038	1,517	8,038	1,517
Receipt of proceeds from financial assets held-to-maturity		-	75,000	-	75,000
Increase in loans		40	40	-	-
Repayment of loans by related parties		-	-	-	200
<b>Total inflows</b>		<b>8,252</b>	<b>76,626</b>	<b>8,113</b>	<b>76,735</b>
<b>Outflows:</b>					
Payments for property, plant and equipment		(37,229)	(42,409)	(36,982)	(42,051)
Payments for intangible assets		(11,483)	(5,702)	(11,483)	(5,702)
Payments for financial assets		(35)	(35)	(35)	(35)
Payments for financial assets held-to-maturity		-	(45,000)	-	(45,000)
Increase in loans to related parties		-	-	(895)	(1,250)
<b>Total Outflows</b>		<b>(48,747)</b>	<b>(93,146)</b>	<b>(49,395)</b>	<b>(94,038)</b>
<b>Net cash used in investing activities</b>		<b>(40,495)</b>	<b>(16,520)</b>	<b>(41,282)</b>	<b>(17,303)</b>
<b>Cash flows from financing activities</b>					
<b>Outflows:</b>					
Repayment of borrowings		(47,500)	(25,000)	(47,500)	(25,000)
Borrowings - interest repayments		(3,319)	(3,697)	(3,319)	(3,697)
Repayment of lease liabilities		(11,240)	(11,440)	(11,217)	(11,416)
<b>Total outflows</b>		<b>(62,059)</b>	<b>(40,137)</b>	<b>(62,036)</b>	<b>(40,113)</b>
<b>Net cash used in financing activities</b>		<b>(62,059)</b>	<b>(40,137)</b>	<b>(62,036)</b>	<b>(40,113)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>189,822</b>	<b>88,651</b>	<b>188,944</b>	<b>90,057</b>
Cash and cash equivalents at the beginning of reporting period		126,237	37,835	124,589	34,781
Effects of exchange rate changes on cash and cash equivalents		258	(249)	258	(249)
<b>Cash and cash equivalents at end of reporting period</b>	6	<b>316,317</b>	<b>126,237</b>	<b>313,792</b>	<b>124,589</b>

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

## Notes to the Financial Statements

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## 1. Basis of Preparation

These notes, prepared in conjunction with the financial statements, provide an explanation of significant accounting policies and practices adopted in the preparation of the statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements and notes collectively constitute a general purpose financial report prepared on an accrual basis and in accordance with Australian Accounting Standards, Australian Accounting Standards Board (AASB) interpretations, the Higher Education Support Act 2003, Financial Statement Guidelines of the Department of Education, Skills and Employment and the South Australian Treasurer's Instructions issued under the provisions of the Public Finance and Audit Act 1987 (except where in conflict with Department of Education requirements) and the Australian Charities and Not-for-profits Commission Act 2012. The University applies Tier 1 reporting requirements.

### (a) Compliance with IFRS

The University of Adelaide is a not-for-profit entity and these financial statements have been prepared on that basis. The financial statements and notes of the University comply with Australian Accounting Standards, some of which contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements.

### (b) Critical accounting estimates

Preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the University's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are property, plant and equipment, superannuation receivables and associated defined benefit obligations and provisions, contract assets and liabilities and right-of-use assets and corresponding lease liabilities. Further details are disclosed in the relevant notes to the financial statements.

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.

## 2. Scope of Reporting

The financial statements and notes disclose the 2021 operating results and 2020 comparative results of The University of Adelaide as follows:

University - refers to all aspects of operation of The University of Adelaide only.

Consolidated - refers to the financial results of The University of Adelaide together with the financial results of its controlled entities (refer to Note 31).

The controlled entities of The University of Adelaide, included in this report are:

ACN 008 123 466 Pty Ltd (Formerly Repromed Pty Ltd)

Innovation and Commercial Partners Pty Ltd (formerly Adelaide Research & Innovation Pty Ltd) as trustee for The Adelaide Research & Innovation Investment Trust

Adelaide Unicare Pty Ltd as trustee for the Unihealth Research & Development Trust

Australian Advanced Material Manufacturing Pty Ltd

Australian Centre for Plant Functional Genomics Pty Ltd

Roseworthy Campus Farm Pty Ltd (Formerly Martindale Holdings Pty Ltd) as trustee for The Roseworthy Farm

National Wine Centre Pty Ltd as trustee for the National Wine Centre Trust

### 3. Statement of Significant Accounting Policies

#### (a) Basis of Accounting

This general purpose financial report has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or current valuations of assets.

These accounting policies have been consistently applied by each entity in the Consolidated Entity, and these policies have been consistently applied to all the years presented, unless otherwise stated.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures. Where comparatives have been reclassified, the impact of this reclassification has been disclosed in the relevant note.

#### (b) Principles of Consolidation

The consolidated financial statements of the Consolidated Entity include the financial statements of the University, being the parent entity, and its controlled entities ('the Consolidated Entity'). All entities have a 31 December reporting period.

Controlled Entities are those entities over which the Consolidated Entity has control. The Consolidated Entity has control over an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Power over the entity exists when the Consolidated Entity has existing rights that give it current ability to direct the relevant activities of the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Consolidated Entity controls another entity. Returns are not necessarily monetary and can be only positive, only negative, or both positive and negative.

Where an entity either began or ceased to be controlled during the year, the results are included only from the date control commenced or up to the date control ceased.

The balances, and effects of transactions, between controlled entities have been eliminated in the consolidated financial statements. Accounting policies of controlled entities have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

#### (c) Foreign Currency

The University and its controlled entities' financial statements are prepared in Australian dollars as their primary activities are conducted within Australia where the functional currency is Australian dollars.

Foreign currency transactions are translated to Australian currency at the rates of exchange applying at the dates of the transactions and brought to account in the net operating result. Amounts receivable and payable in foreign currencies at the end of the reporting period are translated at the rates of exchange applying on that date.

#### (d) Revenue Recognition

The University is in the business of providing teaching and research services. The basis for recognising revenue for each major business activity is summarised below:

##### **Australian Government financial assistance**

The University receives funding from the Australian Government to assist with the provision of a number of services.

- **Commonwealth Grant Scheme**

Funding is received under an agreement with sufficiently specific performance obligations in providing students with tuition services for the year covered by the funding agreement. Revenue is recognised over time as students consume course tuition services.

- **Indigenous, Regional and Low-SES Attainment Fund**

Funding (excluding Tertiary Access Payments) is received under legislation with sufficiently specific performance obligations in the promise of tailored activities for a number of students identified to encourage these students into undergraduate qualifications. Revenue is recognised over time as the activities are delivered to the students.

Funding received for Tertiary Access Payments represents a contractual obligation to deliver cash to the required student. The University does not recognise revenue for Tertiary Access Payment funding received. A financial liability is recognised on receipt of this funding. This financial liability is extinguished as the University delivers on its obligation to pay the cash to the required student.

- **Indigenous Student Success Program**

Represents supplementary funding to assist the University to increase the number of Aboriginal and Torres Strait Islander people enrolling, successfully progressing and graduating. The funding received by the University represents a general pool of funds which can be used for a number of diverse activities. The University recognises revenue when it has a contractual right to receive the grant.

- **National Priorities and Industry Linkage Fund**

Represents supplementary funding to assist the University engagement with industry to increase the number of job-ready graduates through strengthening partnerships with industry, increased internships and other innovative approaches to work-integrated learning. The funding received by the University represents a general pool of funds which can be used for a number of diverse activities. The University recognises revenue when it has a contractual right to receive the grant.

- **Higher Education Loan Programmes**

Funding is generally received under legislation with sufficiently specific performance obligations in providing students with tuition services for a distinct course for a distinct period of time. Revenue is recognised across the year as students consume course tuition services.

Funding received for OS-HELP represents a contractual obligation to deliver cash to the required student. The University does not recognise revenue for OS-HELP funding received. A financial liability is recognised on receipt of this funding. This financial liability is extinguished as the University delivers on its obligation to pay the cash to the required student.

- **Education Research**

The University received funding from the Department of Education in relation to the Research Training Program and Research Support Program Schemes. These schemes provide broad guidelines for the use of funds received, providing the University with discretion in the use of funds. The University recognised funding received under these schemes as revenue when it has a right to receive the funding.

- **Research**

Research funding is received from the Australian Government under enforceable agreements and legislation. Agreements and legislation are reviewed to determine if they contain sufficiently specific performance obligations, in the form of the promise to carry out research activities in line with a mature research plan.

Where the Australian Government funded research grants contain sufficiently specific performance obligations, the research funding is recognised over the life of the grant as the research activities are performed. The University uses the expenditure on each specific research grant as the best estimate of performance of the research activities to determine the revenue to be recognised in each reporting period.

Where the Australian Government funded research grant agreements do not contain sufficiently specific performance obligations, the research funding received under these agreements is recognised at a point in time as revenue when the University has a contractual right to receive the grant.

In 2021, the University received funding of \$59.6 million (2020: \$20.8 million) from the Commonwealth Department of Health to establish the South Australian immunoGENomics Cancer Institute (SAiGENCI) which has been recognised as revenue on receipt. The recognition of this revenue in 2021 has caused the University's net operating result to be \$58.3 million higher than it would have otherwise been. Approximately, \$1.3 million (2020: \$0.2 million) of expenditure has been incurred against this funding during 2021. \$78.9 million of funding received in 2020 and 2021 will be utilised in future years to fund the operations of SAiGENCI.

**State and Local Government financial assistance**

Research funding is received from State and Local Government authorities under enforceable agreements and legislation. Agreements and legislation are reviewed to determine if they contain sufficiently specific performance obligations in the form of the promise to carry out research activities in line with a mature research plan.

Where the State and Local Government funded research grants contain sufficiently specific performance obligations the research funding is recognised over the life of the grant received as these research activities are performed. The University uses the expenditure on each specific research grant as the best estimate of performance of the research activities when determining the revenue to be recognised in each reporting period.

Where the State and Local Government funded research grant agreements do not contain sufficiently specific performance obligations the research funding received under these agreements is recognised as revenue when the University has a contractual right to receive the grant.

**HECS-Help Student Payments**

Revenue relates to undergraduate programs, graduate and professional degree programs and continuing education and executive programs in providing students with tuition services for a distinct course for a distinct period of time. Revenue is recognised over time as students consume course tuition services.

## **Fees and Charges**

- **Course fees and charges**

The course fees and charges revenue relates to undergraduate programs, graduate and professional degree programs and continuing education and executive programs. Revenue is recognised over time as and when the course is delivered to students.

Where fees have been paid in advance by students or the University has received the government funding in advance (e.g. before starting the academic period) the University recognises a liability until the services are delivered. The University does not have obligations to return or refund fees to students post census date.

- **Non-course fees and charges**

- **Student services and amenities fees (SSAF)**

SSAF revenue is received under the enforceable provisions in the Higher Education Legislation Amendment (Student Services and Amenities) Act 2011 and by the agreement between the University and student to provide services and amenities which form part of the University experience. Sufficiently specific performance obligations exist in the form of the promise of providing certain services and amenities to the students who are enrolled. SSAF revenue is recognised over time as the University provides the services and amenities to the students who are enrolled.

- **Rental charges and accommodation fees**

Rental charges and accommodation fees revenue is received under the enforceable provisions in the agreement between the University and student to provide the accommodation services. Sufficiently specific performance obligations exist in the form of the promise of providing certain accommodation services to the students who are enrolled. Rental charges and accommodation fees are recognised over time as the University provides the services to the students.

- **Parking fees**

Parking fees are received under enforceable agreements with customers, where sufficiently specific performance obligations exist in the form of providing on campus carparking over specified time periods. Revenue is recognised over time as the University provides the parking services to customers.

The University recognises revenue on the remaining categories of Non-course fees and charges when the cash is received from the customer.

## **Interest and Investment Income**

Interest and income from investments are recognised as they accrue (refer to Note 3(l)).

## **Royalties, trademarks and licences**

Revenue from royalties, trademarks and licences is recognised as income on receipt.

## **Consultancy and Contract Research**

Consultancy and Contract Research funding is received under agreements with sufficiently specific performance obligations in the form of the promise to carry out research activities. Revenue for Consultancy and Contract Research funding is generally recognised over the life of the grant received as these research activities are performed. The University uses the expenditure on each specific research grant as the best estimate of performance of the research activities when determining the revenue to be recognised in each reporting period.

In a small number of cases, agreements with funders do not require the funder to have access to research data until the completion of the research activities. In these cases, the University recognises all research revenue and expenditure for relevant agreements in the reporting period corresponding with the completion of the research activities.

## **Asset Sales**

The net gain/loss from asset sales is included in the Consolidated Entity net operating result. The profit or loss on disposal of assets is brought to account at the date the contract of sale becomes unconditional.

## **Bequests and Donations**

Bequests and donations are recognised as income in the accounting period they are received.

## **(e) Goods and Services Tax**

Revenues, expenses, assets and liabilities are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

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

## **(f) Income Tax**

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*.

**(g) Intangible Assets**

Research expenditure is expensed in the period in which it is incurred. Where no internally generated asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

Any intangible assets arising from development (or from the development phase of an internal project) are recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

All computer software other than operating systems is treated as intangible assets.

Intangible assets are stated at cost less accumulated amortisation and impairment, whereby impairment is tested annually (refer to Note 14). Amortisation is calculated on a straight-line basis over periods generally ranging from 3 to 5 years.

**(h) Employee Benefits**

• **Wages and Salaries**

The employees' entitlements to wages and salaries represent the amount which the Consolidated Entity has a present obligation to pay resulting from employees' services provided up to the end of the reporting period. The entitlements have been calculated at the wage and salary rates as at the end of the reporting period and have been recognised in payables.

• **Annual Leave**

The employees' entitlements to annual leave expected to be settled within 12 months of the end of the reporting period have been calculated at the amounts expected to be paid when the liabilities are settled and recognised in current provisions. Where the employees' entitlements to annual leave are not expected to be settled within 12 months of the end of the reporting period, the provision has been discounted to present value using the Australian Government 3 year bond rate and recognised in non-current provisions. The employee on-costs related to the annual leave provision are recognised in payables.

• **Long Service Leave**

The liability for employees' entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the end of the reporting period.

Liabilities for employees' entitlements, which are not expected to be settled within twelve months, are discounted using the rates attaching to Australian Government securities at the end of the reporting period, which most closely match the terms of maturity of the related liabilities, and recognised in non-current provisions.

In determining the liability for employees' entitlements, consideration has been given to future increases in wage and salary rates, and the Consolidated Entity's experience with staff departures. Related on-costs have been recognised in payables.

• **Superannuation**

Superannuation schemes exist to provide benefits to University employees and their dependents upon retirement, disability or death. The contributions made to these schemes by the University, and emerging costs from unfunded schemes, are expensed in the Net operating result. For defined benefit plans, the remeasurement gains and losses are recognised immediately in other comprehensive income in the year in which they occur and the liability in relation to the defined benefit obligation, net of assets, has been recognised in the Statement of Financial Position. Refer to Note 25 for details relating to the individual schemes.

• **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 Consolidated Entity recognises the expense and liability for termination benefits either when it can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring within the scope of AASB137 that involves the payment of termination benefits. The expense and liability are recognised when the Consolidated Entity is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to and acceptance provided by, the employee to encourage voluntary redundancy.

**(i) Contract Assets**

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

(j) **Receivables**

Trade receivables are held to collect contractual cash flows, representing solely payments of principal and interest. At initial recognition trade receivables are measured at their transaction price and subsequently these are classified and measured as debt instruments at amortised cost.

The impairment of trade receivables is assessed by recognising a loss allowance based on lifetime expected credit losses at each reporting date. In making such an assessment, the University considers the historical credit loss experience, adjusted for forward-looking factors specific to the debtors and economic environment.

(k) **Cash and Cash Equivalents**

Cash and cash equivalents includes cash at bank or on hand and deposits held at call with Australian deposit-taking institutions.

(l) **Other Financial Assets**

The Consolidated Entity classifies its investments into the following categories: other financial assets at amortised cost, other financial assets at fair value through profit or loss, and Investments in equity instruments designated at fair value through other comprehensive income. The classification of financial assets depends on the financial asset's contractual cash flows and whether the cash flows will result from collecting contractual cash flows, selling the financial assets, or both. The classification of the investments is made at initial recognition.

