


Annual Report / 2022

 Greenhill Observatory, Bisdee
Tier, Southern Tasmania.



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*We acknowledge the palawa/pakana and Gadigal people,
the traditional custodians of the land upon which we live and work.
We honour their enduring culture and knowledges as vital to the
self-determination, wellbeing and resilience of their communities,
and to shaping a just, inclusive and equitable Australian society.*

University Mission

Through education and research, make a difference
for Tasmania and from Tasmania to the world.

▲ Welcome to Country, Orientation Week, Tasmanian Museum and Art Gallery, Hobart.

This report is made in accordance with a resolution of the members
of the Council of the University of Tasmania on 27 April 2023.

Her Excellency

the Honourable Barbara Baker 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, the proceedings of the University for 2022 and to present
the financial statements for that year.

Alison Watkins, AM
Chancellor

27 April 2023



▲ Autumnal fagus, Mount Field, Tasmania.

Message from the Chancellor and Vice-Chancellor

It seems a long time since the start of 2022. Back then our focus was to make it the year we ‘emerged from the pandemic’ and moved towards a ‘new normal’ in Tasmania.

Writing – and reading – this in 2023, it is easy to gloss over the challenge we faced. With our State reopened to the rest of the world, the coronavirus spread quickly through the community. As a university, we had two central priorities here in Tasmania and at our campus in Sydney: keeping our students, staff and community as safe as possible, and making sure there was as little disruption as possible to education and research. It was thanks to the tireless work and passion of our people right across the University that we were able to achieve these things and so much more.

We taught tens of thousands of students in 2022 and took significant steps to make higher education more accessible to all Tasmanians. Distance education has long been an important part of a university’s ability to meet the needs of its students and increase accessibility, especially in regional areas. Over the past three years, the coronavirus pandemic dramatically increased the demand for flexibility in higher education.

The University of Tasmania is primarily a face-to-face university, so while we worked hard to provide the range of online and hybrid options our students need, we also focused on getting people back to campus and delivering outstanding, contemporary in-person learning and teaching.

In 2022 we also expanded key offerings so more people could study what they wanted without having to move away from home and established new courses to ensure we are helping to train the workforce Tasmania needs.

We celebrated the first graduates of the Burnie-based nursing program, expanded psychology into the north, established Australia’s first School of Paramedicine and started teaching physiotherapy and speech pathology for the first time.

In line with our mission to make a difference for Tasmania and from Tasmania to the world, we secured significant funding in 2022 to tackle complex problems communities here at home and around the planet must confront. New research projects are looking at critical issues that will shape our futures.

How do we support the sustainable extraction of the minerals that will help power a renewable energy future, how can agriculture adapt to a changing climate, how could we counteract the declining memory that age so often brings, how do we improve patient outcomes in high-pressure emergency departments, how do we coexist with fire in a warming world, how do we bolster our ability to measure and analyse the world around us, from the presence of toxins or impurities in manufacturing processes to changes in the chemistry of our oceans? We are seeking answers to all these questions and many more.

Following extensive consultation and negotiation with colleagues and union representatives, we delivered a new staff agreement in 2022. Simplified and contemporary, the new agreement aligns with our values and provides our people with increased job security, fair pay and access to generous leave provisions.

This outcome was the result of a consultative, respectful and thorough bargaining process. We also delivered a University wide engagement survey, which revealed strengths and areas to improve, which will guide our ongoing efforts to improve our workplace.

Our physical infrastructure plays a critical role in helping us deliver the best possible education and research for Tasmania. We celebrated a major milestone in Launceston in February, 2022, when we officially opened the new library, the first of the major buildings at our new and expanded campus at Inveresk.

Along the Coast in Burnie it was great to see the community embrace the new campus at West Park in its first full year of operation. In the south, as we took concrete steps to implement the city-based campus strategy we announced in 2019, it became clear the community had questions and concerns.

We are committed to providing our southern-based staff and students with contemporary, fit-for-purpose facilities. As we deliver on this commitment, we will take the time to further engage with the community and be guided by the City of Hobart’s planning processes.

For several years, we have focused consistently and deeply on doing everything we can as an institution to tackle the climate crisis.

We were thrilled when our efforts were recognised last year in the Times Higher Education Impact Rankings, which named the University of Tasmania the global number one on climate action.

These past three years have been among the most challenging our University has ever faced. We faced them together, with our students and our quest for new knowledge at the heart of everything we did.

This is how we will approach the years ahead as we enter ever more variations of the ‘new normal’.



Alison Watkins, AM
Chancellor



Professor Rufus Black,
Vice-Chancellor



At a glance



31,305 students *headcount



2,934 staff *full-time equivalent



\$199.5 million in research funding



#1 in the world for climate action
*Times Higher Education Impact Rankings



#1 in Australia for highest graduate starting salary
*2022 Graduate Outcome Survey



12,282 total award completions



1,720 students supported with scholarships



-\$18.9 million consolidated result from core activities



\$43 million consolidated net result

◀ Dr Scott Bennett conducting research with giant kelp.

Institutional Overview

Our state reopens

On 15 December 2021 Tasmania's borders fully reopened to the rest of the country ensuring that in 2022 the coronavirus pandemic, for the third straight year, would impact and shape our lives in significant ways.

As COVID arrived and then spread throughout Tasmania, our priorities as a university were to keep our students, staff and community as safe as possible and to protect our ability to continue teaching and conducting research, the two things at the heart of our mission.

We put in place a number of strategies and policies to minimise the risk of transmission on our campuses and lower the chances of severe and life-threatening illness for our people.

These included ventilation audits and improvements, restricting the number of people in rooms according to size, providing rapid antigen testing ahead of field trips and for students in university accommodation, requiring masks indoors when risks were high, providing easily accessible data about where and when positive cases were on campus, and requiring evidence of COVID-19 vaccinations for everyone visiting a university campus or facility.

Our approach worked. While COVID was present in our university community, and transmission did occur on our campuses, it was at lower rates than in the broader community. This helped keep our people as safe as possible and ensured their education and research journeys could continue with minimal interruption.

► Geography, Planning and Spatial Sciences students, Derby, North East Tasmania.





▲ George Alexander Foundation Scholarship students.

Our students

Education is changing. The technological revolution we are all living through is altering how we communicate, consume information and engage with ideas. Over the past few years, the pandemic dramatically sped up the evolution of how students want to learn and the flexibility they expect.

In this changing environment, our integrated approach, which prioritises small group active learning activities, is providing our students with a quality, contemporary education. In 2022, our overall Teaching Quality rating in the Student Experience Survey rose to 81 percent, its highest level since 2017. Among commencing students, it was higher, at 84 percent.

Education is always valuable in and of itself, but the outcomes it unlocks can be critical for the individual student and for the community. The full-time employment rate of our graduates is notably higher than the national average at 81.5 percent, according to the 2022 Graduate Outcomes Survey, and the eighth best in the country. Our graduates have the highest starting salaries at \$78,300, compared to a national average of \$68,000. And according to the Good Universities Guide, our postgraduate full-time employment rate at 93.8 percent is the best in the country.

