

Annual Report 2016

UNIVERSITY OF TASMANIA



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UNIVERSITY OF TASMANIA

ANNUAL REPORT 2016


This report is made in accordance with a resolution of the members of the Council of the University of Tasmania on 19 May, 2017.

To Her Excellency

Professor the Honourable Kate Warner AC

Governor of Tasmania

May it please Your Excellency: The Council of the University of Tasmania, in conformity with the provisions of the University of Tasmania Act 1992, has the honour to report, for Your Excellency's information, on the proceedings of the University for 2016 and to present the financial statement for that year.



The Honourable Michael Field AC
Chancellor

19 May, 2017



Mission

The University of Tasmania continues a long tradition of excellence and commitment to free inquiry in the creation, preservation, communication and application of knowledge, and to scholarship that is global in scope, distinctive in its specialisations and that reflects our Tasmanian character. The University will provide leadership within its community, thereby contributing to the cultural, economic and social development of Tasmania.

Vision

The University of Tasmania will be ranked among the top echelon of research-led universities in Australia. The University will be a world leader in its specialist, thematic areas and will be recognised for its contribution to state, national and international development. The University will be characterised by its high-quality academic community, its unique island setting and its distinctive student experience. University of Tasmania graduates will be prepared for life and careers in the globalised society of the 21st century.

Chancellor's Message



The University of Tasmania is unique in Australia in that it is the only university in this State. This brings with it special obligations to the Tasmanian community – to provide a broad education, with campuses across the State, in the knowledge that if this university doesn't offer a course, for many Tasmanians that course will be unavailable. The University accepts an obligation to increase educational attainment in the State, which has a very low percentage of its population with a bachelor degree or higher, particularly in the North West.

As well as needing to offer a very broad curriculum, and to maintain regional campuses, the State's university must also be research-intensive, producing world-class research. Every state needs (and deserves) at least one university of the first rank. As well as commercialising research that is of relevance to the State's economy, a world-class university will attract students and staff from overseas. In other words, as well as bringing economic benefits to the State, the University through attracting overseas students brings much-needed cultural diversity to the State.

That is the peculiar nature of the University of Tasmania. But it operates in a changing world, and has itself changed markedly over its lifetime to date. In 1970, my last year as a student here, there was one campus, at Sandy Bay. Now there are campuses in all three regions, and in NSW and China, as well as many students studying online. Increasing numbers of students are studying (and will very soon be living) in the very heart of the Tasmanian cities in which we operate.

Skills needed to live in the community today are also quite different from those needed in the 1970s. The current and predicted jobs growth is in interaction jobs, such as those to be found in healthcare and tourism, while transactional jobs (clerical and retail, for example) are shrinking. This means that a higher level of education is now more essential than ever for a fulfilling life. Educational institutions thus become more and more critical in a society adjusting to a changing economy.

We need to be aware of the changes happening around us. In the context of increasing globalisation, and greater emphasis on rankings and competition, it would be potentially disastrous to ignore the trends.

A major challenge is the need to create in Tasmania a learning society, to enable Tasmanians to navigate through life with deeper understanding and with skills that

have relevance and that can enable them to participate economically in the society.

The University's wide-ranging response so far has included establishing the Children's University and the Peter Underwood Centre for Educational Attainment; curriculum renewal and the introduction of associate degrees; increased online offerings; the injection of students and staff into the CBDs of our cities; and the enhancement of the University's profile.

We are equipping students with the skills necessary for the jobs of the future by altering course components, explaining employment outcomes and working with industry to facilitate internship placements. The first associate degrees have entrepreneurship/innovation built in as a core theme, and 'social entrepreneurship' is one of the graduate attributes for these degrees.

If we are to be successful in meeting the challenges we face, and in taking advantage of the opportunities that exist, we must have a mindset that welcomes challenge and embraces change.

**The Honourable Michael Field AC,
Chancellor**

Vice-Chancellor's Message



In the years to come, I believe that 2016 will be remembered as a ground-breaking year.

Some of that ground-breaking has been literal, more has been about positioning the University as an agent of social and economic change in Tasmania. The future prosperity of this state – indeed of any region or country in the 21st century – is dependent on innovation and human capital, and we are best placed to provide both in Tasmania.

We have risen to this challenge through the crystallisation of a renewed curriculum matched to the needs of students in the 21st century, introduction of new associate degrees to improve Tasmanian participation, establishment of the Peter Underwood Centre for Educational Attainment to extend our reach into Tasmanian schools, realisation of the \$300 million Northern Transformation Project to expand higher education in regional Tasmania, expansion of opportunity through our student experience programs, and research programs that saw success in the most competitive research schemes and entry into the top 300 universities in the world as assessed by the Academic Ranking of World Universities.

If the unifying philosophy of our mission could be captured in one word it would be 'transformation', and 2016 has seen us sowing the seeds of this transformation. We continue to affirm the identity of a university that is uniquely matched to community need, defined by accessibility, visibility and quality.

The University does not walk alone, and we are grateful for the partnerships that underpin our activity.

Multi-partisan political support at all levels of governance has made possible marvellous new infrastructure that is beginning to energise the heart of Tasmanian cities; student accommodation that is in high demand; and research and teaching facilities that will create opportunities for interdisciplinary scholarship and education, and new economic frontiers for Tasmania.

A number of key appointments during the year will help ensure that our domestic, national and global ambitions are realised: among them, Professor Monique Skidmore in the new role of Deputy Vice-Chancellor (Global) and Professor Janelle Allison as Principal of the University College, which was officially launched by the Prime Minister in September.

Our reputation as a leading research university has been bolstered by the ARC's awarding, for the first time, of not one but two Australian Laureate Fellowships, to Professors Barry Brook and Philip Boyd, and by the reporting of \$106 million in research income for the previous year – the first non-Group of Eight university to top the \$100 million.

The year ended on a high note for our teaching staff with the Wicking Dementia Research and Education Centre's triumph at the Australian Awards for University Teaching.

2016 also saw remarkable generosity from our friends and alumni. Notably, and in no particular order: Dr David Warren made possible, through a \$2.6 million gift, the first-ever endowed Chair at the University (after 126 years), in astrophysics, while Father Michael Tate inspired a new scholarship to take our graduates to Oxford. The iconic Tasmanian company Blundstone provided scholarships to assist the commencing cohort of students in our Associate Degree in Agribusiness, and the Ian Potter Foundation pledged up to \$8 million to ensure that the Creative Industries and the Performing Arts Development is a world-class venue.

All of this while maintaining excellence across our teaching and research programs – it has been a remarkable year.

These achievements are only possible because of the efforts of an outstanding staff, prepared to engage with the philosophy of the University of Tasmania and to contribute above and beyond what is expected of them.

**Professor Peter Rathjen,
Vice-Chancellor**

121

The first cohort of Children's University graduands, who led the December Town and Gown processions

\$2.6m

Largest single individual donation in the University's history, by alumnus, businessman, researcher and inventor Dr David Warren

300

The University continued to rise in major international rankings, moving into the top-ranked 300 universities in the prestigious Academic Ranking of World Universities

17.25%

Increase in international student revenue, fuelled by continued growth from China, fee increases and efforts to ensure students enrolled in a full-time load

9th

The University's national ranking for research income. We became the first non-Group of Eight university to top \$100m

Top 10%

Our ranking in a field of 513 national and international universities for environmental management/performance in the UI GreenMetric

35,187

Student headcount as of 25 December, 2016

\$300 million

The total funding commitment by the Federal Government, the State and the University to the Northern Transformation Program, which will see new inner-city campuses built in Burnie and Launceston



The 2016 University Council: Back row, from left, Rhys Edwards, Pip Leedham, Paul Gregg, Susan Chen, Dr Peter Davis, Professor Elaine Stratford, Corey Peterson, Leanne Topfer, Professor Kwong Lee Dow and Tomas Rolf; front row, Harvey Gibson, Professor Peter Rathjen, the Hon Michael Field AC and Professor Di Nicol.

UNIVERSITY COUNCIL

The Council is the governing body of the University, established under the *University of Tasmania Act 1992*. Under that Act, the Council has responsibility for high-level strategic direction, major financial planning, monitoring management performance and compliance, staff appointments and the allocation of funds.

Council delegates broad powers to the Vice-Chancellor (the managerial and academic leader) to manage the operations of the University in conformity with agreed plans, principles and policies. The Vice-Chancellor, in turn, empowers other members of the Senior Management Team.

Council is advised by its committees (Audit and Risk, Built Environment and Infrastructure, Ceremonial and Honorary Degrees, Finance, and Remuneration and Nominations) and, in relation to academic matters, the Academic Senate.

COMPLIANCE WITH THE VOLUNTARY CODE OF BEST PRACTICE FOR THE GOVERNANCE OF AUSTRALIAN UNIVERSITIES

The University complies with the Voluntary Code of Best Practice for the Governance of Australian Universities.

AUDIT AND RISK Risk Management

Risk management at the University is overseen and supported by Council through the Audit and Risk Committee. The focus for risk management during 2016 was to:

- Review and update the Risk Management Governance Level Principle 2 and Risk Management Policy (including the risk measurement framework);
- Finalise and facilitate Council approval of the Whole of University Strategic Risk Profile;
- Work collaboratively with the Strategy and Planning Unit to further embed risk information in the annual planning cycle;
- Provide support to divisions, faculties and institutes as they analyse, assess and report on key risks, particularly as they engage formally with the Audit and Risk Committee.

TABLE 1: 2016 Review of Operations

\$M	CONSOLIDATED			UNIVERSITY		
	2016	2015	% Increase/ Decrease	2016	2015	% Increase/ Decrease
Total revenue from continuing operations	617.6	599.6	3.0%	602.2	588.7	2.3%
Total expenses from continuing operations	602.7	590.7	2.0%	594.7	582.4	2.1%
Net result	14.9	8.9	67.4%	7.5	6.3	19.0%
Total equity	911.6	899.8	1.3%	847.2	842.9	0.5%

Audit

During 2016 the University focused on integrating the co-sourced service providers to more effectively assist in delivering the internal audit program. The University undertook a significant body of internal audit activity, with major elements of the program including:

- An ongoing focus on mitigation of identified risk exposures arising from prior internal audit activities;
- Continued focus on workplace health and safety and information technology systems and security;
- Consideration of frameworks, systems and processes with respect to the administration of student life cycle and payroll processes;
- An assessment of the University's maturity with respect to its compliance framework.

The Auditor-General, through the Tasmanian Audit Office, conducts the annual statutory audit of the University's financial statements.

Right to Information

During the year, the University received 15 applications for access to information under the assessed disclosure provisions of the *Right to Information Act 2009*, 13 of which were dealt with under the provisions of the Act. One application was withdrawn by the applicant and one was dealt with outside the provisions of the Act.

Public Interest Disclosures

The University's procedures, developed in compliance with its obligations under the *Public Interest Disclosures Act 2002*, may be accessed via the University's website: <http://www.utas.edu.au/legal-office/public-interest-disclosures-act-2002>

There were no relevant disclosures under the Act during 2016.

\$617.6m Total consolidated revenue in 2016, a 3 per cent increase on that of the previous year

COUNCIL MEMBERSHIP MEMBERS

These people were members of the University Council during the whole of 2016 (unless otherwise indicated):

Chancellor (Ex Officio)**Hon Michael Field AC**

Chancellor since 1 January 2013 and a member of the University Council since 16 July 2012.

Vice-Chancellor and President (Ex Officio)**Professor Peter Rathjen**

Vice-Chancellor of the University of Tasmania and member of the University Council since 28 March 2011.

Chair of Academic Senate (Ex Officio)**Professor Dianne Nicol**

Chair of Academic Senate and member of the University Council since 1 January 2013.

Two members appointed by the Minister for Education**Mr Rhys Edwards**

A member of the University Council since 1 January 2007.

Mrs Susan Chen

A member of the University Council since 1 January 2012.

Up to six members appointed by Council**Dr Peter Davis**

A member of the University Council since 1 July 2005.

Deputy Chancellor Mr Harvey Gibson

A member of the University Council since 1 January 2009 and Deputy Chancellor since 1 January 2013.

Mr Paul Gregg

A member of the University Council since 1 January 2009.

Ms Pip Leedham

A member of the University Council since 1 January 2012.

Professor Kwong Lee Dow

A member of the University Council since 3 March 2014.

Ms Leanne Topfer

A member of the University Council since 16 January 2015.

**One member elected by Academic Staff
Professor Elaine Stratford**

A member of the University Council since 1 January 2015.

**One member elected by Professional Staff
Mr Corey Peterson**

A member of the University Council since 1 January 2013.

A minimum of one student appointed by the Council**Mr Tomas Rolf**

A member of the University Council from 1 January 2016 until 31 December 2016.

Secretary to Council**Ms Belinda Webster**

Secretary to the University Council from May 1999 until 31 December 2016.

COUNCIL COMMITTEE MEMBERSHIP

1 January 2016 - 31 December 2016

The Chancellor and Vice-Chancellor are ex officio members of every board, faculty and committee of the University, but are listed here only for those committees normally attended.

Audit and Risk Committee

Chair

Mr Harvey Gibson

Members

Mr Rhys Edwards (ex officio as Chair of Finance Committee)

Professor Kwong Lee Dow**Ms Janelle O'Reilly****Mr Corey Peterson****Ms Brenda Richardson** (to 11 February 2016)**Ms Leanne Topfer**

The Audit and Risk Committee has responsibility for overseeing the risk management framework and monitoring the performance of internal and external audit functions. It reviews and endorses the annual financial statements, receives and reviews

internal audit reports and management responses, and monitors the establishment of and compliance with an appropriate framework of internal control.

Built Environment and Infrastructure Committee

Chair

Dr Peter Davis

Members

Professor Peter Rathjen

Mr David Button

Mrs Susan Chen

Ms Susan Gough (to 9 March 2016)

Professor Stephen Loo

Professor Elaine Stratford

The Built Environment and Infrastructure Committee has responsibility for considering, reviewing and advising Council on the development, approval and implementation of campus framework plans; priorities for major capital works; strategic asset management planning; preventive maintenance program; buildings and grounds plans; design standards for building works and landscaping; and policies in respect of the built environment and sustainability.

Ceremonial and Honorary Degrees Committee

Chair

Hon Michael Field AC

Members

Professor Peter Rathjen

Mr Harvey Gibson

Professor Dianne Nicol

Mr Stuart Clues (Chair, UTAS Foundation)

Dr Ashley Townsend (UTAS Alumni association)

Mr Young Dawkins (Executive Director, UTAS Foundation)

The Ceremonial and Honorary Degrees Committee makes recommendations to Council for recognition by the University of individuals and organisations, the naming of buildings or facilities,

graduation ceremonies and other ceremonial matters.

Finance Committee

Chair

Mr Rhys Edwards

Members

Mr Harvey Gibson (ex officio as Chair of Audit and Risk Committee)

Mr Paul Gregg

Ms Pip Leedham

Professor Dianne Nicol

Professor Peter Rathjen

The Finance Committee provides strategic advice to Council on the University's financial performance and sustainability and on the financial implications of future plans. It makes recommendations to Council on financial matters, including reviewing the University's annual operating budget, capital management plans and associated budget; proposals for the creation of new entities or participation in significant external enterprises; and business cases for major developments or strategic projects. It also monitors financial performance against the University's operating and capital budgets, and considers proposals which may impact the borrowings of the University.

Remuneration and Nominations Committee

Chair

Hon Michael Field AC (Chancellor, ex officio)

Members

Mr Harvey Gibson (Deputy Chancellor, ex officio)

Mr Rhys Edwards (Chair of Finance Committee, ex officio)

Professor Peter Rathjen

(Vice-Chancellor, ex officio)

The Remuneration and Nominations Committee ensures the strategic alignment of human resource management and industrial negotiations

with the University's plan. It also makes recommendations to Council on appointments, including setting remuneration (within bands approved by Council), extension and removal of the Vice-Chancellor, the Provost, the Deputy Vice-Chancellors and the Chief Operating Officer.

It considers and recommends to Council nominations for appointment to any position to which Council appoints, other than to Council itself (appointments to Council itself are considered by the extended nominations committee set up for that purpose).

In 2016 the University of Tasmania progressed several key strategic projects that span the organisation and its commitments to research, students and the community. These projects are underpinned by a philosophical stance that universities can and should be both institutions of great research and learning, as well as drivers of economic and social renewal for the broader community in which they are based.

Major infrastructure projects in the south, north and north-west of the State will create inner-city networks of people, facilities and knowledge to propel innovation and drive economic growth. They also involve new curriculum approaches that aim to attract a new cohort of Tasmanian students and prepare graduates for an evolving global economy. These initiatives seek to deliver upon the core business of the University – research and teaching - while harnessing higher education to address some of Tasmania’s most serious social and economic challenges.

NORTHERN TRANSFORMATION PROGRAM

The Northern Transformation Program is a \$300 million initiative that incorporates new inner-city campuses in Burnie and Launceston, as well as new types of degrees and courses that aim to attract more Tasmanians into education.

The Northern Transformation Program is a partnership between the University, TasTAFE and local, state and federal governments. In 2016 the Federal Government committed \$150 million in funding, while the State Government and the University each committed \$75 million. The City of Launceston and the Burnie City Council are making strategic land allocations and investment in associated public infrastructure.

Planning for the new \$260 million precinct at Inveresk progressed during 2016. Design principles were agreed with key partners and an advisory group established to guide the development in line with the master plan and broader city planning.

The master plan for the new \$40 million precinct at Burnie was finalised, setting out the long-term vision for the development of the site over coming decades. Incorporating extensive community feedback, the master plan includes a lower-scale Stage 1 main building, along with a waterfront teaching and learning facility as part of Stage 2.

In September the Prime Minister, the Honourable Malcolm Turnbull, officially launched our new University College, which was established to offer a suite of qualifications that are more accessible, flexible and relevant to the needs of local industry. This includes a new type of associate degree, which aims to lift Tasmanian participation in higher education and produce graduates who are commercially aware, business savvy, technically competent and creative. The first of these, the Associate Degree in Agribusiness and the Associate Degree in Applied Business, were ready for offer in Term 1, 2017.

West Park: the master plan for the new \$40 million precinct in Burnie, part of the Northern Transformation Program, was finalised in 2016.





An artist impression of the proposed major campus development at Inveresk.

SOUTHERN INFRASTRUCTURE DEVELOPMENTS

The increased presence of the University in Hobart continued in 2016. Construction of the new \$65 million student accommodation on the corner of Melville and Elizabeth streets, funded through the National Rental Affordability Scheme, progressed according to schedule.

Not far from the new student accommodation, site works began in October for a new creative industries and performing arts development adjoining Hobart's historic Theatre Royal. Named The Hedberg after the garage that once stood on the site, the \$96 million complex will contain three performance spaces, as well as teaching and research facilities.

Another potential CBD infrastructure project gathered momentum in 2016, with Infrastructure Australia listing the proposed \$400 million Science and Technology Precinct as a priority initiative on its Infrastructure Priority List. A detailed business case was submitted for consideration by the IA board in November and the initiative has since been upgraded to a priority project, noting its importance as a project for Hobart, Tasmania and the nation. It is the only education project to reach this status under IA's strict criteria.

Each of these projects complements other inner-city developments completed in recent years, including the Medical Sciences Precinct on Liverpool Street and the Marine and Antarctic Precinct on the waterfront at Salamanca.

A NEW CURRICULUM

Alongside the introduction of a new type of associate degree, the University will roll out a new curriculum model that transforms the traditional bachelor degree. In 2016 Council approved Degrees of Difference: the University of Tasmania Education Model, a distinctively Tasmanian yet globally relevant model that puts student experience at the heart of the curriculum.

Critically, the new model will encourage bachelor degree students to extend their study to four years by embedding the honours program within the curriculum, although students will still have the option to graduate after three years. This will put University of Tasmania graduates on an equal footing with graduates from other national and global institutions that have moved towards four-year degrees. The new curriculum is set to be in place for 2018.

Year 2016 saw the formal launch of the University's curriculum renewal initiative, which ranges from two-year associate degrees to four-year bachelor degrees with applied honours; the implementation of a new Strategic Plan for Learning and Teaching; and development of the Library's strategic plan for the next five years. The University continued its long history of success in the suite of national Australian Awards for University Teaching.

STRATEGIC INITIATIVES

United States Mission

A University delegation of nine senior staff, led by the Vice-Chancellor, Professor Peter Rathjen, the Deputy Vice-Chancellor (Students and Education), Professor David Sadler, and the Pro Vice-Chancellor (Community, Partnerships and Regional Development), Professor Janelle Allison, visited several leading US multi-campus institutions to investigate specific topics relating to associate degrees. The delegation was also accompanied by the Director, Northern Cities Major Development Initiative, Office of the Co-ordinator-General. Information gathered during the mission informed the development of the University's new model for degrees.

Renewing the University curriculum

Following completion of an extensive consultation process, the University's curriculum renewal initiative was formally launched in December as Degrees of Difference: The University of Tasmania Education Model. The new model outlines an integrated curriculum from two-year associate degrees to four-year bachelor degrees with applied honours, and beyond into postgraduate coursework and research.

Students will structure degrees to acquire greater depth and/or breadth, with more opportunities for multi-disciplinary minors, global and local engagement, team-based learning and authentic experiential learning opportunities. Every course will be reviewed in line with the new curriculum before the introduction of the new model in 2018. Consolidation of courses to remove duplication and improve both opportunities for collaboration at faculty level and the

efficiency of delivery is an integral part of renewing the curriculum.

A new Strategic Plan for Learning and Teaching

The Strategic Plan for Learning and Teaching 2016-2020 sets out the University's approach to the core business of education for the next five years. The plan has three pillars: Excellence in Learning, Excellence in Teaching and Excellence in Curriculum. It is a framework for faculty plans, and subsidiary plans and policies, through which the principles, strategic pillars and associated objectives in learning, teaching and academic quality will be operationalised.

STUDENT ACCESS, PARTICIPATION AND ATTAINMENT

Appointment of the Pro Vice-Chancellor (Schools Engagement)

Professor Margaret Noble took up her appointment as Pro Vice-Chancellor in November. The role manages collaborative programs and articulation pathways that transition students from schools and TAFE into university, and ensures that the University's engagement with all schools in Tasmania is co-ordinated, consistent and high quality.

High Achiever Program

The High Achiever Program (HAP) continues to provide high-achieving Tasmanian senior secondary school students with the opportunity to enrol in university units to complement and extend their Tasmanian Certificate of Education (TCE) or International Baccalaureate (IB) studies. These units are accredited by the Office of Tasmanian Assessment, Standards and Certification and contribute to ATAR/TCE.

TABLE 2: High Achiever Program Statistics

	2014	2015	2016
Number of students	61	71	61
Number of unit enrolments	121	141	134
Number of participating colleges	13	15	19
Number of university units	104	81	77

University College Program

The University College Program (UCP) allows Year 11 and 12 students to study university-level units at the same time or in addition to their TCE/IB studies.

The program, offered in partnership with schools and senior secondary colleges, provides opportunities to extend and reward hard-working students. In 2016, 86 per cent of students were enrolled in one unit and 14 per cent in two or three units. There were fewer UCP units offered in 2016 and consequently, fewer schools participating.

TABLE 3: University College Program Statistics

	2014	2015	2016
Number of students	970	1290	1143
Number of unit enrolments	1068	1453	1305
Number of participating colleges	26	26	24
Number of university units	19	23	17

Both the HAP and UCP are currently being reviewed.

Students-in-Schools program

The University Students-in-Schools program (USIS) targets schools across Tasmania with low transition rates to build relationships between current University student volunteers and primary school-aged students. In 2016 12 USIS volunteers led a series of aspiration-informing activities, both in schools and during on-campus visits, with more than 230 students in Grades 4-6 from Dorset, George Town and the Derwent Valley regional communities.

Pathways to Success

Pathways to Success (PTS) ran 83 programs and initiatives in 2016 tailored to the student lifecycle, from aspiration formation to further education and career pathways. Of these, 16 were core, fully-piloted programs, mapped to the Australian curriculum to assist teachers and students to see links between the school day, industry engagement and tertiary education.

PTS engaged with 55 Tasmanian schools and colleges and 134 partner industries and organisations across four industry sectors. A total of 8,366 students participated in PTS initiatives.

Aspirations Matter Symposium

In October the third annual Aspirations Matter Symposium was held in Hobart. With 88 attendees, the symposium showcased the education aspiration-raising work occurring in Tasmania and also hosted workshops to develop ideas and programs. Participants at this year's event were a more diverse group than in previous years, with 40 per cent from organisations outside the University.

Peter Underwood Centre for Educational Attainment

The vision of the Peter Underwood Centre for Educational Attainment is to lead sustained transformation in Tasmanian education to benefit the whole community. The centre honours the commitment to education and social progress of the late Governor of Tasmania, Peter Underwood AC.