- **Other financial assets at amortised cost**

The University measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held with the objective to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The University's financial assets at amortised cost includes term deposits with financial institutions.

- **Other financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are classified as current assets in the Statement of Financial Position and are carried at fair value, with any realised and unrealised gains or losses recognised in the net operating result. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, except where the University has elected to classify equity instruments at fair value through Other Comprehensive Income.

*Endowment Fund*

The majority of specific purpose endowments received by the University to fund research activities, scholarships, prizes and lectures are included in the Endowment Fund. This Fund is invested in cash deposits and longer term investments managed by independent investment managers. These investments are reported in non-current financial assets in the Statement of Financial Position as other financial assets fair valued through profit or loss at market values obtained from the investment managers.

- **Investments in equity instruments designated at fair value through other comprehensive income**

Upon initial recognition, the University has elected to classify its equity instruments at fair value through other comprehensive income. The classification is determined on an instrument-by-instrument basis. Any future gains and losses on these financial assets will not be recognised in the net operating result.

On 11 March 2021, Education Australia Limited and IDP Education Limited ("IDP") announced a proposed transaction that would involve the 38 Australian University shareholders of Education Australia Limited, including the University, restructuring the 40% shareholding Education Australia Limited held in IDP. This proposal was approved by all 38 shareholders at an Education Australia Limited extraordinary general meeting held on 13 April 2021.

On 26 August 2021, Education Australia Limited completed a block trade of its shares in IDP, resulting in the University receiving an in-specie fully franked distribution of 1,831,159 IDP shares on 30 August 2021 valued at \$53.1 million and a fully franked cash dividend of \$5.3 million on 28 September 2021. The University has also recognised the \$25.0 million franking credit refund to be received in 2022 as a receivable. 50% of the IDP shares received are subject to a 6 month escrow period, whilst the remaining 50% of IDP shares received are subject to a 12 month escrow period.

The University has elected to recognise this transaction through other comprehensive income as it considers that the dividends, and associated franking credits, represents a recovery of the cost of investment that is intrinsically linked to the wind down of Education Australia Limited, as considered under AASB 9 Financial Instruments. On 31 December 2021, the University's shares in IDP were valued at \$63.4 million.

(m) **Derivative Financial Instruments**

The Consolidated Entity enters into interest rate swaps (Derivative financial instruments) to manage its exposure to movements in interest rates on its borrowings.

In addition, the Consolidated Entity enters into foreign currency swaps (Derivative financial instruments) to manage its exposure to movements in exchange rates on its capital expenditure.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised as an asset or liability as the swaps are effective hedging instruments.

The fair value of hedging derivatives is classified as a non-current asset or a non-current liability if the remaining maturity of the hedge relationship is more than 12 months and as a current asset or a current liability if the remaining maturity of the hedge relationship is less than 12 months.

#### Hedge accounting

The Consolidated Entity has designated the interest rate and foreign currency swaps as cash flow hedges.

At the inception of the hedge relationship the entity documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Consolidated Entity documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting cash flows of the hedged item.

#### Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in the Statement of Comprehensive Income. The gain or loss relating to the ineffective portion is recognised immediately in the net operating result. During December 2021, the University fully repaid its borrowings, resulting in the interest rate swaps held as cash flow hedges against the borrowing interest payments becoming an ineffective hedge instruments. The University has recognised an unrealised loss on interest rate swaps of \$8.4 million in the net operating result as at 31 December 2021 to account for the ineffective portion of this hedge. As at 31 December 2020 there were no ineffective hedge instruments.

Amounts deferred in equity are recorded in the net operating result in the periods when the hedged item is recognised in the net operating result. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Hedge accounting is discontinued when the Consolidated Entity revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the net operating result. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in other comprehensive income is recognised immediately in the net operating result.

#### **(n) Fair Value Measurement**

The fair value of assets and liabilities must be measured for recognition and disclosure purposes.

The Consolidated Entity classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value of financial assets or liabilities traded in active markets is based on quoted market prices for identical assets or liabilities at the end of the reporting period (level 1). The quoted market price used for assets held by the Consolidated Entity is the most representative of fair value in the circumstances within the bid-ask spread.

The fair value of financial assets or liabilities that are not traded in an active market is determined using valuation techniques. The Consolidated Entity uses a variety of methods and makes assumptions that are based on market conditions existing at the end of the reporting period. Quoted market prices or dealer quotes for similar instruments (level 2) are used for long-term debt instruments held. Other techniques that are not based on observable market data (level 3) are used to determine fair value for the remaining assets and liabilities. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the end of the reporting period. The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Fair value measurement of non-financial assets is based on the highest and best use of the asset. The Consolidated Entity considers market participants use of, or purchase of the asset, to use it in a manner that would be highest and best use.

The carrying value less impairment provision of trade receivables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Consolidated Entity for similar financial instruments.

(o) **Investments in Business Undertakings**

- **Controlled Entities**

Investments in controlled entities are carried in the University's financial statements at fair value. Dividends and distributions are brought to account in the net operating result when they are declared by the controlled entities.

The University elected to classify its controlled entity investments as fair value through other comprehensive income on adoption of AASB 9 (refer to Note 3(l)) on 1 January 2018.

- **Joint Arrangements**

Where the Consolidated Entity has joint control of an entity, the Consolidated Entity interests are accounted for using the equity method, based on management reports.

- **Other Business Undertakings**

The Consolidated Entity holds a number of investments. In the case of publicly listed investments, these have been valued at market value. In the case of non publicly listed investments, the investment is carried at management valuations based on externally obtained valuations or the University's share of the net tangible assets of the investment entity.

(p) **Inventories**

- **Consumable Materials and Trading Stock**

The University has a number of inventory stores at several locations. These inventory purchases are treated as consumables and expensed in the year of purchase. Where controlled entities have reported consumable materials or trading stock this is included at the lower of cost or net realisable value.

- **Livestock**

The University breeds animals for teaching and research activities and not for profit. Consequently it does not attribute a value to livestock for recording in the Statement of Financial Position. Where controlled entities have reported livestock, this is included at net realisable value.

(q) **Property, Plant and Equipment**

- **Acquisitions**

Items of property, plant and equipment are initially recorded at cost in the Statement of Financial Position (unless otherwise indicated) and depreciated in accordance with Note 3(s).

- **Revaluations**

During 2019 land and buildings were independently valued on a fair value basis in accordance with Australian Accounting Standards.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation.

Increases in the carrying amounts arising on revaluation of land and buildings, library collection and works of art are credited to capital reserves in equity within the Statement of Financial Position except to the extent that they reverse previous reductions in the carrying amounts which were charged to the net operating result. Decreases that reverse previous increases of the same class of asset are first charged against the capital reserves in equity to the extent of the remaining reserve attributable to the class of asset. All other decreases are charged to the net operating result.

The University did not elect to apply the revaluation model to right-of-use assets.

- **Disposal of Revalued Assets**

The gain or loss on disposal of revalued assets is calculated as the difference between the carrying amount of the asset at the time of disposal and the proceeds on disposal and is included in the results in the year of disposal.

- **Land and Buildings**

The University differentiates between "trust" and "other" land and buildings. "Trust" land is land provided to the University by Government to be held in trust for the specific purpose of operating the University, or acquired by settlement under a binding trust. Buildings constructed on land classified as "trust" land are classified as "trust" buildings.

All land and buildings are recorded at fair value which has been assessed via an independent valuation on the basis of market value for existing use or where this is not suitable, the depreciated replacement cost. The valuation of land and buildings has been carried out by Mr Mitch Ekonomopoulos, AAPI, and Mr Nicholas Fein, BE of AssetVal Pty Ltd on 31 December 2019.

- **Collections**

The University owns a number of collections of cultural, historical and scientific significance. Many of these collections are unique or extremely rare. The University is not able to reliably measure the value of these collections and therefore has not recognised them as an asset in the Statement of Financial Position. Furthermore, collections which are irreplaceable (excluding works of art) are not covered by University insurance due to difficulty in determining an insurable value, the costs associated with deriving such a value, and the premium load an insurer would require to carry such a risk.

- **Works of Art**  
Works of art \$2,000 and greater, are recorded at fair value on the basis of an independent valuation carried out by Ms Kate Oster PGDip. Art Curatorship, BA Theodore Bruce Auctions Pty Ltd on 31 December 2020. No provision for depreciation is made for works of art.

- **Right of Use Lease Assets**

The University leases many assets including land and buildings, vehicles and technology equipment. The leases are for the purpose of administrative, research and teaching activities to fulfil the objectives of the University.

The University of Adelaide has chosen, on a lease-by-lease basis, to measure the related right-of-use asset at an amount equal to the lease liability, comprising all amounts which are considered to be lease payments, adjusted by the amount of any prepaid or accrued lease payments relating to that lease.

(r) **Impairment of Assets**

The Consolidated Entity assesses at the end of the reporting period whether there is objective evidence that an asset or group of assets is impaired. This assessment has included consideration of impacts due to COVID-19.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the net operating result for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if changes in circumstances indicate they might be impaired. An impairment loss is recognised if the carrying amount of the asset or its related cash-generating-unit (CGU) exceeds its recoverable amount.

(s) **Depreciation and Amortisation**

Depreciation on buildings is calculated on a straight line basis. Depreciation is provided on other property, plant and equipment, excluding land and works of art, on a straight line basis so as to write off the net cost or other revalued amount of each asset over its remaining expected useful life. Leasehold improvements are amortised over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method. The following estimated useful lives are used in the calculation of depreciation/amortisation:

• Buildings	80 – 100 years
• Leasehold improvements	5 – 50 years
• Plant and equipment including motor vehicles	5 – 10 years
• Right of use lease assets	5 – 50 years

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

(t) **Repairs and Maintenance**

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

(u) **Workers' Compensation**

The University is responsible for payments of workers' compensation claims and is registered with the ReturnToWorkSA as an exempt employer.

The actuarial assessment of the provision for workers' compensation claims has been prepared by Brett & Watson Pty Ltd using the Case Estimation Methodology. This methodology comprises the assessment of individual independent case estimates of all open claims. A separate allowance for incurred but not reported claims (IBNR), unforeseen escalation of the case estimates and re-opening of finalised claims is then made.

(v) **Payables**

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(w) **Contract Liabilities**

Contract liabilities represent research and teaching grants for which funding has been received by the University and student fees paid in advance, to provide future services to funding providers and students.

(x) **Salaries and Related Expenses**

Items attributed to salaries and related expenses include salaries and wages, employee entitlements and other costs incidental to the employment of staff such as professional development costs and fringe benefits tax.

(y) **Borrowings and Borrowing Costs**

Borrowings are classified as current liabilities unless the Consolidated Entity has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period and does not expect to settle the liability for at least 12 months after the end of the reporting period. Borrowing costs are expensed as incurred.

(z) **Rounding**

All amounts in this report are rounded to the nearest thousand dollars.

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>4. Revenue from continuing operations</b>					
Received under Higher Education Support Act					
<b>Base operating financial assistance</b>					
Commonwealth Grants Scheme (Commonwealth supported places)		182,059	172,536	182,059	172,536
		<b>182,059</b>	<b>172,536</b>	<b>182,059</b>	<b>172,536</b>
<b>Other operating financial assistance</b>					
Other operating financial assistance		7,859	3,623	7,859	3,623
		<b>7,859</b>	<b>3,623</b>	<b>7,859</b>	<b>3,623</b>
<b>Higher Education Contribution Scheme</b>					
HECS-HELP student upfront payments		8,584	8,537	8,584	8,537
Australian Government financial assistance		111,765	116,076	111,765	116,076
		<b>120,349</b>	<b>124,613</b>	<b>120,349</b>	<b>124,613</b>
		<b>310,267</b>	<b>300,772</b>	<b>310,267</b>	<b>300,772</b>
<b>Student fee income includes:</b>					
<b>Fee paying student revenue received</b>					
<b>Award courses</b>					
Australian fee paying undergraduate students		234	604	234	604
Australian fee paying postgraduate students		4,462	2,994	4,462	2,994
International fee paying students		253,703	254,148	253,703	254,148
		<b>258,399</b>	<b>257,746</b>	<b>258,399</b>	<b>257,746</b>
<b>Non award courses</b>					
Continuing education		-	162	-	162
Australian fee paying		2,855	4,703	2,855	4,703
Other teaching service fees		8,341	4,842	8,341	4,842
		<b>11,196</b>	<b>9,707</b>	<b>11,196</b>	<b>9,707</b>
<b>Non-course income</b>					
Student services and amenities fees		2,584	3,410	2,584	3,410
		<b>2,584</b>	<b>3,410</b>	<b>2,584</b>	<b>3,410</b>
		<b>272,179</b>	<b>270,863</b>	<b>272,179</b>	<b>270,863</b>
<b>Australian Government financial assistance</b>					
FEE-HELP		23,577	15,167	23,577	15,167
SA-HELP		3,615	3,461	3,615	3,461
		<b>299,371</b>	<b>289,491</b>	<b>299,371</b>	<b>289,491</b>
<b>Learning and teaching grants</b>					
Learning and teaching grants		21,346	17,306	21,346	17,306
		<b>21,346</b>	<b>17,306</b>	<b>21,346</b>	<b>17,306</b>
		<b>320,717</b>	<b>306,797</b>	<b>320,717</b>	<b>306,797</b>

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>4. Revenue from continuing operations - continued</b>					
<b>Investment revenue</b>					
Interest income					
Debt instruments at amortised cost		1,813	937	1,814	921
Dividends received from equity instruments designated at fair value through Other Comprehensive Income		1,949	6,621	1,949	6,621
Distributions from controlled entities designated at fair value through Other Comprehensive Income		-	-	452	212
Other investment gains and losses					
Net realised gain on endowment fund investments designated as fair valued through profit or loss		10,099	11,979	10,099	11,979
Net unrealised gain on endowment fund investments designated as fair valued through profit or loss		36,844	1,133	36,844	1,133
Gain on sale of shares		-	567	-	567
Royalties, trademarks and licences		6,689	4,763	6,689	4,763
		<b>57,394</b>	<b>26,000</b>	<b>57,847</b>	<b>26,196</b>
<b>Property revenue</b>					
Rental charges/accommodation fees		7,524	8,514	7,115	8,076
Parking fees		1,317	1,618	1,317	1,618
Building development and maintenance recovery		4,514	1,555	4,514	1,555
Other property revenue		721	2,066	721	2,066
		<b>14,076</b>	<b>13,753</b>	<b>13,667</b>	<b>13,315</b>
<b>Specialist services and trading</b>					
Consultancy fees		4,571	5,093	4,571	5,093
Library charges and fines		52	34	52	34
Sale of services		24,967	23,435	9,625	8,788
Sale of goods		4,092	3,702	2,543	2,886
Sponsorship and conference income		1,288	1,796	1,288	1,796
Other specialist services and trading		1,701	1,586	1,701	1,586
		<b>36,671</b>	<b>35,646</b>	<b>19,780</b>	<b>20,183</b>
<b>Bequests, donations and other revenue</b>					
Bequests and donations received for:					
Research		6,849	6,256	6,849	6,256
General operational purposes		4,130	4,160	4,130	4,160
		<b>10,979</b>	<b>10,416</b>	<b>10,979</b>	<b>10,416</b>
Prizes and scholarships		3,554	6,251	3,554	6,251
Recharge of costs to other organisations		2,626	874	2,626	874
International Student Repatriation		3	-	3	-
Management fees		5,143	5,550	5,143	5,550
Franchise fees		286	331	286	331
Bad debts recoveries		235	3	235	3
Insurance claim recovery		2,940	32	2,940	32
Salary recharges		1,824	1,423	1,824	1,423
AusAid Scholarships & stipends		691	1,683	691	1,683
Net foreign exchange gain		258	-	258	-
Net gain on disposal of assets		-	64	-	64
Net gain on lease make good		434	-	434	-
Other revenue		1,779	1,323	1,776	1,169
		<b>30,752</b>	<b>27,950</b>	<b>30,749</b>	<b>27,796</b>
<b>Share of other comprehensive income of joint ventures accounted for using the equity method</b>					
Joint ventures		(156)	(23)	(156)	58
		<b>(156)</b>	<b>(23)</b>	<b>(156)</b>	<b>58</b>