These are great outcomes for the individual graduates, but they also point to a university that is providing its community with the workforce it needs. With ceremonies held in Hobart, Launceston, Burnie, and Sydney, 12,282 students graduated in 2022. They represent the contribution the University of Tasmania is making to help meet the critical need for teachers, nurses, social workers, paramedics, artists, lawyers, doctors, psychologists, philosophers, designers, and many more.

Delivering the courses our communities need, where they need them, was a feature of 2022. Our first cohort of nursing graduates to start and finish their degrees in Burnie, studying in our new state-of-the-art campus, graduated. All were offered jobs in the North-West health service.

Based in Launceston, our new physiotherapy and speech pathology courses got underway, part of the allied health expansion program, which aims to address the acute need for these roles in our state's health workforce. 2022 also saw the expansion of post-graduate psychology into the North of the State and the establishment of a psychology clinic in Launceston. By expanding access to psychology education, we have also expanded the community's access to much needed services through the clinic that is an integral part of the training our students receive.

Well before COVID emerged, the University embarked on a strategy of strengthening domestic enrolments and diversifying our international student cohort. This has enabled us to withstand the challenges of the pandemic and will be critical to the long-term sustainability of the University. The challenges and effects of COVID-19 persist however, and they continue to evolve.

One of the most direct impacts of the pandemic is on international student numbers. In 2022 we had 3,769 international students at the University, 60 percent of the 6,322 we had in 2019. As we rebuild, we are achieving the diversity our strategy calls for – a rise in applications from African countries such as Nigeria, Kenya and Ghana, as well as countries throughout Asia, such as Bangladesh, Pakistan, Nepal, the Philippines and Sri Lanka.

Though we still welcome students from China and India, our strategy to provide a better student experience and achieve greater long-term sustainability through attracting a more diverse international cohort from a wider range of countries is beginning to bear fruit.

Interstate interest in our offerings continues to strengthen. In 2022, we had 19 percent more interstate students studying our traditional bachelor and postgraduate courses than in 2019, with a further 10,000 interstate students studying our online short course offerings. We have also seen an increase of 63 percent in our interstate applications from year 12 students.

These are positive signs, but the road ahead is rocky. When it arrived, the pandemic brought with it enormous volatility. As we emerge from it, that volatility remains.

Very low unemployment, high inflation and rising costs of living, changing student desires and the wish for more flexibility in learning options, coupled with the recommencement of interstate and international migration are all impacting on student choice and enrolments in higher education, particularly in regional areas.

Our Tasmanian student cohort, at 12,360 in 2022, has reduced from the record highs of 2020 when students chose education in the face of pandemic-fuelled uncertainty.

Seeing more Tasmanians going on to higher education is of critical importance for those Tasmanians and for the future of our state. In a world where the economy is increasingly divided into the ultra-successful few, and the rest, the expansion of educational opportunity has a vital role to play in lessening social inequality, promoting upward social mobility and increasing prosperity for all.

Increasing access to higher education is central to the mission of the University of Tasmania. Our Schools Recommendation Program, which assesses school leavers on their potential to succeed rather than focusing exclusively on scores like the ATAR, is a far more equitable university application process. It has become the primary application pathway for Tasmanian Year 12s wanting to go to their local university, removing an important barrier for many future students.

Cost is another barrier that prevents many people from attending university. In line with our strategy, we have focused our scholarship program on improving access. More than 1,720 students were supported with scholarships in 2022, with 80 percent of these students Tasmanian. The community helps us to provide that support and did so in record numbers in 2022 – more than 3,600 people contributed 8,300 gifts that in part helped enable students to go to university who might not have gone otherwise.

Our research excellence and impact

In 2022, the University brought in \$199.5 million in research funding. This funds research that tackles global challenges and critical issues for Tasmania, from finding solutions to chronic diseases, through creating agriculture that is sustainable and productive in a changing climate, to unlocking clues about what lies ahead for our planet by understanding the frozen continent and the Southern Ocean that surrounds it.

We are a university for Tasmania, and a great deal of our research tackles issues we are grappling with as a state. In seeking answers to questions here in Tasmania, we help find solutions for communities around the nation and the world.

In 2022, a collaborative College of Sciences and Engineering and College of Arts, Law and Education team led by Professor David Cooke secured funding through the Australian Government's Regional Research Collaboration program to help support a sustainable critical metal industry in Tasmania and boost education and training opportunities on the West Coast.

Critical metals including tungsten, cobalt, nickel and magnesium for example are a vital but scarce resource the world needs for a high-tech, renewable energy powered future. Working with industry and government partners, we can lead the way towards more environmentally sustainable critical metal extraction and processing.

Dr Viet Tran, from the College of Health and Medicine, is leading a project funded by the Australian Government's Medical Research Future Fund to explore how clinical pathways for acute care in Tasmanian emergency departments can improve patient care.

Clinical pathways are evidence-based care plans for common presentations, and we know three things about them: they exist in emergency departments already, they are beneficial to patients when used, but they are not used frequently.

Dr Tran's research, in collaboration with colleagues from the University's Menzies Institute for Medical Research, Tasmanian Health Service and Ambulance Tasmania, will look at barriers to clinical pathway use and strategies to increase uptake in the fast-paced, high-intensity environments that are modern emergency departments.

The Tasmanian Government's Agricultural Innovation Fund supported a range of research projects at the University's Tasmanian Institute of Agriculture (TIA) in 2022 including a trial of the use of seaweed for livestock to evaluate greenhouse gas reduction, productivity gains, animal health and soil carbon; the development of on-farm strategies for the prevention and control of blueberry rust; the development of decision support systems for management of potato diseases and the impact of changing climates and; investigation of the production of sparkling wine from smoke-affected wine grapes.

These projects speak to the ways TIA, with the Tasmanian Government, is working to set our agricultural industries up for the future.

From our home in Tasmania, our researchers tackle universal issues. Associate Professor Kaylene Young, who leads the Brain Health and Disease theme at the University's Menzies Institute of Medical Research, secured funding from the Australian Research Council in 2022 for a project that could benefit almost everyone. If you are lucky enough to grow old, you will almost certainly become more forgetful.

The aptly named Dr Young, by understanding how our insulating brain cells adapt to support life-long learning, is looking at how to solve that challenge and potentially counteract age-related memory decline. Her project, 'Old brain cells perform new tricks' could also support the development of strategies to circumvent the memory loss caused by brain diseases.

Like old-age, in Tasmania and communities in similar environments around the world, the threat of fire is a fact of life. Our researchers are critical in helping us understand fire and how to live with it, particularly Professor David Bowman, a Professor of Pyrogeography and Fire Science in the College of Science and Engineering.

◀ Researcher and PhD student setting devil traps at Freycinet.

