



Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
DX 56208
Victoria Square
Tel +618 8226 9640
Fax +618 8226 9688
ABN 53 327 061 410
audgensa@audit.sa.gov.au
www.audit.sa.gov.au

To the Chancellor University of Adelaide

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 2017.

Opinion

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

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

The consolidated financial report comprises:

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

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of 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 Conduct for Professional Accountants have been met.

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

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

The Council is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial report

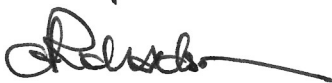
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an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

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

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

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

I communicate with those charged with governance and the Vice-Chancellor 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.

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

Andrew Richardson

Auditor-General

28 March 2018

**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 2017 and the results of its operations and cash flows for the year ended 31 December 2017;
- (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 KEVIN SCARCE AC CSC RAN (Rtd)
Chancellor



PROFESSOR PETER RATHJEN
Vice-Chancellor and President



MR TONY MITCHELL
Chief Financial Officer

26 March 2018

Statement of Comprehensive Income for the year ended 31 December 2017

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
Revenue from continuing operations					
Received under Higher Education Support Act					
Base operating financial assistance	4	166,102	175,544	166,102	175,544
Other operating financial assistance	4	3,731	5,668	3,731	5,668
Higher Education Contribution Scheme	4	114,314	116,388	114,314	116,388
		284,147	297,600	284,147	297,600
Learning and Teaching					
Student fees	4	237,393	216,424	237,393	216,424
Grants	4	20,441	17,996	20,441	17,996
		257,834	234,420	257,834	234,420
Research Grants and Fees					
National competitive grants		88,908	93,421	88,908	93,421
Public sector - other		39,081	51,869	38,610	40,772
Industry and other		46,806	50,506	39,836	38,970
		174,795	195,796	167,354	173,163
Research - Other					
Cooperative Research Centre direct funding		2,537	3,702	2,537	3,702
Research Training Program		46,557	45,588	46,557	45,588
Research Support Program		42,608	41,709	42,608	41,709
		91,702	90,999	91,702	90,999
Other					
Investment revenue	4	47,391	28,832	48,492	25,559
Property revenue	4	14,165	15,975	14,110	15,974
Specialist services and trading	4	42,793	46,389	23,404	23,584
Bequests, donations & other revenue	4	34,059	37,277	42,167	33,231
		138,408	128,473	128,173	98,348
Total revenue from continuing operations		946,886	947,288	929,210	894,530
Expenses from continuing operations					
Salaries and related expenses	5	508,719	497,611	499,006	486,152
Student services		47,301	44,957	47,301	44,957
Teaching and research	5	94,546	93,779	92,376	93,177
Buildings and grounds	5	59,052	62,802	58,262	61,930
Finance costs	5	5,186	5,896	5,201	5,224
Administration, communication and travel	5	100,586	118,246	86,841	80,295
Finance and fund administration	5	2,863	3,528	2,839	3,528
Misc equip, dep'n and net loss on disposal of assets	5	73,125	59,561	72,554	59,030
Total expenses from continuing operations		891,378	886,380	864,380	834,293
Net operating result for the year		55,508	60,908	64,830	60,237
Operating result attributable to minority interest		(3)	-	-	-
Net operating result for the year		55,505	60,908	64,830	60,237

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

Statement of Comprehensive Income for the year ended 31 December 2017 - continued

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
Operating result for the period		55,508	60,908	64,830	60,237
Items that may be reclassified to net operating result					
Gain / (loss) on swap contracts	9	933	1,848	933	1,848
Gain / (loss) on value of available for sale financial assets, net of tax	13,31	-	-	(7,861)	536
Total		933	1,848	(6,928)	2,384
Items that will not be reclassified to net operating result					
Gain / (loss) on revaluation of land and buildings	4,14	-	49,101	-	47,696
Gain / (loss) on revaluation of works of Art	14	627	-	627	-
Gain / (loss) on revaluation of Library	14	-	1,537	-	1,537
Share of other comprehensive income of investments accounted for using the equity method	4	(542)	(119)	-	-
Remeasurements of Defined Benefit Plans	25(c)	(443)	196	(443)	196
Total		(358)	50,715	184	49,429
Total other comprehensive income		575	52,563	(6,744)	51,813
Total comprehensive income		56,083	113,471	58,086	112,050
Total comprehensive income attributable to non-controlling interest		(3)	-	-	-
Total comprehensive income attributable to the University of Adelaide		56,080	113,471	58,086	112,050

Statement of Financial Position as at 31 December 2017

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
Current Assets					
Cash and cash equivalents	6	36,072	42,146	32,245	37,422
Receivables	7	29,933	35,147	30,124	33,713
Other financial assets	8	10,031	10,092	10,031	10,147
Inventories	10	1,482	2,341	-	647
Other non-financial assets	11	16,037	11,788	15,898	11,628
Deferred government superannuation contribution	25(d)	4,400	4,400	4,400	4,400
Total current assets		97,955	105,914	92,698	97,957
Non-current Assets					
Other financial assets	8	326,141	291,092	326,141	291,061
Investments accounted for using the equity method	12	1,460	2,002	972	972
Available-for-sale financial assets	13	-	-	15,046	22,902
Property, plant and equipment	14	1,433,959	1,421,070	1,420,307	1,406,756
Intangible assets	15	48,058	36,312	48,058	36,312
Other non-financial assets	11	4,865	7,632	4,865	7,632
Deferred government superannuation contribution	25(d)	62,808	61,767	62,808	61,767
Total non-current assets		1,877,291	1,819,875	1,878,197	1,827,402
Total assets		1,975,246	1,925,789	1,970,895	1,925,359
Current Liabilities					
Payables	16	57,951	82,338	55,894	76,392
Borrowings	17	5,000	5,000	5,000	5,000
Employee benefit provisions	18	29,357	28,796	28,647	28,060
Provisions	18	1,483	2,563	1,483	2,563
Derivative financial instruments	9	18	-	18	-
Defined benefit obligation	25(d)	4,400	4,400	4,400	4,400
Other	19	21,148	18,260	20,606	27,531
Total current liabilities		119,357	141,357	116,048	143,946
Non-current Liabilities					
Payables	16	11,226	11,493	11,199	11,471
Borrowings	17	77,510	62,510	77,510	62,510
Employee benefit provisions	18	66,055	65,350	65,847	65,163
Derivative financial instruments	9	12,905	13,856	12,905	13,856
Defined benefit obligation	25(d)	62,808	61,767	62,808	61,767
Other	19	-	154	-	154
Total non-current liabilities		230,504	215,130	230,269	214,921
Total liabilities		349,861	356,487	346,317	358,867
Net assets		1,625,385	1,569,302	1,624,578	1,566,492
Equity					
Capital reserves	21	625,980	625,354	639,367	646,601
Specific purpose reserves	21	636,479	614,138	636,479	614,138
Retained surplus	21	362,926	329,813	348,732	305,753
Total University interest		1,625,385	1,569,305	1,624,578	1,566,492
Non-controlling interest		-	(3)	-	-
Total equity		1,625,385	1,569,302	1,624,578	1,566,492

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 2017

Consolidated	Capital Reserves \$000	Specific Purpose Reserves \$000	Retained Surplus \$000	Non- controlling Interest \$000	Total \$000
Balance at 1 January 2016	579,168	608,356	268,310	(3)	1,455,831
Net result	-	5,782	55,126	-	60,908
Other comprehensive income					
Gain / (loss) on revaluation of land and buildings	49,101	-	-	-	49,101
Gain / (loss) on revaluation of Library	1,537	-	-	-	1,537
Gain / (loss) on swap contracts	-	-	1,848	-	1,848
Share of other comprehensive income of investments accounted for using the equity method	-	-	(119)	-	(119)
Remeasurements of Defined Benefit Plans	-	-	196	-	196
Other adjustments recognised directly in equity	(4,452)	-	4,452	-	-
Total other comprehensive income	46,186	-	6,377	-	52,563
Balance at 31 December 2016	625,354	614,138	329,813	(3)	1,569,302
Balance at 1 January 2017	625,354	614,138	329,813	(3)	1,569,302
Net result	-	22,341	33,164	3	55,508
Other comprehensive income					
Gain / (loss) on revaluation of works of Art	627	-	-	-	627
Gain / (loss) on swap contracts	-	-	933	-	933
Share of other comprehensive income of investments accounted for using the equity method	-	-	(542)	-	(542)
Remeasurements of Defined Benefit Plans	-	-	(443)	-	(443)
Total other comprehensive income	627	-	(52)	-	575
Balance at 31 December 2017	625,981	636,479	362,925	-	1,625,385

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

University	Capital Reserves \$000	Specific Purpose Reserves \$000	Retained Surplus \$000	Non- controlling Interest \$000	Total \$000
Balance at 1 January 2016	596,832	608,356	249,254	-	1,454,442
Net result	-	5,782	54,455	-	60,237
Other comprehensive income					
Gain / (loss) on revaluation of land and buildings	47,696	-	-	-	47,696
Gain / (loss) on revaluation of Library	1,537	-	-	-	1,537
Gain / (loss) on value of available for sale financial assets, net of tax	536	-	-	-	536
Gain / (loss) on swap contracts	-	-	1,848	-	1,848
Remeasurements of Defined Benefit Plans	-	-	196	-	196
Total other comprehensive income	49,769	-	2,044	-	51,813
Balance at 31 December 2016	646,601	614,138	305,753	-	1,566,492
Balance at 1 January 2017	646,601	614,138	305,753	-	1,566,492
Net result	-	22,341	42,489	-	64,830
Other comprehensive income					
Gain / (loss) on revaluation of works of Art	627	-	-	-	627
Gain / (loss) on value of available for sale financial assets, net of tax	(7,861)	-	-	-	(7,861)
Gain / (loss) on swap contracts	-	-	933	-	933
Remeasurements of Defined Benefit Plans	-	-	(443)	-	(443)
Total other comprehensive income	(7,234)	-	490	-	(6,744)
Balance at 31 December 2017	639,367	636,479	348,732	-	1,624,578

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 2017

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
Cash flows from operating activities					
Inflows:					
Australian Government financial assistance	37(g)	493,044	504,401	493,044	504,401
OS-Help (net)	37(g)	(2,010)	470	(2,010)	470
Higher Education Superannuation	37(g)	3,872	3,992	3,872	3,992
State Government financial assistance		20,221	23,352	19,750	22,874
HECS-HELP student upfront payments		10,428	12,587	10,428	12,587
Fee paying student revenue received		223,919	199,284	223,919	199,284
Fees and charges		24,903	24,990	24,903	24,990
Donations and bequests		5,640	4,482	5,640	4,482
Interest and dividends received		1,328	6,642	1,285	2,949
Consultancy and contract research		66,763	85,710	57,942	59,135
Specialist services and produce trading		19,844	20,474	8,776	9,906
GST received		21,820	28,885	20,477	27,826
Other		48,142	52,724	41,660	42,821
Total inflows		937,914	967,993	909,686	915,717
Outflows:					
Salaries and related expenses		(509,231)	(498,903)	(500,027)	(486,974)
Student services		(48,002)	(45,057)	(47,202)	(45,057)
Goods and services		(279,501)	(303,635)	(260,284)	(263,122)
Costs of finance		(319)	(465)	(319)	(465)
GST paid		(23,789)	(35,546)	(21,958)	(30,512)
Total outflows		(860,842)	(883,606)	(829,790)	(826,130)
Net cash provided by operating activities	22	77,072	84,387	79,896	89,587

Statement of Cash Flows for the year ended 31 December 2017 - continued

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
Cash flows from investing activities					
Inflows:					
Proceeds from sale of property, plant and equipment		100	1,743	100	1,706
Proceeds from sale of financial assets		4,406	2,439	4,406	2,375
Receipt of proceeds from financial assets held-to-maturity		40,000	50,265	40,000	50,000
Proceeds from sale of non-current assets held for sale		-	37,145	-	37,145
Increase in loans		40	40	-	-
Repayment of loans by related parties		93	686	147	145
Total inflows		44,639	92,318	44,653	91,371
Outflows:					
Payments for property, plant and equipment		(79,356)	(187,733)	(79,202)	(187,261)
Payments for intangible assets		(18,815)	(11,461)	(18,815)	(11,461)
Payments for financial assets held-to-maturity		(40,000)	-	(40,000)	-
Increase in loans to related parties		(2)	(596)	-	-
Repayment of funds held on deposit		-	-	(1,675)	(2,000)
Total Outflows		(138,173)	(199,790)	(139,692)	(200,722)
Net cash used in investing activities		(93,534)	(107,472)	(95,039)	(109,351)
Cash flows from financing activities					
Inflows:					
Increase in borrowings		20,000	18,500	20,000	18,500
Total inflows		20,000	18,500	20,000	18,500
Outflows:					
Repayment of borrowings		(5,000)	(2,500)	(5,000)	(2,500)
Borrowings - interest repayments		(4,909)	(4,604)	(4,909)	(4,604)
Total outflows		(9,909)	(7,104)	(9,909)	(7,104)
Net cash used in financing activities		10,091	11,396	10,091	11,396
Net increase (decrease) in cash and cash equivalents		(6,371)	(11,689)	(5,052)	(8,368)
Cash and cash equivalents at the beginning of reporting period		42,146	53,936	37,422	45,891
Cash and cash equivalents in new Controlled Entity		422	-	-	-
Effects of exchange rate changes on cash and cash equivalents		(125)	(101)	(125)	(101)
Cash and cash equivalents at end of reporting period	6	36,072	42,146	32,245	37,422

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

The University invests its surplus working capital into bank term investments. These bank term investments are reported as Financial Assets held-to-maturity within Note 8 (2017: \$10.0 million, 2016: \$10.0 million). As a consequence these amounts are not reported within Cash and Cash Equivalents and the movement in these assets are not reported within the Statement of Cash Flows.