Key achievements of the Underwood Centre in 2016 included:

- The University's Visiting Scholars program supported two internationally eminent visitors to attend events hosted by the centre. The Honourable Henry de Sio, a senior figure with the world's largest network of social entrepreneurs, led discussions with University researchers and delivered a public lecture on cultural transformation and distributive leadership. Tom Bentley, author and policy analyst, engaged key stakeholders from across the education sector in examining strategies to engender mindsets of collaboration and innovation that exceed political cycles.
- The Horizon-Education Futures seminar series focusing on educational futures and attainment was inaugurated in August and hosted simultaneously in Burnie, Launceston and Hobart.
- Plans were approved for a new headquarters for the Peter Underwood Centre, jointly funded by the University and the Department of Education, at the University's Melville Street building.
- Principals' Dinners in Hobart and Launceston during October and November were occasions to build relationships directly with leaders from schools responsible for Years 10, 11 and 12, and with Tasmanian education leadership.

Right: VC Peter Rathjen and Jasmine Good at the Children's University Tasmania graduation ceremony.

- Higher Degree Research candidates associated with the Underwood Centre are now enrolled through the Division of Students and Education.

Children's University Tasmania

In December, 121 graduating Children's University Tasmania students led the University's Town and Gown processions in Hobart, Launceston and Burnie, adorned with their own caps and gowns. At each event students proceeded to formal ceremonies where they were presented with certificates based on the number of hours they had accumulated in their passports across 107 Public Learning Destinations. Children's University Tasmania is a program that seeks to raise the aspirations of the State's young learners (aged 7 to 14) by offering a range of validated, engaging and inspiring learning experiences.

Bigger Things

Bigger Things, a five-year program in partnership with the Department of Education and the Department of Premier and Cabinet, worked within the Huon Valley education catchment of several hundred students to build aspiration and create awareness of varied pathways from school to TAFE, university and employment.



CURRICULUM AND QUALITY

In 2016 a total of 1,131 staff engaged with the Tasmanian Institute of Learning and Teaching (TILT) through professional development opportunities and peer learning communities.

This included 391 registrations for workshops and events; 116 staff participating in the Graduate Certificate of University Learning and Teaching; 160 participants in the Awards and Grants program (peer learning circles, peer mentoring for awards, or as applicants for awards); and 57 participants in the Grants program.

Teaching Matters Conference

In December the 15th annual Teaching Matters conference held at Inveresk was attended by more than 150 staff. The conference focused on Transforming Practice through Innovation

TABLE 4: 2016 Research Grants to Peter Underwood Centre for Educational Attainment

Funding Body	Collaborations	Title	Funding
Ian Potter Foundation	Faculty of Education Access, Participation & Partnerships	Facilitating School-Parent-Community Partnerships Throughout Tasmania to Help Children Realise Their Educational Potential	\$250,000 (over three years)
Department of Education (DoE)	DoE (Education Performance Review team)	Review of Literacy Teaching, Training and Practice in Government Schools	\$990,000 (over three years)
Department of Education	DoE (Education Performance Review team)	Launceston Big Picture School evaluation	\$160,000 (over four years)
Department of Education		Research position – appointment of data analyst	\$400,000 (over three years)
Department of Education		Research activity	\$500,000
Department of Education		Research infrastructure – NRAS development	\$500,000
University of Tasmania Community Engagement Grant		Bigger Things activities	\$8,542
Commonwealth Bank		Bigger Things robotics program	\$9,210

and Partnerships. Attendees reported that Teaching Matters continues to provide a pivotal opportunity to meet and discuss teaching practices with peers and is an important initiative to support staff in the ongoing scholarship of teaching and learning.

Graduate Outcomes

The Graduate Outcomes Survey replaced the Graduate Destination Survey in 2016 and provides a detailed investigation into the labour market and further study activities of 2015 University graduates four to six months after the completion of their course.

The institutional response rate was 38.2 per cent: 61.5 per cent were undergraduates and 38.5 per cent were postgraduates, both coursework and higher degree by research.

Graduate Satisfaction

The Course Experience Questionnaire (CEQ) for undergraduate and postgraduate (coursework) level graduates asks them to rate aspects of their course and groups responses into three overarching indicators.

The 2015 CEQ scores for Generic Skills and Overall Satisfaction are comparable

with 2011-2014, but the score for Good Teaching is less than that in 2012-2014. Either satisfied or very satisfied with the quality of their course were 82.2 per cent of undergraduate and 81 per cent of postgraduate (coursework) graduates.

International Recognition through the Higher Education Academy (UK)

The University of Tasmania is one of four Australian universities to be accredited by the Higher Education Academy (UK) to award fellowships for teaching excellence. The University now has 48 fellows, 39 of whom were recognised during the 2016 pilot year.

TABLE 5: Destinations of 2015 graduates

	Undergraduates		Undergraduates (Coursework)		Postgraduates (Coursework)	
	University of Tasmania %	National Average %	University of Tasmania %	National Average %	University of Tasmania %	National Average %
Full-time employment ¹	68.6	69.0	85.0	77.2	76.8	78.1
Overall employed ²	82.9	84.1	91.2	86.5	88.5	88.5
In the labour force ³	85.4	90.7	96.1	94.5	90.6	94.0
Further full-time study ⁴	29.8	23.3	8.0	9.5	2.0	7.8
Median Australian Salary ⁵	\$61,000	\$58,000	\$83,000	\$80,000	\$80,000	\$85,000

TABLE 6: Average University of Tasmania score on key CEQ scales (on 1–5 range) – for all respondents for the past five years

	Gender	Year Graduated				
		2011	2012	2013	2014	2015
Good Teaching	Females	3.7	3.8	3.8	3.8	3.7
	Males	3.7	3.8	3.8	3.8	3.7
	All students	3.7	3.8	3.8	3.8	3.7
Generic Skills	Females	3.9	3.9	3.9	3.9	3.9
	Males	3.9	4.0	3.9	3.9	3.9
	All students	3.9	3.9	3.9	3.9	3.9
Overall Satisfaction	Females	4.0	4.0	4.0	4.0	4.0
	Males	4.0	4.0	4.0	4.0	4.0
	All students	4.0	4.0	4.0	4.0	4.0

¹ The proportion of graduates employed full-time as a percentage of those available for full-time employment; ² The proportion of graduates in any kind of employment (full-time, part-time or casual work) as a percentage of those available for employment; ³ The proportion of graduates available for employment as a percentage of all graduates; ⁴ The proportion of graduates in full-time study as a percentage of all graduates; ⁵ The median salary of domestic graduates in full-time employment.

NATIONAL RECOGNITION FOR TEACHING

Australian Awards for University Teaching

The University of Tasmania continued its long history of success in the suite of national Australian Awards for University Teaching:

Award for Programs that Enhance Learning: Dementia Education program (Dr Alison Canty, Professor Frances McInerney, Professor James Vickers, Professor Andrew Robinson, Professor Justin Walls, Dr Carolyn King, Dr Andrea Carr and Dr Lynette Goldberg).

Citations for Outstanding Contributions to Student Learning:

- Dr Tracey Muir – For sustained commitment to enable pre-service teachers to connect their studies, professional practice and profession, through innovative and scholarly activities in mathematics education;
- Dr Tina Acuna – For leadership in assessment practice and the development of national academic learning and teaching standards, to inform curriculum design and

enhance student learning outcomes;

- Dr Rajaraman Eri – For enabling learning through a sustained commitment to linking research and teaching with innovative methods that enhance and inspire independent thinking;
- Ms Susan Bartie – For creating well-crafted and imaginative resources that facilitate student-centred and highly interactive learning in law.

Office of Learning and Teaching Fellowship Success

Dr Wendy Green was awarded a 2016 Office for Learning and Teaching (OLT) National Teaching Fellowship. National Teaching Fellowships are awarded to prominent scholars in their disciplinary fields.

STUDENT EXPERIENCE Vice-Chancellor's Leadership Program

The Vice-Chancellor's Leadership Program (VCLP) was reshaped into a tiered leadership development program with three levels of engagement and recognition for students across curricular and co-curricular activities.

The VCLP Tier 1 academic unit opened to student enrolment in Semester 2 and offered in Semester 5 – a total of 55 students have successfully completed Tier 1 contributing to 550 hours of civic service to the community, volunteering for more than 75 organisations.

A further 38 citations were awarded contributing to 1,710 service hours across five categories (Global Experience, Industry Experience and Entrepreneurship, Community and Civic Service, Research Experience, and Peer Mentoring and Support). Tier 3 was completed by 10 students, who will be awarded the prestigious Vice-Chancellor's Leadership Award. Students taking out the award have each completed 100 hours of service in addition to 12 hours of dedicated professional learning for leadership.

Respect.Now.Always

A new website (www.utas.edu.au/students/we-listen/safety-respect/now-always) promotes the Respect.Now.Always campaign which highlights the determination of Australia's universities to ensure that students and staff are safe from sexual assault and sexual harassment. The website includes a form to assist students and staff to easily report incidents on campus. The University also participated in a Universities Australia-Australian Human Rights Commission online survey of students on sexual harassment and sexual assault. Results of the survey will inform improvements at a university and sector level in relation to how incidents of sexual assault or harassment are managed.

Riawunna Centre for Aboriginal Education Indigenous Cultural and Educational Exchange Program

Riawunna, in collaboration with the Pro Vice-Chancellor (Aboriginal Research and Leadership), Professor Maggie Walter, co-ordinated an Indigenous Cultural and Education Exchange Program between the University of Tasmania and the Northern Arizona University (NAU).

Two Riawunna staff and five Aboriginal students attended NAU for a two-week cultural and educational exchange in late January. Five students and three staff members from NAU enjoyed a week of activities in Tasmania in July.

Online interactive Aboriginal story map launched

The Tasmanian Aboriginal Story Map, developed as a result of a Community Engagement grant, was launched in May (www.utas.edu.au/aboriginal-tasmania-storymap). The project developed relationships with Aboriginal community groups and other stakeholders, engaging in ongoing collaboration on the development and maintenance of the digital map site.

English Language Centre

The English Language Centre (ELC) serves the needs of international students by providing English Language and Foundation Studies courses leading to further study at the University. In 2016 the ELC delivered 20 per cent fewer English courses compared with 2015 and there were five per cent fewer commencements for Foundation Studies. The reductions were a consequence of unexpected changes in visa settings, particularly affecting the sub-continent market.

TABLE 7: English Language Centre Statistics 2016

Foundation Studies Program	107 students enrolled
English Language Courses	1618 x five-weekly study periods delivered

UniStart

UniStart is an academic skills orientation and development program open to all domestic students starting degree level study. In 2016 12 on-campus UniStart programs were delivered across all Tasmanian campuses and in Sydney, as well as a fully online program across the year, with 2,767 enrolments. Student evaluations indicated high levels of satisfaction with the program.

Peer Assisted Study Sessions Program (PASS)

The Peer Assisted Study Sessions (PASS) program is a peer-led academic support program which supports academic success and retention through weekly student-led study sessions. In 2016 the

PASS program supported 81 units across all Tasmanian and Sydney campuses as well as online. A total of 68 high-achieving students were employed to deliver 1,864 PASS sessions to 8,833 students. The retention rate of students who attended PASS regularly in 2016 was 91 per cent.

PASS leaders continue to achieve on the Australasian stage, with PASS Leader Alyce Hennessy awarded an Outstanding Senior Leader/Mentor Award in 2016. Dr Jane Skalicky received an International Research Award for PASS.

Growth in Student Learning Drop In Service

Student Learning Drop In is a peer-facilitated service that provides all students with opportunities to develop their academic and study skills.

Student visits to Drop In increased 300 per cent across all campuses in 2016 compared to 2015. Drop In services were relocated to more accessible and visible spaces across all the campuses in 2016 and an active marketing campaign was undertaken. The English-speaking skills Drop In service, piloted in Hobart this year, provided additional support to international students seeking guidance and English language development.

Career Mentor Program

The Career Mentor Program (CMP) is a joint initiative with the Advancement Office connecting current students with University alumni in career-mentoring relationships, to allow students to build professional networks and enhance

their employment capability. In 2016 122 students were matched to 108 mentors, bringing the number of students who have benefited from this program since its inception to more than 600.

University Games

Collaboration between Riawunna, the Student Life Sport and Recreation team and the Tasmanian University Union enabled a team of 11 athletes to attend the Indigenous Unigames for the first time. The University's team competed in four sports. In July 84 international and domestic students participated in the Southern Unigames. The men's rugby 7s and women's futsal team both won gold, the men's futsal team won silver and both the men's golf and women's netball teams won bronze. Forty-one students qualified for the Australian University Games in September.

LIBRARY

Library Strategic Plan 2016-2020: great libraries make great universities

The Library's strategic plan for the next five years was developed and presented to Academic Senate and is now published on the Library's website.

Archival description and content management system project to improve discovery of unique information resources

The Library was granted Research Infrastructure funding to select and implement an archival description and content management system for the Special and Rare Collections. Artefactual's Access to Memory (AtoM) was selected and the Library has worked closely with stakeholders across the University and the wider cultural sector in Tasmania and ongoing collaboration will facilitate future discoverability and accessibility of other unique Tasmanian collections.

Significant donations to the Special and Rare Collections

The Library has established the Dennison

300%
increase in
student visits

to Student Learning Drop In across all campuses compared to 2015

Historical Collection following the donation to the University by Hobart resident Mr Colin Dennison of some 100,000 images of local historical research and heritage interest. The Library has received a significant donation of additional archival material relating to Olive Pink, the Tasmanian-born botanical artist and Aboriginal rights activist, complementing the artworks and artefacts of Miss Pink's already held in the Special and Rare Collections.

Preservation Needs Assessment report: improving the housing and preservation of the Library's Special and Rare Collections

A National Library of Australia Community Heritage grant funded an independent assessment of the physical condition, current housing and storage of the Special and Rare Collections. Several recommendations for improvements were made, including extending

the footprint of the atmosphere-controlled Rare Room, and these will be progressively addressed.

Subscription information resources register established

The Library has a complex and detailed register of current subscriptions in place which includes data on usage and Field of Research codes. The register functions as both:

- a reporting mechanism to Financial Services to inform the allocation of sufficient budget to support the current subscription profile in the coming year; and
- a tool for the Library's annual review of subscriptions which manages the subscription profile sustainably and keeps collections relevant to research and learning and teaching needs.

VICE-CHANCELLOR'S TEACHING AND STUDENT EXPERIENCE AWARDS

Vice-Chancellor's Award for Programs that Enhance Learning

- Dementia Program – Wicking Dementia Research and Education Centre, Faculty of Health, School of Health Sciences and the Division of DVC (Students & Education) – Professor Fran McInerney, Professor Andrew Robinson, Professor James Vickers, Professor Justin Walls, Dr Alison Canty, Dr Andrea Carr, Dr Lyn Goldberg and Dr Carolyn King.

Vice-Chancellor's Award for Outstanding Contribution to Enhancement of the Student Experience

- XAS101: A Practical Introduction to Temperate Marine Biology – Institute of Marine and Antarctic Studies (IMAS) – Dr Mary-Anne Lea, Dr Scott Ling, Mr Simon Talbot, Mr Simon Reeves, Ms Lainey James and Mr Pat Garnham.

Vice-Chancellor's Award for Teaching Excellence

- Ms Nicole Herbert – School of Engineering and IT, Faculty of Science, Engineering and Technology.

Citations for Outstanding Contributions to Student Learning

Individual Awards

Ms Clair Andersen – Tasmanian Institute of Learning and Teaching

For developing resources to enhance and support student learning of Aboriginal and Torres Strait Islander peoples, histories and cultures.

Ms Isabelle Bartkowiak-Théron – School of Social Sciences, Faculty of Arts

For state and national leadership in the

professionalisation of policing, police education scholarship, and for innovation in teaching the policing of vulnerable people.

Ms Christine Handley – School of Health Sciences, Faculty of Health

For sustained leadership in and command (25 years+) of the fields of mental health nursing education and practice that influences, inspires and motivates student learning.

Dr Corinne Mirkazemi – School of Medicine (Early Career), Faculty of Health

For developing and sustaining strategies that improve the student experience, that encourage purposeful learning, and that role-model the gold-standard person-centred approach to healthcare.

Team Award

Dr Alexander Bissember and Associate Professor Jason Smith – School of Physical Sciences

For the incorporation of cutting-edge research developments into the undergraduate Chemistry curriculum to enhance student learning and improve student engagement.

The University of Tasmania has a long and distinguished history of innovation and research excellence. For more than a century we have held a unique position in the heart of the Tasmanian community, leading pioneering research with global impact.

Our five research themes draw together our rich multi-disciplinary expertise to develop solutions to real-world problems of international relevance within a local context. The themes - Environment, Resources and Sustainability; Creativity, Culture and Society; Better Health; Marine, Antarctic and Maritime; and Data, Knowledge and Decisions - have provided interdisciplinary settings for individuals, enabled established research concentrations and our partners to work collaboratively, and capitalised on the advantages presented by our unique location and existing areas of research excellence.

OUR RANKINGS AND REPUTATION

We are proud to report that Tasmania's only university is one of the leading research-led institutions in the country. In 2015 the University was positioned ninth for research income, reporting \$106 million through the Australian Government's Higher Education Research Data Collection (HERDC). In the most recent Australian Government's Excellence in Research for Australia (ERA) initiative, we received a rating of at or above world standard in 48 out of 51 (94 per cent) of disciplines submitted. Our research in fisheries sciences and geomatics engineering was rated as the highest in the nation.

Our reputation for exceptional research is strong and it is international. In 2016 we continued to rise in major international rankings, moving into the 300 top-ranked universities in the prestigious Academic Ranking of World Universities. This placed us 292 in a field of around 24,000 globally ranked universities. We placed 317 in the *Times Higher Education* World University Rankings, and our QS World University Rankings improved

another nine places to 370. Nine of our subject areas were ranked by the QS, with earth and marine sciences, and agriculture and forestry in the top 100 worldwide.

GLOBALLY CONNECTED

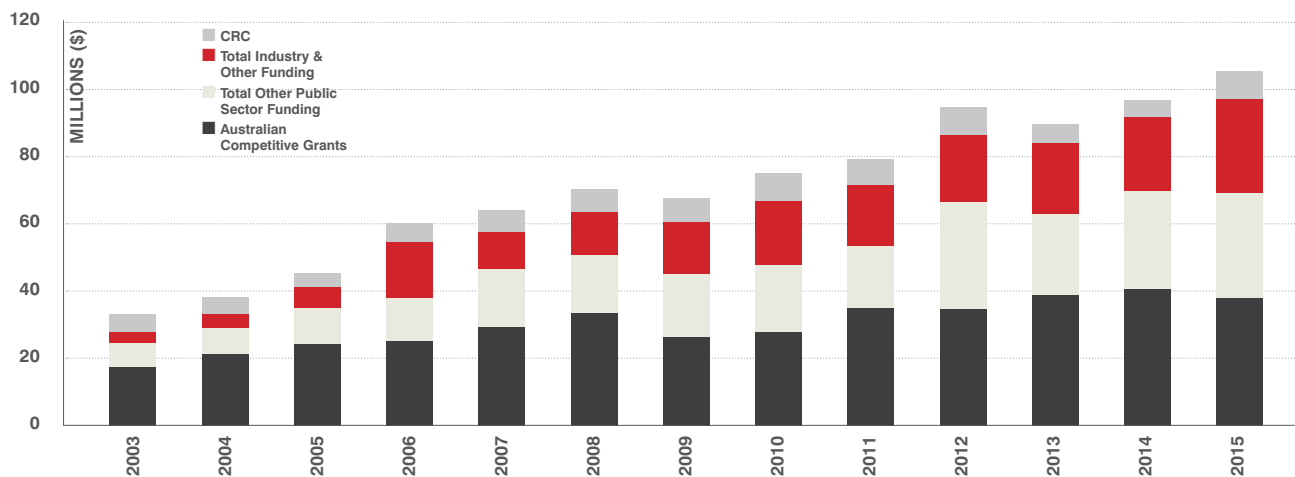
We are increasingly globally connected through our research. In 2016 we collaborated with researchers from 123 countries around the world, while 10 per cent of our research projects received funding from an international collaborator, an increase of 100 per cent since 2012. More than 45 per cent of our publications were co-published with an international author. This is double the global baseline for international authorship in 2016.

OUR RESEARCH

Our researchers grapple with some of the biggest problems of our age, both global and local. Our research capacity spans all disciplines and in 2016 we led and contributed to hundreds of diverse projects, ranging from world-leading research into climate change to understanding how Aboriginal people view settler Australians. We tackled the challenges faced by regional Australian communities, the mystery of the facial tumour disease decimating the native Tasmanian Devil population, and with our international collaborators, explored ethical issues associated with genetic research, seeking a balanced approach to the complexity of biotech patents.

45% of our publications were co-published with an international author

FIGURE 1: UNIVERSITY OF TASMANIA HERDC INCOME BY CATEGORY



Research Income

The University’s capacity to undertake high-quality research is enabled by the income we secure. In 2016 we were awarded \$161.1 million in research funding from all sources, which included \$117.9 million from consultancies, contract research, philanthropy and grants.

Our HERDC reported income (Figure 1) is that assessed by the Australian Government in relation to competitive grants, public and industry research funding and Cooperative Research Centre funding. It contributes to the determination of the amount of Research Block Grant funding paid to the University each year. The University has achieved a sustained rise in HERDC reported income over the last decade, to \$106 million in 2015, as well as an increase in the diversity of funding sources, in particular, an increase in industry research funding (Figure 1).

Impactful Research

It is through publication and sharing of knowledge that our research achieves impact. In 2016 University of Tasmania researchers across all disciplines were widely published: in peer-reviewed journals, conferences, books, performances and recordings. Table 8 (page 23) shows our sustained increase in publications over time.

In its 2016 list of Highly Cited Researchers, Clarivate Analytics recognised three of the University’s researchers – Professor Steven Smith, Associate Professor Tim Brodribb and Professor Sergey Shabala – as among those whose work had been drawn on by countless others in the pursuit of their research.

Our publications often illustrate the power of research that spans discipline boundaries. A significant example of this in 2016 was Associate Professor Elizabeth Leane’s book *South Pole: Nature and Culture*. As a result of her passion for literature that the

hostile continent of Antarctica inspires, and the power in turn of literature to influence what we think and feel about Antarctica, Associate Professor Leane’s research has highlighted the need for a presence of the humanities as well as the sciences in Antarctic research.

Our academics also publish their research in a myriad other ways, for example, through artworks, performance and recordings. These include commissioned works such as Dr Megan Keating and Samuel Johnstone’s multi-disciplinary *Deluge Rouge* for the Melbourne Central Shopping Centre and Associate Professor Andrew Legg’s *Let Freedom Ring* score for the Tasmanian Symphony Orchestra. And we share our research with the community. *Science Worth Seeing* demonstrated the importance of science for our future to members of the public and provided an opportunity for our researchers to share their knowledge directly with the community in an accessible way.

TABLE 8: Research Publications (2009-2015)

Research Publications	2009	2010	2011	2012	2013	2014	2015
Journal Articles	602.6	575.1	701.3	766.9	918.5	1015.8	1085.8
Conference	128.7	118.6	117.4	195.9	192.2	160.1	188.3
Chapters	92.4	68.8	105.9	131.9	130.7	132.4	144.4
Books	10.0	10.8	19.5	21.2	24.1	12.4	21.2
Total	833.7	773.4	944.1	1115.9	1265.5	1320.7	1439.7

Research Partnerships

Our success is a reflection not only of the quality of our researchers but of those with whom we partner. The University has a proven track record in forming lasting and productive partnerships with industry, government and non-government organisations. In 2016 the University engaged with 93 funding collaborators, 32 of whom were from Australian industry, an engagement that contributed around 15 per cent of our research income.

It is our partnerships that have enabled the sustained rise in the University's reputation as an international leader in Antarctic, marine and maritime research. This has been achieved through such initiatives as the \$24 million ARC Special Research Initiative, the Antarctic Gateway Partnership and the Federal Department of Environment's \$23.88 million National Environmental Science Program Marine Biodiversity Hub. Collaboration with partners such as CSIRO and the Australian Antarctic Division have enabled us to secure the funds to support globally significant research projects with tangible local impact, adding \$650 million to our economy.

Sense-T is a partnership between the University, CSIRO and the Tasmanian Government, with a funding contribution from the Australian Government. It is at the forefront of the Internet of Things and 'big data' in Tasmania, using data, sensing technologies and data analytics to help realise alignments and opportunities to improve decision-making and create impact. In 2016 Sense-T engaged in more than 20 research and development projects in the areas of aquaculture, agriculture, viticulture, water management, health, tourism, freight, logistics, transport and finance.