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>5. Expenses from continuing operations</b>					
<b>Salaries and related expenses</b>					
<b>Salaries and related expenses - Academic</b>					
Salaries		203,818	205,208	203,818	205,208
Contributions to superannuation and pension schemes					
Contributions to funded schemes		33,718	33,046	33,718	33,046
Contributions to unfunded schemes		5	42	5	42
Payroll tax		13,729	13,071	13,729	13,071
Annual leave		15,172	16,689	15,172	16,689
Long service leave		3,099	6,091	3,099	6,091
Workers' compensation		769	445	769	445
Other		3,717	2,436	3,717	2,436
Redundancy expenses		662	11,451	662	11,451
<b>Total academic salaries and related expenses</b>		<b>274,689</b>	<b>288,479</b>	<b>274,689</b>	<b>288,479</b>
<b>Salaries and related expenses - Non-academic</b>					
Salaries		181,516	189,312	174,471	181,937
Contributions to superannuation and pension schemes					
Contributions to funded schemes		30,402	31,033	29,722	30,391
Contributions to unfunded schemes		5	31	5	31
Payroll tax		11,787	15,420	11,655	15,323
Annual leave		14,138	16,208	13,817	15,767
Long service leave		2,883	5,470	2,790	5,337
Workers' compensation		529	83	529	83
Other		5,760	3,457	5,683	3,425
Redundancy expenses		15,136	12,122	15,136	12,122
<b>Total non-academic salaries and related expenses</b>		<b>262,156</b>	<b>273,136</b>	<b>253,808</b>	<b>264,416</b>
<b>Total salaries and related expenses</b>		<b>536,845</b>	<b>561,615</b>	<b>528,497</b>	<b>552,895</b>
<b>Teaching and research</b>					
Agriculture, animals and cropping		2,910	3,002	2,910	3,002
Books, subscriptions and printed material		15,240	14,602	15,240	14,602
Laboratory expenses		17,608	19,081	17,608	19,081
Research transfer to other institutions		44,823	38,616	44,823	38,616
Other teaching and research		39,853	30,498	39,853	30,496
		<b>120,434</b>	<b>105,799</b>	<b>120,434</b>	<b>105,797</b>
<b>Buildings and grounds</b>					
Cleaning and security		12,436	13,222	12,139	12,881
Property maintenance		20,818	18,379	20,660	18,212
Building leases and rent		2,828	1,441	2,677	1,117
Real estate short term and low value leases		1,359	997	1,359	997
Utilities		14,996	16,412	14,706	16,137
		<b>52,437</b>	<b>50,451</b>	<b>51,541</b>	<b>49,344</b>

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>5. Expenses from continuing operations - continued</b>					
<b>Finance costs</b>					
Interest		2,097	3,498	2,097	3,497
Finance charges		547	592	547	592
Net unrealised loss on Interest Rate Swaps		8,370	-	8,370	-
Interest expense on lease liabilities		1,126	1,232	1,126	1,230
Loss on sale of shares		11	-	11	-
		<b>12,151</b>	<b>5,322</b>	<b>12,151</b>	<b>5,319</b>
<b>Administration, communication and travel</b>					
Consultants & specialist services		24,239	23,059	20,056	17,906
Fees & licenses		36,759	37,120	36,679	37,044
Insurance		3,706	3,247	3,632	3,174
Administration & communication		11,176	9,927	7,859	7,329
Equipment short term and low value leases		734	416	734	416
Publicity and fundraising		6,358	4,876	6,161	4,747
Travel, accommodation & entertainment		6,154	6,587	6,138	6,572
		<b>89,126</b>	<b>85,232</b>	<b>81,259</b>	<b>77,188</b>
<b>Finance and fund administration</b>					
<b>Bad and doubtful debts</b>					
Student loans		19	-	19	-
Student tuition		4,055	3,092	4,055	3,092
Other debtors		65	489	967	1,540
		<b>4,139</b>	<b>3,581</b>	<b>5,041</b>	<b>4,632</b>
Management and merchant fees		641	745	641	745
Fringe benefit tax payments		446	368	446	368
Other		45	354	45	354
		<b>5,271</b>	<b>5,048</b>	<b>6,173</b>	<b>6,099</b>
<b>Misc equip, dep'n and net loss on disposal of assets includes:</b>					
<b>Amortisation of intangible assets</b>					
Software		<b>10,549</b>	<b>12,837</b>	<b>10,549</b>	<b>12,837</b>
<b>Amortisation</b>					
Leasehold improvements	3(s)	1,374	1,436	1,359	1,392
		<b>11,923</b>	<b>14,273</b>	<b>11,908</b>	<b>14,229</b>
<b>Depreciation</b>					
Buildings	3(s)	36,113	35,593	36,023	35,503
Plant, equipment and motor vehicles		16,194	17,189	15,884	16,917
Right-of-use lease assets		10,773	11,190	10,751	11,161
		<b>63,080</b>	<b>63,972</b>	<b>62,658</b>	<b>63,581</b>
		<b>75,003</b>	<b>78,245</b>	<b>74,566</b>	<b>77,810</b>
Non-capitalised equipment		11,694	11,378	11,692	11,367
Net loss on disposal of assets		1,091	-	1,237	-
		<b>87,788</b>	<b>89,623</b>	<b>87,495</b>	<b>89,177</b>

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>6. Cash and Cash Equivalents</b>	3(k)				
Cash at bank or on hand		236,317	46,237	233,792	44,589
Short term deposits at call		80,000	80,000	80,000	80,000
		<b>316,317</b>	<b>126,237</b>	<b>313,792</b>	<b>124,589</b>

<b>7. Receivables</b>	3(j)				
<b>Current</b>					
Student tuition fees		10,536	11,259	10,536	11,259
Less: provision for impaired receivables		(6,545)	(3,402)	(6,545)	(3,402)
		<b>3,991</b>	<b>7,857</b>	<b>3,991</b>	<b>7,857</b>
Trade and sundry debtors		52,777	25,682	52,399	24,366
Less: provision for impaired receivables		(527)	(572)	(492)	(563)
		<b>52,250</b>	<b>25,110</b>	<b>51,907</b>	<b>23,803</b>
Student loans		11	29	11	29
Less: provision for impaired receivables		(3)	(6)	(3)	(6)
		<b>8</b>	<b>23</b>	<b>8</b>	<b>23</b>
		<b>56,249</b>	<b>32,990</b>	<b>55,906</b>	<b>31,683</b>

#### Impaired receivables

The movement in the allowance for expected credit losses of receivables is as follows:

At 1 January	3,979	936	3,971	928
Net provision for expected credit losses recognised/(reversed) during the year	4,274	3,633	4,274	3,633
Receivables written off during the year as uncollectible	(1,178)	(590)	(1,205)	(590)
<b>At 31 December</b>	<b>7,075</b>	<b>3,979</b>	<b>7,040</b>	<b>3,971</b>

The creation and release of the provision for impaired receivables has been included in 'Finance and fund administration' in the Statement of Comprehensive Income. 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 it is expected that these amounts will be received in full.

<b>8. Contract Assets</b>	3(i)				
<b>Current</b>					
Australian Government financial assistance		5,595	5,560	5,595	5,560
State and Local Government financial assistance		815	170	815	170
Consultancy and contracts		1,393	633	1,393	633
Other current contract assets		1,158	818	1,158	818
<b>Total contract assets</b>		<b>8,961</b>	<b>7,181</b>	<b>8,961</b>	<b>7,181</b>

Contract assets represent research and teaching activities which have been performed in accordance with funding which is awaiting receipt.

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>9. Other Financial Assets</b>					
<b>Current</b>					
Other financial assets at amortised cost		1,168	7,122	1,168	7,122
		<b>1,168</b>	<b>7,122</b>	<b>1,168</b>	<b>7,122</b>
<b>Non-current</b>					
Other financial assets at fair value through profit or loss		392,414	346,341	392,414	346,341
Investments in equity instruments designated at fair value through other comprehensive income		92,646	72,467	105,480	85,154
<b>Total non-current other financial assets</b>		<b>485,060</b>	<b>418,808</b>	<b>497,894</b>	<b>431,495</b>
<b>Total other financial assets</b>		<b>486,228</b>	<b>425,930</b>	<b>499,062</b>	<b>438,617</b>

The University has provided loans to controlled entities totalling \$1.9 million at 31 December 2021 (2020: \$1.1 million). These loans were fully impaired at 31 December 2021 and 31 December 2020.

#### Restricted other financial assets

As at 31 December 2021, the University held financial assets subject to restrictions of \$473.3 million (2020: \$378.2 million). These amounts relate to donations and bequests from donors for the purpose of funding scholarships, prizes, foundations and endowments, shares held in IDP Education Ltd subject to escrow and funds set aside to meet the cost of the University's liability under superannuation schemes.

#### 10. Derivative Financial Instruments

##### Non-Current Liabilities

Interest rate swap contracts - cash flow hedges	<b>8,370</b>	<b>12,683</b>	<b>8,370</b>	<b>12,683</b>
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During 2007 the University entered into amortising interest rate swaps totalling \$90.0 million to manage its interest rate exposures on its planned borrowings for its North Terrace Development Strategy. The interest rate swaps were effective hedges until the borrowings were repaid in December 2021. In 2020 the revaluation of the interest rate swaps was recognised through other comprehensive income but as a result of the hedges becoming ineffective in 2021, the unrealised loss has been recognised through the net operating result in 2021.

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>11. Other Non-Financial Assets</b>					
<b>Current</b>					
Prepayments		16,057	19,898	15,989	19,825
Net investment in a lease		29	29	29	29
		<u>16,086</u>	<u>19,927</u>	<u>16,018</u>	<u>19,854</u>
<b>Non-current</b>					
Prepayments		4,199	5,040	4,199	5,040
Net investment in a lease		37	37	37	37
		<u>4,236</u>	<u>5,077</u>	<u>4,236</u>	<u>5,077</u>
<b>Total Other Non-Financial Assets</b>		<u><u>20,322</u></u>	<u><u>25,004</u></u>	<u><u>20,254</u></u>	<u><u>24,931</u></u>
<b>12. Investments Accounted for Using the Equity Method</b> 3(o)					
<b>Interests in joint ventures</b>					
Equity accounted		568	93	568	93
		<u>568</u>	<u>93</u>	<u>568</u>	<u>93</u>

### 13. Property, Plant and Equipment

Consolidated	Trust Land \$000	Other Land \$000	Trust Buildings \$000	Other Buildings \$000	WIP \$000	Leasehold Improvements \$000	Works of Art \$000	Plant and Equipment \$000	Property, Plant and Equipment \$000	Right of Use Lease Assets \$000	Total \$000
<b>As at 1 January 2020</b>											
Cost	-	-	-	-	23,640	29,940	21	254,090	307,691	-	307,691
Valuation	173,480	46,122	913,407	309,734	-	-	8,521	-	1,451,264	67,996	1,519,260
Accumulated depreciation/amortisation	-	-	-	-	-	(21,069)	-	(181,507)	(202,576)	(12,180)	(214,756)
Net book amount	<b>173,480</b>	<b>46,122</b>	<b>913,407</b>	<b>309,734</b>	<b>23,640</b>	<b>8,871</b>	<b>8,542</b>	<b>72,583</b>	<b>1,556,379</b>	<b>55,816</b>	<b>1,612,195</b>
<b>Year ended 31 December 2020</b>											
Opening net book amount	173,480	46,122	913,407	309,734	23,640	8,871	8,542	72,583	1,556,379	55,816	1,612,195
Additions	-	-	-	-	24,534	79	20	7,840	32,473	689	33,162
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	-	(460)	(79)	-	(82)	(621)	-	(621)
Revaluation surplus/(deficit)	-	-	-	-	-	-	1,755	-	1,755	-	1,755
Transfers	-	-	24,293	6,691	(35,547)	137	-	4,653	227	-	227
Depreciation/amortisation	-	-	(28,243)	(7,350)	-	(1,436)	-	(17,189)	(54,218)	(11,190)	(65,408)
Other changes:											
Reassessment of property leases	-	-	-	-	-	-	-	-	-	(3,000)	(3,000)
Closing net book amount	<b>173,480</b>	<b>46,122</b>	<b>909,457</b>	<b>309,075</b>	<b>12,167</b>	<b>7,572</b>	<b>10,317</b>	<b>67,805</b>	<b>1,535,995</b>	<b>42,315</b>	<b>1,578,310</b>
<b>As at 31 December 2020</b>											
Cost	-	-	24,293	6,691	12,167	30,077	-	264,577	337,805	67	337,872
Valuation	173,480	46,122	913,407	309,734	-	-	10,317	-	1,453,060	65,618	1,518,678
Accumulated depreciation/amortisation	-	-	(28,243)	(7,350)	-	(22,505)	-	(196,772)	(254,870)	(23,370)	(278,240)
Net book amount	<b>173,480</b>	<b>46,122</b>	<b>909,457</b>	<b>309,075</b>	<b>12,167</b>	<b>7,572</b>	<b>10,317</b>	<b>67,805</b>	<b>1,535,995</b>	<b>42,315</b>	<b>1,578,310</b>

13. Property, Plant and Equipment - continued

Consolidated	Trust Land \$000	Other Land \$000	Trust Buildings \$000	Other Buildings \$000	WIP \$000	Leasehold Improvements \$000	Works of Art \$000	Plant and Equipment \$000	Property, Plant and Equipment (owned) \$000	Right of Use Lease Assets \$000	Total \$000
<b>Year ended 31 December 2021</b>											
Opening net book amount as at 1/1/2021	173,480	46,122	909,457	309,075	12,167	7,572	10,317	67,805	1,535,995	42,315	1,578,310
Additions	-	-	-	-	32,922	-	16	13,405	46,343	4,694	51,037
Assets included in a disposal group classified as held for sale and other disposals	-	-	(154)	-	-	-	-	(919)	(1,073)	-	(1,073)
Transfers	-	-	13,812	666	(23,267)	424	-	8,365	-	-	-
Depreciation/amortisation	-	-	(28,748)	(7,365)	-	(1,374)	-	(16,194)	(53,681)	(10,773)	(64,454)
Closing net book amount	<b>173,480</b>	<b>46,122</b>	<b>894,367</b>	<b>302,376</b>	<b>21,822</b>	<b>6,622</b>	<b>10,333</b>	<b>72,462</b>	<b>1,527,584</b>	<b>36,236</b>	<b>1,563,820</b>
<b>As at 31 December 2021</b>											
Cost	-	-	38,105	7,357	21,822	30,501	16	279,378	377,179	67	377,246
Valuation	173,480	46,122	913,245	309,734	-	-	10,317	-	1,452,898	67,268	1,520,166
Accumulated depreciation/amortisation	-	-	(56,983)	(14,715)	-	(23,879)	-	(206,916)	(302,493)	(31,099)	(333,592)
Net book amount	<b>173,480</b>	<b>46,122</b>	<b>894,367</b>	<b>302,376</b>	<b>21,822</b>	<b>6,622</b>	<b>10,333</b>	<b>72,462</b>	<b>1,527,584</b>	<b>36,236</b>	<b>1,563,820</b>