Notes to the Financial Statements

Notes Contents

1	Basis of Preparation
2	Scope of Reporting
3	Statement of Significant Accounting Policies
4	Revenue from Continuing Operations
5	Expenses from Continuing Operations
6	Cash and Cash Equivalents
7	Receivables
8	Other Financial Assets
9	Derivative Financial Instruments
10	Inventories
11	Other Non-Financial Assets
12	Investments Accounted for Using the Equity Method
13	Available-for-sale Financial Assets
14	Property, Plant and Equipment
15	Intangible Assets
16	Payables
17	Borrowings
18	Provisions
19	Other Liabilities
20	Employee Benefits and Related On-cost Liabilities
21	Retained Surplus and Reserves
22	Reconciliation of Net Cash provided by Operating Activities to Operating Result
23	Commitments
24	Contingencies
25	Superannuation Schemes
26	Disaggregation Information
27	Auditors' Remuneration
28	The University Council Members and Senior Management
29	Financial Instruments
30	Fair Value Measurements
31	Investments in Controlled Entities
32	Investments in Associates
33	Interests in Cooperative Research Centres
34	Interests in Joint Ventures
35	Related Parties
	Department of Education Reporting Requirements
36	Income Statement
37	Australian Government Financial Assistance
38(a)	Acquittal of Australian Government Financial Assistance – Education - CGS and Other Education Grants
38(b)	Acquittal of Australian Government Financial Assistance – Higher Education Loan Programmes
38(c)	Acquittal of Australian Government Financial Assistance – Department of Education and Training Research
39(d)	Acquittal of Australian Government Financial Assistance – Other Capital Funding
38(e)	Acquittal of Australian Government Financial Assistance – Australian Research Council Grants - Discovery
38(e)	Acquittal of Australian Government Financial Assistance – Australian Research Council Grants - Linkages
38(e)	Acquittal of Australian Government Financial Assistance – Australian Research Council Grants - Networks and Centres
38(f)	Other Australian Government Financial Assistance Received
39	State and Local Government Financial Assistance
40	Fees and Charges
41	Consultancy and Contract Revenue

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 and Training, the South Australian Treasurer's Instructions and the Accounting Policy Framework issued under the provisions of the Public Finance and Audit Act 1987 (except where in conflict with Department of Education and Training 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. 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 2017 operating results and 2016 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). It includes the University's interests in associates (Note 32) and its joint arrangements (Note 34), recognised using the equity accounting method.

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

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

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

Martindale Holdings Pty Ltd as trustee for

- JS Davies Estate
- The Roseworthy Farm

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

Roseworthy Piggery Pty Ltd

Australian Centre for Plant Functional Genomics Pty Ltd (controlled from 15 May 2017)

The Women's and Children's Health Research Institute

* The ownership of the shares in ACN 008 123 466 Pty Ltd (Formerly Repromed Pty Ltd) transferred from Adelaide Research & Innovation Pty Ltd to The University of Adelaide as at 24 March 2016.

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 non-current 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.

Non-controlling interest in the equity and results of the entities that are controlled by the University are shown as a separate item in the consolidated financial statements.

(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 ruling 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 ruling on that date.

(d) Revenue Recognition

The University recognises revenue when the amount of revenue can be reliably measured, it is probable that the future economic benefits will flow to the University and specific criteria have been met for each of the University's activities as described below. In some cases this may not be probable until consideration is received or an uncertainty is removed. The Consolidated Entity bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

- **Grant Revenue**
Grant revenue is recognised in the accounting period that the University obtains control of the revenue which is generally when it is received or where the University obtains control of the right to receive the grant and when the revenue recognition criteria are met.
- **HELP payments**
Revenue from HELP is categorised into those received from the Australian Government and those received directly from students. Revenue is recognised in the year in which the service is provided.
- **Student Tuition Fees and Charges**
Student tuition fees and charges are recognised in the year in which the service is provided.
- **Consultancy, Contract and Industry Research**
Consultancy, contract and industry research income is recognised in the accounting period in which the service is provided.
- **Bequests and Donations**
Bequests and donations are recognised as income in the accounting period they are received.
- **Interest and Investment Income**
Interest and income from investments are recognised as they accrue (refer to Note 3(j)).

- **Royalties, trademarks and licenses**

Revenue from royalties, trademarks and licences is recognised as income when earned.

- **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.

(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 Tax 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 15). 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 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 encourage voluntary redundancy.

(i) **Receivables**

Trade receivables are initially recognised at fair value. The collectability of receivables is assessed at the end of the reporting period and provision is made for any amounts considered to be doubtful. Any debts considered to be non-collectable have been expensed as bad debts.

(j) **Cash and Cash Equivalents**

Cash and cash equivalents includes cash at bank or on hand and deposits held at call with financial institutions.

(k) **Other Financial Assets**

The Consolidated Entity classifies its investments into the following categories: financial assets at fair value through profit or loss, financial assets held-to-maturity, available for sale financial assets and loans and receivables. The classification depends on the purpose for which the investments were acquired. The classification of the investments is made at initial recognition and is reviewed at the end of each reporting period.

- **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, with any realised and unrealised gains or losses recognised in the net operating result.

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 at market values obtained from the investment managers.

- **Financial assets held-to-maturity**

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

The University places its surplus operating funds into bank term deposits with fixed maturity dates. Financial assets held to maturity are carried at cost.

- **Available-for-sale financial assets**

The financial assets are classified in this category where there is an intention to dispose of the investment, rather than replacing the investment through trading or where they are not classified in any of the other categories. Available for sale financial assets are recorded at fair value less impairment in the Statement of Financial Position. Unrealised gains and losses arising from changes in fair value are recognised directly in equity, until the investment is disposed of or is determined impaired, at which time the cumulative unrealised gain or loss previously recognised in the reserve is included in the net operating result for the period. The University's investments in controlled entities are classified as non-current available-for-sale financial assets as the University does not intend to dispose of these assets in the near future.

- **Loans and receivables**

Financial assets are classified in this category when the Consolidated Entity provides money, goods or services to a debtor with no intention of selling the receivable. Financial assets classified as loans and receivables are recorded at amortised cost less impairment. They are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period which are classified as non-current assets.

(l) **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. As at 31 December 2017 there are 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.

(m) 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.

(n) 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.

• Interests in Associates

Interests in associates represent interests where the Consolidated Entity exercises a significant influence but not control over the financial and operating policies.

In the University's financial statements, investments in these entities are carried at cost.

In the consolidated financial statements, investments in these entities are accounted for using the equity method of accounting. The Consolidated Entity's share of the net profit or loss after tax is recognised in Consolidated Other comprehensive income after the elimination of unrealised profits and losses on transactions between these entities and any entities in the Consolidated Entity.

- **Joint Arrangements**
Where the Consolidated Entity has joint control of an entity as described in Note 34, the Consolidated Entity interests are accounted for using the equity method, based on management reports.
- **Cooperative Research Centres**
The University derives income as part of its participation in Cooperative Research Centres, as listed in Note 33. In the ordinary course of events this income, which is recognised in the financial statements of the University, is used to meet operational costs and/or acquire equipment. As a participant, the University will be entitled to a proportionate share of any intellectual property arising. As at the reporting date, the University is not aware of any material intellectual property with commercial value. As such no accounting entries have been recorded.
- **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 value of the investment is carried at the University's share of the net tangible assets of the investment entity.

(o) **Inventories**

- **Consumable Materials and Trading Stock**
The University has a number of inventory stores at several locations. These inventory stores are treated as consumables with all stock expensed in the current year.
- **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.

(p) **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(r).
- **Revaluations**
During 2016 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.

- **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 Matthew Ward, AAPI, B.App.Sc (Property Economics), Mr Nicholas Fein, BE, Mr Timothy Ashton, AAPI of AssetVal Pty Ltd on 31 December 2016.
- **Other 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.
- **Library Collection**
The Library collection was revalued on 31 December 2016 using an internal valuation based on the annual price movement of books.

- **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 2017. No provision for depreciation is made for works of art.

- **Leased Property, Plant and Equipment**

Leases of property, plant and equipment where the University, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the net operating result on a straight-line basis, over the period of the lease.

(q) **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.

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.

(r) **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
• Library Collection	10 years
• Plant and equipment including motor vehicles	5 – 10 years

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

(s) **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.

(t) **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.

(u) **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.

(v) **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.

(w) **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.

(x) **New or revised Australian Accounting Standards and Interpretations issued but not yet effective**

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2017 reporting periods. The University has elected not to early adopt any of these standards. The University is yet to perform a detailed assessment of the impacts of these new standards, however, the preliminary assessments are set out below:

Reference	Title and date of Standard application*	Summary	Impact on financial statements
AASB 9	<i>Financial Instruments</i> 1 January 2018	AASB 9 applies, with some exceptions, to all types of financial instruments and introduces a new classification model for financial assets that is more principles-based than the previous requirements in AASB 139. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.	The University is currently assessing the impact of AASB 9 but does not expect this standard to have a material impact upon the classification of its financial instruments. Presently, the University is unable to completely estimate the impact of AASB 9 on its financial statements. The University will make a more detailed assessment of the impact over the next 12 months.
AASB 15	<i>Revenue from Contracts with Customers</i> 1 January 2019	AASB 15 is the new standard for revenue recognition and replaces AASB 118 Revenue. It establishes a comprehensive framework for determining whether, how and when revenue is recognised. The principle in the new standard is 'when control of a good or service transfers to a customer' rather than 'when the risk and rewards of ownership reside'.	The University is currently assessing the impact of AASB 15 and has identified there could be a potential impact on the timing of the recognition of certain revenue types. Presently, the University is unable to completely estimate the impact of AASB 15 on its financial statements. The University will make a more detailed assessment of the impact over the next 12 months.
AASB 1058	<i>Income of Not-for-Profit Entities</i> 1 January 2019	This standard clarifies and simplifies the income recognition requirements that apply to not-for-profit entities in conjunction with AASB 15. AASB 15 and 1058 will supersede the majority of income recognition requirements relating to public sector not-for-profit entities, previously in AASB 1004. The timing of income recognition depends on whether a transaction gives rise to a liability or other performance obligation or a contribution by owners related to an asset received by the entity. AASB 1058 applies when a not-for-profit entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives.	The University is currently assessing the impact of AASB 1058 and has identified there could be a potential impact on the timing of the recognition of certain revenue types. Presently, the University is unable to estimate the impact of AASB 1058 on its financial statements. The University will make a more detailed assessment of the impact over the next 12 months.
AASB 16	<i>Leases</i> 1 January 2019	This new standard introduces a single accounting model for lessees. The standard requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset, and a lease liability representing its obligations to make lease payments. In effect, the majority of leases currently classified as operating leases will be reported on the Statement of Financial Position.	This new standard is a significant change from the past 30 years of accounting for leases. The University is currently assessing the impact of AASB 16 and has identified that there is likely to be a material impact in recognising the assets and liabilities associated with operating leases exceeding 12 months. The University has not yet quantified the impact on the Statement of Comprehensive Income or the Statement of Financial Position of applying AASB 16 to its current operating lease arrangements.

* Designates the beginning of the applicable annual reporting period

(y) **Changes in accounting policy and disclosure**

- **Basis of depreciation of freehold buildings**

From 1 January 2017, the consolidated entity changed its depreciation methodology for buildings from the diminishing value to straight line basis in order to align with the approach adopted by the external valuers when valuing the University's buildings as at 31 December 2016. The consolidated entity applied the straight line basis of depreciation to buildings prospectively. The impact of the effect in future periods as a consequence of the change in depreciation basis has not been disclosed as estimating it is impracticable. For details refer to Note 3(r).

- **Revision of Research Block Grant Funding Schemes**

On 7 December 2015 the Australian Government released the National Innovation and Science Agenda (NISA). The Agenda included a measure introducing new funding arrangements for research block grants for universities.

From 1 January 2017, the six previous research block grant programs were replaced with two simpler streamlined programs:

- The Research Support Program which provides a flexible funding stream to support the systemic costs of research; and
- The Research Training Program which provides support for the training of the next generation of researchers and innovators.

The reclassification of the 2016 programs to the new 2017 programs was as follows:

2017	2016
Research Support Program	Joint Research Engagement JRE Engineering Cadetships Research Infrastructure Block Grants Sustainable Research Excellence
Research Training Program	Australian Postgraduate Awards International Postgraduate Research Scholarships Research Training Scheme

As a result of the changes to the Research Block Grant Funding Schemes, the 2016 comparatives of a number of the Income Statement revenue lines and Notes 38(a)-(c) were restated. Overall, \$45.6 million was reclassified from Revenue received under the Higher Education Support Act ("HESA") and Learning and Teaching Grants to Research Training Program revenue. In addition, \$15.3M million was reclassified from Revenue received under HESA and Research Grants and Fees to Research Support Program revenue.