The University participates in five co-operative research centres and we continue to be a leader in the Australian Government's Industrial Transformation Research Program, hosting the most Industrial Transformation Training Centres and Research Hubs of any Australian university, many of which are connected to the Sense-T initiative. Through these centres and hubs we connect our research with targeted business sectors, ranging from maritime engineering to horticulture, from forestry product innovation to food security and through to value chain logistics and

mining. The funding for these centres and hubs totals more than \$21 million, leveraging industry partner contributions of \$25 million.

The University's commitment to Tasmania is integral to our research programs. Both the Faculty of Health and the Menzies Institute for Medical Research have developed integrated research programs, worth more than \$16 million a year. We also work closely with the Tasmanian agriculture industry primarily through the Tasmanian Institute of Agriculture. In 2015/16 we secured \$13.5 million to support research in key industry sectors, including dairy, pip fruit production and viticulture.

OUR RESEARCHERS

Recognition

Many of our researchers are internationally esteemed leaders in their fields. Formal recognition for their achievements in 2016 included:

- Two of the University's outstanding research academics were awarded highly competitive and prestigious Australian Laureate Fellowships from the Australian Research Council to tackle some of the major problems of our age. Professor Barry Brook, in the Faculty of Science, Engineering and Technology, and Professor Philip Boyd from the Institute for Marine and Antarctic Studies (IMAS) were our first researchers to receive this award, which will bring to the University around \$5.4 million over five years.

\$650 million
added to our economy through research projects

- Professor Boyd was also recognised in 2016 with the G. Evelyn Hutchinson Award, presented by the US-based Association for the Sciences of Limnology and Oceanography for his pioneering work on the complex interactions of biogeochemistry, multiple drivers of climate change, and their impacts on ocean planktonic ecosystems.
- A celebrated Australian Museum Eureka Prize for Excellence in Interdisciplinary Scientific Research was awarded to Distinguished Professor Ross Large and his team for their research into the connections between plate tectonics, past ocean chemistry and the evolution and extinction cycles of life on Earth.
- Dr Joanne Whittaker, an IMAS scientist who studies plate tectonics and the way the world’s ocean basins formed, was recognised with the 2017 Dorothy Hill Award by the Australian Academy of Science.
- A Health Sciences team led by Professor Andrew Hill was the lead for an international consortium awarded up to US\$1 million by the Bill and Melinda Gates Foundation for research into body composition of healthy infants.
- The National Health and Medical Research Council (NHMRC) announced Associate Professor Alex Hewitt as the top-ranked Practitioner Fellow for 2015. Associate Professor Hewitt, Principal Research Fellow at the Menzies Institute for Medical Research and the School of Medicine and a practising ophthalmologist, was recognised for his research investigating gene-based therapies for common eye diseases such as glaucoma and macular degeneration.
- The Sense-T Tourist Tracking Project was a recipient of a Tasmanian iAward and recognised at the national iAwards. Arising from the work of the Institute for the Study of Social Change, the project is the result of the cross-disciplinary work of academics

from the humanities, sciences and economics and is considered to be one of the most innovative and extensive research projects ever conducted into tourist travel and the largest of its type in the world.

The Next Generation of Research Academics

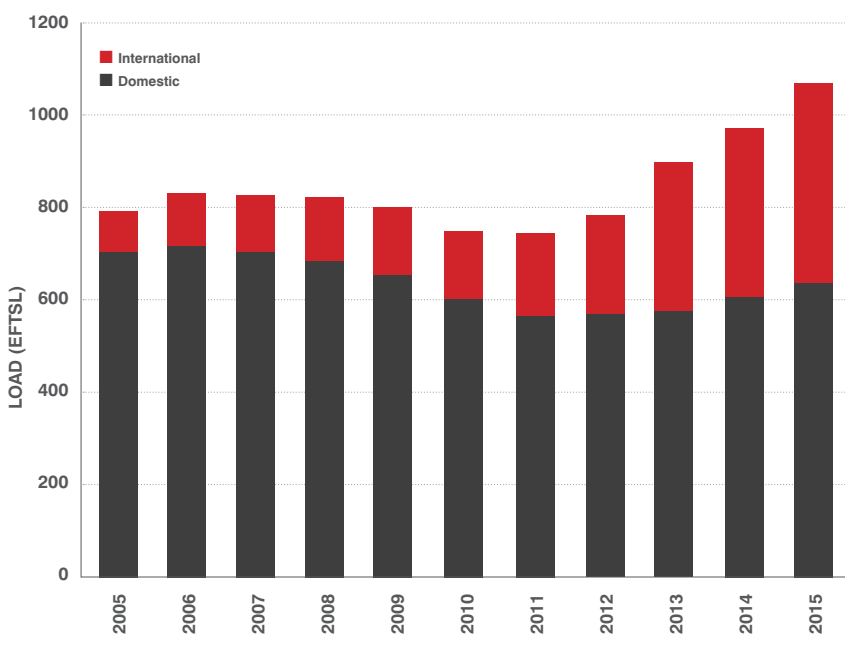
Our Higher Degree by Research (HDR) candidates, that is, students undertaking a Master’s by Research or a Doctor of Philosophy (PHD), are the future of our University’s research success. We have an embedded training culture which enables us to replenish and revitalise the next generation of talent, and we aim to nurture and grow their capacity. Figure 2 shows a consistent increase in HDR student load at the University over the last four years.

This load translated to 1,793 individual HDR students hosted at the University in 2016, of whom 36 per cent were international. A total of 345 students

commenced throughout the year, 43 per cent of whom were international. We saw 220 students successfully complete their degree.

Our research fellows are a key element of our succession planning and build capacity and capability across our academic workforce. In 2016 73 externally funded research fellows provided a deep base of research excellence and development within our academic community. A number of new fellowships were awarded from the ARC and NHMRC, including: an NHMRC Practitioner Fellowship to Professor Graeme Jones for research into arthritis; an NHMRC Early Career Fellowship to Dr Benny Antony for research into arthritis and osteoporosis; an ARC Future Fellowship to Dr John Lin for investigating novel tools for manipulating neuronal activity for behavioural studies; and an ARC Future Fellowship to Dr Zbynek Malenovsky to develop algorithms to map vegetation stress indicators via satellite.

FIGURE 2: HIGHER DEGREE BY RESEARCH FULL-YEAR LOAD (FULL-TIME EQUIVALENT STUDENTS)



INNOVATION AND COMMERCIALISATION

The University continued to encourage, support and facilitate a sustainable culture of impact and enterprise. This occurred through the effective translation of a subset of its research outputs into tangible outcomes, products and services in partnership with local, national and international stakeholders.

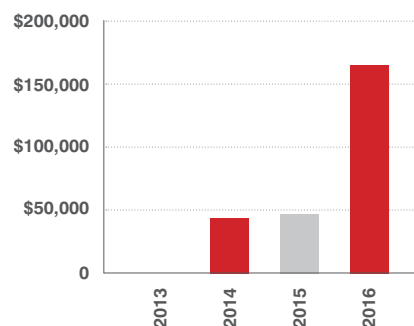
To maintain a pipeline of marketable research findings, the University worked to increase the research community's awareness of the importance of invention and opportunity disclosures. This saw a trebling in the number of disclosures in 2016 (28) over the previous year. While there is invariably a long lag in the realisation of commercial returns from inventions, there has already been an increase in the amount of revenue being generated, as highlighted in Figure 3.

One of our most significant partnerships, the Sense-T initiative, is supporting key Tasmanian economic sectors. It has created 173 new jobs and is associated with the formation of three new companies. A collaboration between Sense-T and local company Definium Technologies Pty Ltd has resulted in the development of the Advanced Sensor Manufacturing Facility (ASMF) in Launceston, manufacturing sensor and sensor-related prototypes for the emerging Internet-of-Things. Importantly, the ASMF will serve as a training and education centre for students at the University of Tasmania.

In 2016 the University and the Tasmanian Government, together with several private sector contributors, underpinned the establishment of two Entrepreneurship and Innovation Hubs. These flexible spaces offer 'soft landing pads' for pre-start-up, start-ups and early-stage companies that will emerge from ideas seeded within new University programs in the Tasmanian School of Business and Economics and across the wider academic endeavour.

A University spin-out company, UTAS Nexus Aquasciences Pty Ltd (UNA), was created in 2016 to consolidate the intellectual property resulting from 15 years of collaborative research in lobster aquaculture and provide a vehicle for its commercialisation. UNA will continue to benefit from research undertaken by the ARC Rock Lobster Culture Systems Research Hub, which will be critical to the realisation of the world's first commercial-scale, aquaculture-based rock lobster hatcheries and underpin the

FIGURE 3: INTELLECTUAL PROPERTY / COMMERCIAL REVENUE



genesis of a new, environmentally sustainable, billion-dollar industry.

A number of University-patented peptides that have exciting potential for the treatment of Alzheimer's disease were licensed by biotechnology company Alzhyme Pty Ltd (now Neuroscientific Biopharmaceuticals Pty Ltd). Engineered from a natural protein known to play a critical role in the regeneration of neural cells in the human brain, the emtin peptides have the ability to offer protection from some of the toxic processes associated with Alzheimer's disease. The exclusive licence of the emtin technology represents the transfer of technology 10 years in the making.

Our first UHack, an innovation hackathon developed with a range of collaborators, was held to engage and build connections between our students, our research, industry and the broader Tasmanian community. UHack brought together teams of designers, innovators and entrepreneurs from across the state to solve a problem or identify an opportunity within the University's research themes. Teams developed a software application, business model and video pitch to win a place in the new Entrepreneurship and Innovation Hubs, along with funding and mentoring support.

COMMUNITY, PARTNERSHIPS AND REGIONAL DEVELOPMENT

Following the development of the first Community and Partnerships Plan in 2015, the focus has been on ensuring that the engagement activities of the University create value for all partners and deliver against our social mission. We have worked across the University and the broader community, identifying opportunities across capability and capacity development (including understanding skills and industry development needs), course development, transformation and regional engagement.

In 2016, for the first time, staff were given the opportunity to come together to reflect on the manner in which the University engages with community, and to share examples of how this occurs in their areas. More than 150 staff heard from some of our external partners about their experiences in engaging with the University, and how they would like to see our engagement shaped in the future.

Our partnership with Rural Youth Tasmania has continued, with a significant investment in the Agfest event to deliver the main University exhibition site, support to the development of the Kids Agricultural Awareness Program, particularly via the kids' activity trail, and the participation of Journalism and Media students who lived on site, creating an online media newsfeed for the event. The site increased its visitation rate once more, and introduced the HITlab AU and the AMC sailing simulator to new audiences.

The University marked its close relationship with the Tasmanian Museum and Art Gallery, signing a Memorandum of Understanding to formalise our partnership. The MOU outlines our shared commitment to continue working together, to leverage our services and resources to grow creative, scientific and cultural capital in Tasmania, and to strengthen the cultural and creative industries sector within the state. The MOU seeks to achieve this via a series of objectives, focused on research, teaching and learning opportunities including internships, discoverability of collections, collection development and collaborative investment in the relationship.

A key goal is to ensure a significant degree of regional engagement in the North and North West with the University. In 2016 the University entered into a new partnership, with the Burnie City Council, Cradle Coast Authority, the Tasmanian Government and TasTAFE, as the foundation of a major transformation program aimed at developing a stronger education presence in the North and North West. The project also aims to significantly increase economic activity for the city and the region.

In Burnie the project will see the relocation and expansion of the existing campus to West Park in Burnie, offering internationally competitive course content in a contemporary learning environment. A similar partnership has also been developed in the North, which will see the Newnham campus relocated to Inveresk.

Community engagement and involvement has supported the development of the West Park Master Plan, which will guide the future development of the site as an education precinct, with funding from both the State and Federal governments.

The assistance of the North and North West Advisory Boards has been vital to engagement with broader community, industry and government interests around the transformation objectives.

The University has worked with industry to develop responses to particular skills development and transition needs within the regional communities. A successful funding submission to the Tasmanian Government's Caterpillar Transition Taskforce enabled commencement of the development of a Design and Technology short course. The course aims to initially target Caterpillar workers made redundant in 2016.

The project will deliver, in partnership with industry, a transition training and skills development program that increases the capability, capacity and employability of these workers (and others employed in manufacturing SME value chains) seeking to reskill, to advance their skills and knowledge,

The Hedberg: Site works commenced in October for a \$90 million creative industries and performing arts development adjoining Hobart's historic Theatre Royal.



and/or to transition to new and emerging jobs within both the advanced manufacturing sector and other industries across Tasmania.

The two regional campuses have been key points of engagement for a number of individuals, schools, groups and organisations throughout the community. While we oversaw the distribution of more than \$80,000 in community engagement grants to enable university staff to work with various sectors of the community, we also delivered a comprehensive program of regional engagement activities.

In Burnie this has been delivered through our involvement in the Makers' Workshop, the Collab Lab and Design Week. Our participation in the BIG Committee saw the campus host a number of schools events with high-profile speakers. Representatives from the campus attended almost every high school final assembly to provide a small prize, growing our relationships with schools in the North West.

In the North, our partnership with the Launceston Cycling Classic saw a number of students benefit from working with elite cyclists, and our facilities were used to support the athletes who participate in the event. Once again we participated in the

annual Harmony Day celebration, providing opportunities for our international students to showcase their cultures.

Our cultural activities drew large audiences into our University spaces, particularly through the Academy Gallery in Launceston and the Makers' Space in Burnie, and our Artist in Residence program, to be showcased as Facing North in the 2017 Ten Days on the Island Festival, engaged with more than 100 musicians in the North West.

The year also saw the launch of the University-led Education for Sustainability Tasmania – the United Nations has recognised Tasmania as a Regional Centre of Expertise in Education for Sustainable Development – and the signing of a MoU between the University and Sustainable Living Tasmania.

Professor David Adams has been appointed to the role of Pro Vice-Chancellor (Community Partnerships and Regional Development) following the appointment of Professor Janelle Allison as the Principal of the new University College.

DIVISION OF THE PROVOST

As Provost, the chief academic officer of the University of Tasmania, Professor Mike Calford supports the Vice-Chancellor and is responsible for overseeing the academic activities of the University. This includes strategically leading the faculties and specialist institutes to achieve outstanding academic performance.

Professor Calford maintains the broad academic profile with a particular focus on academic recruitment, probation, promotion and career performance. He is responsible for community partnerships and regional development, oversees the Aboriginal Engagement Strategic Plan and the Creative Exchange Institute, and leads the University-wide strategic planning, performance and review activities. The Provost is responsible for strategic academic business development and provides oversight across key academic institutional performance indicators.

ACADEMIC PERFORMANCE

Throughout 2016 the Provost undertook focused work with Human Resources on improving academic performance in learning and teaching and research excellence through enhanced engagement with Deans and Directors and Heads of Schools.

ACADEMIC STAFFING PROFILE

The Academic Search team conducted world-wide searches to identify, attract and assess high-level prospective candidates to be considered for positions aligned with the strategically significant goals of the University's faculties and institutes. Two people were recruited under the Academic Profile Reinvestment project, bringing the total number recruited over three years to 38. The Provost led the recruitment of another nine outstanding academic leaders in 2016, including the new Deputy Vice-Chancellor (Global), the Principal, University College and the Pro Vice-Chancellor (Schools Engagement).

PLANNING, PERFORMANCE AND REVIEW

Throughout 2016 the Provost continued to work with the Deans and Directors to ensure that faculty and institute planning was aligned with the intent, goals and aspirations of *Open to Talent: Strategic Plan 2012 Onwards*. As Chair of the Planning, Performance and Review Committee, the Provost led the approach to the integrated academic, financial and risk planning and review process for the improvement of performance across the faculties and institutes.

TEACHING CONSOLIDATION

Increasing the effective delivery of our teaching programs has continued to be a priority through the Teaching Consolidation Project. Building on the review stage, the project identified 247 units as uneconomical within targeted thresholds for first-level reduction in 2016. Annual review and classification practices have been introduced, reclassifying more than 720 units with no enrolments for three years as discontinued for 2017. Principles of service teaching have been firmly embedded in the new curriculum.

ADJUNCT, CLINICAL AND UNIVERSITY ASSOCIATE TITLES COMMITTEE

These titles recognise people who make a regular and significant contribution to the University. In 2016 the committee reviewed 93 applications ranging across adjunct professors, adjunct associate professors, clinical and associate titles.

ACADEMIC PROBATIONS COMMITTEE

The Academic Probation Committee meets every six months to consider academic probationary performance and career development plans and interim and final probationary reports. In 2016 the committee reviewed 109 probation employees, with 29 employees confirmed as ongoing.

UNIVERSITY OF TASMANIA VISITING FELLOWS AND SCHOLARS PROGRAM

The Visiting Fellows and Scholars Program supports short-term visits to the University by academics, scholars and other eminent individuals, normally from outside Tasmania. Visiting Fellows are internationally well-known individuals who are making high-profile visits to the University. Visiting Scholars may be more diverse in their reputation and profile.

This program contributes to the University's international rankings – it has been successful in building international collaboration and co-publication by the University and leading international researchers. During 2016, six Fellows and 26 Scholars from 16 countries visited with support from the program.

STAFF RECOGNITION

VC's Award for Outstanding Contributions by Adjunct Clinical and University Associate Title Holders

Dr Anthony (Tony) Sprent has held an Adjunct Senior Lecturer title with the School of Physical Sciences, Faculty of Science, Engineering and Technology, since formally retiring from the University in 2003. His extensive experience and skills enable meaningful research by the School of Physical Sciences' optical astronomy team using the Greenhill Observatory telescope.

TABLE 9: Determinations for Round 12 of the Visiting Fellow and Visiting Scholars Program

Faculty/Institute	Number of nominations submitted	Number of successful nominations	Funding Faculty/Institute (\$)	Number of unsuccessful nominations
AMC	3	2	30,000	1
Arts	3	2	15,000	1
DVC-R (ARC CRC)	1	1	8,000	
Education/Arts	2	2	14,000	
Health	8	6	46,444	2
IMAS	13	11	74,648	2
IMAS/SET	2	2	10,094	
Law	3	2	8,880	1
Menzies	1	1	6,850	
SET	13	11	88,892	2
TOTAL	49	40	302,808	9

VC's Award for Exceptional Performance by Professional Staff

The Vice-Chancellor's Awards for Exceptional Performance by Professional Staff recognise professional staff who make an outstanding contribution to the University's mission and objectives through innovation or improvement in services and/or sustained exceptional performance in an area or areas within the University.

Mr Paul Waller, a Senior Technical Officer – Electronics with the Central Science Laboratory, was recognised for his long career at the University. His nomination provided evidence of high-level performance across a wide remit. Mr Waller has remained current and innovative and, consistently, looks to be the best. The linkages to other University areas such as sustainability via recycling were noteworthy.

VC's Award for Outstanding Community Engagement

The Vice-Chancellor's Awards for Outstanding Community Engagement recognise staff members (or teams

of staff members) who have made an outstanding contribution as members of the University to community life over the previous 12 months. The Individual Award was made to Dr Nicholas Hookway and the Team Award to the Tasmanian Games Industry Development Team of Dr Kristy de Salas and Dr Ian Lewis.

Distinguished Service Medal

Professor Nathan Bindoff was endorsed as the successful nominee by virtue of his exceptional career in ocean and climate change science and exemplary contribution to research scholarship within the University and at state, regional and global levels.

CREATIVE EXCHANGE INSTITUTE

Cxl is a University-wide inter- and transdisciplinary research platform with a dynamic mix of research groups and laboratories powered by experimental approaches in the creative arts and design.

Highlights from 2016 include:

- Appointed two distinguished transdisciplinary academics in art

and design, and appointed an internationally renowned Adjunct Professor;

- Supported four international visiting scholars and numerous research events;
- Formed four new laboratories to conduct transdisciplinary research on performance, intermedia, science-art and urbanism; and incorporated two highly productive existing interdisciplinary research centres in history and the environment;
- Brought on new PhD scholarship students from Spain, USA and Australia, significantly adding to the research depth at the Tasmanian College of the Arts and the School of Architecture and Design;
- Supported two high-profile interdisciplinary humanities conferences led by the University and an international five-day workshop co-convened by Professor Dorita Hannah with researchers from Australia, New Zealand, Canada, the USA and Finland.

Our international collaborations continue to produce cutting-edge interdisciplinary creative projects. This year a Memorandum of Understanding was signed with the University of North Texas to develop collaborative research programs in data visualisation and sonification and art-science human interaction technology.

ABORIGINAL RESEARCH AND LEADERSHIP

In 2016 the Office of the Pro Vice Chancellor (Aboriginal Research and Leadership) endorsed the University's *Strategic Plan for Aboriginal Engagement 2017-2020*. This document, the central planning document for achieving a vibrant Aboriginal intellectual presence across all sectors of the University, was presented to University Council on December 9.

The strategic plan was developed and progressed in consultation with Aboriginal staff and Aboriginal community members and with University management and faculty leaders. In recognition of services to Aboriginal education, the University awarded an Honorary Doctorate of Letters to Tasmanian Aboriginal Elder Aunty Patsy Cameron at the graduation ceremony in Launceston on September 20.

On November 2 the Chancellor, the Honourable Michael Field, on behalf of the University, officially signed the Recognise Campaign Partners Network Charter. The charter supports the recognition of Aboriginal and Torres Strait Islander peoples in the Australian Constitution and dealing with racial discrimination in it. The signing was followed by a public forum, Panel on Constitutional Recognition.

The second annual Japanangka errol West Public Lecture, The Pedagogy of Aloha, was

delivered by Dr Ku Kahakalau at the Cradle Coast, Launceston, and Sandy Bay campuses during July. Dr Kahakalau was the first person to gain a PhD in Indigenous Education and opened her own charter school in Hawaii in order to provide culturally and community supportive education for Native Hawaiian children. This event was supported by staff from Riawunna.

At the November meeting of the Universities Australia Deputy Vice Chancellors, Research, the Pro Vice-Chancellor (Aboriginal Research and Leadership) co-presented with the University of Western Sydney's Professor Lisa Jackson-Pulver the paper Indigenous Research Higher Degrees: Active Steps for Change. This paper was written to support the development of a national plan to raise the level of Indigenous higher degree research participation.

ADVANCEMENT

The Office of Advancement manages relationships and builds support through our alumni, friends and our local, national and international communities for the overall advancement of the University of Tasmania.

ALUMNI RELATIONS

The University of Tasmania is truly a global presence. Our 105,000 alumni live and work in 120 countries, providing a vibrant network of support and goodwill for the University all over the world. One of the highlights of 2016 was the London Design Biennale held in September where alumna Brodie Neill was chosen by the Australian Government to represent Australia. Titled Plastic Effects, Brodie's work focused on the issue of plastic waste in the oceans and featured an innovative specimen table titled *Gyro*, constructed from an engineered mosaic of ocean plastic, much of it recovered on the West Coast of Tasmania.

More than 1,000 alumni attended events in London, New York, San Francisco, Shanghai and Hong Kong, and throughout mainland Australia and Tasmania. An additional 2,500 tuned in for a series of three professional development webinars, an innovative program

designed to engage and link alumni around the world through social media. The webinars focused on key research initiatives at the University such as food safety and saving the Tasmanian devil, and were such a success that the program is being expanded to include six new offerings in 2017.

In 2016 the Advancement Office once again honoured two outstanding alumni. Dr Clare Smith, who earned both a Bachelor of Biotechnology and a PhD in Medical Research from the University, was awarded the Foundation Graduate Award. Professor Roger Byard, one of the world's pre-eminent experts in forensic pathology and a Bachelor of Medicine and Bachelor of Surgery graduate, was awarded the coveted Distinguished Alumni Award.

The University was well represented in other awards as well. The Queen's Birthday Honours included alumni:

- Deirdre Tuck (OAM), for service to oncology nursing;
- Dr Rupert Woods (AM), for significant service to veterinary science;
- Diana Butler (OAM), for service to the international community of Tasmania;
- Reverend John Morse (OAM), for service to religious education;
- Commander Timothy Dooley, the Australian Police Medal.

Australia Day Honours included:

- Bruce French, for distinguished service to agricultural science;
- Lawrence Green, for service to horticultural sustainability;
- Peter Kearney, for service to local government;
- Commander Bretton Smith, the Australian Police Medal;
- Michael Aird, for service to the Parliament;
- Geoff Willis, for significant service to business.

Finally, three alumni – Hamish Peacock, Kerry Hore and Meaghan Volker – represented Australia in the Rio Olympic Games.