An international review of fire management research in 2022 found that Professor Bowman is the most cited author globally in the field of fire management. Also in 2022, Professor Bowman became only the third University of Tasmania academic to receive a prestigious Australian Research Council Laureate Fellowship. The Fellowship, worth well over \$3 million over five years, will see Professor Bowman conduct pioneering work to help tackle urgent questions. In a warming world, how do we coexist with fire? In landscapes more likely to burn, how do we build safer, more resilient communities?

From fire to ice, Antarctica is another place that looms large in our imaginations, though few of us will ever visit the frozen continent to the south. In a warming world, Antarctica's enormous impact on the planet, from its role in global climate systems and its potential impact on sea-level rise, is starkly clear. We need to bring more than just the sciences to bear when we consider the Antarctic.

Professor of Antarctic Studies in the College of Arts, Law and Education, Elizabeth Leane's work highlights the importance of the humanities in Antarctic research. When most people's knowledge of a place as pivotal to our futures as Antarctica is entirely mediated through what they hear, read or see on screens, the role the arts play in shaping attitudes to the place is critical to understand. With funding from the Australian Research Council awarded in 2022, Professor Leane will create the first comprehensive history and analysis of the Antarctic stories, sounds, and images created by Australian artists and writers.

Wrapping around Antarctica is the Southern Ocean, one of the great bodies of water that together cover more than 70 percent of the Earth's surface. Our oceans and how they respond to climate change will shape our future. Zanna Chase is Professor of Chemical Oceanography at the University's Institute for Marine and Antarctic Studies. She brings to bear chemistry, biology and geology to understand the interaction between chemical cycles and biological activity in our oceans and how these are affected by climate change.

In 2022, Professor Chase secured Australian Research Council funding to deliver a containerised hydrochemistry lab – a portable, sea-going laboratory to measure some of the most important chemical constituents of the ocean, essential for tracking the impact of climate change. The 'hydrobox' could be instrumental in providing early warning of major ecosystem shifts.

The University of Tasmania has become a respected centre of expertise in the field of separation science – the use of analytical technology to separate out and measure individual components in complex mixes. It is a process that can be used to detect any one of a number of things that should or shouldn't be in a sample from pesticides and poisons to viruses.

Building on years of research excellence at our University and taking it another step forward, Professor of Analytical Chemistry in the College of Sciences and Engineering Brett Paull secured \$5 million to establish the Australian Research Council Training Centre for Hyphenated Analytical Separation Technologies. The toughest analytical science challenges usually require hyphenated technologies, specifically the combination of chromatography and mass spectrometry.

The new training centre means the University, in collaboration with sector and industry partners, can develop the next generation of experts in these fields using the latest technology.

These are just some of the many research projects that are helping to push the boundaries of what we know, to solve problems we face today, and uncover questions we don't yet know to ask. Of particular note in 2022 was the University's performance in the Australian Research Council's highly competitive Discovery Projects round. We had an application success rate of 30 percent, the highest of any university in the country, with fourteen projects spanning the fields of sciences, humanities, social sciences and health.

Almost 80 percent of the projects were led by female chief investigators. We know – thanks to research – that greater gender diversity means more diverse perspectives, more new ideas, more accurate and higher quality science, and more innovative solutions.

Key to helping research deliver positive impacts is the work of UTAS Holdings Pty Ltd, now trading as InVent (Innovation Ventures), a not-for-profit, wholly owned subsidiary of the University which is charged with creating value from the University's intellectual property. It helps take University of Tasmania research and, through commercialisation, ensure it reaches and is useful to those who could benefit from it.

InVent's activities ramped up during 2022, providing:

- financial support to six commercialisation opportunities within the University
- the support and evaluation of over 20 other early-stage opportunities
- the exploration and advancement of 12 invention disclosures logged during the year
- the filing of 11 applications for new patent families
- the signing of a new licence agreement in the area of rapid trace detection and analysis of surfaces
- the incorporation of a spin-out company focusing on air quality, and
- the commencement of a range of entrepreneurship programs aimed at increasing commercialisation awareness and capability development for staff and student researchers across the University.

Another innovative element of the University's research impact strategy has been the establishment of the Tasmanian Policy Exchange (TPE). The TPE isn't a traditional research centre; it aims to build strategic relationships with government and other partners to foster collaboration and enable us to make direct contributions to some of the most pressing policy challenges facing our community.

Over the course of 2022, the TPE worked with staff and students from across the University to produce 16 major policy reports and deliver 30 briefings and workshops. Highlights included making major contributions to Tasmania's Future of Local Government Review and the development of the State's sustainability strategy and Climate Action Plan.

► Devil research at Freycinet.



Our people

People are at the heart of everything we do as a university. Our strategic plan commits us to being a people-centric workplace that is supportive, safe, and fair. We took significant strides to improve the experience of our staff in 2022.

In consultation with colleagues and union representatives, we delivered a new staff agreement that aligns with our values and provides our people with increased job security, fair pay, and access to generous leave provisions. The Agreement, which was supported with a strong 'yes' vote by staff in December, was the result of a respectful, consultative and thorough bargaining process.

Simplified and contemporary, the University of Tasmania Staff Agreement 2021-2025 delivers a 13.5 percent increase in pay over four years. We have improved job security through greater conversion of casual employees, the creation of new ongoing academic roles to reduce reliance on casual employment as well as new employment categories: Graduate Teaching Fellowships, which provide security and development for our talented Higher Degree by Research students, and Continuous Contingent Funded employment, which offers continuous employment rather than the uncertainty of fixed term contracts contingent on funding cycles.

Our new agreement also simplifies and significantly enhances leave provisions for our people. We expanded parental leave through sector and community leading initiatives to include long-term foster care as well as adoption and surrogacy entitlements, and increased gender affirmation leave to 30 days per annum, as well as improving personal and carer's leave to 20 days per annum.

A University-wide engagement survey revealed strengths – our people are genuinely connected with their managers, have a strong sense of engagement within their teams, and understand how to be successful in their roles – and areas we can improve – better systems and processes, building stronger approaches to two-way communication and managing change, and creating a greater sense of empowerment and autonomy for our people.

◀ TIA staff and researcher inspecting crops, Forth, North-West Tasmania.

The engagement survey is informing actions we are taking to improve our workplace, co-designed and delivered with our people.

When we identify mistakes, we call them out and we work to fix them. Following cases at other universities, we proactively investigated and found historic payment issues at the University of Tasmania.

The issues largely related to engagement periods, for example paying people for a minimum number of hours regardless of whether fewer hours are worked, and penalty rates.

We apologised to our people and have kept them informed as we set about delivering on our commitment to pay those impacted all they are owed including interest and superannuation.

In 2022, the project team focussed on calculating the full underpayment amount. As a result of this work, we have increased our provision from \$11 million, which was based on earlier estimates, to \$14 million.

We have also investigated the deficiencies in our systems that allowed underpayments to occur and set out changes to minimise the risk of the issue occurring again in the future. Repayments, system updates and training for key people across the organisation commenced in the first half of 2023.