(z) **Rounding**

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

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
4. Revenue from continuing operations					
Received under Higher Education Support Act					
Base operating financial assistance					
Commonwealth Grants Scheme (Commonwealth supported places)		166,102	175,544	166,102	175,544
		166,102	175,544	166,102	175,544
Other operating financial assistance					
Other operating financial assistance		3,731	5,668	3,731	5,668
		3,731	5,668	3,731	5,668
Higher Education Contribution Scheme					
HECS-HELP student upfront payments		10,428	12,587	10,428	12,587
Australian Government financial assistance		103,886	103,801	103,886	103,801
		114,314	116,388	114,314	116,388
		284,147	297,600	284,147	297,600
Student fee income includes:					
Fee paying student revenue received					
Award courses					
Australian fee paying undergraduate students		665	294	665	294
Australian fee paying postgraduate students		3,310	3,469	3,310	3,469
International fee paying students		204,088	181,720	204,088	181,720
		208,063	185,483	208,063	185,483
Non award courses					
Continuing education		595	640	595	640
Australian fee paying		7,233	7,201	7,233	7,201
Other teaching service fees		4,404	5,124	4,404	5,124
		12,232	12,965	12,232	12,965
Non-course income					
Student services and amenities fees		3,233	3,059	3,233	3,059
		3,233	3,059	3,233	3,059
		223,528	201,507	223,528	201,507
Australian Government financial assistance					
FEE-HELP		10,692	11,700	10,692	11,700
SA-HELP		3,173	3,217	3,173	3,217
		237,393	216,424	237,393	216,424
Learning and teaching grants					
Learning and teaching grants		20,441	17,996	20,441	17,996
		20,441	17,996	20,441	17,996
		257,834	234,420	257,834	234,420

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
4. Revenue from continuing operations - continued					
Investment revenue					
Interest income					
Bank deposits		762	924	723	591
Held-to-maturity bank term investments		520	2,004	520	2,004
Dividends received		1	72	1	1
Distributions from controlled entities		-	-	352	407
Other investment gains and losses					
Net realised gain on endowment fund investments		10,701	7,661	10,617	7,661
Net unrealised gain on endowment fund investments		20,118	10,931	19,449	10,267
Revaluation gain on investments		7,433	3,366	7,433	3,338
Royalties, trademarks and licences		7,856	3,874	9,397	1,290
		47,391	28,832	48,492	25,559
Property revenue					
Rental charges/accommodation fees		10,354	11,641	10,062	11,509
Parking fees		2,112	2,175	2,112	2,175
Building development and maintenance recovery		1,222	1,643	1,222	1,643
Other property revenue		477	516	714	647
		14,165	15,975	14,110	15,974
Specialist services and trading					
Consultancy fees		8,411	9,692	8,407	7,283
Library charges and fines		469	293	469	293
Sale of services		26,635	29,145	9,862	11,886
Sale of goods		3,226	3,378	627	358
Sponsorship and conference income		2,498	2,405	2,498	2,405
Other specialist services and trading		1,554	1,476	1,541	1,359
		42,793	46,389	23,404	23,584
Bequests, donations and other revenue					
Bequests and donations received for:					
Research		2,733	1,438	10,321	1,438
General operational purposes		3,830	3,244	3,830	3,244
		6,563	4,682	14,151	4,682
Prizes and scholarships		1,740	3,758	1,740	3,758
Recharge of costs to other organisations		1,364	319	1,364	319
Application management and late fees		2,758	1,813	2,758	1,813
Franchise fees		2,151	2,945	2,151	2,945
Bad debts recoveries		2,277	6	2,277	6
Insurance claim recovery		103	414	103	414
Salary recharges		2,346	1,837	2,346	1,837
AusAid Scholarships & stipends		2,903	4,088	2,903	4,088
Reversal of impairment of other buildings		-	4,843	-	3,632
Gain on finance lease recognition		3,479	-	3,479	-
Net gain on disposal of assets		-	1,295	-	1,336
Gain on acquisition of Controlled Entity		173	-	-	-
Other revenue		8,202	11,277	8,895	8,401
		34,059	37,277	42,167	33,231
Share of other comprehensive income of associates and joint ventures accounted for using the equity method					
Joint ventures	34	(311)	102	-	-
Associates	32	(231)	(221)	-	-
		(542)	(119)	-	-

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
5. Expenses from continuing operations					
Salaries and related expenses					
Salaries and related expenses - Academic					
Salaries		199,817	189,760	199,817	189,760
Contributions to superannuation and pension schemes					
Contributions to funded schemes		31,418	30,721	31,418	30,721
Contributions to unfunded schemes		68	69	68	69
Payroll tax		13,374	13,146	13,374	13,146
Annual leave		13,689	14,499	13,689	14,499
Long service leave		3,792	4,105	3,792	4,105
Workers' compensation		519	918	519	918
Other		7,617	7,456	7,617	7,456
Redundancy expenses		929	102	929	102
Total academic salaries and related expenses		271,223	260,776	271,223	260,776
Salaries and related expenses - Non-academic					
Salaries		172,769	164,636	164,591	155,060
Contributions to superannuation and pension schemes					
Contributions to funded schemes		27,999	26,677	27,231	25,734
Contributions to unfunded schemes		85	58	85	58
Payroll tax		9,316	11,266	9,130	10,992
Annual leave		12,577	12,962	12,175	12,441
Long service leave		3,119	4,212	2,948	4,084
Workers' compensation		107	465	107	465
Other		5,281	6,357	5,273	6,340
Redundancy expenses		6,243	10,202	6,243	10,202
Total non-academic salaries and related expenses		237,496	236,835	227,783	225,376
Total salaries and related expenses		508,719	497,611	499,006	486,152
Teaching and research					
Agriculture, animals and cropping		2,232	1,847	2,232	1,847
Books, subscriptions and printed material		10,815	10,510	10,815	10,510
Laboratory expenses		19,274	19,359	19,274	19,357
Research transfer to other institutions		35,724	33,699	35,000	33,099
Other teaching and research		26,501	28,364	25,055	28,364
		94,546	93,779	92,376	93,177
Buildings and grounds					
Cleaning and security		11,427	9,663	11,053	9,257
Property maintenance		16,589	21,718	16,471	21,623
Building leases and rent		15,571	16,448	15,370	16,117
Utilities		15,465	14,973	15,368	14,933
		59,052	62,802	58,262	61,930

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
5. Expenses from continuing operations - continued					
Finance costs					
Interest		4,887	5,448	4,902	4,838
Finance charges		299	448	299	386
		5,186	5,896	5,201	5,224
Administration, communication and travel					
Consultants & specialist services		18,910	22,518	14,144	17,373
Fees & licenses		25,456	19,108	25,426	19,076
Insurance		1,685	2,841	1,599	2,734
Administration & communication		22,311	44,579	13,640	12,184
Publicity and fundraising		5,518	5,128	5,355	4,890
Travel, accommodation & entertainment		26,706	24,072	26,677	24,038
		100,586	118,246	86,841	80,295
Finance and fund administration					
Bad and doubtful debts					
Student loans		6	(7)	6	(7)
Student tuition		(85)	332	(85)	332
Other debtors		423	296	399	296
		344	621	320	621
Management and merchant fees		1,351	1,563	1,351	1,563
Fringe benefit tax payments		989	1,157	989	1,157
Other		179	187	179	187
		2,863	3,528	2,839	3,528
Misc equip, dep'n and net loss on disposal of assets includes:					
Amortisation of intangible assets					
Software		9,429	6,276	9,429	6,276
Amortisation	3(r)				
Leasehold improvements		2,872	2,706	2,872	2,695
		12,301	8,982	12,301	8,971
Depreciation	3(r)				
Buildings		24,284	23,843	24,188	23,785
Plant, equipment and motor vehicles		17,844	14,806	17,369	14,344
Library collection		1,709	2,194	1,709	2,194
		43,837	40,843	43,266	40,323
		56,138	49,825	55,567	49,294
Non-capitalised equipment		10,694	9,736	10,694	9,736
Net loss on disposal of assets		6,293	-	6,293	-
		73,125	59,561	72,554	59,030

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
6. Cash and Cash Equivalents	3(j)				
Cash at bank or on hand		25,922	36,846	22,245	32,422
Short term deposits at call		10,150	5,300	10,000	5,000
		36,072	42,146	32,245	37,422

The University invested its surplus working capital into bank term investments (2017: \$10.0 million, 2016: \$10.0 million). These bank term investments have been reported as Financial Assets held-to-maturity in Note 8. As a result these funds are not reported within Cash and Cash Equivalents or within the Statement of Cash Flows.

7. Receivables	3(i)				
Current					
Student tuition fees		4,496	5,262	4,496	5,262
Less: provision for impaired receivables		(193)	(433)	(193)	(433)
		4,303	4,829	4,303	4,829
Trade debtors		19,940	23,764	20,268	22,126
Less: provision for impaired receivables		(638)	(352)	(424)	(148)
		19,302	23,412	19,844	21,978
Sundry debtors		6,305	9,134	5,954	9,134
Less: provision for impaired receivables		-	(2,276)	-	(2,276)
		6,305	6,858	5,954	6,858
Student loans		40	140	40	140
Less: provision for impaired receivables		(17)	(92)	(17)	(92)
		23	48	23	48
		29,933	35,147	30,124	33,713

(a) Impaired receivables

As at 31 December 2017 current receivables of the group with a nominal value of \$0.8 million (2016: \$3.3 million) were impaired. The amount of the provision was \$0.8 million (2016: \$3.2 million). The individually impaired receivables relate to outstanding trade, sundry and student debtors. It was assessed that a portion of the receivables is expected to be recovered.

The ageing of impaired receivables is as follows:

0 to 3 months	109	103	109	103
3 to 6 months	13	156	13	156
Over 6 months	726	3,074	512	2,870
Total current impaired receivables	848	3,333	634	3,129

As at 31 December 2017 current receivables of the group of \$30.0 million (2016: \$35.0 million) were not impaired. These receivables mainly relate to a number of Government agencies and independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

0 to 3 months	26,699	28,728	27,185	28,323
3 to 6 months	2,300	5,211	2,280	4,672
Over 6 months	934	1,028	659	538
Total past due but not impaired current receivables	29,933	34,967	30,124	33,533

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

7. Receivables - continued

(a) Impaired receivables - continued

The movement in the provision for impaired receivables is as follows:

At 1 January		3,153	2,829	2,949	2,528
Net provision for impairment recognised/(reversed) during the year		(2,375)	95	(2,385)	123
Receivables written off during the year as uncollectible		70	229	70	298
At 31 December		848	3,153	634	2,949

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.

8. Other Financial Assets

Current

Other loans		31	92	31	147
Held-to-maturity - bank term investments		10,000	10,000	10,000	10,000
		10,031	10,092	10,031	10,147

Non-current

Fair value through profit or loss

Endowment Fund - external fund managers	3(k)	297,860	270,600	297,860	270,600
Other shares		28,281	20,461	28,281	20,430
Total fair value through profit or loss		326,141	291,061	326,141	291,030

Other loans		-	31	-	31
Total non-current other financial assets		326,141	291,092	326,141	291,061

Held-to-maturity - bank term investments

The University invests its surplus working capital into bank term investments and these bank term investments have been reported as Financial Assets held-to-maturity. As a result these funds are not reported within Cash and Cash Equivalents in Note 6 or within the Statement of Cash Flows.

Endowment Fund

The University holds investments arising from donations and bequests for the purpose of funding scholarships, prizes and research. These funds are invested with external fund managers in unlisted managed investment schemes.

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
9. Derivative Financial Instruments					
Current Liabilities					
Foreign currency swap contracts - cash flow hedges		18	-	18	-
Non-Current Liabilities					
Interest rate swap contracts - cash flow hedges		12,905	13,856	12,905	13,856
<p>During 2007 the University entered into nine \$10.0 million forward start interest rate swaps (totalling \$90.0 million), to manage its interest rate exposures on planned borrowings for its North Terrace Development Strategy. The swaps commenced in February 2010 and amortise on a straight line basis over twenty years. The University is obligated to pay a fixed interest rate of 6.65%. These interest rate swaps are effective hedges and the fair value of these hedges are recorded as a non-current liability.</p> <p>During the year the University entered into foreign currency swaps totalling \$0.6 million (2016: \$4.6 million) to manage USD and EUR foreign currency exposures. These foreign currency swaps were effective hedges and the fair value of these hedges were recorded as a current liability. The swap contracts were delivered when due with \$0.6 million (2016: \$nil) remaining in existence as at 31 December 2017.</p>					
10. Inventories	3(o)				
Consumable materials and trading stock		1,041	2,010	-	697
Livestock		441	381	-	-
Provision for obsolescence		-	(50)	-	(50)
		1,482	2,341	-	647
11. Other Non-Financial Assets					
Current					
Prepayments		12,768	10,384	12,629	10,325
Accrued income		3,269	1,404	3,269	1,303
		16,037	11,788	15,898	11,628
Non-current					
Prepayments		4,865	7,632	4,865	7,632
Total Other Non-Financial Assets		20,902	19,420	20,763	19,260
12. Investments Accounted for Using the Equity Method	3(n)				
Investments in associates	32				
At cost		-	-	-	-
Equity accounted		-	231	-	-
Interests in joint ventures	34				
At cost		-	-	972	972
Equity accounted		1,460	1,771	-	-
		1,460	2,002	972	972
13. Available-for-sale Financial Assets					
Non-current					
Investments in controlled entities	31	-	-	15,046	22,902

14. Property, Plant and Equipment

Consolidated	Trust Land	Other Land	Trust Buildings	Other Buildings	WIP	Leasehold Improvements	Library Collections	Works of Art	Plant and Equipment	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
As at 1 January 2016										
Cost	-	-	44,997	4,083	81,893	22,903	1,261	78	189,934	345,149
Valuation	150,824	49,945	760,307	68,290	-	-	21,226	7,723	-	1,058,315
Accumulated depreciation/amortisation	-	-	(43,880)	(4,046)	-	(12,710)	(4,346)	-	(117,135)	(182,117)
Net book amount	150,824	49,945	761,424	68,327	81,893	10,193	18,141	7,801	72,799	1,221,347
Year ended 31 December 2016										
Opening net book amount	150,824	49,945	761,424	68,327	81,893	10,193	18,141	7,801	72,799	1,221,347
Additions	-	-	-	306	179,067	-	628	10	9,523	189,534
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	-	(247)	(70)	(1,023)	(12)	(391)	(1,743)
Revaluation surplus/(deficit)	11,020	3,197	33,584	1,300	-	-	1,537	-	-	50,638
Impairment loss reversals	-	-	-	4,843	-	-	-	-	-	4,843
Transfers	-	-	18,032	1,202	(27,473)	1,312	-	-	6,927	-
Depreciation/amortisation	-	-	(21,785)	(2,058)	-	(2,706)	(2,194)	-	(14,806)	(43,549)
Closing net book amount	161,844	53,142	791,255	73,920	233,240	8,729	17,089	7,799	74,052	1,421,070
As at 31 December 2016										
Cost	-	-	-	-	233,240	23,810	-	88	201,639	458,777
Valuation	161,844	53,142	791,255	73,920	-	-	17,089	7,711	-	1,104,961
Accumulated depreciation/amortisation	-	-	-	-	-	(15,081)	-	-	(127,587)	(142,668)
Net book amount	161,844	53,142	791,255	73,920	233,240	8,729	17,089	7,799	74,052	1,421,070