UNIVERSITY OF TASMANIA FOUNDATION

The cornerstone of fundraising efforts at the University for 23 years has been support for scholarships. Our generous graduates and friends have helped the University establish more than \$32 million of endowment to support scholarships on an ongoing basis. In 2016 Blundstone, one of the most iconic Tasmanian brands, established a new scholarship to support first-time students entering the Associate Degree program in Agricultural Business, while Father Michael Tate established a unique \$250,000 scholarship which will support students or graduates undertaking studies in theology and religion at the University of Oxford. Overall, donors contributed more than \$750,000 in new gifts to support scholarships in 2016. Foundation funding allowed more than

TABLE 10: University of Tasmania Foundation

	2016	2015
Income		
Donations and bequests	\$7.57 million	\$3.54 million
University contributions	\$1.78 million	\$0.94 million
Other income	\$0.11 million	\$0.23 million
Investment income	\$2.63 million	\$2.34 million
Expenditure		
Funding support for University programs (including scholarships, research, teaching and facilities)	\$4.49 million	\$3.41 million
Other expenses	\$1.26 million	\$1.40 million
Net Operating Result	\$6.34 million	\$2.24 million
Total funds managed by Foundation at EOY	\$53.7 million	\$47.4 million

450 students to receive scholarship support in the past year, which we hope to expand in 2017.

Annual funds at the University enjoyed a strong year, totalling more than \$440,000 in donations. The Menzies Institute for Medical Research's annual appeal led the way with gifts of almost \$220,000 from 1,000 donors, an exceptional show of support. Additionally, the Save the Tasmanian Devil Appeal had more than 500 donations and the Foundation scholarship appeal brought in \$100,000 for current-use scholarship support.

Significantly, the Foundation attracted two gifts of enormous impact in 2016. University alumnus, businessman, researcher and inventor Dr David Warren gave the University \$2.6 million, making possible the \$5 million Warren Chair in Astrophysics – the University's first permanently Endowed Chair. This is the largest single individual donation in the University's history.

Later in the year the University received the very welcome news that the Ian Potter Foundation had made a grant of \$5 million to help in the construction and fit-out of The Hedberg Building,

a \$90 million Creative and Performing Arts Centre. Funded primarily through a unique partnership between the State and Federal governments alongside the University, the new building will adjoin the historic Theatre Royal and become the home for the University of Tasmania Conservatorium of Music, along with new performance, teaching and laboratory space.

All of these activities helped push overall fundraising totals to just under \$10 million for 2016, an extremely strong performance ranking as one of the best in the University's history.

EVENTS AND PROTOCOL

In 2016, the Office of Events and Protocol helped organise and deliver an impressive range of events. Most importantly were the 19 graduation ceremonies held in Hobart, Launceston, Burnie, Sydney and Shanghai. These events were attended by almost 12,000 parents and friends. Burnie, Launceston and Hobart featured Town and Gown processions which encourage the civic and University communities to come together to celebrate the achievements of our newest graduates.

Events and Protocol serves as the public window into life at the University, and in that role hosted more than 75 named lectures and forums, a number of corporate events and dinners, and many smaller networking and community partnership receptions. More than 10,000 people attended these events and another 80,000 viewed event broadcasts on the University Livestream channel. The signature events, the annual University dinners held in Burnie, Launceston and Hobart, were a grand celebration of the University's excellence in

research and teaching, and also provided an opportunity to welcome our newest scholarship students.

Alumna Jane Hutchinson, who was awarded the 2016 Tasmanian of the Year, presented an inspiring International Women's Day address in March. Australian of the Year 2016 David Morrison presented thought-provoking lectures in Launceston and Hobart on national pride and consciousness.

DIVISION OF INTERNATIONAL

During the first three quarters of 2016 the Division of International was overseen by the Deputy Vice-Chancellor (International), Professor Mike Calford, acting in addition to his role as Provost. During that time the International Division operated with two subsections: the portfolios of Global Engagement and International Student Recruitment.

Global Engagement is responsible for developing, initiating, managing and supporting the University's international institutional, government and non-government strategic relationships and for developing and encouraging international mobility and experiential programs for students and staff.

International Student Recruitment is responsible for international marketing and recruitment of students. The section utilises regional development managers and in-country personnel in key markets to ensure its effectiveness in an increasingly globally competitive activity.

In September Professor Monique Skidmore was appointed Deputy Vice-Chancellor (Global) and tasked with leading the development of a new Global Division to drive the University's agenda and in doing so build the University's international profile, reputation and impact. This ambitious agenda includes further increasing the number and diversity of international students; strengthening international linkages and partnerships; further enhancing the internationalisation of the curriculum; and continuing to attract world-class scholars as staff and visitors.

GLOBAL ENGAGEMENT

Partnerships

In 2016 the focus of partnership engagement was on progressing a small number of

strategic relationships and consolidating partnership-based student pipelines.

In the first quarter the University established three key partnership agreements with the Indonesian Government Endowment Fund for Education (LPDP). These included an agreement recognising the University as an institution eligible to receive students funded under Indonesian Government-funded scholarships in the disciplines of health, maritime, marine and education.

In the third quarter, the University entered into a strategic partnership with the University of California San Diego's SCRIPPS Institute of Oceanography, providing a framework for research collaboration and student and staff exchange.

Global Engagement also supported the growth and development of a number of partnership student pipelines:

- A joint 1 + 1 Masters program in Nursing was finalised with Universitas Gadjah Mada (UGM) in Indonesia, submitted to LPDP and awarded discrete government funding;
- A 2 + 1 Bachelor of Media Studies program with Malaysia University of Science & Technology (MUST) was established;
- July saw the first on-shore student transfers from two collaborative articulation programs in China. Nineteen students from Xi'an University of Science & Technology

(XUST) and 21 students from Ocean University China (OUC) commenced in Engineering and Physical Oceanography, respectively;

- More than 70 students, having completed their bachelor degree in our TNE program in Shanghai, transferred on-shore to undertake a master's degree;
- The study abroad applications from partner Colorado State University grew markedly, with 22 in-bound students commencing in semester two;
- Global Engagement continued to work through issues with two collaborative programs in China, in one case to achieve mutual agreement on termination and in the other to address quality issues and increase transfer rates.

Delegations

About 47 delegations were received from 17 different countries. A highlight was a visit to Tasmania of more than 80 foreign ambassadors and heads of mission led by the Foreign Minister, the Honourable Julie Bishop MP. The University assisted in hosting an event for New Colombo Plan scholarship recipients in Hobart. The delegation visited the Australian Maritime College, which was the backdrop to a number of key national strategic announcements.

Also of note was a visit from the China Scholarships Council led by Dr Liu Jinghui, Secretary-General, accompanied by Ms Meng Li, Deputy Director, Division of American and Oceanian Affairs, and Mr Yang Zhiyong, Consul, Education Office of the Chinese Consulate in Melbourne.

Executive missions

The Office of the PVC-GE co-ordinated and supported a number of executive missions during the year, notably:

- A mission to South-east Asia and China for the Vice-Chancellor in mid-April. The mission was timed to connect with both the Tasmanian Government

Trade Mission to China and the Federal Government's Australia Week in China. During the mission the Vice-Chancellor finalised a number of agreements and partnerships;

- A mission to Indonesia in September to coincide with a visit from the Tasmanian Minister for State Growth. A series of high-level meetings were held with the Indonesian Government, including with the Indonesian Government Endowment Fund for Education (LPDP), the Indonesian Navy and the Ministry for Fisheries and Maritime Affairs;
- A mission to India in September for the Deputy Vice-Chancellor (Global) to support the State Government's trade mission focusing on international education;
- A mission to Chongqing and Shanghai in China for the Deputy Vice-Chancellor (Global) in October to attend a conference and meet with key teaching and articulation partners;
- The Deputy Vice-Chancellor (Global), Chair of the AMC Board and General Manager of the AMC visited Abu Dhabi to assess potential partnership opportunities with the Abu Dhabi Ports Authority and to extend vocational education training for mariners;
- During November, the Vice-Chancellor and Deputy Vice-Chancellor (Global) led discussions with King's College London to establish a strategic partnership involving the establishment of a visiting fellowship program with King's Menzies Institute for Australian Studies, structured collaboration around environmental humanities, and student and staff exchange;
- Following the visit to King's, the Vice-Chancellor and Chair of the University Council's Built Environment and Infrastructure Committee joined with the Hobart City Council to attend the annual conference of the Academic Association Conference, entitled *UniversCities – Higher Education Institutions and their Habitat*. Following the conference, delegates visited the

exemplar cities of Freiburg in Germany and Cambridge in the UK.

Student Mobility

In 2016, the University performed well in its bids under the 2017 New Colombo Plan (NCP) funding round. It attracted funding for six new programs and ongoing multi-year funding for a further four. The University led a consortium of regional universities in a funding bid and this was also successful. Total funding awarded to the University for 2017 was \$771,100, of which \$511,225 will be awarded directly to 143 students. The University was awarded five elite NCP scholarships, up two on the previous year.

Events

The Student Mobility Team worked with the NCP Secretariat to support the launch of the NCP's Alumni Program. The event was attended by about 50 students, Federal Members of Parliament, the Lord Mayor and University staff. NCP elite scholarship alumnus Emily Forsyth gave a poignant address during the launch. During June two events (in Hobart and Launceston) were held to welcome commencing Australia Awards students and to celebrate departing students' completion of studies. The lunches were hosted by Global Engagement and IMAS Launceston and attended by Mr Alopi Latukefu, DFAT's State Director.

INTERNATIONAL STUDENT RECRUITMENT AND MARKETING

After a strong increase in 2015, the growth in international student commencements for 2016 continued, increasing by about 3.5%. Changes to student visa policy necessitated a different approach to recruitment in South Asia, including pre-application assessment, revised application requirements and improved agent management. The effect of these changes was lower numbers from countries such as India and Nepal but improved visa grant rates and student

performance and retention. Continued growth from China, fee increases and efforts by Student Operations to ensure students enrolled in a full-time load saw international student revenue grow by 17.3% year-on-year.

Key initiatives and achievements for 2016 included:

- Supporting International Admissions to implement the StudyLink Connect application system resulted in improved reporting, application management and processing times;
- Product development: market research was commissioned to identify international postgraduate demand gaps. As a result, several programs were retained and others created;
- Management of the prospect management contract to better link marketing and communications activity and lead conversion – integrating university systems with the Hobsons CRM and developing and launching marketing automation;
- Working closely with International Admissions to improve visa success rates and student retention from markets classified by the Department of Immigration as high risk;
- Appointing additional representatives in India and China and appointing an Indonesian representative to capitalise on previous market development work undertaken by Global Engagement;
- Greater focus on the onshore market which has delivered strong growth;
- Closer working relationship with faculties through development and implementation of faculty-based marketing and recruitment plans;
- Continuing to promote the University through a China-based website and social media channels;
- Engaging Kumar Sangakkara and George Bailey as brand ambassadors in South Asia;
- Partnering with global business social-networking giant LinkedIn to help prospective students anticipate where their chosen degrees might take them in the future.

CHIEF OPERATING OFFICER DIVISION

The Chief Operating Officer Division's fundamental role is to support the pillars of the Open to Talent strategic plan (i.e., Students, Research and Community) through a complementary set of enabling functions.

Year 2016 saw the launch of the new Human Resource Information System MyHR and the MyAcademic platform as a tool to assist staff in accessing student data, the development of a major bid to Infrastructure Australia for federal funding towards establishing a Science and Technology Precinct in the Hobart CBD, continued progress on the most ambitious built environment program in recent history, and the Skype for Business roll-out, lauded as one of the most effective ICT change management exercises undertaken at the University.

HUMAN RESOURCES Systems and Reporting

MyHR, the new Human Resource Information System, was launched in March. MyHR provides a platform for self-service functionality and has eliminated many of our paper-based leave and timesheet transactions. Casual eRecruitment was launched from MyHR in November, providing an efficient and transparent application and on-boarding recruitment process.

Work Health and Safety (WHS) Performance

Key accomplishments included the engagement and wellbeing of staff and students by inviting participation in health and wellbeing programs such as the Staff Flu Vaccination program, Mental Health Week, Worksafe Tasmania Month activities and the Smoke-free Campus Project.

The University reached its 2016 goal of a 4 out of 5 level of maturity rating for our Continuous Self-Assessment program, with effective and practical implementation of Workplace Health and Safety risk control measures and awareness of WHS – both physical and psychological. The WHS System project, which began in late 2016, will see improvements in the management of hazards and incidents, together with enhancements to safety performance reporting.

Staff Experience

Human Resources offered significant professional development opportunities in 2016. The Career Development Scholarship

program supported more than \$350,000 of innovative, collaborative individual and group initiatives. The Leadership Development for Women Program again attracted academic and professional staff; scholarships were offered to staff for the prestigious Tasmanian Leaders Program and the Emerging Leaders and Managers Program delivered by LH Martin.

Engagement events were held on all campuses to celebrate National Reconciliation Week from May 27 to June 3, 2016.

The Ally Network continues to create a safe, nurturing, inclusive and affirming environment for our staff and students, with the network growing to 100 members in 2016.

Commercial Services and Development (CSD)

CSD is responsible for a range of strategic and operational functions relating to the University's built environment and infrastructure, campus services and business enterprises.

Campus Transformation

During 2016 CSD continued to support the conceptualisation, scoping and planning of the University's broader statewide transformation aspirations. This included provision of specialist support to the development of a major bid to Infrastructure Australia (IA) to seek support for \$250 million of federal funding towards establishing a Science and Technology Precinct in the Hobart CBD. CSD also provided valuable support for the next phase of the West Park development, including preparation of the draft West Park master plan, which received widespread stakeholder backing.

Year 2016 saw the completion of a series of refurbishment and enhancement works to learning spaces at all campuses to

TABLE 11: HR Statistics (as at 31 December 2016)

	HEADCOUNT		FTE	
	2015	2016	2015	2016
Continuing Appointments				
Academic Continuing	673	662	641	605
Professional Continuing	1023	990	920	911
Total FTE Continuing	1696	1652	1561	1516
Fixed-term Appointments				
Academic Fixed-term	515	544	420	468
Professional Fixed-term	518	566	427	467
Total Fixed-term	1033	1110	847	935
TOTAL	2729	2762	2408	2451
Age				
Academic Average Age	-	-	47	48
Professional Average Age	-	-	44	44
Average Age	-	-	45	46
Gender				
Female	1514	1520	1274	1307
Male	1215	1242	1134	1144
Length of Service – Current Position				
Academic Average Length of Service	-	-	7.16	7.59
Professional Average Length of Service	-	-	6.57	6.88

TABLE 12: Statistics at a Glance – 2016

	HEADCOUNT	FTE
All Staff (excluding Casuals)	2762	2451
Academic (excluding Casuals)	1206	1073
Professional (excluding Casuals)	1556	1378

support the University's more immediate campus revitalisation goals. Spaces formerly subject to low utilisation were transformed to meet increasing demand for contemporary and vibrant spaces supporting modern pedagogical trends and enhancing the student experience.

Refurbishment works to the Swanson Building at Newnham delivered the exciting new AMC Collaborative Learning Space, affording greater

flexibility for students to undertake research-based activities, case studies and group work, and independent study and learning reflection. Complementary spaces were delivered at the Sandy Bay campus, with new student lounges delivered at both the Life Sciences and Law buildings. Coupled with The Lounge at the centre of campus, these new spaces have established a campus spine of engaging and popular informal learning spaces for students.

The \$2.6 million Rozelle campus improvement project, completed in late 2016, delivered an additional lecture theatre and significantly improved contemporary and fit-for-purpose student learning and support facilities.

Built Environment

Year 2016 saw continued progress on the most ambitious built environment program in recent history. As part of the University's \$126 million state-wide accommodation program, 120 new student apartments were completed at Inveresk for the start of semester 1. Significant progress was also made on the construction of the 430 NRAS student apartments in Hobart's CBD. The \$96 million creative industries and performing arts development, The Hedberg, reached several major milestones, culminating in a start to preliminary civil works on site in late 2016. These projects are being delivered against the Green Star benchmark, to ensure maximum sustainability. CSD also continued to manage the delivery of the University's maintenance program, overseeing a broad range of contracts for preventive and corrective maintenance. This included responding to more than 11,000 Work Requests.

Sustainability

The University's inaugural Sustainability Survey was conducted in April to gather meaningful information on the perceptions, aspirations and behaviours of staff and students in relation to sustainability. The results will inform the University's sustainability strategies and help embed sustainability into operations, teaching and research. As an identified core survey, it will be conducted biennially to gauge the effectiveness of sustainability initiatives over time.

The successor to the 2012-2016 *Sustainable Transport Strategy (STS)*, the 2017-2021 *STS*, was finalised during 2016. Internal and external stakeholders

provided broad contributions for development of the updated strategy, building on the successful initiatives implemented under the 2012-2016 strategy.

Students and Staff

An array of initiatives were undertaken to improve the student and staff experience across all campuses. These ranged from partnering with Metro Tasmania to improve transport options, improving on-campus catering options, streamlining access to campus services and enhancing access to student study and social spaces. CSD also established 13 internships for students, providing them opportunities to apply their studies to work-based activities through a range of projects delivering valuable operational outcomes.

Recognition

CSD received a number of accolades on behalf of the University, recognising the high calibre of the initiatives, facilities and developments for which it has oversight. Specifically:

- The Student Lounge, Sandy Bay campus, and Inveresk student apartments projects received awards at the 2016 Tasmanian Architecture Awards;
- The University's teaching and learning facility at Mount St Vincent Nursing Home, Ulverstone, was awarded the Master Builders' Tasmania 2016 Excellence Award for New Construction – under \$1 million;
- In October, the Inveresk student apartments project was awarded two Australian Property Institute (Vic/Tas Division) 2016 Excellence in Property Awards;
- Also in October, the Inveresk student apartments project won the 2016 Australian Timber Awards Engineered Timber category and the Engineers Australia (Tasmanian Chapter) 2016 Excellence Award for Buildings and Structures;

- At the prestigious Green Gown Awards Australasia, presented by the national Australasian Campuses Towards Sustainability, the University:

- won the Learning, Teaching and Skills award, for the Sustainability Integration Program for Students (SIPS);
- was highly commended in the Student Engagement award, for Source Community Wholefoods on the Sandy Bay campus;
- was a finalist in the Built Environment Award for the NRAS Inveresk student apartments complex, and Individual Excellence (Student) award for Thomas Crawford (SIPS projects, involvement with Source, etc.);
- The University was a finalist in the 2016 Tasmanian Community Achievement Awards – EPA Sustainability Award, recognising the successful implementation of the *Sustainable Transport Strategy 2012-2016*.

IT Services (ITS)

The IT Services team has continued to work collaboratively in seeking continuous improvements and efficiencies in University operations. There has been further focus on improving service responsiveness while building additional capability and process improvement through automation of services. During 2016, Skype for Business was rolled out to all University staff.

ITS, in partnership with Australia's Academic and Research Network (AARNet), the Tasmanian Department of Education and TasTAFE, led the successful rollout of the eduroam wireless service across the State's public schools and TAFE campuses. This was an Australian first. ITS also co-ordinated the design and delivery of a state-of-the-art eResearch Data Centre facility to house the University's next-generation High Performance Computer infrastructure and research cloud. ITS worked with other business units to deliver and extend the use of the new Human Resources

Management System, and the Business Intelligence and Customer Relationship Management systems. Continuous improvement and value-added services progressed with the release of the new version of the ServiceNow self-service portal. ITS has also been heavily engaged in community initiatives and, in conjunction with the Office of Research, hosted the largest hackathon held in Tasmania, raising more than \$100,000 in prize value and establishing a range of pathways and partnerships between the University and industry.

University Reporting and Services

During 2016 staff were brought together from all Senior Executive divisions to form the University Reporting and Services Hub, with the objective of delivering efficient and effective executive, governance and reporting services to support informed decision-making and the achievement of the University's strategic objectives.

Marketing and Student Recruitment

The growing reach of the University's brand was reflected in the institution's success in international rankings, increased web traffic from mainland Australia and international visitors, growth in social media engagement and success in media coverage.

New initiatives in 2016 included the launch of a new course and unit handbook design, a range of new websites for institutes and schools, and the implementation of a call centre team within the domestic student recruitment portfolio, greatly enhancing our capacity to deal with prospective student enquiries and to drive conversion campaigns.

Corporate Affairs

The total value of media coverage, as measured by the Advertising Space Ratio metric, was \$99,465,900 – second only to that of the 125th Anniversary. The number of media releases issued totalled

371. The suite of publications produced included two issues of O2t, which was inserted in the three Tasmanian daily newspapers, plus editions of *Research to Reality*, *Alumni*, *Impact Statement*, *Above Board* and the *Annual Report*.

Student Operations

Student Operations is responsible for admissions, enrolments, examinations, graduations, progression, academic scheduling, fees, compliance, scholarships and prizes, and student systems and business improvement. During 2016 Student Operations continued to focus on improved customer service, enhanced business processes and systems and access to information.

The major system improvement was the implementation of the new MyAcademic platform as a tool to assist staff in accessing student data. This new web-based portal provides staff members with easy access to student information and reports from mobile devices. The initial release provides an intuitive, browser-based interface accessible from computers, tablets and phones and enables quick access to student data, including contact details, educational background and academic records.

Further system enhancements to the StudyLink admissions system resulted in a significant reduction in processing times for international student applications. Increased delegated authority for admission assessment decisions, multi-skilling of staff to perform a variety of assessment tasks to meet the admissions cycle and general process improvements were a major contributor to the increase in Semester 2 acceptances at the University, with positive indicators for the 2017 intake.

Improved customer service was a key objective of the portfolio throughout the year. The Domestic Admissions Improvement Project delivered an

updated eApplication user experience for applicants and improved reporting for the Admissions Office, faculties and institutes. Behind the scenes, assessment processes were expedited through automation of assessment tasks, improvements to course selection algorithms and review of course admission guidelines.

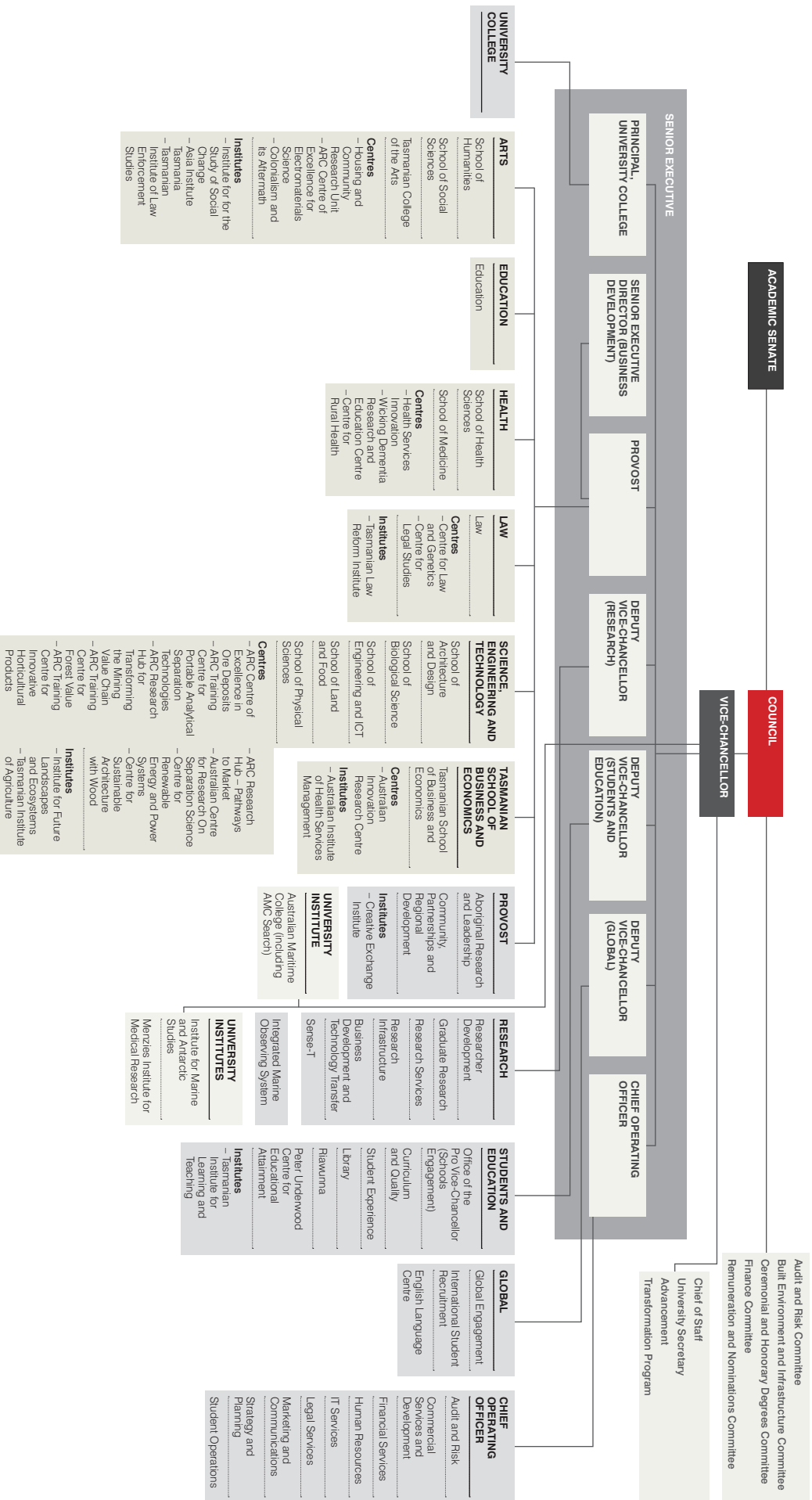
This approach to customer service was further reflected in the key achievements for the Academic Scheduling Team, which included the early release of academic timetables for Semester 2, 2016, and both Semesters 1 and 2, 2017, with the latter released in December. The availability of timetables up to six weeks earlier was a positive contributor to earlier enrolment and also to the student experience.