### 13. Property, Plant and Equipment - continued

University	Trust Land \$000	Other Land \$000	Trust Buildings \$000	Other Buildings \$000	WIP \$000	Leasehold Improvements \$000	Works of Art \$000	Plant and Equipment \$000	Property, Plant and Equipment \$000	Right of Use Lease Assets \$000	Total \$000
<b>As at 1 January 2020</b>											
Cost	-	-	-	-	23,640	29,811	21	248,305	301,777	-	301,777
Valuation	173,480	45,092	913,407	299,846	-	-	8,521	-	1,440,346	67,929	1,508,275
Accumulated depreciation/amortisation	-	-	-	-	-	(20,999)	-	(177,661)	(198,660)	(12,180)	(210,840)
Net book amount	<b>173,480</b>	<b>45,092</b>	<b>913,407</b>	<b>299,846</b>	<b>23,640</b>	<b>8,812</b>	<b>8,542</b>	<b>70,644</b>	<b>1,543,463</b>	<b>55,749</b>	<b>1,599,212</b>
<b>Year ended 31 December 2020</b>											
Opening net book amount	173,480	45,092	913,407	299,846	23,640	8,812	8,542	70,644	1,543,463	55,749	1,599,212
Additions	-	-	-	-	24,534	-	20	7,535	32,089	689	32,778
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	-	(460)	-	-	(81)	(541)	-	(541)
Revaluation surplus/(deficit)	-	-	-	-	-	-	1,755	-	1,755	-	1,755
Transfers	-	-	24,293	6,691	(35,547)	137	-	4,653	227	-	227
Depreciation/amortisation	-	-	(28,243)	(7,260)	-	(1,392)	-	(16,917)	(53,812)	(11,161)	(64,973)
Other changes:											
Reassessment of property leases	-	-	-	-	-	-	-	-	-	(3,000)	(3,000)
Closing net book amount	<b>173,480</b>	<b>45,092</b>	<b>909,457</b>	<b>299,277</b>	<b>12,167</b>	<b>7,557</b>	<b>10,317</b>	<b>65,834</b>	<b>1,523,181</b>	<b>42,277</b>	<b>1,565,458</b>
<b>As at 31 December 2020</b>											
Cost	-	-	24,293	6,691	12,167	29,948	-	258,488	331,587	-	331,587
Valuation	173,480	45,092	913,407	299,846	-	-	10,317	-	1,442,142	65,618	1,507,760
Accumulated depreciation/amortisation	-	-	(28,243)	(7,260)	-	(22,391)	-	(192,654)	(250,548)	(23,341)	(273,889)
Net book amount	<b>173,480</b>	<b>45,092</b>	<b>909,457</b>	<b>299,277</b>	<b>12,167</b>	<b>7,557</b>	<b>10,317</b>	<b>65,834</b>	<b>1,523,181</b>	<b>42,277</b>	<b>1,565,458</b>

13. Property, Plant and Equipment - continued

University	Trust Land \$000	Other Land \$000	Trust Buildings \$000	Other Buildings \$000	WIP \$000	Leasehold Improvements \$000	Works of Art \$000	Plant and Equipment \$000	Subtotal Property, Plant and Equipment (owned) \$000	Right of Use Lease Assets \$000	Total \$000
<b>Year ended 31 December 2021</b>											
Opening net book amount as at 1/1/2021	173,480	45,092	909,457	299,277	12,167	7,557	10,317	65,834	1,523,181	42,277	1,565,458
Additions	-	-	-	-	32,922	-	16	12,740	45,678	4,694	50,372
Assets included in a disposal group classified as held for sale and other disposals	-	-	(154)	-	-	-	-	(864)	(1,018)	-	(1,018)
Transfers	-	-	13,812	666	(23,267)	424	-	8,365	-	-	-
Depreciation/amortisation	-	-	(28,748)	(7,275)	-	(1,359)	-	(15,884)	(53,266)	(10,751)	(64,017)
Closing net book amount	<b>173,480</b>	<b>45,092</b>	<b>894,367</b>	<b>292,668</b>	<b>21,822</b>	<b>6,622</b>	<b>10,333</b>	<b>70,191</b>	<b>1,514,575</b>	<b>36,220</b>	<b>1,550,795</b>
<b>As at 31 December 2021</b>											
Cost	-	-	38,105	7,357	21,822	30,372	16	272,679	370,351	-	370,351
Valuation	173,480	45,092	913,245	299,846	-	-	10,317	-	1,441,980	67,268	1,509,248
Accumulated depreciation/amortisation	-	-	(56,983)	(14,535)	-	(23,750)	-	(202,488)	(297,756)	(31,048)	(328,804)
Net book amount	<b>173,480</b>	<b>45,092</b>	<b>894,367</b>	<b>292,668</b>	<b>21,822</b>	<b>6,622</b>	<b>10,333</b>	<b>70,191</b>	<b>1,514,575</b>	<b>36,220</b>	<b>1,550,795</b>

	Note	Consolidated		Total \$000
		Other Intangible Assets \$000	Intangibles in Progress \$000	
<b>14. Intangible Assets</b>				
<b>As at 1 January 2020</b>				
Cost		118,951	3,021	121,972
Accumulated amortisation and impairment		(86,427)	-	(86,427)
Net book amount as at 1 January 2020		<u>32,524</u>	<u>3,021</u>	<u>35,545</u>
<b>Year ended 31 December 2020</b>				
Opening net book amount		32,524	3,021	35,545
Additions		-	5,702	5,702
Disposals		-	(2,178)	(2,178)
Transfer to / (from) WIP		4,006	(4,006)	-
Transfer (to) / from PPE		-	(227)	(227)
Amortisation charge		(12,837)	-	(12,837)
Closing net book amount as at 31 December 2020		<u>23,693</u>	<u>2,312</u>	<u>26,005</u>
<b>As at 31 December 2020</b>				
Cost		117,891	2,312	120,203
Accumulated amortisation and impairment		(94,198)	-	(94,198)
Net book amount as at 31 December 2020		<u>23,693</u>	<u>2,312</u>	<u>26,005</u>
<b>Year ended 31 December 2021</b>				
Opening net book amount		23,693	2,312	26,005
Additions		-	11,483	11,483
Disposals		(325)	-	(325)
Transfer to / (from) WIP		3,951	(3,951)	-
Amortisation charge		(10,549)	-	(10,549)
Closing net book amount as at 31 December 2021		<u>16,770</u>	<u>9,844</u>	<u>26,614</u>
<b>As at 31 December 2021</b>				
Cost		83,670	9,844	93,514
Accumulated amortisation and impairment		(66,900)	-	(66,900)
Net book amount as at 31 December 2021		<u>16,770</u>	<u>9,844</u>	<u>26,614</u>

		University		
	Note	Other Intangible Assets \$000	Intangibles in Progress \$000	Total \$000
<b>14. Intangible Assets - continued</b>				
<b>As at 1 January 2020</b>				
Cost		118,951	3,021	121,972
Accumulated amortisation and impairment		(86,427)	-	(86,427)
Net book amount as at 1 January 2020		<u>32,524</u>	<u>3,021</u>	<u>35,545</u>
<b>Year ended 31 December 2020</b>				
Opening net book amount		32,524	3,021	35,545
Additions		-	5,702	5,702
Disposals		-	(2,178)	(2,178)
Transfer to / (from) WIP		4,006	(4,006)	-
Transfer (to) / from PPE		-	(227)	(227)
Amortisation charge		(12,837)	-	(12,837)
Closing net book amount as at 31 December 2020		<u>23,693</u>	<u>2,312</u>	<u>26,005</u>
<b>As at 31 December 2020</b>				
Cost		117,891	2,312	120,203
Accumulated amortisation and impairment		(94,198)	-	(94,198)
Net book amount as at 31 December 2020		<u>23,693</u>	<u>2,312</u>	<u>26,005</u>
<b>Year ended 31 December 2021</b>				
Opening net book amount		23,693	2,312	26,005
Additions		-	11,483	11,483
Disposals		(325)	-	(325)
Transfer to / (from) WIP		3,951	(3,951)	-
Amortisation charge		(10,549)	-	(10,549)
Closing net book amount as at 31 December 2021		<u>16,770</u>	<u>9,844</u>	<u>26,614</u>
<b>As at 31 December 2021</b>				
Cost		83,670	9,844	93,514
Accumulated amortisation and impairment		(66,900)	-	(66,900)
Net book amount as at 31 December 2021		<u>16,770</u>	<u>9,844</u>	<u>26,614</u>

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>15. Payables</b>					
<b>Current</b>					
Accounts payable		54,597	38,406	53,165	37,220
Annual and long service leave on-costs		5,598	5,230	5,526	5,124
Accruals		5,344	5,300	5,107	5,016
Salary and related expenses payable		9,283	5,397	9,283	5,397
OS-HELP Liability to Australian Government		4,189	4,182	4,189	4,182
		<b>79,011</b>	<b>58,515</b>	<b>77,270</b>	<b>56,939</b>
<b>Non-current</b>					
Annual and long service leave on-costs		12,114	12,561	12,092	12,537
		<b>12,114</b>	<b>12,561</b>	<b>12,092</b>	<b>12,537</b>
<b>Total Payables</b>		<b>91,125</b>	<b>71,076</b>	<b>89,362</b>	<b>69,476</b>

<b>16. Contract Liabilities</b>					
<b>Current</b>					
Australian Government financial assistance		49,482	35,365	49,482	35,365
State and Local Government financial assistance		4,484	4,901	4,484	4,901
Fees and charges		25,334	25,045	25,334	25,045
Consultancy and contracts		13,218	11,883	13,218	11,883
Other current contract liabilities		2,677	3,199	2,677	3,199
		<b>95,195</b>	<b>80,393</b>	<b>95,195</b>	<b>80,393</b>
<b>Non-current</b>					
Australian Government financial assistance		78,576	55,315	78,576	55,315
State and Local Government financial assistance		7,120	7,666	7,120	7,666
Fees and charges		5,762	4,764	5,762	4,764
Consultancy and contracts		20,990	18,587	20,990	18,587
Other non-current contract liabilities		4,251	5,002	4,251	5,002
		<b>116,699</b>	<b>91,334</b>	<b>116,699</b>	<b>91,334</b>
<b>Total contract liabilities</b>		<b>211,894</b>	<b>171,727</b>	<b>211,894</b>	<b>171,727</b>

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

<b>17. Borrowings</b>					
<b>Current</b>					
Interest bearing borrowings		-	5,000	-	5,000
Lease Liabilities		9,471	9,781	9,454	9,760
		<b>9,471</b>	<b>14,781</b>	<b>9,454</b>	<b>14,760</b>
<b>Non-current</b>					
Interest bearing borrowings		10	42,510	10	42,510
Lease Liabilities		21,484	26,588	21,484	26,571
		<b>21,494</b>	<b>69,098</b>	<b>21,494</b>	<b>69,081</b>
<b>Total Borrowings</b>		<b>30,965</b>	<b>83,879</b>	<b>30,948</b>	<b>83,841</b>

The University maintains unsecured Facilities totalling \$182.5 million. During 2021 the University repaid a drawn down amount of \$47.5 million against an amortising facility and currently has no borrowings outstanding with financial institutions.

<b>18. Lease Liabilities</b>					
<b>- undiscounted contractual cash flows</b>					
Less than one year		10,293	10,812	10,276	10,789
One to five years		17,935	24,962	17,935	24,945
More than 5 years		5,545	4,528	5,545	4,528
<b>Total undiscounted contractual cash flows</b>		<b>33,773</b>	<b>40,302</b>	<b>33,756</b>	<b>40,262</b>

## 18 The University of Adelaide as Lessee - continued

### (a) Real estate leases

The University leases land and buildings for its administration, research, learning and teaching activities. The terms of the leases vary. Where leases contain extension options exercisable by the University before the end of the non-cancellable contract period, these are only recognised where it is reasonably certain they will be exercised. A reassessment is performed annually to determine whether it is reasonably certain to exercise the extension options, if there is a significant event or significant change in circumstances within its control.

The aggregate value (undiscounted) of potential future lease payments attributable to available extension options, but not considered reasonably certain to exercise and therefore not included in lease liabilities, as at balance date is approximately \$83 million (2020: \$87 million).

### (b) Other leases

The University leases vehicle, plant, technology equipment and machinery for its administration, research, learning and teaching activities. The terms of the leases vary.

### (c) Concessionary Leases

The University has elected to measure the land and building, vehicles and equipment classes of right-of-use assets at initial recognition at cost. A short-term AASB exemption on the revaluation of concessionary right-of-use assets is in place. This exemption is not indefinite and a possibility exists of future revaluations to fair value.

#### Dependencies on concessionary leases

The University in furthering its objectives is not dependent on any leases that have significantly below-market terms and conditions.

#### Nature and terms of the concessionary leases

The University leases land and buildings for some aspects of its administration, research and teaching activities, a small number of which have significantly below-market terms and conditions. The lease payments for these leases are \$1 per annum, except for one lease that has been prepaid at lease commencement. That prepayment amount equates to lease payments of \$25,000 per annum (2020: \$25,000 per annum) over the term of the lease. The majority of concessionary leases are on public land and are heritage listed. The lease terms and conditions generally specify restrictions to the permitted usage of the leased property.

	Note	Consolidated		University		
		2021 \$000	2020 \$000	2021 \$000	2020 \$000	
<b>19. Provisions</b>						
<b>Current</b>						
Workers' compensation provision		485	586	485	586	
Annual and long service leave		30,118	32,575	29,531	31,674	
		<u>30,603</u>	<u>33,161</u>	<u>30,016</u>	<u>32,260</u>	
Insurance provision		917	1,283	917	1,283	
		<u>917</u>	<u>1,283</u>	<u>917</u>	<u>1,283</u>	
		<u>31,520</u>	<u>34,444</u>	<u>30,933</u>	<u>33,543</u>	
<b>Non-current</b>						
Workers' compensation provision		895	237	895	237	
Annual and long service leave		63,932	64,017	63,819	63,875	
Defined benefit fund net liability	25(c)	3,365	6,681	3,365	6,681	
		<u>68,192</u>	<u>70,935</u>	<u>68,079</u>	<u>70,793</u>	
Lease make good provision		3,859	4,293	3,859	4,293	
		<u>72,051</u>	<u>75,228</u>	<u>71,938</u>	<u>75,086</u>	
<b>Total Provisions</b>		<u>103,571</u>	<u>109,672</u>	<u>102,871</u>	<u>108,629</u>	
		Workers' compensation provision	Annual and long service leave	Insurance Provision	Defined benefit fund net liability	Lease make good provision
		<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Movements in provisions</b>						
<b>Consolidated - current</b>						
Carrying amount at start of year		586	32,575	1,283	-	-
Additional/(reductions in) provisions recognised		(101)	(2,457)	(366)	-	-
Carrying amount at the end of the year		<u>485</u>	<u>30,118</u>	<u>917</u>	-	-
<b>Consolidated - non-current</b>						
Carrying amount at start of year		237	64,017	-	6,681	4,293
Additional/(reductions in) provisions recognised		658	(85)	-	(3,316)	(434)
Carrying amount at the end of the year		<u>895</u>	<u>63,932</u>	-	<u>3,365</u>	<u>3,859</u>
<b>Movements in provisions</b>						
<b>University - current</b>						
Carrying amount at start of year		586	31,674	1,283	-	-
Additional/(reductions in) provisions recognised		(101)	(2,143)	(366)	-	-
Carrying amount at the end of the year		<u>485</u>	<u>29,531</u>	<u>917</u>	-	-
<b>University - non-current</b>						
Carrying amount at start of year		237	63,875	-	6,681	4,293
Additional/(reductions in) provisions recognised		658	(56)	-	(3,316)	(434)
Carrying amount at the end of the year		<u>895</u>	<u>63,819</u>	-	<u>3,365</u>	<u>3,859</u>

#### Workers' compensation provision

Provision is made based on an actuarial assessment of workers' compensation estimated claims liability for future years. Refer to policy Note 3(u) Workers' Compensation.

#### 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 policy Note 3(h) Employee Benefits.

#### Insurance provision

Provision has been made for the actuarial assessment of future liability to the University for losses incurred prior to 31 December 2021 that were expected to be paid subsequent to 1 January 2022 and are below the University deductible in the University insurance policies.

#### Defined benefit fund net liability

Provision is made for the Super Scheme A 1985 Plan No 2 defined benefit obligation in accordance with AASB 119 Employee Benefits. Refer to Note 3(h) Employee Benefits and Note 25(c) The University of Adelaide Super Scheme A 1985 Plan No 2.

#### Lease make good provision

Provision has been made for the assessment of future liability to the University for make good where specified in the lease agreement of the University.