14. Property, Plant and Equipment - continued

Consolidated	Trust Land	Other Land	Leased Land	Trust Buildings	Other Buildings	WIP	Leasehold Improvements	Library Collections	Works of Art	Plant and Equipment	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Year ended 31 December 2017											
Opening net book amount as at 1/1/2017	164,994	49,992	-	791,255	73,919	233,240	8,729	17,089	7,799	74,052	1,421,069
Additions	-	-	5,500	-	-	50,179	50	753	131	12,572	69,185
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	(643)	(2)	(281)	-	(4,173)	(36)	(256)	(5,391)
Revaluation surplus/(deficit)	-	-	-	-	1	-	-	-	627	-	628
Transfers	-	-	-	16,749	230,514	(268,887)	6	-	-	16,795	(4,823)
Depreciation/amortisation	-	-	(51)	(19,970)	(4,314)	-	(2,821)	(1,709)	-	(17,844)	(46,709)
Closing net book amount	164,994	49,992	5,449	787,391	300,118	14,251	5,964	11,960	8,521	85,319	1,433,959
As at 31 December 2017											
Cost	-	-	-	16,749	230,514	14,251	23,866	753	-	230,401	516,534
Valuation	164,994	49,992	5,500	790,588	73,918	-	-	12,916	8,521	-	1,106,429
Accumulated depreciation/amortisation	-	-	(51)	(19,946)	(4,314)	-	(17,902)	(1,709)	-	(145,082)	(189,004)
Net book amount	164,994	49,992	5,449	787,391	300,118	14,251	5,964	11,960	8,521	85,319	1,433,959

14. Property, Plant and Equipment - continued

University	Trust Land \$000	Other Land \$000	Trust Buildings \$000	Other Buildings \$000	WIP \$000	Leasehold Improvements \$000	Library Collections \$000	Works of Art \$000	Plant and Equipment \$000	Total \$000
As at 1 January 2016										
Cost	-	-	44,997	4,083	81,893	22,777	1,261	78	181,336	336,425
Valuation	153,974	45,050	760,307	61,035	-	-	21,226	7,723	-	1,049,315
Accumulated depreciation/amortisation	-	-	(43,880)	(3,901)	-	(12,651)	(4,346)	-	(111,523)	(176,301)
Net book amount	153,974	45,050	761,424	61,217	81,893	10,126	18,141	7,801	69,813	1,209,439
Year ended 31 December 2016										
Opening net book amount	153,974	45,050	761,424	61,217	81,893	10,126	18,141	7,801	69,813	1,209,439
Additions	-	-	-	307	179,067	-	628	10	9,125	189,137
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	-	(247)	(70)	(1,023)	(12)	(315)	(1,667)
Revaluation surplus/(deficit)	11,020	3,092	33,584	-	-	-	1,537	-	-	49,233
Impairment loss reversals	-	-	-	3,632	-	-	-	-	-	3,632
Transfers	-	-	18,032	1,202	(27,473)	1,312	-	-	6,927	-
Depreciation/amortisation	-	-	(21,785)	(2,000)	-	(2,695)	(2,194)	-	(14,344)	(43,018)
Closing net book amount	164,994	48,142	791,255	64,358	233,240	8,673	17,089	7,799	71,206	1,406,756
As at 31 December 2016										
Cost	-	-	-	-	233,240	23,684	-	88	195,813	452,825
Valuation	164,994	48,142	791,255	64,358	-	-	17,089	7,711	-	1,093,549
Accumulated depreciation/amortisation	-	-	-	-	-	(15,011)	-	-	(124,607)	(139,618)
Net book amount	164,994	48,142	791,255	64,358	233,240	8,673	17,089	7,799	71,206	1,406,756

14. Property, Plant and Equipment - continued

University	Trust Land \$000	Other Land \$000	Leased Land \$000	Trust Buildings \$000	Other Buildings \$000	WIP \$000	Leasehold Improvements \$000	Library Collections \$000	Works of Art \$000	Plant and Equipment \$000	Total \$000
Year ended 31 December 2017											
Opening net book amount as at 1/1/2016	164,994	48,142	-	791,255	64,358	233,240	8,673	17,089	7,799	71,206	1,406,756
Additions	-	-	5,500	-	-	50,179	47	753	131	12,521	69,131
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	(643)	(2)	(281)	-	(4,173)	(36)	(111)	(5,246)
Revaluation surplus	-	-	-	-	-	-	-	-	627	-	627
Transfers	-	-	-	16,749	230,514	(268,887)	6	-	-	16,795	(4,823)
Depreciation/amortisation	-	-	(51)	(19,970)	(4,218)	-	(2,821)	(1,709)	-	(17,369)	(46,138)
Closing net book amount	164,994	48,142	5,449	787,391	290,652	14,251	5,905	11,960	8,521	83,042	1,420,307
As at 31 December 2017											
Cost	-	-	-	16,749	230,514	14,251	23,737	753	-	224,628	510,632
Valuation	164,994	48,142	5,500	790,588	64,356	-	-	12,916	8,521	-	1,095,017
Accumulated depreciation/amortisation	-	-	(51)	(19,946)	(4,218)	-	(17,832)	(1,709)	-	(141,586)	(185,342)
Net book amount	164,994	48,142	5,449	787,391	290,652	14,251	5,905	11,960	8,521	83,042	1,420,307

	Other Intangible Assets	Consolidated Intangibles in Progress	Total
15. Intangible Assets			
As at 1 January 2016			
Cost	62,625	9,532	72,157
Accumulated amortisation and impairment	(42,610)	-	(42,610)
Net book amount as at 1 January 2016	20,015	9,532	29,547
Year ended 31 December 2015			
Opening net book amount	20,015	9,532	29,547
Additions	364	12,725	13,089
Disposals	-	(48)	(48)
Transfer to / (from) WIP	11,097	(11,097)	-
Amortisation charge	(6,276)	-	(6,276)
Closing net book amount as at 31 December 2016	25,200	11,112	36,312
As at 31 December 2016			
Cost	74,085	11,112	85,197
Accumulated amortisation and impairment	(48,885)	-	(48,885)
Net book amount as at 31 December 2016	25,200	11,112	36,312
Year ended 31 December 2017			
Opening net book amount	25,200	11,112	36,312
Additions	205	16,271	16,476
Disposals	-	(124)	(124)
Transfer to / (from) WIP	16,726	(16,726)	-
Transfer from PPE	4,823	-	4,823
Amortisation charge	(9,429)	-	(9,429)
Closing net book amount as at 31 December 2017	37,525	10,533	48,058
As at 31 December 2017			
Cost	95,839	10,533	106,372
Accumulated amortisation and impairment	(58,314)	-	(58,314)
Net book amount as at 31 December 2017	37,525	10,533	48,058

	Other Intangible Assets	University Intangibles in Progress	Total
15. Intangible Assets - continued			
As at 1 January 2016			
Cost	62,625	9,532	72,157
Accumulated amortisation and impairment	(42,610)	-	(42,610)
Net book amount as at 1 January 2016	20,015	9,532	29,547
Year ended 31 December 2016			
Opening net book amount	20,015	9,532	29,547
Additions	364	12,725	13,089
Disposals	-	(48)	(48)
Transfer to / (from) WIP	11,097	(11,097)	-
Amortisation charge	(6,276)	-	(6,276)
Closing net book amount as at 31 December 2016	25,200	11,112	36,312
As at 31 December 2016			
Cost	74,085	11,112	85,197
Accumulated amortisation and impairment	(48,885)	-	(48,885)
Net book amount as at 31 December 2016	25,200	11,112	36,312
Year ended 31 December 2017			
Opening net book amount	25,200	11,112	36,312
Additions	205	16,271	16,476
Disposals	-	(124)	(124)
Transfer to / (from) WIP	16,726	(16,726)	-
Transfer to from PPE	4,823	-	4,823
Amortisation charge	(9,429)	-	(9,429)
Closing net book amount as at 31 December 2017	37,525	10,533	48,058
As at 31 December 2017			
Cost	95,839	10,533	106,372
Accumulated amortisation and impairment	(58,314)	-	(58,314)
Net book amount as at 31 December 2017	37,525	10,533	48,058

	Note	Consolidated		University	
		2017 \$000	2016 \$000	2017 \$000	2016 \$000
16. Payables					
Current					
Accounts payable		33,080	58,853	31,695	55,388
Annual and long service leave oncosts	20	5,230	5,213	5,154	5,134
Accruals		6,221	5,446	5,625	3,048
Salary and related expenses payable		13,420	11,051	13,420	11,047
OS-HELP Liability to Australian Government		-	1,775	-	1,775
		57,951	82,338	55,894	76,392
Non-current					
Annual and long service leave oncosts	20	11,226	11,493	11,199	11,471
		11,226	11,493	11,199	11,471
Total Payables		69,177	93,831	67,093	87,863
17. Borrowings					
Current					
Interest bearing borrowings		5,000	5,000	5,000	5,000
Non-current					
Interest bearing borrowings		77,510	62,510	77,510	62,510
Total Borrowings		82,510	67,510	82,510	67,510

The University maintains an unsecured \$40 million Multi-Option Facility (as a standby working capital facility) and further unsecured Revolving Facilities with total limits of \$110.0 million. As at 31 December 2017 the standby working capital facility has not been drawn and \$82.5 million of the Revolving Facilities is drawn.

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
18. Provisions					
Current					
Workers' compensation provision		530	614	530	614
Annual and long service leave	20	28,827	28,182	28,117	27,446
		29,357	28,796	28,647	28,060
Insurance provision		1,483	2,563	1,483	2,563
		30,840	31,359	30,130	30,623
Non-current					
Workers' compensation provision		474	616	474	616
Annual and long service leave	20	57,606	56,868	57,398	56,681
Defined benefit fund net liability	25(c)	7,975	7,866	7,975	7,866
		66,055	65,350	65,847	65,163
Total Provisions		96,895	96,709	95,977	95,786
		Workers' compensation provision	Annual and long service leave	Insurance Provision	Defined benefit fund net liability
		\$000	\$000	\$000	\$000
Movements in provisions					
Consolidated - current					
Carrying amount at start of year		614	28,182	2,563	-
Additional/(reductions in) provisions recognised		(84)	645	(1,045)	-
Carrying amount at the end of the year		530	28,827	1,518	-
Consolidated - non-current					
Carrying amount at start of year		616	56,868	-	7,866
Additional/(reductions in) provisions recognised		(142)	738	-	109
Carrying amount at the end of the year		474	57,606	-	7,975
Movements in provisions					
University - current					
Carrying amount at start of year		614	27,446	2,563	-
Additional/(reductions in) provisions recognised		(84)	671	(1,080)	-
Carrying amount at the end of the year		530	28,117	1,483	-
University - non-current					
Carrying amount at start of year		616	56,681	-	7,866
Additional/(reductions in) provisions recognised		(142)	717	-	109
Carrying amount at the end of the year		474	57,398	-	7,975

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(t) 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 2017 that were expected to be paid subsequent to 1 January 2018 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 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.

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
19. Other Liabilities					
Current					
Outside funded positions		6	337	6	337
Income in advance		1,642	239	1,100	1,131
Student tuition fees received in advance		16,707	13,721	16,707	13,721
Residential bonds		327	342	327	342
Employee benefits – separation packages		1,078	1,085	1,078	1,038
Funds held on deposit		-	-	-	8,445
Other		1,388	2,536	1,388	2,517
		21,148	18,260	20,606	27,531
Non-Current					
Other		-	154	-	154
		-	154	-	154
Total Other Liabilities		21,148	18,414	20,606	27,685

20. Employee Benefits and Related On-Cost Liabilities

In accordance with the requirements of AASB 119 "Employee Benefits", employee on-costs are required to be reported as payables whilst leave liability amounts are reported separately in Note 18. Below is a composite note disclosure showing the total liabilities the Consolidated Entity has as at 31 December 2017 relating to employee benefits:

Annual Leave

On-costs included in payables - current	16	3,958	3,941	3,922	3,905
Employee benefits - current	18	21,776	21,584	21,449	21,213
		25,734	25,525	25,371	25,118
On-costs included in payables - non-current	16	1,613	1,645	1,607	1,636
Employee benefits - non-current	18	8,704	8,985	8,654	8,904
		10,317	10,630	10,261	10,540

Long Service Leave

On-costs included in payables - current	16	1,272	1,272	1,232	1,229
Employee benefits - current	18	7,051	6,598	6,668	6,233
		8,323	7,870	7,900	7,462
On-costs included in payables - non-current	16	9,613	9,848	9,592	9,835
Employee benefits - non-current	18	48,902	47,883	48,744	47,777
		58,515	57,731	58,336	57,612
		102,889	101,756	101,868	100,732

21. Retained Surplus and Reserves

21(a) Summary

Capital reserves

Capital reserve	-	-	-	-
Capital profits reserve	-	-	-	-
Asset revaluation surplus	346,856	346,230	345,202	344,575
Initial asset recognition reserve	279,124	279,124	279,124	279,124
Available-for-sale financial assets revaluation reserve	-	-	15,041	22,902
	625,980	625,354	639,367	646,601

Specific purpose reserves

Special reserve	283,588	300,787	283,588	300,787
Bequests/donations unspent income reserve	13,525	9,049	13,525	9,049
Restricted purpose bequest capital reserve	182,691	177,655	182,691	177,655
Endowment fund revaluation reserve	156,675	126,647	156,675	126,647
	636,479	614,138	636,479	614,138

Retained surplus	362,926	329,813	348,732	305,753
-------------------------	----------------	----------------	----------------	----------------