Our action on climate

Our commitment to the protection and recovery of the natural world was recognised in 2022 when the University of Tasmania was named global number 1 on climate action by the prestigious Times Higher Education Impact Rankings.

At our Tasmanian campuses the natural world is a palpable presence in our lives, and it frames much of our teaching and research. We recognise the trajectory of the world's climate and ecology is a crisis – a crisis of our own making – and we believe we are in a position to lead the way in finding solutions. We are committed to doing everything we can to help shift our pathway towards one that results in a better and more equitable world.

Our efforts in this space are multi-faceted. Through our research we generate new knowledge – understanding how climate change is impacting our marine systems, exploring how seaweed in livestock feed can reduce methane emissions, and much more – and through our teaching we ensure sustainability has a deep and broad presence across the curriculum.

As an organisation with its own carbon footprint, we are also dedicated to reducing our carbon emissions and reversing our negative environmental impacts. In 2022, we released our Emissions Reduction Strategic Plan 2022-2030 which includes a minimum 50 percent reduction target on our gross emissions by 2030. The plan covers 42 specific initiatives in energy, transport, waste, procurement, and other operational areas. Just one example is the commitment to transition our passenger vehicle fleet to 100 percent electric by the end of 2024.

Another significant step towards our sustainability goals was the successful issuance of green bonds in March 2022, the largest such deal ever by an Australian university. By issuing these environmentally friendly bonds, we are actively committing to reducing upfront embodied carbon in our building programs by at least 20 percent, which is the most effective way to contribute to decarbonisation in Tasmania, where the primary energy source is hydroelectric. Embodied carbon describes the emissions associated with the materials and construction process.

We have already exceeded the 20 percent goal in the Willis Street and Rivers Edge buildings at the new Inveresk Campus in Launceston where embodied carbon was reduced by 30 percent. In Hobart, we are aiming for a 40 percent reduction in embodied carbon at our redevelopment of the former Forestry building and timber yards, a project that will also use innovative mass timber products and the first significant use of hempcrete in a major commercial project in Tasmania.

► The Institute of Marine and Antarctic Studies is committed to climate action.

#1 in climate
action globally

THE TIMES HIGHER EDUCATION IMPACT RANKINGS 2022





▲ Students performing for final assessment in The Ian Potter Recital Hall, the Hedberg, Hobart.

Our spaces

The infrastructure, buildings and spaces that support the work of the University are critical to delivering the education and research that Tasmania needs.

In the North-West, 2022 was the first full year of the new Field Building as the centrepiece of our Cradle Coast Campus in Burnie. While a striking and architecturally award-winning building, the most exciting aspects of the project are the ways in which it has expanded the educational offerings for the region.

The Bachelor of Nursing program – enabled through the new campus – was over-subscribed and filled its second-year quota of students. The first cohort to complete the degree via the accelerated study mode graduated in December 2022, and all 27 of these graduating nurses were offered positions with the Tasmanian Health Service in the North-West region.

Work was also underway throughout 2022 preparing for the Bachelor of Pharmacy to be offered on-campus from 2023, along with a full Bachelor of Business, and one day a week teaching in Burnie for local Physiotherapy and Speech Pathology students enrolled in Launceston. Other programs including the Bachelor of Education, Bachelor of Psychological Science, and a range of Associate Degrees and pathway programs continued with ongoing student demand.

A milestone was reached in Launceston with the official opening in February of the library, the first of the major buildings at the new and expanded Inveresk campus. Sitting within a much-loved historic precinct with a great deal of community ownership, the library operates as a space for students, for staff and for members of the community.

Anyone can visit the library, borrow books and use and enjoy the space. Significant progress was made in 2022 on the second and third major buildings – the River's Edge will be operational in time for Semester 2 in 2023, and the Shed will be completed ready for Semester 2, 2024.

The spaces between the buildings are crucial too and an opportunity for University projects to improve amenity for the community. At Inveresk, we opened the recreational spaces and a new community garden in 2022.

The garden, an embodiment of our commitment to equity and sustainability, is designed to make a real contribution to Launceston. The garden produces and the wider community regularly harvests fresh food, predominantly leafy green vegetables.

We established a compost caddy system and take food scraps from the nearby student apartments and other university buildings to feed the gardens. We have already diverted hundreds of kilograms of coffee grounds and food waste from nearby commercial cafes away from landfill and we have involved students at the Big Picture School in weekly gardening sessions.

In Hobart, the Hedberg was celebrated at the 2022 Tasmanian Architectural Awards. The new home for music and creative arts, the project received the Tasmanian Architecture Medal as well as the top awards in the urban design, public architecture, interior architecture, and heritage architecture categories.

Two important projects took major steps forward in 2022: the restoration and conservation of the Philip Smith Centre on the Domain got underway, and the redevelopment of the Forestry building in the central business district received planning approval and was readied for construction, which got underway in January 2023.

The former home of the Hobart Teachers' Training College and the building in which the University of Tasmania's Faculty of Education was established, the Philip Smith Centre is an important piece of our State's teaching and learning history.

Once restored and redeveloped, the Forestry building will become home to the College of Business and Economics and the Law School, as well as administrative offices. It will house 300 staff and provide contemporary, accessible facilities to support 3,000 students.

It became clear in 2022 that the community had questions and concerns about our strategy to consolidate our southern presence in the city, rather than maintain a campus split between Sandy Bay and the city, a decision we made and announced in 2019.

We continued to consult throughout 2022, including through The Shake Up, a process that sought input from a cross-section of community members. More work is needed. We will take the time required to allow for further engagement with the community, and to be guided by the City of Hobart's city, precinct and neighbourhood planning processes, as we progress further rejuvenation of our facilities and spaces in the South.



Our future

There are challenging years ahead for the University of Tasmania and for the sector as a whole. Universities can and should play a pivotal role in helping our nation and the global community shift to a trajectory that ensures a more sustainable, more equitable world. That requires a strong, effective higher education system.

In November 2022, the Federal Education Minister Jason Clare announced a 12-month review of the higher education system, to deliver an 'Australian Universities Accord'. The Minister appointed an Accord Panel to provide recommendations and performance targets to improve the quality, accessibility, affordability and sustainability of higher education by December 2023.

The Accord Panel sought input into the priorities of the review in December. In responding, we argued for recognition of the role of universities as civic institutions, places where we need to be investing in humanities and social sciences as we navigate an era of major change, and we highlighted the importance of continued discovery research.

Aligned to our mission of creating access to higher education, we proposed that the Panel consider how we can:

- enhance funding flexibility to enable further differential pricing and remove financial barriers to increase the numbers of those from disadvantaged cohorts who can access higher education
- investigate how better differentiated funding can be provided to support the significantly higher costs involved with overcoming the barriers to education and completion for students with higher needs
- provide a framework and proposed KPIs to set expectations for all universities in how they can and should be meeting local, regional and national priorities including skills needs, enhancing sovereign capability and national security
- recognise that Australia needs to be a knowledge-generating nation with a co-ordinated research ecosystem that ensures research talent is developed and retained
- strengthen incentives for industry-based research that delivers outcomes in areas of high skill demand, innovation and enterprise creation; and
- explore the development of innovative schemes such as a version of social bonds to fund university, industry and government applied research partnerships that deliver significantly improved and valuable social, economic and environmental outcomes.