Year 2016 saw a number of new scholarship initiatives introduced, including the launch of the inaugural Tasmanian Asylum Seeker Scholarship. Up to two scholarships are provided by the University annually to support Tasmanian asylum-seekers who are on Temporary Protection Visas, applying for Safe Haven Enterprise Visas, or are on an equivalent bridging visa to undertake undergraduate tertiary studies.

Further to the launch of the new four-tier scholarship model for high-achievers in 2015, the concept of the Group of 50 was developed in February to recognise and reward academic excellence through establishment of an elite group of high-achievers and aspiring leaders. A number of successful networking events, including lunches and guest speakers, were delivered throughout the year, with excellent feedback from participants.

Student Operations continues to collaborate and establish partnerships with other institutions across the education sector for the purposes of benchmarking and driving service improvements.

ORGANISATIONAL CHART AS AT 31 DECEMBER, 2016



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FIVE YEAR SUMMARY

ENDED 31 DECEMBER 2016 – UNIVERSITY

	2016		2015		2014		2013		2012	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
INCOME										
Australian Government financial assistance										
Australian Government grants	231,096	38.4	201,667	34.3	198,736	36.5	191,788	35.7	176,745	33.3
HELP Australian Government payments	69,105	11.5	72,692	12.3	71,184	13.1	69,574	13.0	58,367	11.0
Scholarships and research	120,048	19.9	132,367	22.5	121,305	22.3	111,401	20.7	116,329	21.9
State and Local Government financial assistance	21,690	3.6	24,216	4.1	12,165	2.2	11,568	2.2	31,110	5.9
HECS-HELP student payments	8,852	1.5	5,637	1.0	13,454	2.5	10,129	1.9	9,349	1.8
Fees and charges	93,904	15.6	85,013	14.4	71,836	13.2	62,923	11.7	64,577	12.2
Investment revenue	14,934	2.5	22,809	3.9	16,796	3.1	30,354	5.7	28,322	5.3
Consultancy and contracts	25,717	4.3	28,148	4.8	26,531	4.9	35,001	6.5	30,626	5.8
Other income	16,825	2.8	16,154	2.7	12,208	2.2	14,474	2.7	15,096	2.8
TOTAL INCOME	602,171	100.0	588,703	100.0	544,215	100.0	537,212	100.0	530,521	100.0
EXPENDITURE										
Academic salary costs	188,815	31.8	174,028	29.9	167,439	30.8	164,417	32.9	164,400	33.2
Non-academic salary costs	167,262	28.1	158,117	27.2	153,830	28.3	135,213	27.0	135,643	27.4
Depreciation and amortisation	32,859	5.5	30,966	5.3	28,465	5.2	25,407	5.1	22,149	4.5
Repairs and maintenance	13,745	2.3	14,702	2.5	13,779	2.5	17,143	3.4	16,380	3.3
Impairment of assets	12,554	2.1	11,569	2.0	446	0.1	220	0.0	917	0.2
Other expenses	179,443	30.2	192,972	33.1	180,553	33.2	157,497	31.5	155,636	31.4
TOTAL EXPENDITURE	594,678	100.0	582,354	100.0	544,512	100.0	499,897	100.0	495,125	100.0
NET RESULT	7,493		6,349		(297)		37,315		35,396	
KEY RATIOS										
1. Financial stability and liquidity										
- Current ratio	0.3		0.5		0.7		1.1		0.7	
- Net cash balances	7,159		32,389		43,296		69,554		27,430	
- Net assets	847,201		842,906		827,955		828,594		790,308	
2. Revenue										
- Australian Government grants including HECS	301,553		279,996		276,874		260,491		226,461	
- Australian Government capital grants	7,500		-		6,500		11,000		18,000	
- Scholarships and research	120,048		132,367		121,305		111,401		116,329	
- Other University income	173,070		176,340		139,536		154,320		169,731	
TOTAL UNIVERSITY INCOME	602,171		588,703		544,215		537,212		530,521	
Australian Government operating grants including HECS as a % of total income	50%		48%		51%		48%		43%	
Commonwealth funded students (full-time equivalents) *	15,869		14,919		14,530		13,704		12,552	
Average Commonwealth recurrent grant	19,003		18,768		19,055		19,008		18,042	

* Source: UTAS Statistics – DoE Operating Grant Load (excluding research higher degree students)

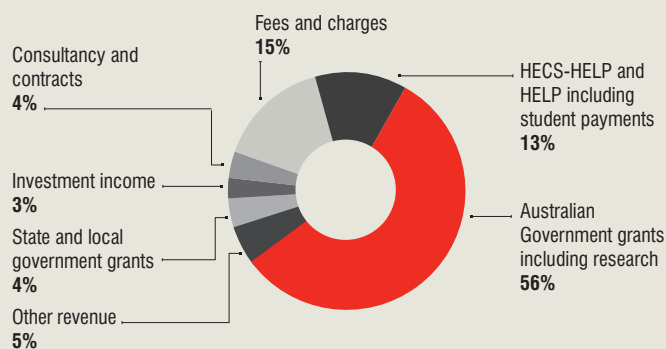
FIVE YEAR SUMMARY

ENDED 31 DECEMBER 2016 – CONSOLIDATED

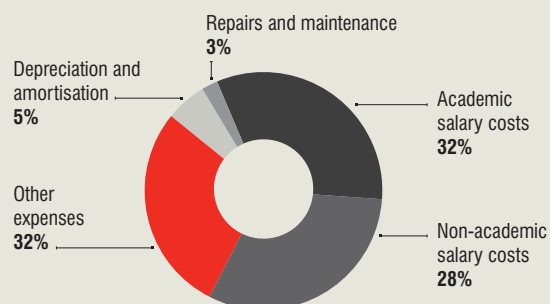
	2016		2015		2014		2013		2012	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
INCOME										
Australian Government financial assistance										
Australian Government grants	231,096	37.4	201,667	33.6	201,036	35.8	191,788	34.9	176,745	32.5
HELP Australian Government payments	69,105	11.2	72,692	12.1	71,184	12.7	69,574	12.6	58,367	10.7
Scholarships and research	120,048	19.4	132,367	22.1	121,305	21.6	111,401	20.2	116,329	21.4
State and Local Government financial assistance	21,690	3.5	24,216	4.0	12,165	2.2	11,568	2.1	31,110	5.7
HECS-HELP student payments	8,852	1.4	5,637	0.9	13,454	2.4	10,129	1.8	9,349	1.7
Fees and charges	93,640	15.2	84,360	14.1	71,836	12.8	62,923	11.4	64,577	11.9
Investment revenue	18,342	3.0	24,668	4.1	19,720	3.5	35,244	6.4	31,744	5.8
Consultancy and contracts	25,717	4.2	28,128	4.7	26,531	4.7	32,294	5.9	31,780	5.9
Other income	29,152	4.7	25,875	4.3	24,041	4.3	25,402	4.6	23,125	4.3
TOTAL INCOME	617,642	100.0	599,610	100.0	561,272	100.0	550,323	100.0	543,126	100.0
EXPENDITURE										
Academic salary costs	190,153	31.5	175,085	29.6	168,250	30.2	165,083	32.4	165,113	32.9
Non-academic salary costs	170,594	28.3	161,642	27.4	156,662	28.1	137,431	27.0	137,274	27.3
Depreciation and amortisation	33,091	5.5	31,149	5.3	28,641	5.1	25,598	5.0	22,316	4.4
Repairs and maintenance	13,752	2.3	14,711	2.5	13,784	2.5	17,170	3.4	16,406	3.3
Impairment of assets	11,478	1.9	11,569	2.0	446	0.1	220	0.0	917	0.2
Other expenses	183,640	30.5	196,536	33.3	189,796	34.0	164,038	32.2	159,947	31.9
TOTAL EXPENDITURE	602,708	100.0	590,692	100.0	557,579	100.0	509,540	100.0	501,973	100.0
NET RESULT	14,934		8,918		3,693		40,783		41,153	
KEY RATIOS										
1. Financial stability and liquidity										
- Current ratio	0.4		0.6		0.7		1.2		0.7	
- Net cash balances	17,437		44,277		48,241		77,645		31,369	
- Net assets	911,565		899,829		882,309		878,958		830,764	

CONSOLIDATED INCOME AND EXPENDITURE 2016

INCOME



EXPENDITURE



INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Consolidated		Parent entity	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
INCOME FROM CONTINUING OPERATIONS					
Australian Government financial assistance					
Australian Government grants	2.1	351,144	334,034	351,144	334,034
HELP - Australian Government payments	2.1	69,105	72,692	69,105	72,692
State and Local Government financial assistance	2.2	21,690	24,216	21,690	24,216
HECS-HELP – student payments		8,852	5,637	8,852	5,637
Fees and charges	2.3	93,640	84,360	93,904	85,013
Investment revenue	2.4	18,342	24,668	14,934	22,809
Consultancy and contracts	2.5	25,717	28,128	25,717	28,148
Other income	2.6	29,152	25,875	16,825	16,154
Total income from continuing operations		617,642	599,610	602,171	588,703
EXPENSES FROM CONTINUING OPERATIONS					
Employee related expenses	3.1	360,747	336,727	356,077	332,145
Depreciation and amortisation	3.2	33,091	31,149	32,859	30,966
Repairs and maintenance	3.3	13,752	14,711	13,745	14,702
Borrowing costs	3.4	1,687	850	1,687	850
Impairment of assets	3.5	11,478	11,569	12,554	11,569
Other expenses	3.6	181,953	195,686	177,756	192,122
Total expenses from continuing operations		602,708	590,692	594,678	582,354
Net result from continuing operations		14,934	8,918	7,493	6,349

This statement should be read in conjunction with the accompanying notes.

The above Income Statement has been prepared in accordance with Australian Accounting Standards. The summary below provides a breakdown of the composition of the net result as it relates to the University. It should not be interpreted that noting these key components in any way draws attention away from the statutory total result.

KEY COMPONENTS OF THE RESULT

The following reconciliation highlights the key components of the University result:

Result from core activities *		(9,351)	(9,041)	(8,601)	(10,498)
Net movements in restricted funds		4,013	6,532	306	7,760
Investment income (interest and dividends)		14,318	16,383	11,498	13,861
Realised gains/(losses) on investments		3,770	584	3,168	473
Unrealised gains/(losses) on investments		254	7,105	268	7,398
Borrowing costs		(1,687)	(850)	(1,687)	(850)
Capital income		17,503	6,717	17,503	6,717
Commonwealth Grant Scheme and HECS adjustments		2,776	(7,109)	2,776	(7,109)
Impairment		(10,127)	(10,268)	(11,203)	(10,268)
Restructuring costs		(6,535)	(1,135)	(6,535)	(1,135)
Net result from continuing operations		14,934	8,918	7,493	6,349

* The core activities of the University are: - learning and teaching;
- research, knowledge transfer and research training;
- community engagement; and
- activities incidental to undertaking the above;
- restructure programs are not included.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Consolidated		Parent entity	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Net result for the period		14,934	8,918	7,493	6,349
Items that will not be reclassified to profit or loss					
Gain/(loss) on revaluation of property, plant and equipment	16	(3,736)	10,009	(3,736)	10,009
Net actuarial gains/(losses) in respect of superannuation plans	27	538	(1,407)	538	(1,407)
Total comprehensive income		11,736	17,520	4,295	14,951

This statement should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	Notes	Consolidated		Parent entity	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS					
Cash and cash equivalents	4	17,437	44,277	7,159	32,389
Receivables	5	25,249	23,070	24,488	24,196
Inventories	6	852	773	852	773
Non-current assets classified as held for sale	7	925	-	925	-
Other non-financial assets	8	7,751	8,853	7,437	8,807
Total current assets		52,214	76,973	40,861	66,165
NON-CURRENT ASSETS					
Receivables	5	7,959	8,239	7,959	8,239
Investments	9	288,375	279,864	234,679	233,259
Property, plant and equipment	10	783,869	745,636	782,323	744,502
Intangible assets	11	49,590	47,762	49,590	47,762
Total non-current assets		1,129,793	1,081,501	1,074,551	1,033,762
Total assets		1,182,007	1,158,474	1,115,412	1,099,927
CURRENT LIABILITIES					
Trade and other payables	12	47,033	34,479	46,580	33,981
Borrowings	13	9,500	25,000	9,500	25,000
Provisions	14	61,049	51,255	60,175	50,507
Other liabilities	15	25,645	19,149	24,783	18,802
Total current liabilities		143,227	129,883	141,038	128,290
NON-CURRENT LIABILITIES					
Trade and other payables	12	6,831	7,109	6,831	7,109
Borrowings	13	93,600	93,600	93,600	93,600
Provisions	14	26,784	28,053	26,742	28,022
Total non-current liabilities		127,215	128,762	127,173	128,731
Total liabilities		270,442	258,645	268,211	257,021
Net assets		911,565	899,829	847,201	842,906
EQUITY					
Restricted funds	16	162,297	149,199	108,551	101,793
Reserves	16	275,230	278,966	275,230	278,966
Retained earnings	16	474,038	471,664	463,420	462,147
Total equity		911,565	899,829	847,201	842,906

This statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Restricted funds \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
Consolidated					
Balance at 1 January 2015		145,095	268,957	468,257	882,309
Surplus/(Deficit)		8,955	-	(37)	8,918
Reclassification of restricted funds		(4,851)	-	4,851	-
Gain/(Loss) on revaluation of property, plant and equipment		-	10,009	-	10,009
Other comprehensive income		-	-	(1,407)	(1,407)
Total comprehensive income		4,104	10,009	3,407	17,520
Balance at 31 December 2015		149,199	278,966	471,664	899,829
Balance at 1 January 2016					
Surplus/(Deficit)		8,119	-	6,815	14,934
Reclassification of restricted funds	16	4,979	-	(4,979)	-
Gain/(Loss) on revaluation of property, plant and equipment	16	-	(3,736)	-	(3,736)
Other comprehensive income	16	-	-	538	538
Total comprehensive income		13,098	(3,736)	2,374	11,736
Balance at 31 December 2016		162,297	275,230	474,038	911,565
Parent Entity					
Balance at 1 January 2015		99,932	268,957	459,066	827,955
Surplus/(Deficit)		6,712	-	(363)	6,349
Reclassification of restricted funds		(4,851)	-	4,851	-
Gain/(Loss) on revaluation of property, plant and equipment		-	10,009	-	10,009
Other comprehensive income		-	-	(1,407)	(1,407)
Total comprehensive income		1,861	10,009	3,081	14,951
Balance at 31 December 2015		101,793	278,966	462,147	842,906
Balance at 1 January 2016					
Surplus/(Deficit)		1,779	-	5,714	7,493
Reclassification of restricted funds	16	4,979	-	(4,979)	-
Gain/(Loss) on revaluation of property, plant and equipment	16	-	(3,736)	-	(3,736)
Other comprehensive income	16	-	-	538	538
Total comprehensive income		6,758	(3,736)	1,273	4,295
Balance at 31 December 2016		108,551	275,230	463,420	847,201

This statement should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Consolidated		Parent entity	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES					
Australian Government grants		409,455	408,871	409,455	408,871
OS-HELP (net)		4	(79)	4	(79)
Superannuation supplementation		521	633	521	633
State and Local Government financial assistance		17,724	25,323	17,724	25,323
HECS-HELP - student payments		8,852	5,639	8,852	5,639
Fees and charges		98,178	82,669	98,234	83,665
Dividends received		13,854	14,269	11,395	13,015
Interest received		1,305	1,691	903	1,175
Interest paid		(1,200)	(834)	(1,200)	(834)
Other receipts		72,313	78,253	59,568	66,258
Payments to suppliers and employees (inclusive of GST)		(565,128)	(575,337)	(555,323)	(565,786)
Net cash inflow/(outflow) from operating activities	23(b)	55,878	41,098	50,133	37,880
CASH FLOWS FROM INVESTING ACTIVITIES					
Capital grants		17,503	5,776	17,503	5,776
Proceeds from sale of property, plant and equipment		6,900	607	6,883	607
Payments for property, plant and equipment		(80,345)	(93,548)	(79,482)	(93,251)
Payments for intangibles		(6,768)	(5,376)	(6,768)	(5,376)
Payments for investments		(76,697)	(62,471)	(56,424)	(53,166)
Proceeds from disposal of investments		72,210	66,767	58,440	55,566
Proceeds from redemption of long-term cash deposits		-	21,000	-	20,000
Bonds and deposits		-	(474)	-	(474)
Movement in bonds held	15	(72)	(334)	(66)	(331)
Movement in monies held on behalf of other entities	15	51	(8)	51	(1,137)
Net cash inflow/(outflow) from investing activities		(67,218)	(68,061)	(59,863)	(71,786)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from borrowings		9,500	25,000	9,500	25,000
Repayment of borrowings		(25,000)	(2,001)	(25,000)	(2,001)
Net cash inflow/(outflow) from financing activities		(15,500)	22,999	(15,500)	22,999
Net increase/(decrease) in cash held		(26,840)	(3,964)	(25,230)	(10,907)
Cash at beginning of reporting period		44,277	48,241	32,389	43,296
Cash at end of reporting period	4	17,437	44,277	7,159	32,389

This statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied for all years reported unless otherwise stated. The financial statements include separate statements for the University of Tasmania (University) as the parent entity and the consolidated entity consisting of the University and its controlled entities.

(a) BASIS OF PREPARATION

The annual financial statements are general purpose financial statements that have been prepared on an accrual basis in accordance with Australian Accounting Standards. Additionally, the statements have been prepared in accordance with the following statutory requirements:

- University of Tasmania Act 1992
- Higher Education Support Act 2003 (Financial Statement Guidelines)
- Australian Charities and Not-for-Profits Commission Act 2012

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

Date of authorisation for issue

The financial statements were authorised for issue by the University Council on 10 February 2017.

Historical cost convention

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

Critical accounting estimates

The 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 estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

- Note 10 – Fair value, depreciation and amortisation of property, plant and equipment
- Note 11 – Intangibles
- Note 14 & 27 – Superannuation provision
- Note 14 – Long service leave provision
- Note 14 – Restructuring provision

(b) BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all controlled entities of the University ("parent entity") as at 31 December 2016 and the results of all controlled entities for the year then ended. The University and its controlled entities together are referred to in these financial statements as the consolidated entity.

A controlled entity is any entity controlled by the University. The consolidated entity has control over a controlled entity when it is exposed, or has rights, to variable returns from its involvement with the controlled entity, and has the ability to affect those returns through its power over the controlled entity. Power over the controlled entity exists when the consolidated entity has existing rights that give it current

ability to direct the relevant activities of the controlled 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. A list of controlled entities is contained in Note 22 to the financial statements.

Controlled entities are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of controlled entities (refer to Note 1(f)).

Intercompany transactions, balances and unrealised gains on transactions between entities within the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of controlled entities are changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

(c) REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable. The consolidated entity recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the consolidated entity and specific criteria have been met for each of the consolidated entity's activities as described below. Revenue is recognised for the major business activities as follows:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Government grants

Grants from the government are recognised at their fair value where the consolidated entity obtains control of the right to receive the grant, it is probable that economic benefits will flow to the consolidated entity and it can be reliably measured.

HELP payments

Revenue from HELP is categorised into that received from the Australian Government and that received directly from students. Revenue is recognised and measured in accordance with the revenue recognition disclosure.

Student fees and charges

Fees and charges are recognised as income in the year of receipt, except to the extent that fees and charges relate to courses to be held in future periods. Such receipts (or portion thereof) are treated as income in advance in liabilities. Conversely, fees and charges relating to debtors are recognised as revenue in the year to which the prescribed course relates.

Non-government grants

Revenue is recognised as income in the year of receipt. A liability is recognised for completed grants where unspent grant monies are required to be refunded to the funding body.

Other revenue

- Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.
- Dividend revenue is recognised when the right to receive a dividend has been established.
- Donations and bequests are recognised when the right to receive the funds has been established.

- Revenue from the sale of goods is recognised upon the delivery of goods to the customer.
- Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax (GST).

(d) FOREIGN CURRENCY TRANSLATION Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the consolidated entity's functional and presentation currency.

Transactions and balances

Transactions made using foreign currency are converted into Australian currency at market exchange rates applicable at the date of the transaction. Amounts payable or receivable in foreign currencies at balance date are converted into Australian currency at market exchange rates at balance date. Currency conversion gains and losses are recognised in profit or loss.

(e) TAX STATUS Income tax

The consolidated entity does not provide for Australian income tax as it is exempt from income tax in accordance with the provisions of Division 50 of the Income Tax Assessment Act 1997.

Fringe benefits tax

The consolidated entity is liable to

pay fringe benefits tax, and this is included in the Income Statement.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of 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 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 gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

(f) ACQUISITIONS OF ASSETS

The purchase method of accounting is used to account for all acquisitions of assets (including business combinations) regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

(g) ASSET IMPAIRMENT

Assets that have an indefinite useful life are not subject to amortisation or depreciation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, except to the extent that the write-down can be debited to an asset revaluation reserve applicable to that class of asset. The recoverable amount is the higher of an asset's fair value less costs to sell, and value in use.

(h) CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) RECEIVABLES

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Receivables are typically due for settlement no more than 30 days from the date of recognition.

The collection of receivables is reviewed on an ongoing basis. Debts known to be uncollectible are written off. A provision for impaired receivables is established where there is evidence the consolidated entity will not be able to collect all amounts due according to the original terms of the receivable. The amount of any movement in the provision is recognised in the Income Statement, with the balance of the provision recognised in the Statement of Financial Position.

(j) INVENTORIES

Inventories are valued at the lower of cost or net realisable value. Cost is assigned on a weighted average basis.

(k) NON-CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as held for sale and stated at the lower of their carrying amount and fair value less costs of disposal if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the statement of financial position.

(l) INVESTMENTS AND OTHER FINANCIAL ASSETS

The consolidated entity's investments are measured at either fair value (at ex-distribution prices) through profit or loss, where changes in fair value are taken to the Income Statement or at cost.

The consolidated entity currently classifies its financial assets in the following categories– investments (comprising financial assets at fair value through profit or loss, or financial assets at cost), derivative financial instruments, and loans and receivables. The classification depends on the

purpose for which the financial assets were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified in this category if it is acquired principally for the purpose of selling in the short term.

These assets comprise investment and trust funds. The consolidated entity's investments are managed as pooled funds by a number of independent portfolio managers. Funds are invested in cash deposits, Australian equities, overseas equities, alternatives, fixed interest securities and property trusts under an approved investment policy. The majority of specific purpose endowments received by the consolidated entity to fund research activities, scholarships and prizes are also managed in this pooled investment fund.

Investments are initially recognised at cost, and subsequently carried at fair value.

Financial assets at cost

Investment in subsidiaries, and unlisted shares are carried at cost, and reviewed annually for impairment.

Derivative financial instruments

The consolidated entity enters into derivative financial instruments, namely forward exchange contracts, from time to time to hedge its foreign currency risk exposures. Hedge accounting is not applied, and changes in fair value are recognised

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

in profit or loss as part of foreign currency gains and losses.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the consolidated entity provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date which are classified as non-current assets. Loans and receivables are included in receivables in the Statement of Financial Position.

The consolidated entity assesses at each balance date whether there is objective evidence that a receivable is impaired.

(m) WORK IN PROGRESS (WIP)

Capital work in progress represents the cost associated with the construction of buildings and other projects of a capital nature, which have not reached their date of practical completion.

Intangibles work in progress represents the cost associated with the development of software which has not been commissioned.