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
21. Reserves - continued					
21(b) Movements in reserves					
Capital reserve					
Opening balance		-	2,971	-	-
Current year movement		-	(2,971)	-	-
Closing balance		-	-	-	-
Capital profits reserve					
Opening balance		-	1,481	-	-
Current year movement		-	(1,481)	-	-
Closing balance		-	-	-	-
Asset revaluation surplus					
Opening balance		346,229	295,592	344,575	295,342
Add revaluation increment on property, plant and equipment		627	50,637	627	49,233
Closing balance		346,856	346,229	345,202	344,575
Initial asset recognition reserve					
Opening balance		279,124	279,124	279,124	279,124
Current year movement		-	-	-	-
Closing balance		279,124	279,124	279,124	279,124
Available-for-sale financial assets revaluation reserve					
Opening balance		-	-	22,902	22,366
Current year movement		-	-	(7,861)	536
Closing balance		-	-	15,041	22,902
Special reserve					
Opening balance		300,787	319,937	300,787	319,937
Current year movement		22,340	5,782	22,340	5,782
Transfer (to) / from retained surplus		(39,539)	(24,932)	(39,539)	(24,932)
Closing balance		283,588	300,787	283,588	300,787
Bequests/donations unspent income reserve					
Opening balance		9,049	7,129	9,049	7,129
Transfer (to) / from retained surplus		4,476	1,920	4,476	1,920
Closing balance		13,525	9,049	13,525	9,049
Restricted purpose bequest capital reserve					
Opening balance		177,655	172,571	177,655	172,571
Transfer from retained surplus		5,036	5,084	5,036	5,084
Closing balance		182,691	177,655	182,691	177,655
Endowment fund revaluation reserve					
Opening balance		126,647	108,719	126,647	108,719
Transfer (to) / from retained surplus		30,028	17,928	30,028	17,928
Closing balance		156,675	126,647	156,675	126,647

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
21. Reserves - continued					
21(c) Nature and purpose of reserves					
Capital reserve					
Represents capital accounts held within controlled entities of the University.					
Capital profits reserve					
Represents the accumulation of realised revalued increments of assets sold.					
Asset revaluation surplus					
Is used to record increments and decrements on the revaluation of non-current assets. Refer accounting policy note 3(p).					
Initial asset recognition reserve					
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.					
Available for sale financial assets revaluation reserve					
Is used to record increments and decrements on the revaluation of available for sale financial assets. Refer accounting policy note 3(k).					
Specific purpose reserves					
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. The special reserve is created for surplus funds which will be specifically acquitted in future accounting periods.					
22. Reconciliation of net cash provided by operating activities to net operating result					
Net operating result		55,508	60,908	64,830	60,237
Add/(subtract) non cash items					
Amortisation	5	12,301	8,982	12,301	8,971
Depreciation	5	43,837	40,843	43,266	40,323
Write down / (up) of investments		(38,164)	(19,996)	(37,496)	(21,266)
Other revenue/expenses		15,413	(14,001)	14,957	(17,923)
Reversal of impairment of other buildings	4	-	(4,843)	-	(3,632)
Funds held on deposit		-	-	1,675	2,000
(Profit)/loss on sale of property, plant and equipment		5,302	(1,293)	5,270	(1,336)
(Profit)/loss on sale of shares		18	-	18	-
Changes in assets/liabilities					
(Increase)/decrease in inventories		859	(369)	647	(13)
(Increase)/decrease in receivables		5,214	6,850	3,589	6,940
(Increase)/decrease in other assets		(1,482)	9	(1,503)	46
Increase/(decrease) in payables		(24,654)	5,556	(20,770)	7,690
Increase/(decrease) in other liabilities		2,734	(2,689)	(7,079)	2,645
Increase/(decrease) in provisions		186	4,430	191	4,905
Net cash provided by operating activities		77,072	84,387	79,896	89,587

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
23. Commitments					
Operating expenditure					
Contracted but not provided for and payable:					
Within one year		28,357	23,781	28,357	23,781
Between one and five years		5,992	10,705	5,992	10,705
Later than five years		-	-	-	-
Total operating expenditure commitments		34,349	34,486	34,349	34,486
Capital commitments					
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:					
Property, plant and equipment					
Within one year		20,031	22,905	20,031	22,905
Between one and five years		-	-	-	-
Later than five years		-	-	-	-
Total capital commitments		20,031	22,905	20,031	22,905
Lease commitments					
Operating Leases					
The operating lease commitments primarily relate to leases of photocopiers, computers, office equipment and office space.					
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:					
Within one year		14,582	12,925	14,582	12,925
Between one and five years		30,007	33,105	30,007	33,105
Later than five years		9,553	13,645	9,553	13,645
Total future minimum lease payments		54,142	59,675	54,142	59,675

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 \$1.3 million bank guarantee to ReturnToWorkSA. The amount of the guarantee was based on an actuarial assessment of the projected workers' compensation claims liabilities. In 2016, the University was advised by ReturnToWorkSA that it had approved a self-insurance renewal for a period of five years with an agreed renewal date of 21 March 2021.

(b) Superannuation

(i) The University of Adelaide Superannuation Scheme A 1985 (Scheme A 1985)

The University has guaranteed that members of this superannuation scheme will receive defined benefits in the event that this closed scheme has insufficient assets to meet the benefits. Employer contributions of 14% of salaries was increased to 17.3% on actuarial advice as from 1 July 2016 to ensure there are sufficient assets in the scheme to meet expected future liabilities of remaining members. Refer to Note 25(c).

(ii) UniSuper Limited Superannuation Schemes

Refer to Note 25(b).

(c) 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 matters remain outstanding. On legal advice, the University is of the opinion that no material losses are likely to arise. Notwithstanding the fact the University is of the opinion that no material losses are likely to arise, an action has been served upon one of the University's Controlled Entities, Adelaide Unicare, which is subject to a process of confidential mediation. The outcome of this mediation process may have an impact on the carrying value of both the University available-for-sale financial assets and the net assets recognised in the University Consolidated Financial Statements. The University or its controlled entities will make a provision where a material loss is identified. Claims of an insurance nature have been covered by a provision of \$1.5 million to the extent that such claims are not covered by the University's comprehensive insurance program. Refer Note 18.

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 (Scheme A 1985)
- (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 2017 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 was 9.5% of salaries.

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.

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

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 2017 the assets of the Defined Benefit Division in aggregate were estimated to be \$2,797 million (30 June 2016: \$2,252 million) above vested benefits after allowing for various reserves. The Vested Benefits Index based on funding assumptions was 114.5%. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the Defined Benefit Division.

As at 30 June 2017 the assets of the Defined Benefit Division in aggregate were estimated to be \$4,258 million (30 June 2016: \$3,757 million) above accrued benefits after allowing for various reserves. The Accrued Benefits Index based on best estimate assumptions was 123.9%. 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 1 July, 2017 was conducted by Ms Kate Maartensz 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 1 July 2017. The financial assumptions used were:

	Vested Benefits	Accrued Benefits
Gross of tax investment return - Defined Benefit Division pensions	5.30% p.a.	6.60% p.a.
Gross of tax investment returns - commercial rate indexed pensions	2.90% p.a.	2.90% p.a.
Net of tax investment return - non pensioner members	4.70% p.a.	5.80% p.a.
Consumer Price Index	2.00% p.a.	2.00% p.a.
Inflationary salary increases long term	3.00% p.a.	3.00% 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

The University of Adelaide Superannuation Scheme A 1985 (Scheme) 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 Trustee and administrator of the Scheme is Tidswell Financial Services Ltd. The Scheme 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 either lump sum or pension benefits on retirement, death, disablement and withdrawal. The defined benefit section of the Scheme 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 Scheme's Trustee is responsible for the governance of the Scheme. The Trustee has a legal obligation to act solely in the best interests of the Scheme beneficiaries. The Trustee has the following roles:

- Administration of the Scheme and payment to the beneficiaries from Scheme assets when required in accordance with the Scheme rules;
- Management and investment of the Scheme 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 Scheme 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.
- **Salary growth risk** - The risk that wages or salaries (on which future benefit amounts will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions.
- **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 a greater proportion of eligible members 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.
- **Timing of members leaving service** - As the Scheme has only a small number of members, members leaving may have an impact on the financial position of the Scheme, depending on the financial position of the Scheme at the time they leave. The impact may be positive or negative, depending upon the circumstances and timing of the withdrawal.

The defined benefit assets are invested in 11 specialist pool investment vehicles plus term deposits. The assets have a 56% weighting to equities and therefore the Scheme has a significant concentration of equity market risk. However, within the equity investments, the allocation both globally and across the sectors is diversified and therefore the Scheme has no significant concentration of investment risk.

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 - continued

	Note	2017 \$000	2016 \$000
Reconciliation of the Net Defined Benefit Liability/(Asset)			
Net defined benefit liability/(asset) at the beginning of the year		7,866	8,360
Add			
Current service costs		454	434
Net interest		212	242
Actuarial (gains) / losses arising from changes in financial assumptions		728	300
Actuarial (gains) / losses arising from liability experience		1,280	382
Actuarial (gains) / losses arising from changes in demographic assumptions		(881)	-
Less			
Actual return on Scheme assets less interest income		(684)	(878)
Employer contributions		(1,000)	(974)
Net defined benefit liability/(asset) at the end of the year		7,975	7,866
Reconciliation of the defined benefit obligation			
Present value of defined benefit obligations at the beginning of the year		22,110	21,525
Add			
Current service costs		454	434
Interest cost		665	664
Contributions by Scheme participants		32	36
Actuarial (gains) / losses arising from changes in financial assumptions		728	300
Actuarial (gains) / losses arising from liability experience		1,280	382
Actuarial (gains) / losses arising from changes in demographic assumptions		(881)	-
Less			
Benefits paid		(1,557)	(832)
Taxes, premiums and expenses paid		(362)	(399)
Present value of defined benefit obligations at the end of the year		22,469	22,110
Reconciliation of the fair value of Scheme assets			
		14,244	13,165
Add			
Interest income		453	422
Actual return on Scheme assets less interest income		684	878
Employer contributions		1,000	974
Contributions by Scheme participants		32	36
Less			
Benefits paid		(1,557)	(832)
Taxes, premiums and expenses paid		(362)	(399)
Fair value of Scheme assets at the end of the year		14,494	14,244
Reconciliation of the Assets and Liabilities recognised in the Statement of Financial Position			
Defined benefit obligation including contributions tax provision		22,469	22,110
Less			
Fair value of scheme assets		(14,494)	(14,244)
Defined benefit fund net liability	18	7,975	7,866
Expense recognised in the Statement of Comprehensive Income			
Service cost		454	434
Net interest		212	242
Defined benefit cost recognised in Net operating result		666	676
Amounts recognised in Other Comprehensive Income			
Actuarial (gains) / losses		1,127	682
Actual return on Scheme assets less interest income		(684)	(878)
Total remeasurements recognised in Other Comprehensive Income		443	(196)

Reconciliation of the Effect of the Asset Ceiling

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 - continued

Fair value of Scheme assets

As at 31 December 2017

	2017 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Asset Category				
Investment Funds	14,494	-	14,494	-
	14,494	-	14,494	-

As at 31 December 2016

	2016 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Asset Category				
Investment Funds	14,244	-	14,244	-
	14,244	-	14,244	-

Scheme assets

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

	2017	2016
Australian equity	40%	39%
International equity	16%	16%
Fixed income	36%	35%
Property	7%	7%
Cash	1%	3%

Fair value of University's own financial instruments

The fair value of Scheme 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.

	2017 \$'000	2016 \$'000
Actual return on scheme assets	1,137	1,300

Significant actuarial assumptions at the balance date

Assumptions to determine Defined Benefit Cost

Discount rate	3.30%	3.40%
Expected salary increase rate	3.00%	3.00%
Expected pension increase rate	2.50%	2.50%

Assumptions to determine Defined Benefit Obligation

Discount rate	2.80%	3.30%
Expected salary increase rate	2.50%	3.00%
Expected pension increase rate	2.25%	2.50%

25. Superannuation Schemes – continued

(c) The University of Adelaide Superannuation Scheme A 1985 - continued

Sensitivity Analysis

The defined benefit obligation as at 31 December 2017 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 to H relate to sensitivities on pension assumptions.

Scenario A: 0.5% pa lower discount rate assumption

Scenario B: 0.5% pa higher discount rate assumption

Scenario C: 0.5% pa lower salary increase rate assumption

Scenario D: 0.5% pa higher salary increase rate assumption

Scenario E: 0.5% pa lower pension increase rate assumption

Scenario F: 0.5% pa higher pension increase rate assumption

Scenario G: 10% lower pensioner mortality rate assumption

Scenario H: 10% higher pensioner mortality rate assumption

	Base Case	A	B	C	D
		-0.5% pa discount rate	+0.5% pa discount rate	-0.5% pa salary increase rate	+0.5% pa salary increase rate
Discount rate	2.8% pa	2.3% pa	3.3% pa	2.8% pa	2.8% pa
Salary increase rate	2.5% pa	2.5% pa	2.5% pa	2.0% pa	3.0% pa
Defined benefit obligation^ (\$'000)	22,469	23,718	21,332	22,452	22,487

	Base Case	E	F	G	H
		-0.5% pa pension increase rate	+0.5% pa pension increase rate	10% lower pensioner mortality rate	10% higher pensioner mortality rate
Pension increase rate	2.25% pa	1.75% pa	2.75% pa	2.25% pa	2.25% pa
Pensioner mortality (MSRP*)	100%	100%	100%	90%	110%
Defined benefit obligation^ (\$'000)	22,469	21,383	23,647	23,333	21,673

^ includes defined benefit contributions tax provision

* Mercer Standard Retiree Pensioner Mortality rates 2005-2009

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

Asset-Liability matching strategies

The University is not aware of any asset and liability matching strategies adopted by the Scheme.

Expected contributions

The expected employer contributions for the year ended 31 December 2018 are \$1.2 million (2017: \$1.0 million).

Maturity profile of defined benefit obligation

The weighted average duration of the defined benefit obligation as at 31 December 2017 is 10 years.