We will continue to engage with the Accord Panel throughout 2023, as well as other reviews being undertaken by the Federal and State Governments, to ensure we are well placed to deliver our mission both for and from Tasmania.

◀ Nursing students in the simulation lab at West Park, Burnie.



▲ Students at the Medical Science Precinct during Orientation Week, Hobart.

Governance

University Council

The Council is the governing body of the University, established under the *University of Tasmania Act 1992*. Under the Act, 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 University Executive Team.

Council is advised by its committees (Audit and Risk, Ceremonial and Honorary Degrees, Remuneration and Nominations, Strategic Resourcing and University Foundation Committee) 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.

Governance instruments framework

The University's suite of governance instruments comprises its ordinances, by-laws, and policies that delegate powers and functions of University Council under the *University of Tasmania Act 1992* and provide policy guidance for decision making across the University. These high level and principles-based instruments are underpinned by streamlined procedures and systems that support Lean and consistent operations across the University.

In 2022 there was considerable focus on refining University governance and processes to maintain and continuously improve our instruments to ensure their currency and effectiveness in guiding decision making.

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 2022 was to:

- Develop a set of leading key risk indicators or 'risk triggers' across the Whole-of-University to assist with early identification of events that may impact on our risk profile.
- Deliver bespoke Risk Management training across Colleges and Divisions.
- Provide support to Colleges and Divisions as they analyse, assess and report on key risks, particularly as they engage formally with the Audit and Risk Committee.
- Refresh the Risk Assessment Form for consistent risk management across project level assessments.

Internal Audit

During 2022, the University focused on providing assurance to safeguard operations most critical to enabling success. It undertook a body of internal audit activity. Major elements of the program included:

- Assessment of the operational effectiveness of the selected fraud controls in place at the University relating to finance, conflicts of interest and assets.
- Validation of the status of recommendations and actions agreed by the University in response to a previous audit report relating to contractor management workplace health and safety to assess if the agreed management actions had been completed.
- Assessment of the University's admissions practices for compliance against the requirements of the *Higher Education Standards Framework (Threshold Standards) 2021, Section 1*, which outlines the standards for admission requirements.
- Assessment of the robustness of the University's system security through conducting a variety of penetration testing activities including red teaming exercises.
- Assessment of compliance with requirements of the *Fair Work Act 2009* and a number of University policies with regard to staff recruitment and on-boarding processes.



Historical underpayments review

A bespoke internal audit project was undertaken to examine selected elements of the project's governance processes and internal communication of project progress and outcomes. In 2022, the project team itself focused on calculating the full underpayment amount for employees in the past 6 years.

Compliance

The University's framework for managing and monitoring legal compliance continued to mature in 2022. The development of legal compliance plans continued to ensure legislative obligations were identified and the risks of non-compliance mitigated. Non-compliance with external and internal regulatory frameworks, including identification of trends and hotspots, is routinely monitored by Audit and Risk Committee. Central reporting supports a continuous improvement approach to operations underpinned by ordinance and policy with the development of institutional procedures as appropriate.

Right to Information (RTI)

During 2022, the University received 27 applications for access to information under the assessed disclosure provisions of the *Right to Information Act 2009* (Tas). Of these applications:

- One was still in process at the end of the year
- One was withdrawn by the applicant
- Two were refused on the bases that the information was already available
- Eleven were dealt with by active disclosures and information provided in full
- Twelve were determined by an RTI Officer to be assessed disclosures under the provisions of the Act.

The University also received requests from the Ombudsman for three external reviews and released three revised decisions after external review (two from 2022 and one from the previous reporting period).

◀ Students getting hands-on experience at Hunter Street campus, Hobart.

Public Interest Disclosures (PID)

The University is subject to the *Public Interest Disclosures Act 2002* (Tas). University employees who make public interest disclosures that reveal corrupt and improper conduct are supported by the University and afforded protections under the Act.

The University's *Public Interest Disclosure Procedure* details the process and the protections in place. It is internally reviewed annually and forwarded to the Ombudsman for approval every three years. The current version of the procedure may be accessed on the University procedure web page.

In 2022, the University invested further resources in the development of guidance, training and resources for public interest disclosures and incorporated a routine assessment step into the standard complaints process through the University's Safe and Fair Communities Unit to ensure appropriate protections are applied regardless of how the complaint was made.

There were no public interest disclosures reported at the University in 2022.

Modern Slavery Statement

The University of Tasmania is committed to protecting and respecting human rights and has a zero-tolerance approach to slavery and human trafficking in all its forms. In 2022, the University published its second Statement to address the mandatory criteria set out in the *Modern Slavery Act 2018* (Cth), including requirements to identify the risks and occurrence of modern slavery in University supply chains and operations, as well as due-diligence and remediation processes in accordance with the *United Nations Guiding Principles to Business and Human Rights 15 and 17*.

The Statement covers activities in the reporting period 1 January 2021 – 31 December 2021 and was published on the Department of Home Affairs website and University website in accordance with requirements of the Act.

Foreign Influence, Foreign Interference and Foreign Relations

Partnerships with foreign partners are critical to the success of the University, with our culture, learning, teaching, and research enriched by these engagements. This engagement, however, is occurring in an evolving and increasingly complex world in which the University must have in place strategies to manage risks to its community and to protect our research. The University has taken a proportionate and risk-based approach to foreign interference which meets the requirements of Australian Government regulation and legislation including the *Foreign Influence Transparency Scheme Act 2018* (Cth). With a focus on openness and transparency in our activities supported by layered security defences, including assessing our international activities for foreign interference and legal compliance, the University is protecting what is at risk but ensuring that it remains an open, collegial enterprise that seeks and embraces international collaboration.

National Redress Scheme

In 2022 the University joined the National Redress Scheme for Institutional Child Sexual Abuse but did not receive any applications for redress.

Council membership

Members

These people were members of University Council during the whole of 2022 (unless otherwise indicated):

Chancellor (ex officio)

Ms Alison Watkins AM

Chancellor since 1 July 2021 and a member of the University Council since 25 June 2021

Vice-Chancellor and President (ex officio)

Professor Rufus Black

Vice-Chancellor of the University of Tasmania and member of the University Council since 1 March 2018.

Chair of Academic Senate (ex officio)

Professor Natalie Brown

Chair of Academic Senate since 1 February 2019.

Two members appointed by the Minister for Education

Ms Sheree Vertigan AM

A member of the University Council since 30 April 2021

Ms Tara Howell

A member of the University Council since 30 April 2021.

Up to six members appointed by Council

Deputy Chancellor Mr Harvey Gibson

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

Deputy Chancellor Mr James Groom

A member of the University Council since 1 January 2019 and Deputy Chancellor since 3 December 2021.