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>20. Other Liabilities</b>					
<b>Current</b>					
Income in advance		1,211	2,113	379	1,068
Grant Refunds		1,341	673	1,341	673
Collaborator Payments		4,266	1,771	4,266	1,771
Cash Scholarships		1,415	1,629	1,415	1,629
Residential bonds		327	300	327	300
Employee benefits – separation packages		15,044	22,861	15,044	22,861
Other		1,472	1,879	1,472	1,879
<b>Total Other Liabilities</b>		<b>25,076</b>	<b>31,226</b>	<b>24,244</b>	<b>30,181</b>
<b>21. Retained Surplus and Reserves</b>					
<b>21(a) Summary</b>					
<b>Capital reserves</b>					
Asset revaluation surplus		466,393	466,393	464,550	464,550
Initial asset recognition reserve		279,124	279,124	279,124	279,124
Financial assets revaluation reserve		24,356	42,010	37,190	54,697
Cash flow hedge reserve		(6)	(6)	(6)	(6)
		<b>769,867</b>	<b>787,521</b>	<b>780,858</b>	<b>798,365</b>
<b>Specific purpose reserves</b>					
Bequests/donations unspent income reserve		18,072	15,635	18,072	15,635
Restricted purpose bequest capital reserve		228,958	219,545	228,958	219,545
Endowment fund revaluation reserve		256,747	209,831	256,747	209,831
		<b>503,777</b>	<b>445,011</b>	<b>503,777</b>	<b>445,011</b>
<b>Retained surplus</b>		<b>736,373</b>	<b>510,588</b>	<b>723,628</b>	<b>498,644</b>

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>21. Reserves - continued</b>					
<b>21(b) Movements in reserves</b>					
<b>Asset revaluation surplus</b>					
Opening balance		466,393	464,719	464,550	462,795
Add revaluation increment/ (decrement) on property, plant and equipment		-	1,674	-	1,755
Closing balance		<u>466,393</u>	<u>466,393</u>	<u>464,550</u>	<u>464,550</u>
<b>Initial asset recognition reserve</b>					
Opening balance		279,124	279,124	279,124	279,124
Current year movement		-	-	-	-
Closing balance		<u>279,124</u>	<u>279,124</u>	<u>279,124</u>	<u>279,124</u>
<b>Financial assets revaluation reserve</b>					
Opening balance		42,010	31,082	54,697	45,483
Transfer (to) / from retained surplus		(67,915)	-	(67,915)	-
Current year movement		50,261	10,928	50,408	9,214
Closing balance		<u>24,356</u>	<u>42,010</u>	<u>37,190</u>	<u>54,697</u>
<b>Cash flow hedge reserve</b>					
Opening balance		(6)	-	(6)	-
Current year movement		-	(6)	-	(6)
Closing balance		<u>(6)</u>	<u>(6)</u>	<u>(6)</u>	<u>(6)</u>
<b>Bequests/donations unspent income reserve</b>					
Opening balance		15,635	12,339	15,635	12,339
Transfer (to) / from retained surplus		2,437	3,296	2,437	3,296
Closing balance		<u>18,072</u>	<u>15,635</u>	<u>18,072</u>	<u>15,635</u>
<b>Restricted purpose bequest capital reserve</b>					
Opening balance		219,545	203,738	219,545	203,738
Transfer from retained surplus		9,413	15,807	9,413	15,807
Closing balance		<u>228,958</u>	<u>219,545</u>	<u>228,958</u>	<u>219,545</u>
<b>Endowment fund revaluation reserve</b>					
Opening balance		209,831	195,635	209,831	195,635
Transfer (to) / from retained surplus		46,916	14,196	46,916	14,196
Closing balance		<u>256,747</u>	<u>209,831</u>	<u>256,747</u>	<u>209,831</u>

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>21. Reserves - continued</b>					
<b>21(c) Nature and purpose of reserves</b>					
<b>Asset revaluation surplus</b>					
Is used to record increments and decrements on the revaluation of non-current assets. Refer accounting policy note 3(q).					
<b>Initial asset recognition reserve</b>					
Represents the equity impact arising from the recognition of assets which until the first time the University prepared a set of accrual financial statements, had not previously been recognised.					
<b>Financial assets revaluation reserve</b>					
Is used to record increments and decrements on the revaluation of investments in equity instruments designated at fair value through other comprehensive income. Refer accounting policy note 3(l).					
<b>Cash flow hedge reserve</b>					
Represents the equity impact arising from ineffective cash flow hedges.					
<b>Specific purpose reserve</b>					
Represents a number of reserves generated through a series of specific purpose transactions, that can only be used in accordance with the attributes of the generating transactions. Specific purpose reserves are created for surplus funds which will be specifically acquitted in future accounting periods. Specific purpose reserves include Bequest/donations unspent income reserves, Restricted purpose bequest capital reserves and Endowment Fund revaluation reserves.					
<b>22. Reconciliation of net cash provided by operating activities to net operating result</b>					
<b>Net operating result</b>		<b>200,835</b>	<b>39,916</b>	<b>200,034</b>	<b>40,816</b>
Add/(subtract) non cash items					
Amortisation	5	11,923	14,273	11,908	14,229
Depreciation	5	63,080	63,972	62,658	63,581
Write down / (up) of investments		(46,944)	(13,113)	(46,944)	(13,113)
Other revenue/expenses		34,847	8,743	36,620	9,832
(Profit)/loss on sale of property, plant and equipment		888	522	943	522
(Profit)/loss on sale of shares		11	(567)	11	(567)
<b>Changes in assets/liabilities</b>					
(Increase)/decrease in inventories		(306)	(160)	-	-
(Increase)/decrease in receivables		(23,259)	5,068	(24,223)	5,558
(Increase)/decrease in contract assets		(1,780)	(257)	(1,780)	(257)
(Increase)/decrease in other assets		4,682	(1,634)	4,677	(1,793)
Increase/(decrease) in payables		20,049	(16,923)	19,886	(16,597)
Increase/(decrease) in contract liabilities		40,167	21,304	40,167	21,304
Increase/(decrease) in other liabilities		(6,150)	18,897	(5,937)	18,659
Increase/(decrease) in provisions		(5,667)	5,267	(5,758)	5,299
<b>Net cash provided by operating activities</b>		<b>292,376</b>	<b>145,308</b>	<b>292,262</b>	<b>147,473</b>

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>23. Commitments</b>					
<b>Operating expenditure</b>					
Contracted but not provided for and payable:					
Within one year		69,195	36,728	69,195	36,728
Between one and five years		34,563	74,695	34,563	74,695
Later than five years		943	625	943	625
<b>Total operating expenditure commitments</b>		<b>104,701</b>	<b>112,048</b>	<b>104,701</b>	<b>112,048</b>
<b>Capital commitments</b>					
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:					
<b>Property, plant and equipment</b>					
Within one year		11,530	5,346	11,530	5,346
Between one and five years		276	90	276	90
<b>Total capital commitments</b>		<b>11,806</b>	<b>5,436</b>	<b>11,806</b>	<b>5,436</b>

The operating expenditure commitments primarily relate to leases of photocopiers, computers, office equipment, maintenance contracts and affiliate funding.

The capital commitments primarily relate to future construction-based expenditure.

Upon adoption of AASB 16 future lease commitments have been recognised as Right-of-Use Assets (Note 13) and Lease Liabilities (Note 18) within the University Statement of Financial Position.

## 24. Contingencies

### (a) Guarantees

On July 1 2006 the University ceased to be a Crown exempt employer and was required to register as an exempt employer with ReturnToWorkSA and provide a bank guarantee to cover projected workers' compensation outstanding claims liabilities. Currently, the University has provided a \$1.6 million bank guarantee to ReturnToWorkSA. The amount of the guarantee was based on an actuarial assessment of the projected workers' compensation claims liabilities. The University has been advised by ReturnToWorkSA that it had approved a self-insurance renewal with an agreed renewal date of 31 December 2026.

### (b) Litigation

In the ordinary course of its operations, the University and its controlled entities become involved in legal disputes. At the date of adoption of these financial statements, some of those legal disputes remain outstanding. On legal advice, the University is of the opinion that no material losses are likely to arise on known or threatened claims or current legal disputes. Claims of an insurance nature have been covered by a provision of \$0.9 million to the extent that such claims are not covered by the University's comprehensive insurance program. Refer Note 19.

## 25. Superannuation Schemes

### (a) Categories

The University contributes to a range of superannuation schemes, which are divided into the following categories:

- (i) Those operative and open to membership:
  - UniSuper Defined Benefit Plan or Accumulation Super 2
  - Accumulation Super 1
- (ii) Those operative but closed to future membership:
  - The University of Adelaide Superannuation Scheme A 1985 Plan No 2
- (iii) State Government Schemes closed to future membership by University employees:
  - State Pension Scheme
  - State Lump Sum Scheme

### (b) UniSuper Limited Superannuation Schemes

The employees' UniSuper plan is determined by the terms of employment and is administered by UniSuper Management Pty Ltd with UniSuper Ltd as the trustee.

The employer contribution rate during 2021 for employees in either the Defined Benefit Division or Accumulation Super 2 was 14% of salaries plus 3% of salaries. The contribution to the Accumulation Super 1 and for employees only in the Accumulation Super 1 increased from 9.5% to 10% from 1 July 2021 in line with the super guarantee rate.

The operation of Clause 34 of the Trust Deed (as amended in 2006) means that the UniSuper Defined Benefit Division is considered to be a defined contribution fund for the purpose of AASB 119, allowing participating employers to treat the UniSuper Defined Benefit Division as a defined contribution fund.

Clause 34 states that where the trustee considers the assets to be insufficient to provide benefits payable under the Deed, the Trustee must consider reducing the benefits of its members on a fair and equitable basis.

As set out under paragraph 28 of AASB119 a defined contribution fund is a fund 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 2021 the assets of the Defined Benefit Division in aggregate were estimated to be \$5,070 million (30 June 2020: \$3,276 million) above vested benefits after allowing for various reserves. The Vested Benefits Index based on funding assumptions was 121.3%. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the Defined Benefit Division.

As at 30 June 2021 the assets of the Defined Benefit Division in aggregate were estimated to be \$7,339 million (30 June 2020: \$5,267 million) above accrued benefits after allowing for various reserves. The Accrued Benefits Index based on best estimate assumptions was 134.2%. The accrued benefits have been calculated as the present value of expected future benefit payments to members and indexed pensioners which arise from membership of UniSuper up to the reporting date.

The actuarial investigation of the Fund as 30 June 2021 was conducted by Mr Travis Dickson and Mr Andrew West, Fellows of the Institute of Actuaries of Australia, using the actuarial demographic assumptions outlined in their report on the actuarial investigation of the Defined Benefit Division as at 30 June 2021. The financial assumptions used were:

	Vested Benefits	Accrued Benefits
Gross of tax investment return - Defined Benefit Division pensions	5.30% p.a.	6.50% p.a.
Gross of tax investment returns - commercial rate indexed pensions	2.40% p.a.	2.40% p.a.
Net of tax investment return - non pensioner members	4.60% p.a.	5.70% p.a.
Consumer Price Index	2.00% p.a.	2.00% p.a.
Inflationary salary increases		
- For the next 3 years	2.25% p.a.	2.25% p.a.
- Beyond 3 years	2.75% p.a.	2.75% p.a.

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

## 25. Superannuation Schemes – continued

### (c) The University of Adelaide Superannuation Scheme A 1985 Plan No 2

The University of Adelaide Superannuation Scheme A 1985 Plan No 2 (the Plan) is a defined benefit plan in accordance with AASB 119 Employee Benefits that provides superannuation benefits for employees who had not transferred to UniSuper. The Plan commenced on 1 November 2018 as part of the Corporate Category of the AMP Superannuation Savings Trust, after the assets and liabilities of the University of Adelaide Superannuation Scheme A 1985 were transferred to the Plan with effect from that date. The Plan is governed by a separate trust deed and the general laws relating to trusts and superannuation.

#### **Nature of the benefits provided by the Scheme**

Defined benefit members receive lump sum benefits on retirement, death, disablement. Members are also eligible for pension benefits. The Plan is closed to new members.

#### **Description of the regulatory framework**

The Superannuation Industry (Supervision) (SIS) legislation governs the superannuation industry and provides the framework within which superannuation plans operate. The SIS Regulations require an actuarial valuation to be performed for each defined benefit superannuation plan every three years, or every year if the plan pays defined benefit pensions unless an exemption has been obtained from the Australian Prudential Regulation Authority.

#### **Description of other entities' responsibilities for the governance of the Scheme**

The Plan's Trustee is responsible for the governance of the Plan. The Trustee has a legal obligation to act solely in the best interests of the Plan beneficiaries. The Trustee has the following roles:

- Administration of the Plan and payment to the beneficiaries from Plan assets when required in accordance with the Plan rules.
- Management and investment of the Plan assets; and
- Compliance with superannuation law and other applicable regulations.

The prudential regulator, the Australian Prudential Regulation Authority (APRA), licenses and supervises regulated superannuation plans.

#### **Description of risks**

There are a number of risks to which the Plan exposes the University. The more significant risks relating to the defined benefits are:

- **Investment risk** - The risk that investment returns will be lower than assumed and the University will need to increase contributions to offset this shortfall.
- **Legislative risk** - The risk is that legislative changes could be made which increase the cost of providing the defined benefits.
- **Pension risk** - The risk is firstly that pensioner mortality will be lighter than expected, resulting in pensions being paid for a longer period. Secondly, that the last remaining active member will elect to take a pension benefit, which is generally more valuable than the corresponding lump sum benefit.
- **Inflation risk** - The risk that inflation is higher than anticipated, increasing pension payments, and thereby requiring additional employer contributions.

The defined benefit assets are invested in 11 specialist pool investment vehicles plus cash holdings. The assets have a 56% weighting to equities and therefore the Plan has a significant concentration of equity market risk. However, within the equity investments, the allocation both globally and across the sectors is diversified.

#### **Description of significant events**

There were no plan amendments affecting the defined benefits payable, curtailments or settlements during the year.

## 25. Superannuation Schemes – continued

### (c) The University of Adelaide Superannuation Scheme A 1985 Plan No 2 - continued

	Note	2021 \$000	2020 \$000
<b>Reconciliation of the Net Defined Benefit Liability/(Asset)</b>			
Net defined benefit liability/(asset) at the beginning of the year		6,681	7,465
Add			
Current service costs		147	173
Net interest		72	98
Actuarial (gains) / losses arising from changes in financial assumptions		(1,908)	801
Actuarial (gains) / losses arising from liability experience		377	(82)
Actuarial (gains) / losses arising from changes in demographic assumptions		-	(1,486)
Less			
Actual return on Plan assets less interest income		(1,587)	-
Employer contributions		(417)	(288)
Net defined benefit liability/(asset) at the end of the year		<u>3,365</u>	<u>6,681</u>
<b>Reconciliation of the defined benefit obligation</b>			
Present value of defined benefit obligations at the beginning of the year		22,121	23,546
Add			
Current service costs		147	173
Interest expense		258	322
Contributions by Plan participants		1	5
Actuarial (gains) / losses arising from changes in financial assumptions		(1,908)	801
Actuarial (gains) / losses arising from liability experience		377	(82)
Actuarial (gains) / losses arising from changes in demographic assumptions		-	(1,486)
Less			
Benefits paid		(1,215)	(1,022)
Taxes, premiums and expenses paid		(104)	(136)
Present value of defined benefit obligations at the end of the year		<u>19,677</u>	<u>22,121</u>
<b>Reconciliation of the fair value of Plan assets</b>			
Fair value of Plan assets at the end of the year		15,440	16,081
Add			
Interest income		186	224
Actual return on Plan assets less interest income		1,587	-
Employer contributions		417	288
Contributions by Plan participants		1	5
Less			
Benefits paid		(1,215)	(1,022)
Taxes, premiums and expenses paid		(104)	(136)
Fair value of Plan assets at the end of the year		<u>16,312</u>	<u>15,440</u>
<b>Reconciliation of the Assets and Liabilities recognised in the Statement of Financial Position</b>			
Defined benefit obligation including contributions tax provision		19,677	22,121
Less			
Fair value of Plan assets		(16,312)	(15,440)
Defined benefit fund net liability	19	<u>3,365</u>	<u>6,681</u>
<b>Expense recognised in the Statement of Comprehensive Income</b>			
Service cost		147	173
Net interest		72	98
Defined benefit cost recognised in Net operating result		<u>219</u>	<u>271</u>
<b>Amounts recognised in Other Comprehensive Income</b>			
Actuarial (gains) / losses		(1,531)	(767)
Actual return on Plan assets less interest income		(1,587)	-
Total remeasurements recognised in Other Comprehensive Income		<u>(3,118)</u>	<u>(767)</u>
<b>Reconciliation of the Effect of the Asset Ceiling</b>			
The asset ceiling has no impact on the net defined benefit liability.			