Expected benefit payments for the financial year ending on	\$'000
31 December 2018	2,591
31 December 2019	1,233
31 December 2020	1,220
31 December 2021	2,157
31 December 2022	1,116
Following 5 years	5,503

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 2017 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 PricewaterhouseCoopers (the actuary) as at 31 December 2017, using the Projected Unit Credit Method. The actuarial valuation was based on 30 June 2017 membership data which was projected to 31 December 2017. The present value of the defined benefit obligations has been calculated to be \$67.2 million (2016: \$69.5 million).

The actuary estimates that, as at 31 December 2017, using AASB 119 Employee Benefits assumptions there is an unfunded liability of \$63.5 million (2016: \$66.2 million). This represents a decrease in liability of \$2.6 million since 31 December 2016.

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 2017 Reporting Period" provided by the Department of Education and Training. The accounting treatment employed is also consistent with the approach taken by other Australian Universities. Accordingly, total assets of \$67.2 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 12.20 years (2016: 12.97 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 2017	4,374	4,407	12,972	71,827	93,580
Defined Benefit obligation 31 December 2016	4,360	4,402	13,226	79,503	101,491

Plan Assets

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

	30 June 2017 (%)		30 June 2016 (%)	
	Active Market	Non-Active Market	Active Market	Non-Active Market
Australian Equities	26.0	-	24.0	-
International Equities	26.3	-	24.1	-
Property	2.2	13.0	2.5	11.8
Diversified Strategies Growth	1.0	10.8	0.8	10.2
Diversified Strategies Income	15.2	-	15.7	-
Inflation Linked Securities	3.2	1.0	-	5.7
Long Term Fixed Interest	-	-	2.8	-
Cash	1.3	-	2.4	-
Total	75.2	24.8	72.3	27.7

25. Superannuation Schemes – continued

(d) State Government Superannuation Schemes - continued

Reconciliation of the present value of the defined benefit obligation

	Note	2017 \$000	2016 \$000
Reconciliation of the Net Defined Benefit Liability/(Asset)			
Present value of defined benefit obligation at start of year		69,456	71,461
Current service costs		41	45
Interest cost		2,085	2,217
Actuarial (gains) / losses			
(a) Impact of changes in demographic assumptions		(912)	-
(b) Impact of changes in financial assumptions		1,973	725
(c) Experience items		(1,480)	(570)
Benefits and expenses paid		(3,955)	(4,422)
Present value of defined benefit obligations at end of year		67,208	69,456

Reconciliation of the fair value of the defined benefit plan assets

Fair value of Scheme assets at start of year		3,289	3,033
Interest income		98	96
Actual return on Scheme assets less interest income		291	155
Employer contributions		3,960	4,427
Benefits and expenses paid		(3,955)	(4,422)
Fair value of Scheme assets at end of year		3,683	3,289

Net Liability

Defined Benefit obligation		67,208	69,456
Fair value of scheme assets		(3,684)	(3,289)
Defined benefit fund net liability		63,524	66,167

Movement in Net Liability

Net superannuation liability/(asset) at start of year		66,167	68,428
Defined Benefit cost		2,028	2,165
Remeasurements		(711)	-
Employer contributions		(3,960)	(4,426)
Net superannuation liability/(asset) at end of year		63,524	66,167

Profit and Loss Impact

Service cost		41	45
Net interest		1,987	2,121
Defined Benefit cost		2,028	2,166

Other Comprehensive Income

Actuarial losses / (gains)		(420)	155
Actual return on assets less interest income		291	155
Total remeasurements in Other Comprehensive Income		(711)	-

25. Superannuation Schemes – continued

(d) State Government Superannuation Schemes - continued

Summary	Consolidated		University	
	2017	2016	2017	2016
	\$000	\$000	\$000	\$000
Deferred Government Superannuation Contribution				
Current asset	4,400	4,400	4,400	4,400
Non-current asset	62,808	61,767	62,808	61,767
	67,208	66,167	67,208	66,167
Defined Benefit Obligation				
Current liability	4,400	4,400	4,400	4,400
Non-current liability	62,808	61,767	62,808	61,767
	67,208	66,167	67,208	66,167

Major economic assumptions

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

	2017	2016
Discount rate	2.8%	3.1%
Long term salary rate increases	4.0%	4.0%
Long term CPI increases	2.5%	2.5%

Sensitivity Analysis

The defined benefit obligation as at 31 December 2017 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 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%

	Base Case	A	B	C
Present value of defined benefit obligation (\$'000)	67,208			
Defined benefit obligation (\$'000)		63,972	70,720	67,254
Change in Defined benefit obligation (%)		-4.8%	5.2%	0.1%

	Base Case	D	E	F
Present value of defined benefit obligation (\$'000)	67,208			
Defined benefit obligation (\$'000)		67,164	70,844	63,852
Change in Defined benefit obligation (%)		-0.1%	5.4%	-5.0%

25. Superannuation Schemes – continued

(e) Contributions		2017	2016
The total employer contributions were:		Note	
		\$000	\$000
UniSuper Defined Benefit Division (UniSuper Defined Contribution Plan) or Accumulation Super 2		39,166	37,726
Accumulation Super 1		19,319	18,348
Super SA		52	52
State Government Superannuation Schemes (3%)		5	5
The University of Adelaide Superannuation Scheme A 1985		95	70
Self-managed funds		125	126
		58,762	56,327

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 so significant as to warrant disaggregation information disclosure.

27. Auditors' Remuneration

Consolidated		University	
2017	2016	2017	2016
\$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	299	294	299	294
Other auditors of controlled entities	71	84	-	-
	370	378	299	294

Other audit and assurance services

Other auditors of controlled entities	8	7	-	-
	378	385	299	294

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	Bebbington, Professor Warren	ceased 30/4/2017
	Brooks, Professor Mike	appointed 1/5/2017
	Scarce AC CSC RAN (Rtd), Rear Admiral The Hon Kevin	
	Williams, Professor John	
Appointed	Branson QC, The Hon Catherine	
	Hill, Mr David	
	Liddle, Ms Kerryne	
	Locher, Ms Christine	
	Presser, Ms Kathryn	
	Siebels, Mr Peter	
Elected Staff	Abell, Professor Andrew	re-elected 6/3/2017
	Campbell, Ms Kerrie	elected 6/3/2017, resigned 4/8/2017
	Coleman, Mr Lachlan	elected 6/3/2017
	Hayford, Ms Julie	retired 2/1/2017
	Matthews, Mr Stuart	ceased 5/3/2017
	Patrikeeff, Associate Professor Felix	re-elected 6/3/2017, resigned 14/6/2017
Elected Graduates	Day, Mr Robin Elliott	
	Storer, Mr Timothy	
	Watson AM, Dr Bruce Ian	
Students	Hopkins, Mr Jarrad	elected 6/3/2017
	Lu, Mr Zhao	ceased 5/3/2017
	Matthews, Mr Richard	elected 6/3/2017
	Morphett, Ms Georgina	elected 6/3/2017
	Nikias, Mr Kyriaco	ceased 5/3/2017
	Wojt, Ms Lucinda	ceased 5/3/2017

University Senior Management

Ashman, Professor Peter	ceased 30/7/2017
Beaumont, Dr Nicole	
Bebbington, Professor Warren	ceased 30/4/2017
Brooks, Professor Mike	
Burt, Professor Alastair	
Cromar, Professor Nancy	
Davis, Ms Inga	
Findlay AM, Professor Christopher	
Hill, Professor Robert	ceased 3/9/2017
Levy, Professor Phillipa	
Liebelt, Professor Michael	commenced 4/9/2017
Lindsay, Professor Noel	commenced 1/2/2017
Lines, Mr Bruce	
Middelberg, Professor Anton	commenced 31/7/2017
Mitchell, Mr Tony	
Owens, Professor Julie	
Quester, Professor Pascale	
Shaw, Professor Jennie	
Williams, Professor John	

2017
\$000

2016
\$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			24	22
45,000	-	59,999	1	1
			25	23

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	5,820	5,388
Other long-term benefits	977	884
Termination benefits	19	101
Total senior management personnel compensation	6,816	6,373

\$		\$	Number	Number
145,000	-	159,999	1	-
190,000	-	204,999	1	2
205,000	-	219,999	1	-
265,000	-	279,999	1	-
280,000	-	294,999	1	2
295,000	-	309,999	-	1
310,000	-	324,999	2	2
325,000	-	339,999	-	1
340,000	-	354,999	1	-
355,000	-	369,999	3	3
385,000	-	399,999	1	1
400,000	-	414,999	2	-
415,000	-	429,999	1	-
505,000	-	519,999	-	2
520,000	-	534,999	1	-
535,000	-	549,999	-	1
550,000	-	564,999	1	-
715,000	-	729,000	1	-
1,075,000	-	1,089,999	-	1
			18	16

The Department of Education and Training Guidelines specify that senior management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the whole 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 9.

	Note	Floating Interest Rate	Fixed Maturity Dates					Non- Interest Bearing	Total
			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
2017									
Financial Assets									
Cash & Cash Equivalents	6	35,212	-	-	-	-	-	-	36,072
Receivables	7	-	-	-	-	-	-	-	27,634
Financial Assets	8	-	-	-	-	-	-	-	326,141
Financial Assets Held to Maturity	8	-	10,000	-	-	-	-	-	10,000
Other Financial Assets	8, 12	-	31	-	-	-	-	-	1,491
		35,212	10,031	-	-	-	-	-	401,338
Financial Liabilities									
Derivative Financial Instruments	9	-	-	-	-	-	-	-	12,923
Payables	16	-	-	-	-	-	-	-	67,012
Borrowings	17	-	5,000	7,500	7,500	7,500	5,250	49,750	82,510
		-	5,000	7,500	7,500	7,500	5,250	49,750	162,445

29. Financial Instruments - continued

	Note	Floating Interest Rate	Fixed Maturity Dates						Non-Interest Bearing	Total
			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	\$000
2016										
Financial Assets										
Cash & Cash Equivalents	6	40,072	-	-	-	-	-	-	2,074	42,146
Receivables	7	-	-	-	-	-	-	-	28,924	28,924
Financial Assets	8	-	-	-	-	-	-	-	291,061	291,061
Financial Assets Held to Maturity	8	-	10,000	-	-	-	-	-	-	10,000
Other Financial Assets	8, 12	-	92	31	-	-	-	-	2,002	2,125
		40,072	10,092	31	-	-	-	-	324,061	374,256
Financial Liabilities										
Derivative Financial Instruments	9	-	-	-	-	-	-	-	13,856	13,856
Payables	16	-	-	-	-	-	-	-	93,116	93,116
Borrowings	17	-	5,000	5,000	5,000	5,000	5,000	42,500	10	67,510
		-	5,000	5,000	5,000	5,000	5,000	42,500	106,982	174,482

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 and library subscriptions. Further details are contained in Note 3(l).

(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 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	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
Financial assets					
Cash and cash equivalents	6	36,072	42,146	36,072	42,146
Receivables	7	27,634	28,924	27,634	28,924
Investments using the equity method	12	1,460	2,002	1,460	2,002
Other financial assets	8	336,172	301,184	336,172	301,184
Total financial assets		401,338	374,256	401,338	374,256
Financial liabilities					
Payables	16	67,012	93,116	67,012	93,116
Borrowings	17	82,510	67,510	82,510	67,510
Derivative Financial Instruments	9	12,923	13,856	12,923	13,856
Total financial liabilities		162,445	174,482	162,445	174,482

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 using the equity method
- Derivative financial instruments
- Other financial assets
- Land and buildings
- Library collection
- 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 2017.

Fair Value measurements at 31 December 2017					
	Note	2017 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial assets					
Financial assets at fair value through profit or loss	8	326,141	298,290	-	27,851
Investments using the equity method	12	1,460	-	-	1,460
Other financial assets	8	10,031	10,000	31	-
Total recurring financial assets		337,632	308,290	31	29,311
Non-financial assets					
Library collection	14	11,960	-	-	11,960
Other land and buildings	14	350,110	-	350,110	-
Trust land and buildings	14	952,385	-	-	952,385
Works of art	14	8,521	-	8,521	-
Total recurring non-financial assets		1,322,976	-	358,631	964,345
Financial liabilities					
Borrowings	17	82,510	-	82,510	-
Derivative financial instruments	9	12,923	-	12,923	-
Total liabilities		95,433	-	95,433	-
Fair Value measurements at 31 December 2016					
Recurring fair value measurements					
	Note	2016 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial assets					
Financial assets at fair value through profit or loss	8	291,061	270,631	-	20,430
Investments using the equity method	12	2,002	-	-	2,002
Other financial assets	8	10,123	10,000	123	-
Total financial assets		303,186	280,631	123	22,432
Non-financial assets					
Library collection	14	17,089	-	-	17,089
Other land and buildings	14	127,062	-	127,062	-
Trust land and buildings	14	953,099	-	-	953,099
Works of art	14	7,799	-	7,799	-
Total non-financial assets		1,105,049	-	134,861	970,188
Financial liabilities					
Borrowings	17	67,510	-	67,510	-
Derivatives financial instruments	9	13,856	-	13,856	-
Total financial liabilities		81,366	-	81,366	-

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 held-to-maturity investments that are disclosed in note 8 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 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 2017, the borrowing rates were determined to be between 2.5% and 3.5%, 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 2017 and 2016:

Level 3 Fair Value Measurements 2017

	Trust Land and Buildings	Investments Using the Equity Method	Unlisted Equity Securities	Library Collection	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	956,249	2,002	20,430	17,089	995,770
Acquisitions	16,749	-	-	753	17,502
Disposals	(643)	-	-	(4,173)	(4,816)
Recognised in Net operating result	(19,970)	-	7,421	(1,709)	(14,258)
Recognised in other comprehensive income	-	(542)	-	-	(542)
Closing balance	952,385	1,460	27,851	11,960	993,656

Level 3 Fair Value Measurements 2016

Opening balance	915,398	2,121	17,092	18,141	952,752
Acquisitions	18,032	-	-	628	18,660
Disposals	-	-	-	(1,023)	(1,023)
Recognised in Net operating result	(21,785)	-	3,338	(2,194)	(20,641)
Recognised in other comprehensive income	44,604	(119)	-	1,537	46,022
Closing balance	956,249	2,002	20,430	17,089	995,770

(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 2017 \$'000	Un- observable inputs	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Investments using the equity method	1,460	Earnings growth factor	2.0% - 3.0% (2.5%)	Increased earnings growth factor of 1% would increase fair value by \$15,000; lower growth factor of 1% would decrease fair value by \$15,000.
Unlisted Equity Securities	27,851	Earnings growth factor	2.0% - 3.0% (2.5%)	Increased earnings growth factor of 1% would increase fair value by \$279,000; lower growth factor of 1% would decrease fair value by \$279,000.
Library Collection	11,960	Price of bound books	4.0% - 5.0% (4.5%)	The higher the price of bound books, the higher the fair value, with a 1% increase increasing the library collection value by \$120,000. A decrease of 1% will decrease the fair value by \$120,000.