Professor Peter Dawkins AO

A member of the University Council since 1 July 2021

Ms Sarah-Jayne Hall

A Member of University Council since 1 January 2022

Ms Alicia Leis

A Member of University Council since 11 February 2022

One member elected by academic staff

Distinguished Professor Jamie Kirkpatrick

A member of the University Council since 1 January 2017.

One member elected by professional staff

Ms Kate Bramich

A member of the University Council since 1 January 2021.

A minimum of one student appointed by the Council

Ms Jacqueline Saward

A member of the University Council since 1 January 2021.

Secretary to Council

Ms Sally Paynter

Secretary to the University Council since 4 December 2020.

► Horticulture Business students on a field trip at Reid Fruits, Southern Tasmania.





▲ IMAS students on a field trip at Binalong Bay, North East Tasmania.

Council committee membership

1 January 2022 – 31 December 2022

The Chancellor is an ex-officio member of every board and committee of the University but listed here only for those committees normally attended. The Vice-Chancellor is also an ex-officio member of every board and committee of the University, with the exception of the Audit and Risk Committee, and is also listed here only for those committees normally attended.

Audit and Risk Committee

Chair

Mr Harvey Gibson

Members

Ms Alison Watkins AM (ex officio)

Mr Mike Blake AM

Distinguished Professor Jamie Kirkpatrick

Ms Alicia Leis

Professor Natalie Brown

Mr Kane Ingham (from April 2022)

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, monitors the establishment of and compliance with an appropriate framework of internal control and oversees the effectiveness of the University's compliance framework.

Ceremonial and Honorary Degrees Committee

Chair

Ms Alison Watkins AM

Members

Professor Rufus Black

Mr Harvey Gibson

Professor Natalie Brown

Ms Jacqueline Seward

Dr Damian Bugg AM QC (Chair, UTAS Foundation)

Associate Professor Ashley Townsend
(Alumni Representative)

Ms Rebecca Cuthill
(Executive Director, Advancement)

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, the conferring of degree ceremonies and other ceremonial matters.

Remuneration and Nominations Committee

Chair

Ms Alison Watkins AM

Members

Mr Harvey Gibson (Deputy Chancellor, ex officio)

Mr James Groom
(Chair of Strategic Resourcing Committee)

Professor Rufus Black (Vice-Chancellor, ex officio)

The Remuneration and Nominations Committee ensures the strategic alignment of human resource management and industrial negotiations with the University's mission. It also makes recommendations to Council on appointment, 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 as required for that purpose).

Strategic Resourcing Committee

Chair

Mr James Groom

Members

Ms Alison Watkins AM (from 1 July 2021)

Professor Rufus Black (Vice-Chancellor, ex officio)

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

Ms Tara Howell

Professor Peter Dawkins

Mr Paul Gregg
(Chair UTAS Properties Pty Ltd, ex officio)

Mr Daniel Minihan
(Chair of Investment and Advisory Panel, ex officio)

The Strategic Resourcing Committee provides advice to Council in relation to the strategic and coordinated deployment of physical and financial resources in order to achieve medium and longer-term strategies that support the University's mission.

University Foundation Committee

Chair

Professor Rufus Black (Vice-Chancellor, ex officio)

Members

Ms Rebecca Cuthill (VC's nominee)

Dr Damian Bugg AM QC
(Council-appointed member)

Mr Edward Kemp (Council appointed member)

Associate Professor Ashley Townsend
(Alumni Representative)

Ms Susan Gough (Friends of the University member)

Dr David Warren (Friends of the University member)

The mission of the University Foundation Committee is to ensure that the University's philanthropy practices and policies are consistent with its mission and goals, and that trusts and funds provided through philanthropy are compliant with the wishes of donors and used for educational, research and other purposes of the University.

University Properties Pty Ltd

Chair

Mr Paul Gregg

Members

Professor Rufus Black (Vice-Chancellor, ex officio)

Mr James Groom (Chair of Strategic Resourcing Committee, member until 7th February 2022)

Mr David Clerk (Chief Operating Officer, ex officio)

Ms Jane Beaumont (member from 4th April 2022)

Mr Philip Pearce

Ms Sarah-Jayne Hall

Mr Simon Bayley

UTAS Properties Pty Ltd is a not-for-profit, wholly owned subsidiary established by University Council. Its purpose is furthering the functions of the University as set out in the University Act through management of the University's surplus property in a sustainable way and to ensure the social, culture, environmental and economic welfare of the community.

University of Tasmania Holdings

Chair

Mr Rhys Edwards

Members

Professor Rufus Black (Vice-Chancellor, ex officio)

Mr David Clerk (Chief Operating Officer, ex officio)

Mr Harvey Gibson (Council appointed member)

Mr Dermot Crean

Ms Jane Sargison

Professor Melanie Bryant (member from April 2022)

Professor Anthony Koutoulis

Mr James Groom

UTAS Holdings Pty Ltd is a not-for-profit, wholly owned subsidiary of the University established by University Council. Its purpose is the advancement of education and furthering the functions of the University through the creation of value from the University's intellectual property.



▲ University Council, left to right: Ms Sarah-Jayne Hall, Ms Kate Bramich, Ms Jacqueline Saward, Professor Natalie Brown, Professor Rufus Black, Ms Alison Watkins AM, Mr James Groom, Ms Alicia Leis, Ms Sheree Vertigan AM. Absent: Emeritus Professor Peter Dawkins AO, Distinguished Professor Jamie Kirkpatrick, Mr Harvey Gibson, Ms Tara Howell

Meetings attended by University Council Members

The numbers of meetings for the members of the University of Tasmania's Council and of each board committee held during the year ended 31 December 2022, and the numbers of meetings attended by each member were:

Member / Committee	Council	Council via circular	Audit & Risk	Ceremonial & Honorary Degrees	Remuneration & Nominations	Strategic Resourcing	University Foundation	University Properties Pty Ltd	University of Tasmania Holdings
Ms Alison Watkins AM	7 of 7	8 of 8	5 of 5	5 of 5	12 of 12	5 of 5	-	-	-
Prof Rufus Black	7 of 7	8 of 8	-	5 of 5	10 of 12	5 of 5	3 of 3	7 of 7	4 of 6
Ms Kate Bramich	6 of 7	6 of 8	-	-	-	-	-	-	-
Prof Natalie Brown	7 of 7	8 of 8	5 of 5	5 of 5	-	-	-	-	-
Prof Peter Dawkins AO	5 of 7	5 of 8	-	-	-	3 of 5	-	-	-
Mr Harvey Gibson	6 of 7	7 of 8	5 of 5	4 of 5	12 of 12	5 of 5	-	-	6 of 6
Mr James Groom	7 of 7	6 of 8	-	-	11 of 12	5 of 5	-	1 of 1	6 of 6
Ms Sarah-Jayne Hall	7 of 7	8 of 8	-	-	-	-	-	7 of 7	-
Ms Tara Howell	6 of 7	5 of 8	-	-	-	4 of 5	-	-	-
Prof Jamie Kirkpatrick	7 of 7	6 of 8	5 of 5	-	-	-	-	-	-
Ms Alicia Leis	7 of 7	6 of 8	5 of 5	-	-	-	-	-	-
Ms Jacqueline Saward	7 of 7	8 of 8	-	5 of 5	-	-	-	-	-
Ms Sheree Vertigan AM	7 of 7	8 of 8	-	-	-	-	-	-	-

NB: x of x = attendance at meetings by number of meetings held based on membership period

Financial Overview

The University of Tasmania receives income from a variety of sources for a variety of different reasons. We receive income from the Commonwealth to support the delivery of teaching and learning to our domestic students and international students pay upfront fees to study with us, as do some of our domestic postgraduate students.