(n) PROPERTY, PLANT AND EQUIPMENT

Land, buildings, leasehold improvements and works of art are shown at fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings and leasehold improvements. 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. Other classes of property, plant and equipment are stated at cost or fair value less depreciation. The valuation methodology adopted for asset classes is as follows:

Asset Class	Valuation basis	Detail
Property (land, buildings and leasehold improvements)	Fair Value	Freehold land, buildings and leasehold improvements were revalued as at 31 December 2015 by independent valuers Messrs Matthew Ward and Daniel Cooke from Assetval Pty Ltd.
Plant and equipment	Cost	All plant and equipment items with a cost equal to or exceeding \$10,000 have been capitalised.
Library	Cost	The library collection was impaired after a review of the carrying value during 2016 (\$10.1m).
Works of art	Fair Value	A valuation of the works of art was undertaken in 2014 by independent valuer, Ms Rosanna Cameron.

Revaluations are made with sufficient regularity to ensure that the carrying amount of land, buildings, leasehold improvements and works of art does not differ materially from their fair value at reporting date.

The depreciable amount of all property, plant and equipment including buildings and leasehold improvements, but excluding freehold land and works of art, is depreciated on a straight line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use.

Depreciation rates applicable during 2016 are as follows:

Asset Class	
Buildings	2.5%
Leasehold improvements	2.5% – 5%
Plant and equipment	2.5% – 25%
Library collections	5%

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Useful lives of assets are reviewed on an annual basis.

Where land, buildings, leasehold improvements or works of art are subject to revaluation, any increment is recognised in other comprehensive income and accumulated in equity under the heading asset revaluation reserve. To the extent that the increment reverses a previous decrement recognised in profit or loss, the increment is first recognised in profit or loss. Decrements that reverse previous increments of the same asset class are also recognised in other comprehensive income to the extent of the remaining reserve attributable to the asset class. All other decrements are charged to the Income Statement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Income Statement.

(o) INTANGIBLE ASSETS

Intangible assets that are acquired, developed or constructed by the consolidated entity are stated at cost less accumulated amortisation and impairment losses.

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Where intangible assets have a definite useful life, amortisation is charged to the Income Statement on a straight-line basis over the estimated useful life. Amortisation commences from the date they are available for use.

The estimated useful lives are as follows:

Right of use (Australian Academic Research Network)	15 years
Core business systems software	10–15 years
Other minor software applications	3 years

(p) PAYABLES

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the year which are unpaid. The amounts are unsecured, are recognised at cost and are normally settled within 30 days.

(q) BORROWINGS

Borrowings are initially recognised at fair value, net of transaction

costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Income Statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

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 balance sheet date and does not expect to settle the liability for at least 12 months after the balance sheet date.

(r) BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period for which they are incurred.

(s) EMPLOYEE BENEFITS AND ON-COSTS Wages and salaries, and sick leave

Liabilities for wages and salaries are recognised as payables in respect of employees' services up to the reporting date. Sick leave entitlements provided to the employees of the consolidated entity are non-vesting and are based on a cumulative sick leave system. Costs for non-accumulating sick leave are recognised when leave is taken.

Annual leave

Liabilities for annual leave for all employees are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' service up to that date. Related on-costs are included in the provision.

Long service leave

The liability for long service leave for all employees is measured as the present value of the estimated future payments to be made in respect of services provided up to the reporting date. Consideration is given to future increases in salary levels, experience of employee departures and periods of service. Related on-costs are included in the provision. Expected future payments are discounted using market yields on government bonds at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Superannuation

Employee contributory superannuation funds exist to provide benefits for the consolidated entity's employees and their dependants on retirement, disability or death of the employee. The contributions made to these funds by the consolidated entity are recorded as an expense in the Income Statement.

Deferred Government contribution for superannuation

The unfunded liabilities recorded in the Statement of Financial Position under provisions have been determined by an actuary and relate to former employees who are members of the Defined Benefits Fund.

An arrangement exists between the Australian Government and the State Government to meet the unfunded liability for the consolidated entity's beneficiaries of the Defined Benefit Fund on an emerging cost basis. Accordingly, the unfunded liability has been recognised in the Statement of Financial Position under provisions (note 14) with a corresponding asset recognised under receivables (note 5). The recognition of both the asset and liability consequently does not affect the year-end net asset position of the consolidated entity. Further details are provided in note 27.

Restructure costs

Restructure costs are recognised as an expense and liability when the consolidated entity has approved a detailed and formal restructuring plan, and the restructuring has either commenced or been announced.

(t) PROVISIONS

Provisions are recognised when the consolidated entity has a present obligation (legal or

constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost.

(u) LEASES

Leases of property, plant and equipment where the consolidated entity, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged to the Income Statement on a straight line basis over the period of the lease.

(v) JOINT VENTURE AND COLLABORATIVE AGREEMENTS

The consolidated entity participates in four Co-operative Research Centres. The consolidated entity's interests are not considered material, and expenditure incurred by the consolidated entity as a result of its participation is expensed.

(w) ROUNDING OF AMOUNTS

Amounts in the financial statements are rounded to the nearest \$1,000.

(x) COMPARATIVE AMOUNTS

Where necessary, comparative information has been reclassified to enhance comparability in respect of the changes in presentation adopted in the current year.

(y) IMPACTS OF NEW ACCOUNTING STANDARDS

The following standards, amendments to standards and interpretations were available for early adoption but have not been applied in preparing these financial statements.

AASB 15 Revenue from Contracts with Customers will establish a framework for the recognition, measurement and disclosure of revenue from contracts with customers. The standard applies to annual reporting periods beginning on or after 1 January 2019 for not-for-profit entities. AASB 15 may result in material changes to the consolidated entity's future financial statements; however, the quantitative effect on the consolidated entity adopting this standard has not yet been determined.

AASB 1058 Income for Not-for-Profit Entities will establish a framework for the recognition and measurement of income for not-for-profit entities. The standard applies to annual reporting periods beginning on or after 1 January 2019. AASB 1058 may result in material changes to the consolidated entity's future financial statements; however, the quantitative effect on the consolidated entity adopting this standard has not yet been determined.

AASB 16 Leases introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

The standard applies to annual reporting periods beginning on or after 1 January 2019. AASB 16 may result in material changes to the consolidated entity's future financial statements; however, the quantitative effect on the consolidated entity adopting this standard has not yet been determined.

AASB 9 Financial Instruments includes requirements for the classification and measurement of financial assets and will become mandatory for the consolidated entity in reporting periods beginning on

or after 1 January 2018. Due to the review and change in accounting policy of the consolidated entity's investments during 2010, AASB 9 is not expected to have a significant impact on the consolidated entity's financial statements.

AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 amends other AASB standards to reflect the impact that AASB 9 will have on their definition and operations and will become mandatory for the consolidated entity in reporting

periods beginning on or after 1 January 2018. AASB 2010-7 is not expected to have a significant impact on the consolidated entity's financial statements.

A number of other new or revised standards, amendments to standards and interpretations applicable to future reporting periods have been issued, none of which are expected to have a material impact on the consolidated entity's future financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. REVENUE FROM CONTINUING OPERATIONS

	Notes	Consolidated		Parent entity	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
2.1 Australian Government financial assistance including other Australian Government Loan Programs (HELP)					
(a) Commonwealth Grant Scheme and other grants					
Commonwealth Grant Scheme (CGS)	28.1	206,485	184,533	206,485	184,533
Indigenous Support Program	28.1	1,134	1,211	1,134	1,211
Partnership and Participation Program	28.1	7,131	7,108	7,131	7,108
Disability Support Program	28.1	175	178	175	178
National Institutes Funding	28.1	7,452	7,328	7,452	7,328
Promotion of Excellence in Learning and Teaching	28.1	279	422	279	422
Australian Maths & Science Partnership Program	28.1	940	887	940	887
Total Commonwealth Grants Scheme and other grants		223,596	201,667	223,596	201,667
(b) Higher Education Loan Programs					
HECS-HELP	28.2	64,880	66,706	64,880	66,706
FEE-HELP	28.2	3,078	4,228	3,078	4,228
SA-HELP	28.2	1,147	1,758	1,147	1,758
Total Higher Education Loan Programs		69,105	72,692	69,105	72,692
(c) Scholarships					
Australian Postgraduate Awards	28.3	6,635	6,820	6,635	6,820
International Postgraduate Research Scholarships	28.3	529	540	529	540
Commonwealth Education Costs Scholarships	28.3	177	127	177	127
Commonwealth Accommodation Scholarships	28.3	172	109	172	109
Indigenous Access Scholarships	28.3	118	145	118	145
Total scholarships		7,631	7,741	7,631	7,741
(d) EDUCATION Research					
Joint Research Engagement Program	28.4	9,250	9,221	9,250	9,221
JRE Engineering Cadetships	28.4	157	145	157	145
Research Training Scheme	28.4	16,983	17,002	16,983	17,002
Research Infrastructure Block Grants	28.4	5,539	5,341	5,539	5,341
Sustainable Research Excellence in Universities	28.4	4,076	3,754	4,076	3,754
Total EDUCATION Research		36,005	35,463	36,005	35,463
(e) Other capital funding					
Education Investment Fund	28.5	7,500	-	7,500	-
Total other capital funding		7,500	-	7,500	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. REVENUE FROM CONTINUING OPERATIONS (continued)

	Notes	Consolidated		Parent entity	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
(f) Australian Research Council (ARC)					
(i) Discovery					
Project	28.6	3,876	5,576	3,876	5,576
Fellowships	28.6	2,704	3,483	2,704	3,483
Indigenous Researchers Development	28.6	93	-	93	-
Early Career Researcher Award	28.6	1,092	1,824	1,092	1,824
Total Discovery		7,765	10,883	7,765	10,883
(ii) Linkages					
Infrastructure	28.6	600	760	600	760
Projects	28.6	2,586	3,328	2,586	3,328
Industrial Transformational Research Program	28.6	5,659	5,737	5,659	5,737
Total Linkages		8,845	9,825	8,845	9,825
(iii) Networks and Centres					
Special Research Initiatives	28.6	8,282	4,072	8,282	4,072
Total Networks and Centres		8,282	4,072	8,282	4,072
Total Australian Research Council		24,892	24,780	24,892	24,780
(g) Other Australian Government financial assistance					
Non-capital					
National Health and Medical Research Council		5,310	7,054	5,310	7,054
Australian Government Research (non-ARC)		18,957	22,940	18,957	22,940
Other Australian Government income		24,793	30,239	24,793	30,239
Total non-capital		49,060	60,233	49,060	60,233
Capital					
National Rental Affordability Scheme (NRAS)		2,430	2,908	2,430	2,908
Other Australian Government capital income		30	1,242	30	1,242
Total capital		2,460	4,150	2,460	4,150
Total other Australian Government financial assistance		51,520	64,383	51,520	64,383
Total Australian Government financial assistance		420,249	406,726	420,249	406,726
Reconciliation					
Australian Government grants		351,144	334,034	351,144	334,034
Higher Education Loan Programs		69,105	72,692	69,105	72,692
Total Australian Government financial assistance		420,249	406,726	420,249	406,726

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. REVENUE FROM CONTINUING OPERATIONS (continued)

	Notes	Consolidated		Parent entity	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
(h) Australian Government grants received – cash basis					
Commonwealth Grants Scheme and other grants		224,303	201,733	224,303	201,733
Higher Education Loan Programs		73,724	80,516	73,724	80,516
Scholarships		7,631	7,741	7,631	7,741
EDUCATION Research		36,005	35,463	36,005	35,463
Other Capital Funding		7,500	-	7,500	-
ARC grants - Discovery		7,765	10,883	7,765	10,883
ARC grants - Linkages		8,845	9,825	8,845	9,825
ARC grants - Networks and Centres		8,282	4,072	8,282	4,072
Other Australian Government financial assistance		50,968	64,413	50,968	64,413
Total Australian Government grants received – cash basis		425,023	414,646	425,023	414,646
OS-HELP (net)	28.7	4	(79)	4	(79)
Superannuation supplementation	28.8	521	633	521	633
Total Australian Government funding received – cash basis		425,548	415,200	425,548	415,200
2.2 State and Local Government financial assistance					
Non-capital					
Institute for Marine and Antarctic Studies		2,914	2,751	2,914	2,751
Tasmanian Institute of Agriculture		5,403	5,212	5,403	5,212
Menzies Research Institute		1,024	1,038	1,024	1,038
Other income		5,677	4,665	5,677	4,665
Total Non-capital		15,018	13,666	15,018	13,666
Capital					
Other capital income		6,672	10,550	6,672	10,550
Total capital		6,672	10,550	6,672	10,550
Total State and Local Government financial assistance		21,690	24,216	21,690	24,216
2.3 Fees and charges					
Course fees and charges					
Fee-paying overseas students		69,961	62,673	69,961	62,673
Fee-paying domestic postgraduate students		1,871	2,083	1,871	2,083
Total course fees and charges		71,832	64,756	71,832	64,756

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. REVENUE FROM CONTINUING OPERATIONS (continued)

	Notes	Consolidated		Parent entity	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Other fees and charges					
Student Services and Amenities Fees from students		3,567	2,407	3,567	2,407
Accommodation charges		11,537	10,492	11,770	11,106
Vocational Education and Training student fees		1,297	1,623	1,297	1,623
Other		5,407	5,082	5,438	5,121
Total other fees and charges		21,808	19,604	22,072	20,257
Total fees and charges		93,640	84,360	93,904	85,013
2.4 Investment revenue and income					
Interest		1,450	1,673	1,098	1,107
Dividends		12,868	15,306	10,400	13,831
Realised gains/(losses)		3,770	584	3,168	473
Unrealised gains/(losses)		254	7,105	268	7,398
Total investment revenue and income		18,342	24,668	14,934	22,809
2.5 Consultancy and contracts					
Industry and other research		17,621	17,596	17,621	17,616
Research consultancies		499	1,535	499	1,535
Research donations and bequests		2,090	2,998	2,090	2,998
Industry support to ARC Linkage projects		931	1,354	931	1,354
Industry support to other Commonwealth research		4,576	4,645	4,576	4,645
Total consultancy and contracts		25,717	28,128	25,717	28,148
2.6 Other income					
Donations and bequests		8,039	3,405	1,518	925
Scholarships and prizes		586	1,543	612	1,543
Contract revenue (other than consultancy and contract research)		13,264	11,757	4,213	3,239
Sale of goods		3,586	3,460	3,581	3,460
Miscellaneous income		3,677	5,710	6,901	6,987
Total other income		29,152	25,875	16,825	16,154

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. EXPENSES FROM CONTINUING OPERATIONS

	Notes	Consolidated		Parent entity	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
3.1 Employee related expenses					
Academic					
Salaries		135,716	129,317	134,667	128,420
Contribution to superannuation and pension schemes		21,568	20,026	21,432	19,907
Payroll tax		10,177	9,641	10,125	9,600
Workers' compensation		437	325	430	325
Long service leave expense		3,340	2,606	3,317	2,606
Annual leave		9,955	8,927	9,884	8,927
Restructuring costs		4,311	363	4,311	363
Other expenses		4,649	3,880	4,649	3,880
Total academic		190,153	175,085	188,815	174,028
Non-Academic					
Salaries		125,436	120,174	122,752	117,442
Contribution to superannuation and pension schemes		19,270	18,967	18,944	18,631
Payroll tax		9,215	8,817	9,118	8,720
Workers' compensation		361	230	342	223
Long service leave expense		2,885	2,801	2,821	2,725
Annual leave		9,061	8,242	8,926	8,070
Restructuring costs		2,224	772	2,224	772
Other expenses		2,142	1,639	2,135	1,534
Total non-academic		170,594	161,642	167,262	158,117
Total employee benefits and on-costs		360,747	336,727	356,077	332,145
3.2 Depreciation and amortisation					
Depreciation					
Buildings	10	13,088	12,689	13,088	12,689
Plant and equipment	10	12,406	11,469	12,175	11,288
Library collections	10	2,131	1,585	2,131	1,585
Amortisation					
Leasehold improvements	10	545	978	544	976
Intangibles	11	4,921	4,428	4,921	4,428
Total depreciation and amortisation		33,091	31,149	32,859	30,966
3.3 Repairs and maintenance					
Repairs and maintenance		13,752	14,711	13,745	14,702
Total repairs and maintenance		13,752	14,711	13,745	14,702

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. EXPENSES FROM CONTINUING OPERATIONS (continued)

	Notes	Consolidated		Parent entity	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
3.4 Borrowing costs					
Interest expense		4,769	4,446	4,769	4,446
Less amount capitalised		(3,082)	(3,596)	(3,082)	(3,596)
Total borrowing costs expensed		1,687	850	1,687	850
3.5 Impairment of assets					
Debtors		1,351	1,301	2,427	1,301
Library		10,127	10,268	10,127	10,268
Total impairment of assets		11,478	11,569	12,554	11,569
3.6 Other expenses					
Scholarships and prizes		27,856	26,849	25,133	24,555
Non-capitalised equipment		8,538	8,783	8,560	8,811
Advertising, marketing and promotional expenses		6,799	7,102	6,627	6,926
Telecommunications		3,485	2,857	3,484	2,845
Travel and staff development		17,919	19,402	17,494	19,063
Consumables		10,789	11,544	10,326	11,237
Loss/(gain) on sale of property, plant and equipment		(401)	9,791	(603)	9,796
Office administration		3,546	3,936	3,452	3,862
Information technology operating costs		9,872	8,416	9,782	8,378
Loss/(gain) from foreign exchange transactions		66	(26)	66	(25)
Consultancy and advisory services		26,452	29,287	26,751	28,757
Research sub-contractors		18,921	21,130	18,921	21,130
Conjoints, secondments and employment agency costs		2,780	4,125	2,780	4,127
Books, serials and subscriptions		7,441	7,081	7,408	7,052
Electricity and heating fuel		5,900	6,040	5,898	6,040
Cleaning		5,845	5,460	5,860	5,392
Security		3,088	2,784	3,095	2,784
Property and building operating costs		2,752	2,136	2,502	2,131
Council and director fees		570	595	583	594
Audit and assurance services		725	520	702	492
Operating lease payments		2,489	2,489	2,727	2,746
Insurance		1,967	1,982	1,965	1,977
New appointment expenses		1,291	1,447	1,291	1,439
Hire of plant and equipment		2,263	3,589	2,265	3,589
Other		11,000	8,367	10,687	8,424
Total other expenses		181,953	195,686	177,756	192,122

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

4. CASH AND CASH EQUIVALENTS

	Notes	Consolidated		Parent entity	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Current					
Cash at bank and on hand		14,206	10,185	6,817	2,709
Short term deposits and bills		3,231	34,092	342	29,680
Total cash and cash equivalents		17,437	44,277	7,159	32,389

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

The above figures are reconciled to cash at the end of the year as shown in the Statement of Cash Flows as follows:

Balances as above		17,437	44,277	7,159	32,389
Balance per the Statement of Cash Flows		17,437	44,277	7,159	32,389

(b) **Cash at bank and on hand** Cash on hand is non-interest bearing. Cash at bank accounts are bearing floating interest rates between 1.0% and 1.45% (2015: 1.70% and 1.95%)

(c) **Short term deposits and bills** Short term deposits and bills are bearing floating interest rates of 1.10%. (2015: Between 2.88% and 3.60%).

5. RECEIVABLES

Current					
Trade receivables		17,138	14,338	16,387	14,422
Loans to controlled entities		-	-	1,076	1,076
Less provision for impaired receivables		(669)	(1,926)	(1,745)	(1,926)
		16,469	12,412	15,718	13,572
Deferred Government contribution for superannuation	27	628	705	628	705
Bonds and deposits		474	474	474	474
Accrued revenue		4,308	6,151	4,283	6,070
GST		3,370	3,328	3,385	3,375
Total current receivables		25,249	23,070	24,488	24,196
Non-current					
Deferred Government contribution for superannuation	27	7,959	8,239	7,959	8,239
Sundry loans and advances		300	300	300	300
Less provision for impaired receivables		(300)	(300)	(300)	(300)
Total non-current receivables		7,959	8,239	7,959	8,239
Total receivables		33,208	31,309	32,447	32,435

6. INVENTORIES

Current					
Inventories		852	773	852	773
Total inventories		852	773	852	773

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

7. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	Notes	Consolidated		Parent entity	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Current					
Non-current assets classified as held for sale		925	-	925	-
Total non-current assets classified as held for sale		925	-	925	-

Non-current assets held for sale are carried at the lower of the carrying amount or fair value less costs to sell. For the fair value of the non-current asset see note 26.

8. OTHER NON-FINANCIAL ASSETS

Current					
Prepayments		7,751	8,853	7,437	8,807
Total other non-financial assets		7,751	8,853	7,437	8,807

9. INVESTMENTS

	Notes	Consolidated		Parent entity	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Non-current					
At fair value through profit or loss:					
Trust investments		11,654	9,958	11,654	9,958
Investment funds*		276,720	269,905	219,490	219,766
At cost:					
Shares - unlisted		1	1	1	1
Investment in subsidiaries (AMC Search Limited)		-	-	3,534	3,534
Total investments		288,375	279,864	234,679	233,259

* Investment funds are held in managed portfolios and cash management accounts.