(iii) Valuation processes

The Finance and Procurement 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 2016, 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	
	2017	2016	2017	2016	2017	2016	2017	2016
	%	%	\$000	\$000	\$000	\$000	\$000	\$000
The Adelaide Research & Innovation Investment Trust	100	100	276	514	-	-	(124)	514
ACN 008 123 466 Pty Ltd	100	100	40	73	50	50	(33)	(46)
Adelaide Unicare Pty Ltd	100	100	11,397	11,922	-	-	(526)	775
Australian Centre for Plant Functional Genomics Pty Ltd	100	45	355	-	-	-	178	-
Martindale Holdings Pty Ltd as trustee for:								
· JS Davies Estate	83	83	-	-	-	-	13	(1)
· Roseworthy Farm	100	100	1,985	1,807	-	-	416	323
National Wine Centre Pty Ltd	100	100	993	766	-	-	189	(333)
Roseworthy Piggery Pty Ltd	100	100	-	317	100	100	(93)	192
The Women's and Children's Health Research Institute	100	100	-	7,503	-	-	(7,503)	202
			15,046	22,902	150	150	(7,483)	1,626

All of the above controlled entities are incorporated in Australia.

Controlled Entity	Principal Activities
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. Shares transferred to the University during 2016 from The Adelaide Research & Innovation Investment Trust.
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.
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.
Martindale Holdings Pty Ltd as trustee for:	Trustee Company for the following:
· JS Davies Estate	Established to operate farming properties that were bequeathed to the University of Adelaide and Prince Alfred College. This venture is no longer operating.
· Roseworthy Farm	Manages the broadacre farm operations at the University 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.
Roseworthy Piggery Pty Ltd	Established to manage the piggery located on the Roseworthy Campus. The Piggery provides a source of pigs for research and supports the Veterinary School teaching. Effective 25 October 2017, the net assets and operations of the Roseworthy Piggery Pty Ltd were transferred to the University of Adelaide.
The Women's and Children's Health Research Institute	Medical research institute investing in research towards improving the health of women and children, focussed on maternal and child nutrition, diseases of the blood and immune system and the development and repair of the digestive system, skull and skin. Effective 15 December 2017, the investment assets of The Women's and Children's Health Research Institute were donated to the University.

32. Investments in Associates

(a) Equity and Contribution to Operating Result

Associate	Principal Activity	Holding		Consolidated Carrying Amount		Investment at Cost	
		2017	2016	2017	2016	2017	2016
		%	%	\$000	\$000	\$000	\$000
Held by the University							
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.	100	45	-	231	-	-
SNAP Network Surveillance Pty Ltd	Production of software to simplify operation of large-scale video surveillance.	9	32	-	-	-	-
				-	231	-	-

The University has a 25% interest in an incorporated associate, SABRENet Ltd, which has been established to further the use of advanced data networking, for the conduct of research and education in South Australia. SABRENet Ltd is not accounted for using the equity method as the University does not have access to the residual assets of the entity.

The University has a 33% interest in an incorporated associate, eResearch SA Ltd, which has been established to support the development, implementation and use of eResearch methodologies and activities in South Australia, and to provide access to eResearch facilities and practical support for researchers from all disciplines. eResearch SA Ltd is not accounted for using the equity method as the University does not have access to the residual assets of the entity.

The Australian Centre for Plant Functional Genomics Pty Ltd has a 31 December reporting period. SNAP Network Surveillance Pty Ltd has a 30 June reporting period.

The Australian Centre for Plant Functional Genomics Pty Ltd became a controlled entity of the University effective 15 May 2017 (refer Note 31). The University interest in SNAP Network Surveillance Pty Ltd reduced to 9% during 2017 and as a result the University ceased to have significant influence and the entity has not been accounted for using the equity method.

(b) Movements in Carrying Amounts of Investments in Associates

	Consolidated		University	
	2017	2016	2017	2016
	\$000	\$000	\$000	\$000
At beginning of financial year	231	452	-	-
Share of operating result	(231)	(221)	-	-
	-	231	-	-

(c) Results Attributed to Associates

	Consolidated		University	
	2017	2016	2017	2016
	\$000	\$000	\$000	\$000
Operating result	(231)	(221)	-	-
Retained surplus attributable to associates at the beginning of the financial year	231	452	-	-
Retained surplus attributable to associates at the end of the financial year	-	231	-	-

(d) Accounting for Associates

(i) Capital and other expenditure commitments

There are no material capital and other expenditure commitments relating to associates.

(ii) Contingent liabilities

There are no material contingent liabilities relating to associates.

(iii) Post balance date events

There are no material post balance date events to report for associates.

(iv) Assets, liabilities, revenue and expenditure

Since the above activities do not materially affect the Consolidated Entity figures, assets, liabilities, revenue and expenditure have been reported as net amounts.

(v) Off Statement of Financial Position financial instruments

Neither the Consolidated Entity, nor any of its associates, have any off Statement of Financial Position financial instruments.

33. Interests in Cooperative Research Centres (CRCs)

A CRC is a research initiative of the Australian Government established to pursue specific areas of research. One of the desired outcomes of a CRC is the creation of specific intellectual property with commercial value. The participants in CRCs are an amalgam of research institutions, eg CSIRO, government agencies, universities and private enterprise. The funding of the CRC is co-ordinated through either a Company formed by the core participants or by a Centre Agent who is appointed generally from one of the participating entities.

Funding transfers between the CRC and the University are accounted for as general revenue and expenditure.

		Participation	
Energy Pipelines CRC	(I)	-	15%
Deep Exploration Technologies CRC	(I)	(C)	5%
CRC for High Integrity Australian Pork	(I)	-	11%
Plant Biosecurity CRC	(I)	(C)	1%
Invasive Animals CRC	(U)	(C)	1%
Bushfire and Natural Hazards CRC	(I)	-	1%
Data to Decisions CRC	(I)	-	11%
Innovative Manufacturing CRC (IMCRC)	(I)	-	5%
CRC for Honey Bee Products	(I)	-	4%

(I) Incorporated

(U) Unincorporated

(C) CSIRO is a partner

The University was a supporting participant for the Poultry CRC, the CRC for Water Sensitive Cities and CRC for Sheep Industry Innovation.

The University over the next five years will make both cash and in-kind contributions to support the work of the CRCs. The University has committed to participate in the work of these CRCs, with contributions in constant dollars, \$1.7 million in cash (2016: \$1.4 million) and \$11.4 million in-kind (2016: \$15.4 million).

34. Interests in Joint Ventures

(a) Joint Ventures Accounted for Using the Equity Method

Name	Principal Activity	Participation	
Ngee Ann Adelaide Education Centre Pte Ltd	Operates a graduate education centre in Singapore	(I)	50%
Middleback Field Centre	To provide pastoral-zone courses and range land ecology research programmes.	(U)	33%
Professional Certificate in Arbitration	To develop and deliver tertiary courses in arbitration.	(U)	50%
South Australian Tertiary Admissions Centre Limited	Established as the agent for tertiary institutions in Adelaide for the purpose of receiving and processing applications from intending students.	(U)	20%
Adelaide Proteomics Centre (APC)	Provision of cost effective and high quality proteomic analysis to researchers conducting basic and applied research.	(U)	50%
Mining Education Australia	Provision of a collaborative national mining education program for the benefit of mining engineering students.	(U)	25%

(I) Incorporated

(U) Unincorporated

All joint ventures have a 31 December reporting period.

The unincorporated South Australian Tertiary Admissions Centre was wound up as at 30 June 2017 and all assets transferred to South Australian Tertiary Admissions Centre Limited on 1 July 2017. The University of Adelaide's interest in the joint venture has reduced from 25% to 20% due to the introduction of an additional joint venture party.

34. Interests in Joint Ventures - continued

Ngee Ann Education Centre Pte Ltd is incorporated in Singapore. All other incorporated joint ventures are incorporated in Australia.

The Consolidated Entity's reported interest in the assets employed in the joint ventures totals \$1.5 million (2016: \$1.8 million). These are included in the Consolidated Statement of Financial Position, in accordance with the accounting policy described in note 3(n).

(b) Equity and Contribution to Operating Result

Joint Venture	Holding		Carrying Amount		Investment at Cost	
	2017	2016	2017	2016	2017	2016
	%	%	\$000	\$000	\$000	\$000
Held by the University						
Ngee Ann Adelaide Education Centre Pte Ltd	50%	50%	607	732	937	937
Middleback Field Centre	33%	33%	8	8	-	-
Professional Certificate in Arbitration	50%	50%	22	73	35	35
South Australian Tertiary Admissions Centre	20%	25%	571	689	-	-
Adelaide Proteomics Centre (APC)	50%	50%	11	23	-	-
Mining Education Australia	25%	25%	241	246	-	-
			1,460	1,771	972	972
			Consolidated		University	
			2017	2016	2017	2016
			\$000	\$000	\$000	\$000

(c) Movements in Carrying Amounts of Joint Ventures

At beginning of financial year	1,771	1,669	-	-
Share of operating result	(311)	102	-	-
Additional investment in joint ventures	-	-	-	-
	1,460	1,771	-	-

(d) Results Attributed to Joint Ventures

Operating result	(311)	102	-	-
Additional investment in joint ventures	-	-	-	-
Retained surplus attributable at the beginning of the financial year	1,771	1,669	-	-
Retained surplus attributable at the end of the financial year	1,460	1,771	-	-

(e) Accounting for Joint Ventures

(i) Capital and other expenditure commitments

There are no material capital and other expenditure commitments relating to joint ventures.

(ii) Contingent liabilities

There are no known material contingent liabilities relating to joint ventures.

(iii) Post balance date events

There are no material post balance date events to report for joint ventures.

(iv) Assets, liabilities, revenue and expenditure

Since the above activities do not materially affect the University group figures, assets, liabilities, revenue and expenditure have been reported as net amounts.

(v) Off Statement of Financial Position financial instruments

Neither the reporting entity, nor any of its joint ventures, have any off Statement of Financial Position financial instruments.

35. Related Parties

(a) Parent entity

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

(b) Controlled entities, joint arrangements and associates

Investments in controlled entities are detailed in Note 31, investments in associates are detailed in Note 32 and interests in joint arrangements are detailed in Note 34.

(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 subsidiaries. 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) Loans to/from related parties

No provisions for doubtful debts have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts 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.

The following information being Note 36 to Note 41 has been prepared in accordance with the Department of Education reporting guidelines.

36. Income Statement for the Year Ended 31 December 2017

		Consolidated		University	
		2017	2016	2017	2016
	Note	\$000	\$000	\$000	\$000
REVENUE FROM CONTINUING OPERATIONS					
Australian Government financial assistance	37(f)	494,362	505,776	494,382	505,776
State and Local Government financial assistance	39	21,825	24,574	21,354	24,096
HECS-HELP - Student Payments	4	10,428	12,587	10,428	12,587
Fees and charges	40	246,561	226,582	246,269	226,450
Investment income		39,535	24,958	39,095	24,269
Royalties, trademarks and licenses	4	7,856	3,874	9,397	1,290
Consultancy and contracts	41	65,558	83,547	59,378	58,983
Net gain on disposal of assets	4	-	1,295	-	1,336
Other revenue		60,761	64,095	48,907	39,743
Total revenue from continuing operations		946,886	947,288	929,210	894,530
EXPENSES FROM CONTINUING OPERATIONS					
Salaries and related expenses	5	508,719	497,611	499,006	486,152
Depreciation and amortisation	5	56,138	49,825	55,567	49,294
Buildings and grounds	5	59,052	62,802	58,262	61,930
Bad and doubtful debts	5	344	621	320	621
Finance costs	5	5,186	5,896	5,201	5,224
Scholarships, grants and prizes		40,414	41,152	40,414	41,152
Non-capitalised equipment	5	10,694	9,736	10,694	9,736
Advertising, marketing and promotional expenses		5,518	5,128	5,355	4,890
Net losses on disposal of assets	5	6,293	-	6,293	-
Other expenses		199,020	213,609	183,268	175,294
Total expenses from continuing operations		891,378	886,380	864,380	834,293
Net operating result for the year		55,508	60,908	64,830	60,237