**25. Superannuation Schemes – continued**

(c) **The University of Adelaide Superannuation Scheme A 1985 Plan No 2 - continued**

**Fair value of Scheme assets**

**As at 31 December 2021**

	<b>2021</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Asset Category</b>				
Investment Funds	16,312	-	16,312	-
	<b>16,312</b>	<b>-</b>	<b>16,312</b>	<b>-</b>

**As at 31 December 2020**

	<b>2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Asset Category</b>				
Investment Funds	15,440	-	15,440	-
	<b>15,440</b>	<b>-</b>	<b>15,440</b>	<b>-</b>

**Scheme assets**

The percentage invested in each asset class at the reporting date:

	<b>2021</b>	<b>2020</b>
Australian equity	40%	39%
International equity	16%	15%
Fixed income	10%	10%
Property	8%	8%
Alternatives/Other	1%	1%
Cash	25%	27%

**Fair value of University's own financial instruments**

The fair value of Plan assets does not include amounts relating to any of the University's own financial instruments or any property occupied by, or other assets used by, the University.

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Actual return on Plan assets</b>	<b>1,773</b>	<b>224</b>

**Significant actuarial assumptions at the balance date**

**Assumptions to determine Defined Benefit Cost**

Discount rate	1.30%	1.60%
Expected pension increase rate	2.00%	2.00%
Pensioner mortality	2020: Mercer Standard Retiree Pensioner Mortality rates 2005-2009 2021: Mercer Standard Retiree Pensioner Mortality rates 2012-2017	

**Assumptions to determine Defined Benefit Obligation**

Discount rate	1.30%	1.30%
Expected pension increase rate	2.00%	2.00%
Pensioner mortality	Mercer Standard Retiree Pensioner Mortality rates 2012-2017	

## 25. Superannuation Schemes – continued

### (c) The University of Adelaide Superannuation Scheme A 1985 Plan No 2 - continued

#### Sensitivity Analysis

The defined benefit obligation as at 31 December 2021 under several scenarios is presented below.

Scenario A and B relate to discount rate sensitivity. Scenario C and D relate to pension rate sensitivity. Scenario E and F relate to sensitivities on pension mortality.

Scenario A: 0.5% pa lower discount rate assumption

Scenario B: 0.5% pa higher discount rate assumption

Scenario C: 0.25% pa lower pension increase rate assumption

Scenario D: 0.25% pa higher pension increase rate assumption

Scenario E: 10% lower pensioner mortality rate assumption

Scenario F: 10% higher pensioner mortality rate assumption

	Base Case	A	B	C	D
		-0.5% pa discount rate	+0.5% pa discount rate	-0.25% pa pension increase rate	+0.25% pa pension increase rate
Discount rate	2.00%	1.50%	2.50%	2.00%	2.00%
Pension increase rate	2.00%	2.00%	2.00%	1.75%	2.25%
Defined benefit obligation <sup>^</sup> (\$'000)	19,677	20,980	18,485	19,092	20,286

	Base Case	E	F
		10% lower pensioner mortality rate	10% higher pensioner mortality rate
Pensioner mortality (MSRP*)	100%	90%	110%
Defined benefit obligation <sup>^</sup> (\$'000)	19,677	20,505	18,946

<sup>^</sup> includes defined benefit contributions tax provision

\* Mercer Standard Retiree Pensioner Mortality rates 2012-2017

The defined benefit obligation has been recalculated by changing the assumptions as outlined above, whilst retaining all other assumptions.

#### Asset-Liability matching strategies

No asset and liability matching strategies have been adopted by the Plan.

#### Expected contributions

Employer contributions are made into the fund based on actuarial advice. There are no expected employer contributions for the year ended 31 December 2022 (2021: \$0.3 million).

#### Maturity profile of defined benefit obligation

The weighted average duration of the defined benefit obligation as at 31 December 2021 is 12 years.

Expected benefit payments for the financial year ending on	\$'000
31 December 2022	1,419
31 December 2023	1,037
31 December 2024	1,032
31 December 2025	1,027
31 December 2026	1,021
Following 5 years	4,922

## 25. Superannuation Schemes – continued

### (d) State Government Superannuation Schemes

In 1991, employees of the City Campus of the South Australian College of Advanced Education and Roseworthy Agricultural College were transferred to the University. Their terms of appointment to the University protected their membership of the State Pension Scheme and State Lump Sum Scheme. The schemes are administered by Super SA on behalf of the South Australian Superannuation Board. The schemes provide defined benefits and are mainly unfunded. The only employer contributions made in 2021 were 3% of salaries, and remaining benefits are met on an emerging cost basis.

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

An actuarial assessment of the University's superannuation liability with respect to future benefits for current employees and pensioners was performed by Brett & Watson Pty Ltd (the actuary) as at 31 December 2021, using the Projected Unit Credit Method. The actuarial valuation was based on 30 June 2021 membership data which was projected to 31 December 2021. The present value of the defined benefit obligations has been calculated to be \$56.6 million (2020: \$66.1 million).

The actuary estimates that, as at 31 December 2021, using AASB 119 Employee Benefits assumptions there is an unfunded liability of \$52.7 million (2020: \$61.6 million). This represents an decrease in liability of \$8.9 million since 31 December 2020.

The Commonwealth Government has agreed to provide assistance under Division 41-10 Item 6 of the Higher Education Support Act 2003 to meet the additional costs in respect of State Government emerging cost schemes, where costs are in excess of funding provided. The accounting methodology employed in these financial statements is in accordance with "Financial Statement Guidelines for Australian Higher Education Providers for 2021 Reporting Period" provided by the Department of Education. The accounting treatment employed is also consistent with the approach taken by other Australian Universities. Accordingly, total assets of \$56.6 million have been recorded as a "Deferred government superannuation contribution" which offsets the current and non-current liability for the State Government Superannuation Schemes recorded as "Defined Benefit Obligation".

#### Maturity Profile

The weighted average duration of the defined benefit obligation is 10.53 years (2020: 10.64 years). The expected maturity analysis of undiscounted benefit obligations is as follows:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Defined Benefit obligation 31 December 2021	3,870	3,851	11,406	49,838	68,965
Defined Benefit obligation 31 December 2020	4,594	4,403	12,726	54,364	76,087

#### Plan Assets

The analysis by each major asset category as a percentage of the fair value of the total plan assets at the balance sheet date is as follows:

	30 June 2021 (%)		30 June 2020 (%)	
	Active Market	Non-Active Market	Active Market	Non-Active Market
Australian Equities	21.1	-	20.6	-
International Equities	31.6	-	30.9	-
Property	1.7	14.8	2.0	15.2
Diversified Strategies Growth	1.1	14.6	0.1	15.7
Diversified Strategies Income	13.4	-	12.9	-
Cash	1.7	-	2.6	-
Total	70.6	29.4	69.1	30.9

## 25. Superannuation Schemes – continued

### (d) State Government Superannuation Schemes - continued

#### Reconciliation of the present value of the defined benefit obligation

	2021	2020
	\$000	\$000
<b>Reconciliation of the Net Defined Benefit Liability/(Asset)</b>		
Present value of defined benefit obligation at start of year	66,071	72,319
Current service costs	50	38
Interest cost	702	980
Actuarial (gains) / losses		
(a) Impact of changes in demographic assumptions	-	(1,058)
(b) Impact of changes in salary increase assumptions	-	(119)
(c) Impact of changes in long term inflation assumption	-	(3,298)
(d) Impact of change in discount rate	(3,874)	1,891
(e) Impact of change in fund share	-	(768)
(b) Experience items	(1,254)	178
Benefits and expenses paid	(5,135)	(4,092)
Present value of defined benefit obligations at end of year	<u>56,560</u>	<u>66,071</u>

#### Reconciliation of the fair value of the defined benefit plan assets

Fair value of Scheme assets at start of year	4,410	4,264
Interest income	44	52
Actual return on Scheme assets less interest income	192	88
Employer contributions	4,392	4,098
Benefits and expenses paid	(5,135)	(4,092)
Fair value of Scheme assets at end of year	<u>3,903</u>	<u>4,410</u>

#### Net Liability

Defined Benefit obligation	56,560	66,071
Fair value of scheme assets	(3,903)	(4,410)
Defined benefit fund net liability	<u>52,657</u>	<u>61,661</u>

#### Movement in Net Liability

Net superannuation liability/(asset) at start of year	61,661	68,055
Defined Benefit cost	708	966
Remeasurements	(5,320)	(3,262)
Employer contributions	(4,392)	(4,098)
Net superannuation liability/(asset) at end of year	<u>52,657</u>	<u>61,661</u>

## 25. Superannuation Schemes – continued

### (d) State Government Superannuation Schemes - continued

Summary	Consolidated		University	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
<b>Deferred Government Superannuation Contribution</b>				
Current asset	3,900	4,600	3,900	4,600
Non-current asset	52,660	61,471	52,660	61,471
	<b>56,560</b>	<b>66,071</b>	<b>56,560</b>	<b>66,071</b>
<b>Defined Benefit Obligation</b>				
Current liability	3,900	4,600	3,900	4,600
Non-current liability	52,660	61,471	52,660	61,471
	<b>56,560</b>	<b>66,071</b>	<b>56,560</b>	<b>66,071</b>

#### Major economic assumptions

The following major assumptions have been made in assessing the defined benefit superannuation liabilities as at balance date:

	2021	2020
Discount rate	1.8%	1.1%
Salary increase	2.5%	2.5%
Long term inflation	2.0%	2.0%
Expected return on plan assets	1.8%	1.1%

#### Sensitivity Analysis

The defined benefit obligation as at 31 December 2021 under several scenarios is presented below.

Scenario A and B relate to discount rate sensitivity. Scenario C and D relate to salary increase rate sensitivity. Scenario E and F relate to sensitivities on pension increase assumptions. Scenario G and H relate to mortality rate.

- Scenario A: Discount Rate Plus 0.5%
- Scenario B: Discount Rate Less 0.5%
- Scenario C: Salary Increase Rate Plus 0.5%
- Scenario D: Salary Increase Rate Less 0.5%
- Scenario E: Pension Increase Rate Plus 0.5%
- Scenario F: Pension Increase Rate Less 0.5%
- Scenario G: Mortality Rate Plus 10%
- Scenario H: Mortality Rate Less 10%

	Base Case	A	B	C
Present value of defined benefit obligation (\$'000)	56,560			
Defined benefit obligation (\$'000)		54,036	59,283	56,589
Change in Defined benefit obligation (%)		-4.5%	4.8%	0.1%

	Base Case	D	E	F
Present value of defined benefit obligation (\$'000)	56,560			
Defined benefit obligation (\$'000)		56,532	59,383	53,921
Change in Defined benefit obligation (%)		0.0%	5.0%	-4.7%

	Base Case	G	H
Present value of defined benefit obligation (\$'000)	56,560		
Defined benefit obligation (\$'000)		54,407	58,984
Change in Defined benefit obligation (%)		-3.8%	4.3%

**25. Superannuation Schemes – continued**

(e) Contributions		2021	2020
The total employer contributions were:	Note	\$000	\$000
UniSuper Defined Benefit Division (UniSuper Defined Contribution Plan) or Accumulation Super 2		42,032	42,309
Accumulation Super 1		23,425	20,582
Super SA		7	53
State Government Superannuation Schemes (3%)		1	6
The University of Adelaide Superannuation Scheme A 1985 Plan No 2		2	14
Self-managed funds		135	88
		<u>65,602</u>	<u>63,052</u>

**26. Disaggregation Information**

The University predominantly operates in the field of higher education in Australia. Its primary activities are teaching and research. Income generated overseas from teaching and research activities is not significant so as to warrant a disaggregation information disclosure.

**27. Auditors' Remuneration**

	Consolidated		University	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000

During the year, the following fees were paid for services provided by the auditors of the University and its Controlled Entities.

**Audit of the Financial Statements**

Fees paid to South Australian Auditor-General	316	316	316	316
Other auditors of controlled entities	44	65	-	-
	<u>360</u>	<u>381</u>	<u>316</u>	<u>316</u>

**Other audit and assurance services**

Other auditors of controlled entities	9	9	-	-
	<u>369</u>	<u>390</u>	<u>316</u>	<u>316</u>

Amounts paid or payable for other audit and assurance services relate to the provision of accounting services.

## 28. The University Council Members and Senior Management

### (a) Names of the University Council Members and Senior Management

#### University Council Members

Ex officio	Branson AC QC, The Hon Catherine Høj AC, Professor Peter Williams AM, Professor John Brooks, Professor Mike	appointed 8/02/2021 ceased 31/12/2021 ceased 7/02/2021
Appointed	Finlay, Ms Janet Hill, Mr David Keough CSC, Mr Andrew Locher, Ms Christine Presser AM, Ms Kathryn Williams, Mr Kenneth	appointed 11/01/2021 ceased 31/12/2021
Elected Staff	Abell, Professor Andrew Barclay, Associate Professor Katie Coleman, Mr Lachlan	ceased 5/03/2021 elected 6/03/2021
Elected Graduates	Jenke, Ms Emily	
Students	Bonsu, Mr Dan Osei Mensah Schamschurin, Ms Leah	
Co-opted	Vanstone AO, The Hon Amanda	

#### University Senior Management

Brooks, Professor Mike	ceased 07/02/2021
Clark, Professor Jennifer	commenced 25/09/2021
Deegan, Ms Virginia	
Falkner, Professor Katrina	
Gallagher, Dr Jessica	commenced 22/11/2021
Grantham, Ms Leah	ceased 19/11/2021
Grindlay, Mr Benjamin	
Hillis, Professor Richard	ceased 30/07/2021
Høj AC, Professor Peter	commenced 8/02/2021
Kile, Professor Benjamin	
Le Mire, Professor Suzanne	commenced 18/10/2021
Levy, Professor Philippa	ceased 15/10/2021
Liebelt, Professor Michael	ceased 31/12/2021
Lines, Mr Bruce	
Lo, Ms Jacqueline	
Middelberg, Professor Anton	
Mills, Ms Stacey	commenced 6/09/2021
Mitchell, Mr Tony	ceased 30/06/2021
Parry, Ms Laura	
Pickford, Mr Mark	commenced 22/11/2021
Rodda, Dr Stephen	
Ryan, Mrs Elysia	ceased 19/11/2021
Scott, Mr Andre	commenced 26/06/2021, ceased 5/09/2021
Shaw, Professor Jennifer	
Williams AM, Professor John	
Wright, Ms Bev	

2021 2020  
\$000 \$000

28. The University Council Members and Senior Management - continued

(b) Remuneration of the University Council Members and Senior Management

University Council Members

Total remuneration paid to members of Council, or members of its standing committees for the financial year in their role as councillor or members of those committees, is shown below in their relevant bands. Some members of Council are employees of the University or were contractors of the University, and as such receive remuneration in the course of their employment with the University.

	\$	\$	Number	Number
NIL			16	18
15,000	-	29,999	-	1
30,000	-	44,999	-	1
45,000	-	59,999	1	-
			<u>17</u>	<u>20</u>

The University paid the travel and accommodation costs of some University Council Members to enable attendance at Council meetings during the year. All costs were incurred on normal commercial terms.

University Senior Management

Short-term employee benefits	7,424	8,132
Other long-term benefits	969	1,154
Termination benefits	1,142	615
Total senior management personnel compensation	<u>9,535</u>	<u>9,901</u>

	\$	\$	Number	Number
130,000	-	144,999	1	-
190,000	-	204,999	1	-
220,000	-	234,999	-	1
235,000	-	249,999	1	1
265,000	-	279,999	-	1
280,000	-	294,999	1	-
310,000	-	324,999	-	1
325,000	-	339,999	1	2
340,000	-	354,999	1	1
355,000	-	369,999	-	1
370,000	-	384,999	2	1
385,000	-	399,999	1	3
400,000	-	414,999	-	2
415,000	-	429,999	3	-
445,000	-	459,999	1	-
460,000	-	474,999	-	1
475,000	-	489,999	-	1
490,000	-	504,999	1	1
505,000	-	519,999	2	1
535,000	-	549,999	2	1
550,000	-	564,999	1	1
670,000	-	684,999	1	-
745,000	-	759,999	-	1
910,000	-	924,999	1	-
925,000	-	939,999	-	1
			<u>21</u>	<u>22</u>

The Department of Education, Skills and Employment Guidelines specify that 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.