The funds comprise:					
Australian equities		77,396	80,241	60,044	64,147
Overseas equities		48,674	54,194	38,413	44,062
Australian property		581	579	-	-
Alternatives		38,093	24,846	30,936	20,686
Australian fixed interest		39,006	67,854	30,838	55,744
Overseas fixed interest		26,052	18,175	21,157	15,132
Cash and cash equivalents		46,918	24,016	38,102	19,995
Total investment funds		276,720	269,905	219,490	219,766

* Alternatives include investments such as private equity funds, infrastructure funds and debt instruments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

10. PROPERTY, PLANT AND EQUIPMENT

(a) Consolidated - \$'000	Notes	Land	Buildings	Capital WIP	Leasehold improvements	Plant and equipment	Library	Works of art	Total
At 1 January 2015									
At cost		-	-	31,522	15	126,912	57,050	-	215,499
At valuation		74,962	499,177	-	42,980	-	-	8,273	625,392
Accumulated depreciation and impairment		-	(40,619)	-	(10,639)	(72,177)	(29,390)	-	(152,825)
Net book amount		74,962	458,558	31,522	32,356	54,735	27,660	8,273	688,066

Year ended 31 December 2015

Opening net book amount		74,962	458,558	31,522	32,356	54,735	27,660	8,273	688,066
Additions		14,343	7,724	63,414	119	8,621	480	251	94,952
Transfers from capital works in progress		-	20,836	(33,543)	8,969	3,738	-	-	-
Revaluation increment/ (decrement)	16	2,578	8,227	-	(797)	-	-	1	10,009
Disposals		(3,425)	(6,307)	-	-	(670)	-	-	(10,402)
Asset reclassification		-	18,481	-	(18,481)	-	-	-	-
Impairment losses	3.5	-	-	-	-	-	(10,268)	-	(10,268)
Depreciation charge	3.2	-	(12,689)	-	(978)	(11,469)	(1,585)	-	(26,721)
Closing net book amount		88,458	494,830	61,393	21,188	54,955	16,287	8,525	745,636

At 31 December 2015

At cost		-	-	61,393	15	130,359	52,953	-	244,720
At valuation		88,458	494,830	-	21,177	-	-	8,525	612,990
Accumulated depreciation and impairment		-	-	-	(4)	(75,404)	(36,666)	-	(112,074)
Net book amount		88,458	494,830	61,393	21,188	54,955	16,287	8,525	745,636

Year ended 31 December 2016

Opening net book amount		88,458	494,830	61,393	21,188	54,955	16,287	8,525	745,636
Additions		2,058	6,192	74,537	15	4,513	271	85	87,671
Transfers from capital works in progress		-	36,961	(45,803)	19	8,823	-	-	-
Revaluation increment/ (decrement)	16	(152)	(3,589)	-	-	-	-	5	(3,736)
Assets classified as held for sale		(258)	(667)	-	-	-	-	-	(925)
Disposals		(2,680)	(2,982)	-	-	(818)	-	-	(6,480)
Asset reclassification		-	-	-	-	-	-	-	-
Impairment losses	3.5	-	-	-	-	-	(10,127)	-	(10,127)
Depreciation charge	3.2	-	(13,088)	-	(545)	(12,406)	(2,131)	-	(28,170)
Closing net book amount		87,426	517,657	90,127	20,677	55,067	4,300	8,615	783,869

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

10. PROPERTY, PLANT AND EQUIPMENT (continued)

(a) Consolidated - \$'000	Notes	Land	Buildings	Capital WIP	Leasehold improvements	Plant and equipment	Library	Works of art	Total
At 31 December 2016									
At cost		-	-	90,127	15	139,162	52,503	-	281,807
At valuation		87,426	530,598	-	21,211	-	-	8,615	647,850
Accumulated depreciation and impairment		-	(12,941)	-	(549)	(84,095)	(48,203)	-	(145,788)
Net book amount		87,426	517,657	90,127	20,677	55,067	4,300	8,615	783,869

(b) Parent entity - \$'000

At 1 January 2015									
At cost		-	-	31,522	-	124,817	57,050	-	213,389
At valuation		74,962	499,152	-	35,542	-	-	8,273	617,929
Accumulated depreciation and impairment		-	(40,594)	-	(3,198)	(71,085)	(29,390)	-	(144,267)
Net book amount		74,962	458,558	31,522	32,344	53,732	27,660	8,273	687,051

Year ended 31 December 2015

Opening net book amount		74,962	458,558	31,522	32,344	53,732	27,660	8,273	687,051
Additions		14,343	7,724	63,414	118	8,320	480	251	94,650
Transfers from capital works in progress		-	20,836	(33,543)	8,969	3,738	-	-	-
Revaluation increment/ (decrement)	16	2,578	8,227	-	(797)	-	-	1	10,009
Disposals		(3,425)	(6,307)	-	-	(670)	-	-	(10,402)
Asset reclassification		-	18,481	-	(18,481)	-	-	-	-
Impairment losses	3.5	-	-	-	-	-	(10,268)	-	(10,268)
Depreciation charge	3.2	-	(12,689)	-	(976)	(11,288)	(1,585)	-	(26,538)
Closing net book amount		88,458	494,830	61,393	21,177	53,832	16,287	8,525	744,502

At 31 December 2015

At cost		-	-	61,393	-	127,986	52,953	-	242,332
At valuation		88,458	494,830	-	21,177	-	-	8,525	612,990
Accumulated depreciation and impairment		-	-	-	-	(74,154)	(36,666)	-	(110,820)
Net book amount		88,458	494,830	61,393	21,177	53,832	16,287	8,525	744,502

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

10. PROPERTY, PLANT AND EQUIPMENT (continued)

(b) Parent entity - \$'000	Notes	Land	Buildings	Capital WIP	Leasehold improvements	Plant and equipment	Library	Works of art	Total
Year ended 31 December 2016									
Opening net book amount		88,458	494,830	61,393	21,177	53,832	16,287	8,525	744,502
Additions		2,058	6,192	74,537	15	3,649	271	85	86,807
Transfers from capital works in progress		-	36,961	(45,803)	19	8,823	-	-	-
Revaluation increment/ (decrement)	16	(152)	(3,589)	-	-	-	-	5	(3,736)
Assets classified as held for sale		(258)	(667)	-	-	-	-	-	(925)
Disposals		(2,680)	(2,982)	-	-	(598)	-	-	(6,260)
Asset reclassification		-	-	-	-	-	-	-	-
Impairment losses	3.5	-	-	-	-	-	(10,127)	-	(10,127)
Depreciation charge	3.2	-	(13,088)	-	(544)	(12,175)	(2,131)	-	(27,938)
Closing net book amount		87,426	517,657	90,127	20,667	53,531	4,300	8,615	782,323
At 31 December 2016									
At cost		-	-	90,127	-	136,549	52,503	-	279,179
At valuation		87,426	530,598	-	21,211	-	-	8,615	647,850
Accumulated depreciation and impairment		-	(12,941)	-	(544)	(83,018)	(48,203)	-	(144,706)
Net book amount		87,426	517,657	90,127	20,667	53,531	4,300	8,615	782,323

An independent valuation of the University's land, buildings and leasehold improvements was performed by Messrs Matthew Ward and Daniel Cooke from AssetVal Pty Ltd during 2015. The valuation was performed to determine fair value in accordance with AASB 116 *Property, Plant and Equipment*. An independent valuation of the University's works of art was performed by Ms Rosanna Cameron during 2014.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

11. INTANGIBLE ASSETS

	Notes	Consolidated		Parent entity	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Opening net book amount		47,762	46,814	47,762	46,814
Additions		72	177	72	177
Additions to intangibles work in progress		6,696	5,199	6,696	5,199
Disposals		(19)	-	(19)	-
Amortisation charge		(4,921)	(4,428)	(4,921)	(4,428)
Closing net book amount		49,590	47,762	49,590	47,762
Cost		62,383	53,241	62,383	53,241
Accumulated amortisation and impairment		(15,712)	(10,861)	(15,712)	(10,861)
Intangibles work in progress		2,919	5,382	2,919	5,382
Net book amount		49,590	47,762	49,590	47,762

12. TRADE AND OTHER PAYABLES

Current					
Creditors and accruals		47,040	34,490	46,587	33,992
OS-HELP liability to Australian Government		(7)	(11)	(7)	(11)
Total current trade and other payables		47,033	34,479	46,580	33,981
Non-current					
Creditors and accruals		6,831	7,109	6,831	7,109
Total non-current trade and other payables		6,831	7,109	6,831	7,109
Total trade and other payables		53,864	41,588	53,411	41,090

13. BORROWINGS

Current					
Unsecured loan – interest bearing		9,500	25,000	9,500	25,000
Total current borrowings		9,500	25,000	9,500	25,000
Non-current					
Unsecured loan – interest bearing		93,600	93,600	93,600	93,600
Total non-current borrowings		93,600	93,600	93,600	93,600
Total borrowings		103,100	118,600	103,100	118,600

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

13. BORROWINGS (continued)

Interest rates payable: Current (Tascorp overdraft facility - Official Cash Rate + 0.70%)
Non-current (Tascorp loan maturing March 2023 - fixed interest only, 5.11% payable six monthly in arrears)

The University's loan facilities with Tascorp are made under a Master Loan Facility Agreement. The borrowings are unsecured, restrict other financial indebtedness and encumbrances that can be incurred, and require the University to maintain cash reserves including financial investments at a level no less than the outstanding amount loaned.

		Consolidated		Parent entity	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
	Notes				

(a) Financing arrangements

At balance date the following lines of credit were established:

Loan facilities					
Total loan facility - Tascorp		130,000	130,000	130,000	130,000
Total overdraft facility		50,000	50,000	50,000	50,000
Used at balance date		(103,100)	(118,600)	(103,100)	(118,600)
Unused at balance date		76,900	61,400	76,900	61,400
Business card facility					
Total facility		8,000	8,000	8,000	8,000
Used at balance date		-	-	-	-
Unused at balance date		8,000	8,000	8,000	8,000

14. PROVISIONS

Current					
Annual leave		27,868	25,370	27,486	25,061
Long service leave		25,924	22,897	25,432	22,458
Restructuring costs		5,753	1,183	5,753	1,183
Superannuation	27	1,504	1,805	1,504	1,805
Total current provisions		61,049	51,255	60,175	50,507
Non-current					
Long service leave		12,734	12,625	12,692	12,594
Superannuation	27	14,050	15,428	14,050	15,428
Total non-current provisions		26,784	28,053	26,742	28,022
Total provisions		87,833	79,308	86,917	78,529
(1) Annual leave liabilities include the following non-employee on-costs		1,548	1,471	1,520	1,449
(2) Long service leave liabilities include the following non-employee on-costs		2,479	2,324	2,440	2,290

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

15. OTHER LIABILITIES

	Notes	Consolidated		Parent entity	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Current					
Revenue in advance		20,423	13,906	19,565	13,569
Bonds and deposits held		245	317	241	307
Monies held on behalf of other entities		4,977	4,926	4,977	4,926
Total other liabilities		25,645	19,149	24,783	18,802

16. EQUITY

Reserves					
Asset revaluation reserve					
Balance at end of previous year		278,966	268,957	278,966	268,957
Add: revaluation increment/(decrement) on land	10	(152)	2,578	(152)	2,578
Add: revaluation increment/(decrement) on buildings	10	(3,589)	8,227	(3,589)	8,227
Add: revaluation increment/(decrement) on leasehold improvements	10	-	(797)	-	(797)
Add: revaluation increment/(decrement) on works of art	10	5	1	5	1
Balance at end of year		275,230	278,966	275,230	278,966

Restricted funds

The statement of comprehensive income combines a number of funds which, under granting conditions, cannot be utilised for general purpose expenditure.

Trust funds – donations for endowments and specified purposes such as prizes and scholarships.

Other restricted funds – specific research grants, consultancies and other contract funds.

Balance at end of previous year as previously reported		149,199	145,095	101,793	99,932
Reclassifications		4,979	(4,851)	4,979	(4,851)
Revised opening balances		154,178	140,244	106,772	95,081
Current year movements		8,119	8,955	1,779	6,712
Restricted funds balance		162,297	149,199	108,551	101,793

Retained earnings

Balance at end of previous year		471,664	468,257	462,147	459,066
Other comprehensive income		538	(1,407)	538	(1,407)
Result		14,934	8,918	7,493	6,349
Movement and reclassifications in restricted funds		(13,098)	(4,104)	(6,758)	(1,861)
Total retained surplus		474,038	471,664	463,420	462,147

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

17. KEY MANAGEMENT PERSONNEL DISCLOSURES

	Consolidated		Parent entity	
	2016	2015	2016	2015
	No.	No.	No.	No.

Remuneration of Council Members

The Council is the governing body of the University. The number of Council Members where the total remuneration (including salary, superannuation and other benefits) for the reporting period was paid within bands of \$15,000 were:

\$15,000 to \$29,999	8	9	8	9
\$30,000 to \$45,999	2	1	2	1
\$60,000 to \$74,999	1	1	1	1
	11	11	11	11
Aggregate remuneration of Council Members	\$342,832	\$309,583	\$342,832	\$309,583

Remuneration of executive officers

The number of executive positions where the total remuneration (including salary, superannuation and other benefits) for the reporting period was paid within bands of \$15,000 were:

\$90,000 to \$104,999	-	1	-	1
\$165,000 to \$179,999	1	1	1	1
\$255,000 to \$269,999	-	1	-	1
\$270,000 to \$284,999	-	1	-	1
\$285,000 to \$299,999	1	-	1	-
\$330,000 to \$344,999	1	1	1	1
\$360,000 to \$374,999	1	-	1	-
\$435,000 to \$449,999	1	-	1	-
\$465,000 to \$479,999	-	1	-	1
\$480,000 to \$494,999	-	1	-	1
\$510,000 to \$524,999	1	-	1	-
\$540,000 to \$554,999	1	-	1	-
\$870,000 to \$884,999	-	1	-	1
\$885,000 to \$899,999	1	-	1	-
	8	8	8	8
Aggregate remuneration of executives	\$3,570,793	\$2,965,568	\$3,570,793	\$2,965,568

"Executives" are defined as members of the Senior Executive, which comprises the Vice-Chancellor, Provost, Deputy Vice-Chancellor (Research), Deputy Vice-Chancellor (Students and Education), Deputy Vice-Chancellor (Global), Principal – University of Tasmania College, Chief Operating Officer and Senior Executive Director (Business Development).

Other transactions with key management personnel

All transactions with members of Council or their related entities are conducted at arm's length, at normal market prices and on normal commercial terms. The following activity occurred during 2016:

Mr Corey Peterson is a Director at Sustainable Living Tasmania. Transactions amounting to \$24,006 (2015: \$15,715) were paid to Sustainable Living Tasmania during the year.

Mr Rhys Edwards provided consultancy services to University, through his company RDME Pty Ltd - 2016: \$nil (2015: \$15,036)

Mr Harvey Gibson is a Partner with Wise, Lord and Ferguson. Mr Gibson's Council remuneration is paid to Wise, Lord and Ferguson.

Mr Clark Cooley is Tasmania University Union President. Mr Cooley's Council remuneration was paid to the Tasmania University Union.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

18. REMUNERATION OF AUDITORS

	Consolidated		Parent entity	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000

During the year, the following fees were paid for services provided to the consolidated entity by the auditor and non-related audit firms:

Audit of the financial statements				
Tasmanian Audit Office	152	96	137	81
KPMG	12	12	-	-
Total remuneration for audit services	164	108	137	81

The fee for the 2016 external audit is \$141,260.

Other audit and assurance services

Fees paid to other firms for internal audit, audit of grant monies and other assurance services:

Tasmanian Audit Office	26	13	26	13
Deloitte	450	199	450	199
Assurance Pty Ltd	71	56	71	56
ShineWing	8	55	8	55
Altus Page Kirkland	5	-	5	-
Ausmeat	1	2	1	2
Ernst & Young	-	53	-	53
KPMG	-	37	-	37
Satori Assurance	-	11	-	11
Risk Reward	-	9	-	9
Total remuneration for other audit and assurance services	561	435	561	435

19. CONTINGENCIES

The consolidated entity had the following contingent assets and liabilities at 31 December 2016:

University of Tasmania:

Contract performance guarantee in respect of leased premises with the Australian Broadcasting Corporation

- 2016: \$30k (2015: \$30k)

AMC Search Ltd:

Bank guarantee to Commonwealth of Australia in relation to the Pacific Patrol Boat training contract from 2013 to 2016

- 2016: \$1m (2015: \$1m)

The consolidated entity has no other material contingent liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

20. COMMITMENTS

	Consolidated		Parent entity	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Capital expenditure commitments				
Contracted but not provided for and payable not later than one year	42,295	70,018	42,295	70,018
Total capital expenditure commitments	42,295	70,018	42,295	70,018

Capital expenditure commitments include the following significant building works: \$29.2m for Hobart student accommodation, \$7.5m for the Creative Industries and Performing Arts development and \$1.4m for the Morris Miller Library refurbishment.

Operating lease commitments

Commitments in relation to property and equipment leases contracted for at the reporting date but not recognised as liabilities, payable:

Within one year	612	444	612	444
Later than one year but not later than five years	789	593	789	593
Later than five years	671	745	671	745
Total lease commitments	2,072	1,782	2,072	1,782

Operating lessor commitments

Commitments in relation to property and equipment leases contracted for at the reporting date but not recognised as assets, receivable:

Within one year	490	767	490	767
Later than one year but not later than five years	1,178	881	1,178	881
Later than five years	1,034	415	1,034	415
Total lessor commitments	2,702	2,063	2,702	2,063

21. RELATED PARTIES

(a) Parent entity

The ultimate parent entity within the consolidated entity is the University of Tasmania.

(b) Controlled entities

Interests in controlled entities are set out in note 22.

(c) Key management personnel

Disclosures relating to Council members and specified executives are set out in note 17.

(d) Transactions with related parties

Sale of goods and services to controlled entities	-	-	4,095	3,435
Purchase of goods and services from controlled entities	-	-	2,259	2,771
Funding provided to controlled entities	-	-	1,778	938
Funding received from controlled entities	-	-	1,770	1,109

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

21. RELATED PARTIES (continued)

	Consolidated		Parent entity	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
(e) Loans to/(from) related parties				
Loans to/(from) controlled entities				
Beginning of the year	-	-	1,076	(53)
Loans advanced	-	-	-	1,129
Loan repayments received	-	-	-	-
End of year	-	-	1,076	1,076
(f) Outstanding balances				
Current receivables (sale of goods and services)				
Controlled entities	-	-	246	828
Total current receivables	-	-	246	828
Current payables (purchases of goods)				
Controlled entities	-	-	280	49
Total current payables	-	-	280	49

22. CONTROLLED ENTITIES

	Ownership Interest	
	2016	2015
	%	%

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 1(b). All entities are incorporated in Australia.

University of Tasmania Foundation Inc The University Foundation is an Incorporated Association which acts as trustee for the University of Tasmania Foundation Trust. It raises money to endow scholarships, support research and build resources, while developing links between the University, industry and the community.	100	100
AMC Search Limited AMC Search is a company limited by guarantee which provides maritime training and consulting services.	100	100
Tasmania University Union Inc The TUU is an Incorporated Association established in 1899, and is the body of student representation for tertiary students attending the University of Tasmania. As a result of changes to AASB 10 Consolidated Financial Statements, the University of Tasmania now satisfies the definition of control and has consolidated the TUU since 2014.	-	-
UTAS Holdings Pty Ltd UTAS Holdings is a company limited by shares. The company was registered 15 August 2014 and established to act as a holding company for commercialisation activities of the University of Tasmania.	100	100
Sense-Co Tasmania Pty Ltd Sense-Co Tasmania is a company limited by shares. The company was registered 19 August 2014 and established to focus on the commercialisation opportunities of sensing technology. The company is a 100%-owned subsidiary of UTAS Holdings Pty Ltd.	100	100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

23. NOTES TO THE STATEMENT OF CASH FLOWS

	Consolidated		Parent entity	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000

(a) Reconciliation of cash

For the purposes of the Statement of Cash Flows, the consolidated entity considers cash to include cash on hand, short term deposits at call and investments in money market instruments. Cash at the end of the reporting period, as shown in the Statement of Cash Flows, is reconciled to the related items in the Statement of Financial Position as follows:

Cash at bank and on hand	14,206	10,185	6,817	2,709
Short term deposits and bills	3,231	34,092	342	29,680
	17,437	44,277	7,159	32,389

(b) Reconciliation of net cash used in operating activities to result

Result	14,934	8,918	7,493	6,349
Capital grants	(17,503)	(5,776)	(17,503)	(5,776)
Depreciation and amortisation	33,091	31,149	32,859	30,966
Non-cash donations	(5,816)	(1,544)	(5,816)	(1,544)
(Profit)/loss on sale of property, plant and equipment	(401)	9,791	(603)	9,796
Impairment of property, plant and equipment	10,127	10,268	10,127	10,268
Movement in realised/unrealised (gains)/losses on investments	(4,024)	(7,689)	(3,436)	(7,871)
Net actuarial (gains)/losses in respect of superannuation plans	538	(1,407)	538	(1,407)
Change in Assets and Liabilities				
(Increase)/decrease in receivables	(2,485)	7,731	(1,618)	6,486
(Decrease)/increase in provision for impaired receivables	(1,257)	1,192	(181)	1,192
(Increase)/decrease in inventories	(79)	63	(79)	63
(Increase)/decrease in accrued revenue	1,843	(2,808)	2,017	(2,828)
(Increase)/decrease in prepayments	1,102	218	1,370	206
(Decrease)/increase in payables	10,766	(2,365)	10,581	(1,671)
(Decrease)/increase in employee entitlements	8,525	(787)	8,388	(878)
(Decrease)/increase in revenue in advance	6,517	(5,856)	5,996	(5,471)
Net cash provided or used by operating activities	55,878	41,098	50,133	37,880

24. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

No significant events have occurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

25. FINANCIAL RISK MANAGEMENT

The consolidated entity's activities expose it to a variety of financial risks, as follows:

Credit risk

The maximum exposure to credit risk on financial assets of the consolidated entity, excluding investments, relates to receivables which are exposed to the risk of financial loss due to the other party to the contract failing to discharge a financial obligation. The maximum credit risk exposure in relation to receivables is the carrying amount less the provision for impairment. The consolidated entity is not materially exposed to any individual or

group. Accounts receivable credit terms are 30 days.

Foreign currency risk

Amounts payable or receivable in foreign currencies at balance date are converted into Australian currency at market exchange rates at balance date. Currency conversion gains and losses are included in the net result for the year.

Liquidity risk

Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they

fall due. The University's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

Interest rate risk

The consolidated entity's exposure to interest rate risk is set out in the following table. The table also details the fair values of financial assets and liabilities. Exposures arise predominantly from assets and liabilities bearing variable interest rates as the consolidated entity intends to hold fixed rate assets and liabilities to maturity.

	Non interest bearing	Floating	1 year or less	Over 1 year to 5 years	More than 5 years	Carrying amount as per Statement of Financial Position	Fair value
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
31 December 2016							
Financial assets							
Cash and cash equivalents	-	14,206	3,231	-	-	17,437	17,437
Receivables	33,208	-	-	-	-	33,208	33,208
Investments	1	223,316	-	65,058	-	288,375	288,375
Total financial assets	33,209	237,522	3,231	65,058	-	339,020	339,020
Financial liabilities							
Payables	53,864	-	-	-	-	53,864	53,864
Borrowings	-	9,500	-	-	93,600	103,100	103,100
Other liabilities	25,645	-	-	-	-	25,645	25,645
Total financial liabilities	79,509	9,500	-	-	93,600	182,609	182,609
31 December 2015							
Financial assets							
Cash and cash equivalents	-	10,185	34,092	-	-	44,277	44,277
Receivables	31,309	-	-	-	-	31,309	31,309
Investments	1	193,834	-	86,029	-	279,864	279,864
Total financial assets	31,310	204,019	34,092	86,029	-	355,450	355,450
Financial liabilities							
Payables	41,588	-	-	-	-	41,588	41,588
Borrowings	-	25,000	-	-	93,600	118,600	118,600
Other liabilities	19,149	-	-	-	-	19,149	19,149
Total financial liabilities	60,737	25,000	-	-	93,600	179,337	179,337

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

25. FINANCIAL RISK MANAGEMENT (continued)

Market risk

Investments mainly comprise investments in managed investment funds. The investment fund has a prudent longer-term investment strategy with a growth-style portfolio including equities. It is acknowledged there may be short-term fluctuations in asset values from time to time with such a strategy. The possibility of a negative return is approximately one year in seven. Historical trends for such a strategy indicate that, with reasonable probability, unrealised losses will be recovered in the short to medium term.

The managers place a great deal of emphasis on risk management and constantly examine the risk and return profiles of the portfolios in terms of both asset allocation and the active management of each asset class within the portfolio. This ensures a well diversified portfolio of assets, which has proven successful in adding value in an environment of risk aversion and falling equity markets.

The University's investment policy has established benchmarks for the portfolio. During 2016 the following benchmarks

applied: Australian equities 27.5% (actual at 31 December 2016: 20.8%); overseas equities 20.0% (16.3%); Australian property 0.0% (0.0%); international property 0.0% (0.0%); alternatives 10.0% (14.1%), Australian fixed interest 27.5% (18.9%); overseas fixed interest 7.5% (5.4%) and cash and cash equivalents 7.5% (24.5%).

Summarised sensitivity analysis

The following table summarises the sensitivity of the consolidated entity's financial assets and liabilities to interest rate risk and other price risk.

	Carrying amount \$'000	Interest rate risk				Other price risk			
		-0.5%		1.0%		-10%		+10%	
		Impact on result \$'000	Impact on equity \$'000	Impact on result \$'000	Impact on equity \$'000	Impact on result \$'000	Impact on equity \$'000	Impact on result \$'000	Impact on equity \$'000
31 December 2016									
Financial assets									
Cash and cash equivalents	17,437	(87)	(87)	174	174	n/a	n/a	n/a	n/a
Receivables	33,208	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Investments	288,375	(235)	(235)	469	469	(24,146)	(24,146)	24,146	24,146
Total financial assets	339,020	(322)	(322)	644	644	(24,146)	(24,146)	24,146	24,146
Financial liabilities									
Payables	53,864	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Borrowings	103,100	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other liabilities	25,645	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total financial liabilities	182,609	-	-	-	-	-	-	-	-

31 December 2015

Financial assets									
Cash and cash equivalents	44,277	(221)	(221)	443	443	n/a	n/a	n/a	n/a
Receivables	31,309	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Investments	279,864	(106)	(106)	213	213	(25,858)	(25,858)	25,858	25,858
Total financial assets	355,450	(328)	(328)	656	656	(25,858)	(25,858)	25,858	25,858
Financial liabilities									
Payables	41,588	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Borrowings	118,600	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other liabilities	19,149	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total financial liabilities	179,337	-	-	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

25. FINANCIAL RISK MANAGEMENT (continued)

Method and underlying assumptions of the sensitivity analysis:

1. The variation in interest rate risk takes into account interest rate movements during 2016 and future expectations.

2. A variation range of +/- 10% is estimated for other price risk based on investment returns over the past three years and recent volatility in financial markets.

3. The University's foreign exchange risk is considered minimal.

4. \$93.6m loan at fixed interest rates.

	2016	2015
	\$'000	\$'000
Categories of financial assets and liabilities		
Financial assets		
Cash and cash equivalents	17,437	44,277
Loans and receivables	33,208	31,309
Financial assets at fair value through profit or loss	288,374	279,863
Available-for-sale financial assets	1	1
Total financial assets	339,020	355,450
Financial liabilities		
Financial liabilities at amortised cost	182,609	179,337
Total financial liabilities	182,609	179,337

26. 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 is assumed to approximate 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 net fair values of financial assets and liabilities at balance date are:

	Notes	Carrying amount		Fair value	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and cash equivalents	4	17,437	44,277	17,437	44,277
Receivables	5	33,208	31,309	33,208	31,309
Investments	9	288,375	279,864	288,375	279,864
Total financial assets		339,020	355,450	339,020	355,450
Non-financial assets					
Assets classified as held for sale	11	925	-	925	-
Financial liabilities					
Payables	12	53,864	41,588	53,864	41,588
Borrowings	13	103,100	118,600	103,100	118,600
Other financial liabilities	15	25,645	19,149	25,645	19,149
Total financial liabilities		182,609	179,337	182,609	179,337

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

26. FAIR VALUE MEASUREMENTS (continued)

The University of Tasmania measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets at fair value through profit or loss
- Land and buildings
- Leasehold improvements
- Works of art

(b) Fair value hierarchy

The University of Tasmania 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).

i) Recognised fair value measurements

Fair value measurements recognised in the balance sheet are categorised into the following levels at 31 December 2016.