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
37. Australian Government Financial Assistance					
(a) Education - Commonwealth Grants Scheme and Other Education Grants	38(a)				
Commonwealth Grants Scheme		166,102	175,544	166,102	175,544
Teaching Hospitals Grant		1,074	1,165	1,074	1,165
Indigenous Student Success Program		-	1,264	-	1,264
Higher Education Participation Program		2,587	3,227	2,587	3,227
Disability Support Program		50	39	50	39
Promotion of Excellence in Learning & Teaching Program		20	589	20	589
		169,833	181,828	169,833	181,828
(b) Higher Education Loan Programmes	38(b)				
HECS-HELP		103,886	103,801	103,886	103,801
FEE-HELP		10,692	11,700	10,692	11,700
SA-HELP		3,173	3,217	3,173	3,217
		117,751	118,718	117,751	118,718
(c) Department of Education and Training Research	38(c)				
Research Training Programs		46,557	45,588	46,557	45,588
Research Support Program		42,608	41,709	42,608	41,709
		89,165	87,297	89,165	87,297
(d) Other Capital Funding	38(d)				
Linkage Infrastructure, Equipment and Facilities grant		1,830	1,290	1,830	1,290
		1,830	1,290	1,830	1,290
(e) Australian Research Council					
(i) Discovery	38(e)				
Projects		9,116	9,304	9,116	9,304
Fellowships		10,069	10,443	10,069	10,443
Indigenous Researchers Development		219	233	219	233
		19,404	19,980	19,404	19,980
(ii) Linkages	38(e)				
Projects		2,790	3,357	2,790	3,357
Industrial Transformation Research Program		2,946	2,236	2,946	2,236
		5,736	5,593	5,736	5,593
(iii) Networks and Centres	38(e)				
Centres		6,818	6,717	6,818	6,717
		6,818	6,717	6,818	6,717
Total ARC		31,958	32,290	31,958	32,290

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
37. Australian Government Financial Assistance - continued					
(f) Other Australian Government financial assistance received:					
Non-Capital					
Attorney General's Department		495	715	495	715
Australian Centre for International Agricultural Research		3,279	4,124	3,279	4,124
Australian Renewable Energy Agency		769	1,425	769	1,425
CSIRO		718	773	718	773
Defence, Science and Technology Organisation		4,236	5,154	4,236	5,154
Department of Agriculture and Water Resources		5,314	3,858	5,314	3,858
Department of Communications and Arts		277	10	277	10
Department of Defence		719	472	719	472
Department of Education and Training		9,725	10,426	9,725	10,426
Department of the Environment and Energy		566	566	247	566
Department of Foreign Affairs and Trade		4,017	614	4,017	614
Department of Health		12,104	10,932	12,104	10,932
Department of the Prime Minister and Cabinet		1,293	280	1,293	280
Department of Industry, Innovation and Science		1,582	582	1,582	582
Department of Veterans' Affairs		686	509	686	509
Grains Research & Development Corporation		10,384	11,804	10,384	11,804
National Health & Medical Research Council		27,939	31,729	27,939	31,729
Other		61	380	61	380
		84,164	84,353	83,845	84,353
Reconciliation					
Australian Government grants		376,631	387,058	376,631	387,058
Higher Education Loan Programmes		117,751	118,718	117,751	118,718
		494,382	505,776	494,382	505,776
(g) Australian Government grants received - cash basis					
CGS and Other Education Grants	38(a)	169,487	182,876	169,487	182,876
Higher Education Loan Programmes	38(b)	114,630	119,533	114,630	119,533
Department of Education and Training Research	38(c)	89,165	87,297	89,165	87,297
Other Capital Funding	38(d)	1,830	1,290	1,830	1,290
ARC Grants - Discovery	38(e)	19,404	19,980	19,404	19,980
ARC Grants - Linkages	38(e)	5,736	5,593	5,736	5,593
ARC Grants - Networks and Centres	38(e)	6,818	6,717	6,818	6,717
Other Australian Government Grants		85,974	81,115	85,974	81,115
		493,044	504,401	493,044	504,401
OS-Help (Net)	38(f)	(2,010)	470	(2,010)	470
Higher Education Superannuation	38(f)	3,872	3,992	3,872	3,992
		494,906	508,863	494,906	508,863

38. Acquittal of Australian Government Financial Assistance

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

Parent Entity (University) Only

	Notes	Commonwealth Grants Scheme		Teaching Hospitals Grant		Indigenous Student Success Program		Higher Education Participation Program		Disability Support Program	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the reporting period		165,756	176,592	1,074	1,165	-	1,264	2,587	3,227	50	39
Net accrual adjustments		346	(1,048)	-	-	-	-	-	-	-	-
Revenue for the period	37(a)	166,102	175,544	1,074	1,165	-	1,264	2,587	3,227	50	39
Surplus/(Deficit) from the previous year		-	-	-	-	446	431	1,818	1,710	-	49
Total revenue including accrued revenue		166,102	175,544	1,074	1,165	446	1,695	4,405	4,937	50	88
Less expenses including accrued expenses		166,102	175,544	1,074	1,165	365	1,249	4,405	3,119	44	88
Surplus/(Deficit) for the reporting period		-	-	-	-	81	446	-	1,818	6	-

38. Acquittal of Australian Government Financial Assistance - continued

(a) Education - Commonwealth Grants Scheme and Other Education Grants Parent Entity (University) Only

	Notes	Promotion of Excellence in Learning & Teaching Program		Reward Funding Program		Total	
		2017 \$000	2016 \$000	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Financial assistance received in cash during the reporting period	37(g)	20	589	-	-	169,487	182,876
Net accrual adjustments		-	-	-	-	346	(1,048)
Revenue for the period	37(a)	20	589	-	-	169,833	181,828
Surplus/(Deficit) from the previous year		602	173	463	463	3,329	2,826
Total revenue including accrued revenue		622	762	463	463	173,162	184,654
Less expenses including accrued expenses		73	160	-	-	172,063	181,325
Surplus/(Deficit) for the reporting period		549	602	463	463	1,099	3,329

38. Acquittal of Australian Government Financial Assistance - continued

(b) Higher Education Loan Programmes

Parent Entity (University) Only

	Notes	HECS-HELP		FEE-HELP		SA-HELP		Total	
		2017 \$000	2016 \$000	2017 \$000	2016 \$000	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Cash Payable/(Receivable) at beginning of year		1,414	1,097	(58)	(14)	(3)	(545)	1,353	538
Financial assistance received in cash during the reporting period	37(g)	100,667	104,118	10,784	11,656	3,179	3,759	114,630	119,533
Cash available for period		102,081	105,215	10,726	11,642	3,176	3,214	115,983	120,071
Revenue earned	37(b)	103,886	103,801	10,692	11,700	3,173	3,217	117,751	118,718
Cash Payable/(Receivable) at end of year		(1,805)	1,414	34	(58)	3	(3)	(1,768)	1,353

38. Acquittal of Australian Government Financial Assistance - continued

(c) Department of Education and Training Research

Parent Entity (University) Only

	Notes	Research Training Program		Research Support Program		Total	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Financial assistance received in cash during the reporting period	37(g)	46,557	45,588	42,608	41,709	89,165	87,297
Net accrual adjustments		-	-	-	-	-	-
Revenue for the period	37(c)	46,557	45,588	42,608	41,709	89,165	87,297
Surplus/(Deficit) from the previous year		867	390	596	349	1,463	739
Total revenue including accrued revenue		47,424	45,978	43,204	42,058	90,628	88,036
Less expenses including accrued expenses		47,424	45,111	43,204	41,462	90,628	86,573
Surplus/(Deficit) for the reporting period		-	867	-	596	-	1,463

Total Higher Education Provider Research Training Program expenditure

	Total domestic students \$'000	Total overseas students \$'000	Total students \$'000
Research Training Program Fees offsets	33,682	1,320	35,002
Research Training Program Fees Stipends	12,090	258	12,348
Research Training Program Fees Allowances	72	2	74
Total for all types of support	45,844	1,580	47,424

38. Acquittal of Australian Government Financial Assistance - continued

(d) Other Capital Funding

Parent Entity (University) Only

	Notes	Teaching and Learning Capital Fund		Total	
		2017 \$000	2016 \$000	2017 \$000	2016 \$000
Financial assistance received in cash during the reporting period	37(g)	1,830	1,290	1,830	1,290
Net accrual adjustments		-	-	-	-
Revenue for the period	37(d)	1,830	1,290	1,830	1,290
Surplus/(Deficit) from the previous year		428	358	428	358
Total revenue including accrued revenue		2,258	1,648	2,258	1,648
Less expenses including accrued expenses		1,259	1,220	1,259	1,220
Surplus/(Deficit) for the reporting period		999	428	999	428

38. Acquittal of Australian Government Financial Assistance - continued

(e) Australian Research Council Grants - Discovery

Parent Entity (University) Only

	Notes	Projects		Fellowships		Indigenous Researchers Development		Total	
		2017 \$000	2016 \$000	2017 \$000	2016 \$000	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Financial assistance received in cash during the reporting period	37(g)	9,116	9,304	10,069	10,443	219	233	19,404	19,980
Net accrual adjustments		-	-	-	-	-	-	-	-
Revenue for the period	37(e)	9,116	9,304	10,069	10,443	219	233	19,404	19,980
Surplus/(Deficit) from the previous year		8,028	8,296	8,499	8,460	95	-	16,622	16,756
Total revenue including accrued revenue		17,144	17,600	18,568	18,903	314	233	36,026	36,736
Less expenses including accrued expenses		9,300	9,572	9,414	10,404	148	138	18,862	20,114
Surplus/(Deficit) for the reporting period		7,844	8,028	9,154	8,499	166	95	17,164	16,622

38. Acquittal of Australian Government Financial Assistance - continued

(e) Australian Research Council Grants - Linkages Parent Entity (University) Only

	Notes	Projects		Industrial Transformation Research Program		Total	
		2017	2016	2017	2016	2017	2016
		\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the reporting period	37(g)	2,790	3,357	2,946	2,236	5,736	5,593
Net accrual adjustments		-	-	-	-	-	-
Revenue for the period	37(e)	2,790	3,357	2,946	2,236	5,736	5,593
Surplus/(Deficit) from the previous year		2,844	3,011	3,543	3,539	6,387	6,550
Total revenue including accrued revenue		5,634	6,368	6,489	5,775	12,123	12,143
Less expenses including accrued expenses		3,769	3,524	2,750	2,232	6,519	5,756
Surplus/(Deficit) for the reporting period		1,865	2,844	3,739	3,543	5,604	6,387

38. Acquittal of Australian Government Financial Assistance - continued

(e) Australian Research Council Grants - Networks and Centres Parent Entity (University) Only

	Notes	Centres		Total	
		2017 \$000	2016 \$000	2017 \$000	2016 \$000
Financial assistance received in cash during the reporting period	37(g)	6,818	6,717	6,818	6,717
Net accrual adjustments		-	-	-	-
Revenue for the period	37(e)	6,818	6,717	6,818	6,717
Surplus/(Deficit) from the previous year		1,214	1,559	1,214	1,559
Total revenue including accrued revenue		8,032	8,276	8,032	8,276
Less expenses including accrued expenses		7,775	7,062	7,775	7,062
Surplus/(Deficit) for the reporting period		257	1,214	257	1,214

38. Acquittal of Australian Government Financial Assistance - continued

(f) Other Australian Government Financial Assistance

Parent Entity (University) Only

OS HELP			
	Notes	2017 \$000	2016 \$000
Cash received during the reporting period		4,562	6,597
Cash spent during the reporting period		6,572	6,127
Net Cash received	37(g)	(2,010)	470
Surplus/(Deficit) from the previous year		1,775	1,305
Surplus/(Deficit) for the reporting period		(235)	1,775

Higher Education Superannuation			
	Notes	2017 \$000	2016 \$000
Cash received during the reporting period		3,872	3,992
University contribution in respect of current employees		-	-
Cash available	37(g)	3,872	3,992
Surplus/(Deficit) from the previous year		624	351
Cash available for current period		4,496	4,343
Contributions to specified defined benefit funds		4,235	3,719
Surplus/(Deficit) for the reporting period		261	624

Student Services and Amenities Fee			
	Notes	2017 \$000	2016 \$000
Unspent/(overspent) revenue from previous period		4,984	3,791
SA-HELP Revenue earned	37(b)	3,173	3,217
Student Services Fees direct from Students	40	3,233	3,059
Total revenue expendable in period		11,390	10,067
Student Services expenses during period		4,882	5,083
Unspent/(overspent) Student Services Revenue		6,508	4,984

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
39. State and Local Government Financial Assistance					
(a) South Australian Government and Local Government financial assistance					
Attorney-General's Department		242	-	242	-
Central Adelaide Local Health Network		6,753	7,573	6,753	7,573
Department of Treasury and Finance		159	266	159	266
Department of Health and Ageing		2,909	3,610	2,909	3,610
Department for Environment, Water and Natural Resources		1,840	1,770	1,840	1,770
Department for Planning, Transport and Infrastructure		1,257	778	1,257	778
Department of Primary Industries and Regions		1,303	1,393	1,303	1,393
Department of State Development		2,980	3,424	2,980	3,424
Department of the Premier and Cabinet		782	988	782	988
Forensic Science SA		-	242	-	242
Motor Accident Commission		755	746	755	746
Northern Adelaide Local Health Network		815	1,065	815	1,065
SafeWork SA		188	238	188	238
Southern Yorke Peninsula Health Service		471	478	-	-
Other		529	607	529	607
Total South Australian Government and Local Government financial assistance		20,983	23,178	20,512	22,700
(b) Other State Government and Local Government financial assistance					
		842	1,396	842	1,396
Total State and Local Government financial assistance		21,825	24,574	21,354	24,096

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000	\$000	\$000	\$000
40. Fees and Charges					
Course fees and charges					
Student fee income	4	220,295	198,448	220,295	198,448
Non-course fees and charges					
Student services and amenities fees	4	3,233	3,059	3,233	3,059
Library charges and fines	4	469	293	469	293
Application management and late fees	4	2,758	1,813	2,758	1,813
Parking fees	4	2,112	2,175	2,112	2,175
Rental charges/accommodation fees	4	10,354	11,641	10,062	11,509
Recharge of costs to other organisations	4	1,364	319	1,364	319
Franchise fees	4	2,151	2,945	2,151	2,945
Other		3,825	5,889	3,825	5,889
		246,561	226,582	246,269	226,450
41. Consultancy and Contract Revenue					
Consultancy	4	8,411	9,692	8,407	7,283
Contract research		57,147	73,855	50,971	51,700
		65,558	83,547	59,378	58,983