Remuneration is based upon the total remuneration package which includes employer and employee (pre tax) superannuation contributions and termination payments, due and receivable, by senior managers from the University while holding a University senior management position. Only senior managers with remuneration in excess of one hundred and thirty thousand have been included in salary bands.

29. Financial Instruments

(a) Interest Rate Risk

The Consolidated Entity has placed its investments in a portfolio managed by independent investment managers. The fund managers may enter into interest rate swaps, futures contracts, interest rate options and other forms of agreements to manage cash flow risks associated with the interest rates on investments that are floating, or to alter interest rate exposures arising from mismatches in repricing dates between assets and liabilities.

The Consolidated Entity has entered into forward start interest rate swaps to manage its interest rate exposures on borrowings for its North Terrace Development Strategy. Further details are contained in Note 10.

	Note	Floating	Fixed Maturity Dates					Non-	Total
		Interest Rate	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5+ years	
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>2021</b>									
<b>Financial Assets</b>									
Cash & Cash Equivalents	6	313,541	-	-	-	-	-	2,776	316,317
Receivables	7	-	-	-	-	-	-	29,326	29,326
Other Financial Assets	9,12	-	-	-	-	-	-	486,796	486,796
		<b>313,541</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>518,898</b>	<b>832,439</b>
<b>Financial Liabilities</b>									
Derivative Financial Instruments	10	-	-	-	-	-	-	8,370	8,370
Payables	15	-	-	-	-	-	-	73,240	73,240
Borrowings	17	-	9,454	7,986	3,794	3,489	1,315	4,900	30,965
		<b>-</b>	<b>9,454</b>	<b>7,986</b>	<b>3,794</b>	<b>3,489</b>	<b>1,315</b>	<b>4,900</b>	<b>112,575</b>

29. Financial Instruments - continued

	Note	Floating	Fixed Maturity Dates					Non-	Total
		Interest Rate	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5+ years	
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>2020</b>									
<b>Financial Assets</b>									
Cash & Cash Equivalents	6	125,810	-	-	-	-	-	427	126,237
Receivables	7	-	-	-	-	-	-	30,875	30,875
Other Financial Assets	9,12	-	-	-	-	-	-	426,023	426,023
		<u>125,810</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>457,325</u>	<u>583,135</u>
<b>Financial Liabilities</b>									
Derivative Financial Instruments	10	-	-	-	-	-	-	12,683	12,683
Payables	15	-	-	-	-	-	-	52,124	52,124
Borrowings	17	-	14,781	14,273	12,658	8,202	7,660	26,295	83,879
		<u>-</u>	<u>14,781</u>	<u>14,273</u>	<u>12,658</u>	<u>8,202</u>	<u>7,660</u>	<u>26,295</u>	<u>64,817</u>
								<u>64,817</u>	<u>148,686</u>

## 29. Financial Instruments - continued

### (b) Foreign Exchange Risk

The Consolidated Entity has placed its investments in a portfolio managed by independent investment managers. The fund managers may enter into forward foreign currency exchange contracts to hedge overseas fixed interest securities and a portion of overseas equities. The terms of the hedge contracts are usually less than three months.

The Consolidated Entity has entered into foreign currency swaps to manage foreign currency exposures on capital expenditure. Further details are contained in Note 3(m).

### (c) Credit Risk Exposures

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

#### (i) On Statement of Financial Position financial instruments

The credit risk on financial assets recognised in the Statement of Financial Position is the carrying amount of those assets, net of any allowances for losses.

The credit risk relating to receivables is limited as it consists of a large number of customers across different industries and sectors, including a significant amount owing from Government customers with minimal credit risk. The credit risk relating to cash holdings and investments is limited as the counterparties are banks and investment managers with high credit ratings assigned by international credit-rating agencies.

#### (ii) Off Statement of Financial Position financial instruments

The reporting entity and its controlled entities do not possess or trade any off Statement of Financial Position financial instruments.

### (d) Liquidity Risk

Liquidity risk is managed through maintaining a minimum level of readily accessible funds, by continuously monitoring forecast and actual cash flows, in line with the University's Liquidity & Cash Investment Risk Management Policy.

### (e) Fair Values of Financial Assets and Financial Liabilities

Fair values of financial assets and financial liabilities are determined by the Consolidated Entity on the following basis:

#### (i) On Statement of Financial Position financial instruments

The Consolidated Entity has placed its investments in a portfolio managed by independent managers. Listed shares and equities included within these investments are traded in an organised financial market by the fund managers. The Consolidated Entity values these investments at current market value.

Monetary financial assets and financial liabilities not readily traded in an organised financial market are determined by valuing them at amounts due from customers (reduced for expected credit losses) or due to suppliers.

Bank term deposits, accounts receivable, accounts payable and bank loans are carried at nominal value which approximates fair value.

The fair value of investments in unlisted shares in other corporations is determined by reference to the underlying net assets of the respective corporations.

#### (ii) Off Statement of Financial Position financial instruments

The reporting entity and its controlled entities do not possess or trade any off Statement of Financial Position financial instruments.

### 30. 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 carrying amounts and aggregate fair values of financial assets and liabilities at the end of the reporting period are:

		Carrying Amount		Fair Value	
		2021	2020	2021	2020
		\$000	\$000	\$000	\$000
<b>Financial assets</b>					
Cash and cash equivalents	6	316,317	126,237	316,317	126,237
Receivables	7	29,326	30,875	29,326	30,875
Investments using the equity method	12	568	93	568	93
Other financial assets at amortised cost	9	1,168	7,122	1,168	7,122
Other financial assets at fair value through profit or loss	9	392,414	346,341	392,414	346,341
Investments in equity instruments designated at fair value through other comprehensive income	9	92,646	72,467	92,646	72,467
<b>Total financial assets</b>		<b>832,439</b>	<b>583,135</b>	<b>832,439</b>	<b>583,135</b>
<b>Financial liabilities</b>					
Payables	15	73,240	52,124	73,240	52,124
Borrowings	17	30,965	83,879	30,965	83,879
Derivative Financial Instruments	10	8,370	12,683	8,370	12,683
<b>Total financial liabilities</b>		<b>112,575</b>	<b>148,686</b>	<b>112,575</b>	<b>148,686</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
- Investments in equity instruments designated at fair value through other comprehensive income
- Investments using the equity method
- Derivative financial instruments
- Other financial assets
- Land and buildings
- Works of art
- Borrowings

The Consolidated Entity has also measured assets and liabilities at fair value on a non-recurring basis as a result of the reclassification of assets as held for sale.

#### (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)

### 30. Fair Value Measurements - continued

#### (i) Recognised fair value measurements

Fair value measurements recognised in the Statement of Financial Position are categorised into the following levels at 31 December 2021.

Fair Value measurements at 31 December 2021		2021	Level 1	Level 2	Level 3
Note		\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>					
	Other financial assets at amortised cost	9	1,168	1,168	-
	Other financial assets at fair value through profit or loss	9	392,414	-	392,414
	Investments in equity instruments designated at fair value through other comprehensive income	9	92,646	70,691	-
	Investments using the equity method	12	568	-	-
	<b>Total recurring financial assets</b>		<b>486,796</b>	<b>71,859</b>	<b>392,414</b>
<b>Non-financial assets</b>					
	Other land and buildings	13	348,498	-	336,259
	Trust land and buildings	13	1,067,847	-	-
	Works of art	13	10,333	-	10,333
	<b>Total recurring non-financial assets</b>		<b>1,426,678</b>	<b>-</b>	<b>346,592</b>
<b>Financial liabilities</b>					
	Borrowings	17	30,965	-	30,965
	Derivative financial instruments	10	8,370	-	8,370
	<b>Total liabilities</b>		<b>39,335</b>	<b>-</b>	<b>39,335</b>
<b>Fair Value measurements at 31 December 2020</b>					
<b>Recurring fair value measurements</b>					
Note		2020	Level 1	Level 2	Level 3
		\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>					
	Other financial assets at amortised cost	9	7,122	7,122	-
	Other financial assets at fair value through profit or loss	9	346,341	-	346,341
	Investments in equity instruments designated at fair value through other comprehensive income	9	72,467	3,151	-
	Investments using the equity method	12	93	-	-
	<b>Total financial assets</b>		<b>426,023</b>	<b>10,273</b>	<b>346,341</b>
<b>Non-financial assets</b>					
	Other land and buildings	13	355,197	-	342,691
	Trust land and buildings	13	1,082,937	-	-
	Works of art	13	10,317	-	10,317
	<b>Total non-financial assets</b>		<b>1,448,451</b>	<b>-</b>	<b>353,008</b>
<b>Financial liabilities</b>					
	Borrowings	17	83,879	-	83,879
	Derivatives financial instruments	10	12,683	-	12,683
	<b>Total financial liabilities</b>		<b>96,562</b>	<b>-</b>	<b>96,562</b>

### 30. Fair Value Measurements - continued

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

For transfers in and out of level 3 measurements see (d) below.

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

#### (ii) Disclosed fair values

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices for identical assets or liabilities at the end of the reporting period (level 1). This is the most representative of fair value in the circumstances.

The fair values of other financial assets (term deposits) that are disclosed in note 9 were determined by reference to published price quotations in an active market (level 1).

The carrying value less impairment provision of trade receivables is a reasonable approximation of the fair value due to the short-term nature of trade receivables.

The carrying value of contract assets and contract liabilities is a reasonable approximation of the fair value due to these being contracted amounts under formal agreements.

The fair value of non-current borrowings disclosed in note 17 is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the group for similar financial instruments. For the period ending 31 December 2021, the borrowing rates were determined to be between 0.1% and 4.61%, depending on the type of borrowing. The fair value of current borrowings approximates the carrying amount, as the impact of discounting is not significant (level 2).

#### (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, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If 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 using the equity method.

The Consolidated Entity uses a variety of methods and makes assumptions that are based on market conditions existing at the end of the reporting period.

Specific valuation techniques used to value financial instruments include:

- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the end of the reporting period

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities and investments using the equity method explained in (d) below.

### 30. Fair Value Measurements - continued

#### (d) Fair value measurements using significant unobservable inputs (level 3)

The following table is a reconciliation of level 3 items for the period ended 31 December 2021 and 2020:

#### Level 3 Fair Value Measurements 2021

	Trust Land and Buildings \$'000	Other Land and Buildings \$'000	Investments Using the Equity Method \$'000	Unlisted Equity Investments \$'000	Total \$'000
Opening balance	1,082,937	12,506	93	69,316	1,164,852
Acquisitions	13,812	-	631	45	14,488
Disposals	(154)	-	-	(83,377)	(83,531)
Recognised in Net operating result	(28,748)	(267)	-	-	(29,015)
Recognised in other comprehensive income	-	-	(156)	35,971	35,815
<b>Closing balance</b>	<b>1,067,847</b>	<b>12,239</b>	<b>568</b>	<b>21,955</b>	<b>1,102,609</b>

#### Level 3 Fair Value Measurements 2020

Opening balance	1,080,481	12,943	116	59,117	1,152,657
Acquisitions	30,699	-	-	490	31,189
Disposals	-	-	-	(56)	(56)
Recognised in Net operating result	(28,243)	(437)	-	-	(28,680)
Recognised in other comprehensive income	-	-	(23)	9,765	9,742
<b>Closing balance</b>	<b>1,082,937</b>	<b>12,506</b>	<b>93</b>	<b>69,316</b>	<b>1,164,852</b>

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

There were no transfers between levels 2 and 3 during the year. There were no changes in valuation techniques during the year.

### 30. Fair Value Measurements - continued

#### (ii) Valuation inputs and relationships to fair value

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

Description	Fair value at 31 Dec 2021 \$'000	Un- observable inputs	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Investments using the equity method	568	Earnings growth factor	2.0% - 3.0% (2.5%)	Increased earnings growth factor of 1% would increase fair value by \$5,700; lower growth factor of 1% would decrease fair value by \$5,700.
Unlisted Equity Investments	21,955	Earnings growth factor	2.0% - 3.0% (2.5%)	Increased earnings growth factor of 1% would increase fair value by \$854,000; lower growth factor of 1% would decrease fair value by \$854,000.

#### (iii) Valuation processes

The Finance Branch of the Consolidated Entity includes a team that performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO).

The Consolidated Entity engages external, independent and qualified valuers to determine the fair value of the other land and buildings at least every three years. As at 31 December 2019, the fair values of the land and buildings were determined by AssetVal Pty Ltd.

Trust buildings have been valued using the depreciated replacement cost (DRC) method, where DRC is defined as the current replacement cost of an asset less accumulated depreciation calculated on the basis of the already consumed or expired service potential / estimated remaining useful life of the asset.

Land and other buildings have been valued using the direct comparison approach, which determines the current value of an asset by reference to recent comparable transactions involving the sale of similar assets. Adjustments are subsequently made for specific attributes including, but not limited to, size, topography, zoning and restrictions of use for Trust land to determine the value of the subject property.

### 31. Investments in Controlled Entities

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities in accordance with the accounting policy described in Note 3(b).

Controlled Entity	Holding		Investment at Fair Value		Investment at Cost		Contribution to Operating Result	
	2021	2020	2021	2020	2021	2020	2021	2020
	%	%	\$000	\$000	\$000	\$000	\$000	\$000
Innovation and Commercial Partners Pty Ltd	100	100	158	173	-	-	(15)	(24)
ACN 008 123 466 Pty Ltd	100	100	-	-	50	50	(8)	(30)
Adelaide Unicare Pty Ltd	100	100	9,545	10,133	-	-	(588)	(731)
Australian Advanced Materials Manufacturing Pty Ltd	-	100	-	-	-	-	-	(2)
Australian Centre for Plant Functional Genomics Pty Ltd	-	100	-	152	-	-	(5)	3
Roseworthy Campus Farm Pty Ltd	100	100	3,115	2,234	-	-	1,186	425
National Wine Centre Pty Ltd	100	100	-	-	-	-	(230)	(1,390)
			<b>12,818</b>	<b>12,692</b>	<b>50</b>	<b>50</b>	<b>340</b>	<b>(1,749)</b>

All of the above controlled entities are incorporated in Australia.

Controlled Entity	Principal Activities
Innovation and Commercial Partners Pty Ltd (Former name: Adelaide Research & Innovation Pty Ltd)	The trustee of The Adelaide Research & Innovation Investment Trust. The University commercial arm that connects the community with a network of University of Adelaide researchers for purpose of research, development and innovation. The connection extends to commercialisation of the research developed.
ACN 008 123 466 Pty Ltd	Non-operating entity previously Repromed Pty Ltd.
Adelaide Unicare Pty Ltd	Manages the activities and operations of medical practices to provide placements for the teaching of medical students from the University of Adelaide. The practices provide quality general medical care to students, staff and the public. Unicare commenced the winding down of its operations in 2021 with the sale of all but two medical practices occurring during the year. The sale of the remaining two practices settled on 7 February 2022.
Australian Advanced Materials Manufacturing Pty Ltd	Non-operating entity previously established to provide an advanced 3D printing facility operating as a metal additive manufacturing centre available on a commercial basis. This entity was deregistered on 24 February 2021.
Australian Centre for Plant Functional Genomics Pty Ltd	Responsible for the development of world-class capability in plant genomic research and its application for economic and social benefit to Australia. The Australian Centre for Plant Functional Genomics Pty Ltd became a controlled entity of the University effective 15 May 2017 and continues to operate to complete existing commercial contracts. The entity was deregistered on 17 November 2021.
Roseworthy Campus Farm Pty Ltd (Former name: Martindale Holdings Pty Ltd)	The trustee of Roseworthy Farm. The trust manages the broadacre farm operations at the University's Roseworthy Campus.
National Wine Centre Pty Ltd	Operates the National Wine Centre complex undertaking banquets, events, conference space & wine tourism, and other catering operations as directed by the University of Adelaide.