Fair value measurements at 31 December 2016		2016	Level 1	Level 2	Level 3
Recurring fair value measurements	Notes	\$'000	\$'000	\$'000	\$'000
Financial assets					
Financial assets at fair value through profit or loss					
Investments	9	288,375	288,375	-	-
Total financial assets		288,375	288,375	-	-
Non-financial assets					
Land	10	87,426	-	87,426	-
Buildings and leasehold improvements	10	538,334	-	702	537,632
Works of art	10	8,615	-	8,615	-
Assets classified as held for sale	7	925	-	925	-
Total non-financial assets		635,300	-	97,668	537,632
Fair value measurements at 31 December 2015					
Recurring fair value measurements	Notes	2015	Level 1	Level 2	Level 3
Financial assets		\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss					
Investments	9	279,864	279,864	-	-
Total financial assets		279,864	279,864	-	-
Non-financial assets					
Land	10	88,458	-	88,458	-
Buildings and leasehold improvements	10	516,018	-	3,740	512,278
Works of art	10	8,525	-	8,525	-
Total non-financial assets		613,001	-	100,723	512,278

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. The University of Tasmania'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 University of Tasmania has a number of assets and liabilities which are not measured at fair value, but for which the

fair values are disclosed in the notes.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

26. FAIR VALUE MEASUREMENTS (continued)

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

Land is valued independently at regular intervals. An independent valuation of the University's land was performed by Messrs Matthew Ward and Daniel Cooke of AssetVal Pty Ltd during 2015. The valuation was performed to determine fair value in accordance with AASB 116 Property, Plant and Equipment. The fair value of land was determined by employing the active and liquid market approach.

Buildings and leasehold improvements are valued independently at regular intervals. An independent valuation of the University's buildings and leasehold

improvements was performed by Messrs Matthew Ward and Daniel Cooke of AssetVal Pty Ltd during 2015. The valuation was performed to determine fair value in accordance with AASB 116 Property, Plant and Equipment. The fair value of level 2 buildings and leasehold improvements was determined by employing the active and liquid market approach.

Works of art are valued independently at regular intervals. An independent valuation of the University's works of art was performed by Ms Rosanna Cameron during 2014. Works of art were valued by comparing selling prices of present pieces by the same artist.

(d) Valuation techniques used to derive level 3 fair values

Buildings and leasehold improvements are valued independently at regular intervals. An independent valuation of the University's buildings and leasehold improvements was performed by Messrs Matthew Ward and Daniel Cooke of AssetVal Pty Ltd during 2015. The valuation was performed to determine fair value in accordance with AASB 116 Property, Plant and Equipment. The fair value of buildings and leasehold improvements was determined by employing the depreciated replacement cost approach.

27. SUPERANNUATION

	2016	2015
	\$'000	\$'000
Assets recognised in the Statement of Financial Position		
Current		
Deferred Government contribution for superannuation	628	705
Non-Current		
Deferred Government contribution for superannuation	7,959	8,239
Total superannuation assets	8,587	8,944
Liabilities recognised in the Statement of Financial Position		
Current		
Supplementary Pension Scheme	876	1,100
RBF	628	705
	1,504	1,805
Non-Current		
Supplementary Pension Scheme	6,091	7,189
RBF	7,959	8,239
	14,050	15,428
Total superannuation liability	15,554	17,233

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

27. SUPERANNUATION (continued)

(a) Schemes operational and open to membership

i) UniSuper Limited

The majority of University staff are members of schemes and plans administered and managed by UniSuper Limited. UniSuper offers eligible members the choice of two schemes known as the Defined Benefit Division (DBD) and Accumulation Super.

The UniSuper Defined Benefit Division (DBD) is a defined benefit plan under Superannuation Law but, as a result of amendments to Clause 34 of the UniSuper Trust Deed, a defined contribution plan under Accounting Standard AASB 119 Employee Benefits.

Accumulation Super is a cash accumulation productivity scheme.

(b) Schemes closed to future membership

i) Supplementary Pension Scheme liability

The University of Tasmania Staff Superannuation and Additional Benefits Scheme was closed on 31 December 1982 and wound up. One aspect of the scheme remains, the supplementary pension scheme.

Characteristics of scheme

The Supplementary Pension Scheme provides retirement benefits to former employees of the University and their dependants in the form of defined benefit pensions. The scheme is closed to new entrants and to the accrual of further benefits with all current beneficiaries in receipt of a pension. Pension payments are met on an emerging cost basis and no separate assets are held

to meet these liabilities. As such, the scheme is not a regulated superannuation scheme.

Future pension payments are linked to general salary increases for current University employees and hence the liabilities are sensitive to these awards. Pensions from the scheme are payable for life and therefore, to the extent that pensioners live longer (or shorter) than assumed, the present value of actual pension payments may differ to the liabilities disclosed.

An actuarial report was prepared by Doug McBirnie of Accurium Limited as at 31 December 2016 including estimates of future year liabilities.

	2016	2015
	\$'000	\$'000
Liabilities recognised in the Statement of Financial Position		
Total liability	6,967	8,289
Current	876	1,100
Non-current	6,091	7,189
	6,967	8,289
Principal actuarial assumptions		
Discount rate	2.50%	2.02%
Inflation (pensions)	2.50%	3.00%
Reconciliation of change in liabilities		
Defined Benefit Obligation at 1 January	8,289	7,918
Service cost	-	-
Interest cost	158	-
Benefits paid	(942)	(1,036)
Actuarial (gains)/losses arising from changes in assumptions	42	-
Experience (gain)/loss on liabilities	(580)	1,407
Defined Benefit Obligation at 31 December	6,967	8,289

27. SUPERANNUATION (continued)

Sensitivity analysis

The valuation results are sensitive to changes in the assumptions adopted. The table below highlights this sensitivity to changes in discount rate and salary increase assumptions (with reference to 31 December 2016 actuarial report):

Assumption	Liability as at 31 December 2016	Change in liability
	\$'000	\$'000
Current	6,967	-
Reduce discount rate by 0.5%	7,198	231
Increase salary increase assumption by 0.5%	7,216	249

ii) Retirement Benefits Fund

Characteristics of scheme

The University has a liability in respect of a small number of former staff who transferred from the Tasmanian College of Advanced Education and who are members of the State Government scheme, the Retirement Benefits Fund.

An arrangement exists between the Australian Government and the State Government to meet the unfunded liability for the University's beneficiaries of the Retirement Benefits Fund on an emerging cost basis. Accordingly the liability of \$8.6m (2015: \$8.9m) is recognised in the Statement of Financial Position and the right to re-imburement from the Commonwealth is recorded as an asset.

Defined benefit members receive lump sum benefits on resignation and lump sum or pension benefits on retirement, death or invalidity. The defined benefit section of RBF is closed to new members. All new members receive accumulation only benefits.

Description of the regulatory framework

The scheme operates under the *Retirement Benefits Act 1993 and the Retirements Benefits Regulations 2005*. Although the scheme is not formally subject to the Superannuation Industry (supervision) (SIS) legislation, the Tasmanian Government has undertaken (in a Heads of Government Agreement) to operate the scheme in accordance with the spirit of the SIS legislation. As an exempt public sector superannuation scheme (as defined in the SIS legislation), the scheme is not subject to any minimum funding requirements.

RBF is a complying superannuation fund within the provisions of the *Income Tax Assessment Act 1997* such that the fund's taxable income is taxed at a concessional rate of 15%. However RBF is also a public sector superannuation scheme which means that employer contributions may not be subject to the 15% tax (if the RBF board elects) up to the amount of "untaxed" benefits paid to members in the year.

The RBF board (the Board) is responsible for the governance of the scheme. As Trustee, the Board has a legal obligation to act solely in the best interests of scheme beneficiaries. The Board has the following roles:

- Administration of the scheme and payment to the beneficiaries when required in accordance with the scheme rules;
- Management and investment of the scheme assets; and
- Compliance with the Heads of Government Agreement referred to above.

Description of risks

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

- Legislative risk – the risk is that legislative changes could be made which increase the cost of providing the defined benefits.
- Pensioner mortality risk – the risk is that pensioner mortality will be lighter than expected, resulting in pensions being paid for a longer period.
- Inflation risk – the risk that inflation is higher than anticipated, increasing pension payments, and the associated employer contributions.
- Investment risk – the risk that investment returns will be lower than assumed and employers will need to increase contributions to offset this shortfall over the long term.
- Salary growth risk – the risk that wages or salaries will rise more rapidly than assumed, increasing defined benefit amounts and the associated employer contributions over the long term.

There were no plan amendments, curtailments or settlements during the year.

An actuarial report was prepared by David Knox of Mercer as at 30 June 2016.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

27. SUPERANNUATION (continued)

	2016	2015
	\$'000	\$'000
Liabilities recognised in the statement of financial position		
Defined benefit obligations	10,171	10,732
Fair value of plan assets	(1,584)	(1,788)
Net liability	8,587	8,944
Current	628	705
Non-current	7,959	8,239
	8,587	8,944
Reconciliation of the fair value of scheme assets		
Fair value of scheme assets at beginning of the year	1,788	1,491
Interest income	62	57
Actual return on scheme assets less interest income	(31)	452
Employer contributions	627	634
Benefits paid	(845)	(833)
Taxes, premiums and expenses paid	(17)	(13)
Fair value of scheme assets at end of the year	1,584	1,788
Reconciliation of the Defined Benefit Obligation		
Present value of Defined Benefit Obligations at beginning of the year	10,732	9,577
Current service cost	17	13
Net interest	345	376
Actuarial (gains)/losses arising from changes in demographic assumptions		-
Actuarial (gains)/losses arising from changes in financial assumptions	(163)	320
Actuarial (gains)/losses arising from liability experience	102	1,292
Benefits paid	(845)	(833)
Taxes, premiums and expenses paid	(17)	(13)
Present value of Defined Benefit Obligations at end of the year	10,171	10,732
Significant actuarial assumptions		
Assumptions to determine defined benefit cost		
Discount rate (active members)	3.70%	4.10%
Discount rate (pensioners)	3.70%	4.10%
Expected rate of increase of compulsory preserved amounts	4.50%	4.50%
Expected salary increase	3.00%	3.00%
Expected pension increase rate	2.50%	2.50%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

27. SUPERANNUATION (continued)

	2016	2015
Assumptions to determine Defined Benefit Obligation		
Discount rate (active members)	2.70%	2.02%
Discount rate (pensioners)	2.70%	2.02%
Expected salary increase	3.00%	3.00%
Expected rate of increase of compulsory preserved amounts	4.50%	4.50%
Expected pension increase rate	2.50%	2.50%

Funding arrangements

The employer contributes a percentage of each lump sum or pension benefit payment. This percentage may be amended by the Minister on the advice of the Actuary.

Sensitivity analysis

The Defined Benefit Obligation as at 31 December 2016 under several scenarios is presented below. Scenario A and B relate to discount rate sensitivity. Scenario C and D relate to expected pension increase rate sensitivity.

Scenario A: 1.0% pa lower discount rate assumption

Scenario B: 1.0% pa higher discount rate assumption

Scenario C: 1.0% pa lower expected pension increase rate assumption

Scenario D: 1.0% pa higher expected pension increase rate assumption

	Base Case	Scenario A	Scenario B	Scenario C	Scenario D
		-1.0% pa discount rate	+1.0% pa discount rate	-1.0% pa pension increase rate	+1.0% pa pension increase rate
Discount rate	2.70% pa	1.70% pa	3.70% pa	2.70% pa	2.70% pa
Pension increase rate	2.50% pa	2.50% pa	2.50% pa	1.50% pa	3.50% pa
Defined Benefit Obligation (\$'000s)	10,171	11,129	9,348	9,337	11,122

The Defined Benefit Obligation has been recalculated by changing the assumptions as outlined above, whilst retaining all other assumptions.

Financial year ending	2017	2016
	\$'000	\$'000
Expected employer contributions	628	627

The weighted average duration of the defined benefit obligation is 8.6 years (2015: 8.3 years)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

27. SUPERANNUATION (continued)

(c) Amounts recognised in statements

	2016	2015
	\$'000	\$'000
Amounts recognised in the Income Statement		
Supplementary Pension Scheme liability		
Current service cost	-	-
Interest expense	158	-
Retirement Benefits Fund		
Current service cost	17	13
Interest expense	345	376
Interest income	(62)	(57)
Deferred Government contribution		
Current service cost	(17)	(13)
Interest expense	(345)	(376)
Interest income	62	57
Total expense recognised in the Income Statement	158	-
Amount recognised in other comprehensive income		
Supplementary Pension Scheme liability		
Actuarial gains/(losses) arising from changes in financial assumptions	(42)	-
Actuarial gains/(losses) arising from liability experience	580	(1,407)
Retirement Benefits Fund		
Actuarial gains/(losses) arising from changes in financial assumptions	163	(320)
Actuarial gains/(losses) arising from liability experience	(102)	(1,292)
Deferred Government contribution		
Actuarial (gains)/losses arising from changes in financial assumptions	(163)	320
Actuarial (gains)/losses arising from liability experience	102	1,292
Total amount recognised in other comprehensive income	538	(1,407)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

28. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE Parent Entity only

28.1 EDUCATION – CGS and other education grants

	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Commonwealth Grant Scheme		Indigenous Support Program		Partnership and Participation Program		Disability Support Program		National Institutes	
Financial assistance received in cash during reporting period	209,081	184,599	1,134	1,211	7,131	7,108	175	178	7,452	7,328
Net accrual adjustments	(2,596)	(66)	-	-	-	-	-	-	-	-
Revenue for the period	206,485	184,533	1,134	1,211	7,131	7,108	175	178	7,452	7,328
Surplus/(deficit) from the previous year	-	-	84	(98)	-	-	26	33	-	-
Funds available for the period	206,485	184,533	1,218	1,113	7,131	7,108	201	211	7,452	7,328
Less expenses including accrued expenses	(206,485)	(184,533)	(1,044)	(1,029)	(7,131)	(7,108)	(218)	(185)	(7,452)	(7,328)
Surplus/(deficit) for the reporting period	-	-	174	84	-	-	(17)	26	-	-

	2016	2015	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Promotion of Excellence in Learning and Teaching		Australian Maths & Science Partnership Program		Diversity and Structural Adjustment Fund		Total	
Financial assistance received in cash during reporting period	279	422	940	887	-	-	226,192	201,733
Net accrual adjustments	-	-	-	-	-	-	(2,596)	(66)
Revenue for the period	279	422	940	887	-	-	223,596	201,667
Surplus/(deficit) from the previous year	761	705	1,227	1,114	-	-	2,098	1,754
Funds available for the period	1,040	1,127	2,167	2,001	-	-	225,694	203,421
Less expenses including accrued expenses	(695)	(366)	(674)	(774)	-	-	(223,699)	(201,323)
Surplus/(deficit) for the reporting period	345	761	1,493	1,227	-	-	1,995	2,098

28.2 Higher Education Loan Programs (excluding OS-HELP)

	2016	2015	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	HECS-HELP		FEE-HELP		SA-HELP		Total	
Cash payable/(receivable) at beginning of year	7,241	2,800	3,383	-	-	-	10,624	2,800
Financial assistance received in cash during the reporting period	72,830	71,147	(253)	7,611	1,147	1,758	73,724	80,516
Cash available for the period	80,071	73,947	3,130	7,611	1,147	1,758	84,348	83,316
Revenue earned	(64,880)	(66,706)	(3,078)	(4,228)	(1,147)	(1,758)	(69,105)	(72,692)
Cash payable/(receivable) at end of year	15,191	7,241	52	3,383	-	-	15,243	10,624

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

28. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE Parent Entity only (continued)

28.3 Scholarships

	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Costs Scholarships		Commonwealth Accommodation Scholarships		Indigenous Access Scholarships		Total	
Financial assistance received in cash during reporting period	6,635	6,820	529	540	177	127	172	109	118	145	7,631	7,741
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	6,635	6,820	529	540	177	127	172	109	118	145	7,631	7,741
Surplus/(deficit) from the previous year	332	208	(126)	34	124	185	71	139	(46)	(46)	355	520
Funds available for the period	6,967	7,028	403	574	301	312	243	248	72	99	7,986	8,261
Less expenses including accrued expenses	(6,683)	(6,696)	(547)	(700)	(188)	(188)	(145)	(177)	(123)	(145)	(7,686)	(7,906)
Surplus/(deficit) for the reporting period	284	332	(144)	(126)	113	124	98	71	(51)	(46)	300	355

28.4 Education Research

	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Joint Research Engagement Program		JRE Engineering Cadetships		Research Training Scheme		Research Infrastructure Block Grant		Sustainable Research Excellence Program		Total	
Financial assistance received in cash during reporting period	9,250	9,221	157	145	16,983	17,002	5,539	5,341	4,076	3,754	36,005	35,463
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	9,250	9,221	157	145	16,983	17,002	5,539	5,341	4,076	3,754	36,005	35,463
Surplus/(deficit) from the previous year	-	-	318	178	-	-	-	-	-	-	318	178
Funds available for the period	9,250	9,221	475	323	16,983	17,002	5,539	5,341	4,076	3,754	36,323	35,641
Less expenses including accrued expenses	(9,250)	(9,221)	-	(5)	(16,983)	(17,002)	(5,539)	(5,341)	(4,076)	(3,754)	(35,848)	(35,323)
Surplus/(deficit) for the reporting period	-	-	475	318	-	-	-	-	-	-	475	318

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

28. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE Parent Entity only (continued)

28.5 Other Capital Funding

	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
	Education Investment Fund		Total	
Financial assistance received in cash during reporting period	7,500	-	7,500	-
Net accrual adjustments	-	-	-	-
Revenue for the period	7,500	-	7,500	-
Surplus/(deficit) from the previous year	11,373	15,702	11,373	15,702
Funds available for the period	18,873	15,702	18,873	15,702
Less expenses including accrued expenses	(3,588)	(4,329)	(3,588)	(4,329)
Surplus/(deficit) for the reporting period	15,285	11,373	15,285	11,373

28.6 Australian Research Council Grants

	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(a) Discovery	Projects		Fellowships		Indigenous Researchers Development	Early Career Researcher Award	Total			
Financial assistance received in cash during reporting period	3,876	5,576	2,704	3,483	93	-	1,092	1,824	7,765	10,883
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-
Revenue for the period	3,876	5,576	2,704	3,483	93	-	1,092	1,824	7,765	10,883
Surplus/(deficit) from the previous year	2,781	1,878	2,850	3,794	-	-	581	855	6,212	6,527
Funds available for the period	6,657	7,454	5,554	7,277	93	-	1,673	2,679	13,977	17,410
Less expenses including accrued expenses	(3,731)	(4,673)	(3,617)	(4,427)	(58)	-	(1,889)	(2,098)	(9,295)	(11,198)
Surplus/(deficit) for the reporting period	2,926	2,781	1,937	2,850	35	-	(216)	581	4,682	6,212

(b) Linkages	Infrastructure		Industrial Transformation		Projects		Total			
Financial assistance received in cash during reporting period	600	760	5,659	5,737	2,586	3,328	8,845	9,825		
Net accrual adjustments	-	-	-	-	-	-	-	-		
Revenue for the period	600	760	5,659	5,737	2,586	3,328	8,845	9,825		
Surplus/(deficit) from the previous year	(269)	271	7,592	5,690	2,442	2,829	9,765	8,790		
Funds available for the period	331	1,031	13,251	11,427	5,028	6,157	18,610	18,615		
Less expenses including accrued expenses	(611)	(1,300)	(6,383)	(3,835)	(3,753)	(3,715)	(10,747)	(8,850)		
Surplus/(deficit) for the reporting period	(280)	(269)	6,868	7,592	1,275	2,442	7,863	9,765		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

28. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE Parent Entity only (continued)

	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(c) Networks and Centres and Special Research Initiatives			Centres of Excellence	Special Research Initiatives	Total	
Financial assistance received in cash during reporting period	-	-	8,282	4,072	8,282	4,072
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	-	-	8,282	4,072	8,282	4,072
Surplus/(deficit) from the previous year	(8)	(8)	2,562	3,759	2,554	3,751
Funds available for the period	(8)	(8)	10,844	7,831	10,836	7,823
Less expenses including accrued expenses	-	-	(5,202)	(5,269)	(5,202)	(5,269)
Surplus/(deficit) for the reporting period	(8)	(8)	5,642	2,562	5,634	2,554

28.7 OS-HELP

	2016	2015
	\$'000	\$'000
Cash received during the reporting period	1,017	930
Cash spent during the reporting period	(1,013)	(1,009)
Net cash received	4	(79)
Cash surplus/(deficit) from the previous year	(11)	68
Cash surplus/(deficit) for the reporting period	(7)	(11)

28.8 Higher Education Superannuation

	2016	2015
	\$'000	\$'000
Cash received during the reporting period	521	633
Cash available	521	633
Cash surplus/(deficit) from the previous year	(10)	(11)
Cash available for the reporting period	511	622
Contributions to specified defined benefit funds	(606)	(632)
Cash surplus/(deficit) for the reporting period	(95)	(10)

28.9 Student Services and Amenities Fee

	2016	2015
	\$'000	\$'000
Unspent/(overspent) revenue from previous period	782	1,196
SA-HELP revenue earned	1,147	1,758
Student services fees direct from students	3,567	2,407
Total revenue expendable in period	5,496	5,361
Student services expenses during period	(5,596)	(4,579)
Unspent/(overspent) student services revenue	(100)	782



Independent Auditor's Report

To the Members of Parliament

University of Tasmania

Report on the Audit of the Consolidated Financial Report

Opinion

I have audited the financial report of the University of Tasmania and the entities it controlled at the year's end or from time to time during the year (the Group) which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated income statement, consolidated statements of comprehensive income, changes in equity and cash flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by the Members of the Council (the Council).

In my opinion, the accompanying financial report is in accordance with the financial reporting requirements of Section 12 of the *University of Tasmania Act 1992* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Group's consolidated financial position as at 31 December 2016, and its consolidated financial performance, cash flows and changes in equity for the year then ended
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

I conducted the audit in accordance with 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 Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any

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person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

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

Responsibility of the Council for the Financial Report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and the financial reporting requirements of the *University of Tasmania Act 1992* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as they 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.

In preparing the financial report, the Council is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility 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 the 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 the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.

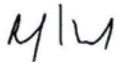
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- Conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the consolidated entity to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the consolidated entity. I remain solely responsible for my audit opinion.

I communicate with the Council 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 my audit.



Rod Whitehead
Auditor-General

Tasmanian Audit Office

15 February 2017
Hobart

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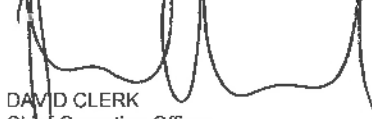
MANAGEMENT CERTIFICATE FOR THE YEAR ENDED 31 DECEMBER 2016

STATEMENT BY PRINCIPAL ACCOUNTING OFFICER

In my opinion:

- (a) the financial statements present a true and fair view of the financial position of the University and the consolidated entity as at 31 December 2016 and of their performance, as represented by the results of their operations and their cash flows, for the year ended on that date, and comply with Australian Accounting Standards, the Australian Charities and Not-for-profits Commission Act 2012 and the Financial Statement Guidelines for Australian Higher Education Providers for the 2016 Reporting Period (issued by the Department of Education and Training);
- (b) at the time of signing the statements there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due;
- (c) the amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended, and the University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure; and
- (d) the University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

In addition, at the date of signing I am not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



DAVID CLERK
Chief Operating Officer

10 February 2017

STATEMENT BY THE CHANCELLOR AND THE VICE-CHANCELLOR

In our opinion:

- a) the financial statements present a true and fair view of the financial position of the University and the consolidated entity as at 31 December 2016 and of their performance, as represented by the results of their operations and their cash flows, for the year ended on that date, and comply with Australian Accounting Standards, the Australian Charities and Not-for-profits Commission Act 2012 and the Financial Statement Guidelines for Australian Higher Education Providers for the 2016 Reporting Period (issued by the Department of Education and Training);
- b) at the time of signing the statements there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due;
- c) the amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended, and the University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure; and
- d) the University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

In addition, at the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



HON. MICHAEL FIELD AC
Chancellor

10 February 2017



PETER RATHJEN
Vice-Chancellor

10 February 2017

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