The Commonwealth contribution is split into a government funded component (Commonwealth Grant Scheme or CGS) and Higher Education Contribution Scheme (HECS) that students eventually repay when they reach an income threshold. In total, student fee revenue constitutes approximately 60 percent of our total revenue base, with revenue from domestic students approximately 80 percent of that figure.

In addition, both the Commonwealth and State governments and related bodies such as the Australian Research Council (ARC) and the National Health and Medical Research Council (NHMRC) provide funding to the University in support of our research. This can come in the form of competitive grant successes or through other metric-driven programmes. Research related funding provides approximately 20 to 25 percent of the University's total revenue.

Both governments, from time to time, also provide grants to the University in support of our capital programmes. The University is fortunate at the present time to be receiving funding in respect of our Northern Transformation programme as well as the Defence Precinct that is currently underway at the Australian Maritime College at our Newnham campus. Research and capital funding grants received can only be spent for the purposes for which they were granted and are not available to support teaching and learning activities.

The University also generates income from philanthropy, our investment portfolio and commercial sources such as student accommodation. Our investment portfolio is typically the largest of these, however it is also volatile and can return a loss, mostly unrealised, in any one year.

In 2022, the University experienced a consolidated loss of \$18.9 million from its core activities, which is a significant decline from the \$1.2 million loss reported in 2021.

Core activities reflect the underlying operations of the University, primarily teaching and research, and provides a more comparable operating outcome from year to year, as it excludes one-off or particularly volatile items such as investment returns. This is the financial metric that management of the University focuses most of its attention on.

A reconciliation from Result from core activities to Net result from continuing operations is provided at the foot of the Statement of Comprehensive Income on page 40. The volatility of recent years and the impact of COVID-19 on our finances is visible in our Five-Year Summary, which appears on pages 36 and 37.

The decrease in the core result was largely driven by the reduction in international student revenue, which dropped to \$75.6 million in 2022 (refer to Note 2.3) compared to its peak of \$139.6 million in 2019. The decline was a result of the ongoing effect of the pandemic, accentuated by the slower than anticipated return of Chinese students as China's borders remained closed for most of the year. Given the University anticipates the return of international students, rather than engage in large-scale cost cutting we chose to maintain capacity, capability and commitment to mission, accept a loss on core activities, and patiently rebuild our financial position.

The financial bottom line of the University remained positive although lower than the previous year, which had a number of material non-core items in it. The consolidated net result from continuing operations dropped to \$43.1 million in 2022 from \$165.9 million in 2021.

In addition to the drop in the core result, there was a \$146.0 million reduction in investment earnings from a gain of \$115.3 million in 2021 to a loss of \$30.7 million in 2022, driven by unfavourable market movements and the absence of the one-off gain from the sale of IDP Education shares in 2021. Offsetting this was \$97.5 million of capital grant income recognised during the year compared to \$48.4 million in 2021, primarily related to the Northern Transformation project and that can only be spent for this purpose.

Overall, expenses from continuing operations increased by 4.1 percent to \$726.1 million primarily as a result of increased activity as pandemic related restrictions were eased as the year progressed. Employee related expenses increased by 1.2 percent reflecting both inflation from our mid-year 4.6 percent salary increase and a 0.8 percent increase in staffing, which were offset by the absence of the initial accrual of \$11 million made in 2021 related to historic staff payment shortfalls.

The University subsidiaries, most significantly comprising UTAS Properties Pty Ltd, UTAS Holdings Pty Ltd and AMC Search Ltd, had a net result of \$5.4 million compared to a loss of \$0.3 million in 2021. This positive result is predominantly a reflection of the one-off sale of Internet Protocol (IP) addresses by UTAS Properties that is reflected as a \$9.0 million gain on disposal of assets in the Statement of Comprehensive Income.

In 2022, a revaluation of the University's land and buildings was carried out. This exercise is undertaken every three to four years and captures any change in market value and the cost of building materials so that our assets are held on our balance sheet at fair value. The 2022 revaluation resulted in a \$166.8 million increase in the value of our land and buildings, contributing to the \$210.7 million increase in the University's consolidated net asset position, which now sits at \$1,353.2 million, refer page 41.

The other major influence on the University's Statement of Financial Position was the issuance during 2022 of \$350.0 million in green bonds, the largest such deal ever by an Australian university. This was used to initially repay existing debt facilities, \$70.0 million, with the remainder being held in cash or invested in term deposits of varying maturities to align with funding requirements. These bonds are reflected within Borrowings, Cash and cash equivalents and Other financial assets within the Statement of Financial Position on page 41.

The green bond issuance was also the major driver of the increase in cash held reported in the University's Statement of Cash Flows, where cash and cash equivalents increased by \$116.5 million from the prior year. The \$277.1 million net cash inflow from financing activities is offset by a \$192.7 million net cash outflow from investing activities driven \$127.6 million spent on property, plant and equipment and a net \$95.6 million invested in other financial assets.

Overall, the University continues to be impacted by the COVID-19 pandemic, which has resulted in a deterioration in financial performance. These challenges are expected to continue for the next few years as the international student pipeline rebuilds and domestic students are challenged by the national environment. Throughout this period, we have worked hard to protect our people and our core mission of delivering teaching and research.

► Economic students on a bushfire assessment, South West National Park.