### **32. Related Parties**

**(a) Parent entity**

The ultimate parent entity within the group is the University of Adelaide.

**(b) Controlled entities**

Investments in controlled entities are detailed in Note 31.

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

Disclosures relating to the University Council Members and Senior Management are detailed in Note 28.

**(d) Councillor and senior management related transactions**

Certain councillors and senior management are members of incorporated and unincorporated associations that are an integral part of the University. Transactions between these bodies, the University council members and senior management, in respect of services provided to council members and senior management, are trivial in nature.

Certain council members and senior management hold positions and interests in entities that provide goods and services to the University and its controlled entities. The provision of these goods and services is on normal trading terms.

A review of identified related party transactions found that they were immaterial within the context of the University of Adelaide's financial statements. Further, all identified related party transactions occurred on terms and conditions similar to those applying to third party entities, and also occurred during the course of the University delivering on its objectives.

**(e) Outstanding balances**

A review of identified outstanding balances to or from related parties found that they were immaterial within the context of the University of Adelaide's financial statements. A provision for impaired receivables of \$1.9 million has been raised in the Parent Entity in relation to outstanding loan balances due from controlled entities. No other provision for impaired receivables has been raised in relation to any outstanding balances due from related parties.

**(f) Students at The University of Adelaide**

From time to time, Council members will have members of their immediate family who are students at the University. Unless specifically stated within the financial statements, 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.

**(g) Employees of The University of Adelaide**

From time to time, Council members will have members of their immediate family who are employees of the University. Unless specifically stated within the financial statements, such employees are subject to the same remuneration structures as any other employees.

The following information being Note 33 to Note 38 has been prepared in accordance with the Department of Education reporting guidelines.

**33. Income Statement for the Year Ended 31 December 2021**

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>REVENUE FROM CONTINUING OPERATIONS</b>					
Australian Government financial assistance	34(f)	642,999	535,560	642,999	535,460
State and Local Government financial assistance	36	27,697	23,347	27,291	22,850
HECS-HELP - Student Payments	4	8,584	8,537	8,584	8,537
Fees and charges	37	294,656	292,447	294,247	292,009
Investment income		50,705	21,237	51,158	21,433
Royalties, trademarks and licenses	4	6,689	4,763	6,689	4,763
Consultancy and contracts	38	60,865	56,183	60,818	56,183
Net gain on disposal of assets	4	-	64	-	64
Other revenue		54,394	51,139	37,500	35,607
<b>Total revenue from continuing operations</b>		<b>1,146,589</b>	<b>993,277</b>	<b>1,129,286</b>	<b>976,906</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>					
Salaries and related expenses	5	536,845	561,615	528,497	552,895
Depreciation and amortisation	5	75,003	78,245	74,566	77,810
Buildings and grounds	5	52,437	50,451	51,541	49,344
Bad and doubtful debts	5	4,139	3,581	5,041	4,632
Finance costs	5	12,151	5,322	12,151	5,319
Scholarships, grants and prizes		39,359	41,792	39,359	41,792
Non-capitalised equipment	5	11,694	11,378	11,692	11,367
Advertising, marketing and promotional expenses		6,358	4,876	6,161	4,747
Net losses on disposal of assets	5	1,091	-	1,237	-
Other expenses		206,677	196,101	199,007	188,184
<b>Total expenses from continuing operations</b>		<b>945,754</b>	<b>953,361</b>	<b>929,252</b>	<b>936,090</b>
<b>Net operating result for the year</b>		<b>200,835</b>	<b>39,916</b>	<b>200,034</b>	<b>40,816</b>

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>34. Australian Government Financial Assistance</b>					
<b>(a) Education - Commonwealth Grants Scheme and Other Education Grants</b>	35(a)				
Commonwealth Grants Scheme		183,113	173,566	183,113	173,566
Indigenous Student Success Program		1,215	1,216	1,215	1,216
National Priorities and Industry Linkage Fund		4,750	-	4,750	-
Higher Education Disability Support Program		151	19	151	19
Promotion of Excellence in Learning & Teaching Program		65	-	65	-
Indigenous, Regional and Low-SES Attainment Fund		1,839	2,574	1,839	2,574
		<b>191,133</b>	<b>177,375</b>	<b>191,133</b>	<b>177,375</b>
<b>(b) Higher Education Loan Programmes</b>	35(b)				
HECS-HELP		111,765	116,076	111,765	116,076
FEE-HELP		23,577	15,167	23,577	15,167
SA-HELP		3,615	3,461	3,615	3,461
		<b>138,957</b>	<b>134,704</b>	<b>138,957</b>	<b>134,704</b>
<b>(c) Department of Education and Research</b>	35(c)				
Research Training Program		46,616	46,680	46,616	46,680
Research Support Program		82,124	39,620	82,124	39,620
		<b>128,740</b>	<b>86,300</b>	<b>128,740</b>	<b>86,300</b>
<b>(d) Other Capital Funding</b>	35(d)				
Linkage Infrastructure, Equipment and Facilities grant		746	496	746	496
		<b>746</b>	<b>496</b>	<b>746</b>	<b>496</b>
<b>(e) Australian Research Council</b>	35(e)				
Discovery		14,231	15,109	14,231	15,109
Linkages		3,885	3,283	3,885	3,283
Networks and Centres		1,782	4,420	1,782	4,420
Special Research Initiatives		43	-	43	-
<b>Total ARC</b>		<b>19,941</b>	<b>22,812</b>	<b>19,941</b>	<b>22,812</b>

	Note	Consolidated		University	
		2021	2020	2021	2020
		\$000	\$000	\$000	\$000
<b>34. Australian Government Financial Assistance - continued</b>					
<b>(f) Other Australian Government financial assistance received:</b>					
<b>Non-Capital</b>					
Department of Agriculture, Water and the Environment		3,561	5,782	3,561	5,782
Department of Defence		19,153	9,558	19,153	9,558
Department of Education, Skills and Employment		10,142	5,450	10,142	5,450
Department of Health		67,513	32,108	67,513	32,108
Department of Industry, Science, Energy and Resources		2,763	2,120	2,763	2,120
Fisheries Research and Development Corporation		2,351	-	2,351	-
Grains Research & Development Corporation		12,102	12,459	12,102	12,459
National Health & Medical Research Council		26,611	33,337	26,611	33,337
Other		19,286	13,059	19,286	12,959
		<b>163,482</b>	<b>113,873</b>	<b>163,482</b>	<b>113,773</b>
<b>Reconciliation</b>					
Australian Government grants		504,042	400,856	504,042	400,756
Higher Education Loan Programmes		138,957	134,704	138,957	134,704
		<b>642,999</b>	<b>535,560</b>	<b>642,999</b>	<b>535,460</b>
<b>(g) Australian Government grants received - cash basis</b>					
CGS and Other Education Grants	35(a)	196,018	176,910	196,018	176,910
Higher Education Loan Programmes	35(b)	144,201	128,821	144,201	128,821
Education Research	35(c)	128,740	86,300	128,740	86,300
Other Capital Funding	35(d)	4,148	276	4,148	276
ARC Grants	35(e)	22,896	25,908	22,896	25,908
Other Australian Government Grants		130,860	148,228	130,860	148,128
		<b>626,863</b>	<b>566,443</b>	<b>626,863</b>	<b>566,343</b>
OS-Help (Net)	35(f)	8	4,692	8	4,692
Higher Education Superannuation	35(f)	3,743	3,928	3,743	3,928
		<b>630,614</b>	<b>575,063</b>	<b>630,614</b>	<b>574,963</b>

### 35. Acquittal of Australian Government Financial Assistance

(a) Education - Commonwealth Grants Scheme and Other Education Grants

Parent Entity (University) Only

	Notes	Commonwealth Grants Scheme		Indigenous Student Success Program		National Priorities and Industry Linkage Fund		Higher Education Disability Support Program	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000	2021 \$000	2020 \$000	2021 \$000	2020 \$000
Financial assistance received in cash during the reporting period		186,584	173,144	1,215	1,216	4,750	-	131	37
Net adjustments		(3,471)	422	-	-	-	-	20	(18)
Revenue for the period	34(a)	183,113	173,566	1,215	1,216	4,750	-	151	19
Surplus/(Deficit) from the previous year		-	-	241	-	-	-	-	-
Total funding available during the year		183,113	173,566	1,456	1,216	4,750	-	151	19
Less expenses including accrued expenses		183,113	173,566	1,316	975	4,750	-	27	19
Surplus/(Deficit) for the reporting period		-	-	140	241	-	-	124	-

35. Acquittal of Australian Government Financial Assistance - continued

(a) Education - Commonwealth Grants Scheme and Other Education Grants

	Notes	Promotion of Excellence in Learning & Teaching Program		Indigenous, Regional and Low-SES Attainment Fund		Total	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000	2021 \$000	2020 \$000
Financial assistance received in cash during the reporting period	34(g)	-	-	3,338	2,513	196,018	176,910
Net adjustments		65	-	(1,499)	61	(4,885)	465
Revenue for the period	34(a)	65	-	1,839	2,574	191,133	177,375
Surplus/(Deficit) from the previous year		-	-	61	-	302	-
Total funding available during the year		65	-	1,900	2,574	191,435	177,375
Less expenses including accrued expenses		-	-	2,197	2,513	191,403	177,073
Surplus/(Deficit) for the reporting period		65	-	(297)	61	32	302

35. Acquittal of Australian Government Financial Assistance - continued

(b) Higher Education Loan Programmes

Parent Entity (University) Only

	Notes	HECS-HELP		FEE-HELP		SA-HELP		Total	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000	2021 \$000	2020 \$000	2021 \$000	2020 \$000
Cash Payable/(Receivable) at beginning of year		(1,888)	432	(3,815)	(252)	2	2	(5,701)	182
Financial assistance received in cash during the reporting period	34(g)	113,775	113,756	26,815	11,604	3,611	3,461	144,201	128,821
Cash available for period		111,887	114,188	23,000	11,352	3,613	3,463	138,500	129,003
Revenue earned	34(b)	111,765	116,076	23,577	15,167	3,615	3,461	138,957	134,704
Cash Payable/(Receivable) at end of year		122	(1,888)	(577)	(3,815)	(2)	2	(457)	(5,701)

35. Acquittal of Australian Government Financial Assistance - continued

(c) Department of Education and Research

Parent Entity (University) Only

	Notes	Research Training Program		Research Support Program		Total	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000	2021 \$000	2020 \$000
Financial assistance received in cash during the reporting period	34(g)	46,616	46,680	82,124	39,620	128,740	86,300
Net adjustments		-	-	-	-	-	-
Revenue for the period	34(c)	46,616	46,680	82,124	39,620	128,740	86,300
Surplus/(Deficit) from the previous year		-	-	-	-	-	-
Total funding available during the year		46,616	46,680	82,124	39,620	128,740	86,300
Less expenses including accrued expenses		46,616	46,680	82,124	39,620	128,740	86,300
Surplus/(Deficit) for the reporting period		-	-	-	-	-	-

Total Higher Education Provider Research Training Program expenditure

	Total domestic students \$000	Total overseas students \$000	Total students \$000
Research Training Program Fees offsets	31,377	1,098	32,476
Research Training Program Fees Stipends	14,113	-	14,113
Research Training Program Fees Allowances	27	-	27
Total for all types of support	45,517	1,098	46,616

35. Acquittal of Australian Government Financial Assistance - continued

(d) Other Capital Funding

Parent Entity (University) Only

	Notes	Linkage Infrastructure, Equipment and Facilities Grant		Total	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
Financial assistance received in cash during the reporting period	34(g)	4,148	276	4,148	276
Net adjustments		(3,402)	220	(3,402)	220
Revenue for the period	34(d)	746	496	746	496
Surplus/(Deficit) from the previous year		1,386	1,029	1,386	1,029
Total funding available during the year		2,132	1,525	2,132	1,525
Less expenses including accrued expenses		722	139	722	139
Surplus/(Deficit) for the reporting period		1,410	1,386	1,410	1,386

35. Acquittal of Australian Government Financial Assistance - continued

(e) Australian Research Council Grants

Parent Entity (University) Only

	Notes	Discovery		Linkages		Networks and Centres		Special Research Initiatives		Total	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000	2021 \$000	2020 \$000	2021 \$000	2020 \$000	2021 \$000	2020 \$000
Financial assistance received in cash during the reporting period	34(g)	17,241	18,129	5,466	4,034	(3)	3,745	192	-	22,896	25,908
Net adjustments		(3,010)	(3,020)	(1,581)	(751)	1,785	675	(149)	-	(2,955)	(3,096)
Revenue for the period	34(e)	14,231	15,109	3,885	3,283	1,782	4,420	43	-	19,941	22,812
Surplus/(Deficit) from the previous year		18,084	17,495	5,695	4,789	3,460	1,039	-	-	27,239	23,323
Total funding available during the year		32,315	32,604	9,580	8,072	5,242	5,459	43	-	47,180	46,135
Less expenses including accrued expenses		14,015	14,520	3,111	2,377	-	1,999	11	-	17,137	18,896
Surplus/(Deficit) for the reporting period		18,300	18,084	6,469	5,695	5,242	3,460	32	-	30,043	27,239

**35. Acquittal of Australian Government Financial Assistance - continued**

**(f) Other Australian Government Financial Assistance**

<b>OS HELP</b>			
	<b>Notes</b>	<b>2021 \$000</b>	<b>2020 \$000</b>
Cash received during the reporting period		29	6,244
Cash spent during the reporting period		21	1,552
Net Cash received	34(g)	8	4,692
Surplus/(Deficit) from the previous year		4,182	(510)
Surplus/(Deficit) for the reporting period		4,190	4,182

<b>Higher Education Superannuation</b>			
	<b>Notes</b>	<b>2021 \$000</b>	<b>2020 \$000</b>
Cash received during the reporting period		3,743	3,928
University contribution in respect of current employees		-	-
Cash available	34(g)	3,743	3,928
Surplus/(Deficit) from the previous year		569	37
Cash available for current period		4,312	3,965
Contributions to specified defined benefit funds		5,032	3,396
Surplus/(Deficit) for the reporting period		(720)	569

<b>Student Services and Amenities Fee</b>			
	<b>Notes</b>	<b>2021 \$000</b>	<b>2020 \$000</b>
Unspent/(overspent) revenue from previous period		6,751	6,750
SA-HELP Revenue earned	34(b)	3,615	3,461
Student Services Fees direct from Students	37	2,584	3,410
Total revenue expendable in period		12,950	13,621
Student Services expenses during period		6,203	6,870
Unspent/(overspent) Student Services Revenue		6,747	6,751

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>36. State and Local Government Financial Assistance</b>					
(a) South Australian Government and Local Government financial assistance					
Non-Capital					
Other		24,181	21,554	23,775	21,057
<b>Total South Australian Government and Local Government financial assistance</b>		<b>24,181</b>	<b>21,554</b>	<b>23,775</b>	<b>21,057</b>
(b) Other State Government and Local Government financial assistance		3,516	1,793	3,516	1,793
<b>Total State and Local Government financial assistance</b>	<b>33</b>	<b>27,697</b>	<b>23,347</b>	<b>27,291</b>	<b>22,850</b>

	Note	Consolidated		University	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
<b>37. Fees and Charges</b>					
<b>Course fees and charges</b>					
Student fee income	4	269,595	267,453	269,595	267,453
<b>Non-course fees and charges</b>					
Student services and amenities fees	4	2,584	3,410	2,584	3,410
Library charges and fines	4	52	34	52	34
Application management and late fees	4	5,143	5,550	5,143	5,550
Parking fees	4	1,317	1,618	1,317	1,618
Rental charges/accommodation fees	4	7,524	8,514	7,115	8,076
Recharge of costs to other organisations	4	2,626	874	2,626	874
Other		5,815	4,994	5,815	4,994
		<b>294,656</b>	<b>292,447</b>	<b>294,247</b>	<b>292,009</b>
<b>38. Consultancy and Contract Revenue</b>					
Consultancy	4	4,571	5,093	4,571	5,093
Contract research		56,294	51,090	56,247	51,090
		<b>60,865</b>	<b>56,183</b>	<b>60,818</b>	<b>56,183</b>