FIVE YEAR SUMMARY – UNIVERSITY FOR THE YEAR ENDED 31 DECEMBER 2022

	2022		2021		2020		2019		2018	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
INCOME										
Australian Government financial assistance										
Australian Government grants	334,403	44.5	312,069	36.4	249,684	35.0	225,801	29.4	229,472	30.0
HELP Australian Government payments	71,178	9.5	70,589	8.2	74,708	10.5	72,422	9.4	78,943	10.3
Scholarships and research	145,750	19.4	154,008	18.0	136,979	19.2	144,741	18.8	142,671	18.7
State and Local Government financial assistance	42,236	5.6	24,112	2.8	28,602	4.0	23,730	3.1	24,626	3.2
HECS-HELP student payments	13,180	1.8	11,105	1.3	8,474	1.2	7,615	1.0	6,627	0.9
Fees and charges	106,187	14.1	123,266	14.4	155,274	21.8	165,526	21.5	143,617	18.8
Investment income (net gains/(losses))	(23,641)	-3.1	113,566	13.2	5,371	0.8	76,436	9.9	11,310	1.5
Consultancy and contracts	37,089	4.9	28,038	3.3	29,743	4.2	28,991	3.8	30,173	3.9
Gain on disposal of assets	-	0.0	-	0.0	-	0.0	1,071	0.1	-	0.0
Other income and revenue	25,620	3.4	21,017	2.5	24,409	3.4	22,997	3.0	96,543	12.6
Total income	752,002	100.0	857,770	100.0	713,244	100.0	769,330	100.0	763,982	100.0

EXPENDITURE										
Academic salary costs	216,619	30.3	214,286	31.2	220,248	31.7	206,035	29.6	191,670	29.7
Non-academic salary costs	206,811	29.0	206,833	30.1	199,929	28.8	199,779	28.7	183,862	28.5
Depreciation and amortisation	47,652	6.7	46,506	6.8	45,807	6.6	39,941	5.7	34,678	5.4
Repairs and maintenance	13,253	1.9	12,615	1.8	11,452	1.6	16,372	2.3	17,452	2.7
Impairment of assets	445	0.1	2,441	0.4	7,693	1.1	149	0.0	6,593	1.0
Loss on disposal of assets	872	0.1	1,889	0.3	317	0.0	-	0.0	126	0.0
Other expenses	228,706	32.0	203,198	29.5	209,779	30.2	234,683	33.7	210,533	32.6
Total expenditure	714,358	100.0	687,768	100.0	695,225	100.0	696,959	100.0	644,914	100.0

Net Result	37,644	170,002	18,019	72,371	119,068
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KEY RATIOS										
1. Financial stability and liquidity										
Current ratio	1.7	1.0	1.3	0.3	0.7					
Net cash balances	128,800	11,151	49,155	15,355	33,877					
Net assets	1,340,888	1,135,628	965,486	947,721	962,098					

2. Revenue										
Australian Government grants including HECS	346,858	353,815	323,624	297,452	302,340					
Australian Government capital grants	71,903	39,948	9,242	8,386	12,702					
Scholarships and research	145,750	154,008	136,979	144,741	142,671					
Other University income	187,491	309,999	243,399	318,751	306,269					
TOTAL UNIVERSITY INCOME	752,002	857,770	713,244	769,330	763,982					

Australian Government operating grants including HECS as a % of total income	46%	41%	45%	39%	40%
Commonwealth funded students (full-time equivalents)*	13,832	15,247	16,349	14,484	14,811
Average Commonwealth recurrent grant	25,076	23,206	19,795	20,537	20,413

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

FIVE YEAR SUMMARY – CONSOLIDATED FOR THE YEAR ENDED 31 DECEMBER 2022

	2022		2021		2020		2019		2018	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
INCOME										
Australian Government financial assistance										
Australian Government grants	334,403	43.5	312,069	36.1	249,684	34.7	225,801	29.1	229,472	32.2
HELP Australian Government payments	71,178	9.3	70,589	8.2	74,708	10.4	72,422	9.3	78,943	11.1
Scholarships and research	145,750	18.9	154,008	17.8	136,979	19.0	144,741	18.6	142,671	20.0
State and Local Government financial assistance	42,236	5.5	24,112	2.8	28,602	4.0	23,730	3.1	24,626	3.5
HECS-HELP student payments	13,180	1.7	11,105	1.3	8,474	1.2	7,615	1.0	6,627	0.9
Fees and charges	106,532	13.9	123,085	14.2	155,898	21.7	166,713	21.5	144,653	20.3
Investment income (net gains/(losses))	(25,268)	-3.3	115,286	13.3	5,863	0.8	78,551	10.1	11,736	1.6
Consultancy and contracts	45,673	5.9	35,660	4.1	34,878	4.8	28,991	3.7	30,173	4.2
Gain on disposal of assets	9,015	1.2	-	0.0	-	0.0	1,071	0.1	-	0.0
Other income and revenue	26,463	3.4	19,474	2.3	24,153	3.4	27,407	3.5	43,559	6.1
Total income	769,162	100.0	865,388	100.0	719,239	100.0	777,042	100.0	712,460	100.0

EXPENDITURE										
Academic salary costs	216,634	29.8	214,329	30.6	220,248	31.4	205,981	29.3	193,140	29.6
Non-academic salary costs	216,216	29.8	213,368	30.5	204,873	29.2	204,685	29.1	186,720	28.6
Depreciation and amortisation	47,758	6.6	46,925	6.7	45,994	6.6	40,179	5.7	34,960	5.4
Repairs and maintenance	13,401	1.8	12,637	1.8	11,512	1.6	16,421	2.3	17,483	2.7
Impairment of assets	445	0.1	2,438	0.3	7,693	1.1	149	0.0	6,593	1.0
Loss on disposal of assets	-	0.0	1,898	0.3	317	0.0	-	0.0	126	0.0
Other expenses	231,614	31.9	207,853	29.7	210,103	30.0	236,155	33.6	214,309	32.8
Total expenditure	726,068	100.0	699,448	100.0	700,740	100.0	703,570	100.0	653,331	100.0

Net Result	43,094	165,940	18,499	73,472	59,129
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KEY RATIOS										
1. Financial stability and liquidity										
Current ratio	1.8	1.1	1.3	0.3	0.7					
Net cash balances	129,658	13,131	52,305	18,926	37,092					
Net assets	1,353,154	1,142,411	976,331	958,086	971,362					



Annual Financial Statements

31 DECEMBER 2022

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◀ Theatre and Performance students taking part in Faux Mo at Mona Foma.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	CONSOLIDATED		PARENT ENTITY	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
REVENUE AND INCOME FROM CONTINUING OPERATIONS					
Australian Government financial assistance					
Australian Government grants	2.1	480,153	466,077	480,153	466,077
HELP - Australian Government payments	2.1	71,178	70,589	71,178	70,589
State and local government financial assistance	2.2	42,236	24,112	42,236	24,112
Fees and charges	2.3	106,532	123,085	106,187	123,266
Consultancy and contracts	2.4	45,673	35,660	37,089	28,038
Other income and revenue	2.5	26,463	19,474	25,620	21,017
Total revenue and income from continuing operations		772,235	738,997	762,463	733,099
HECS-HELP - student payments					
HECS-HELP - student payments		13,180	11,105	13,180	11,105
Investment income	3	(25,268)	115,286	(23,641)	113,566
Share of profit/(loss) on investments using the equity method	9	(23)	-	-	-
Gain/(loss) on disposal of assets	2.8	9,015	(1,898)	(872)	(1,889)
Total revenue and income		769,139	863,490	751,130	855,881
EXPENSES FROM CONTINUING OPERATIONS					
Employee related expenses	4.1	432,850	427,697	423,430	421,119
Depreciation and amortisation	4.2	47,758	46,925	47,652	46,506
Repairs and maintenance		13,401	12,637	13,253	12,615
Borrowing costs	4.3	11,476	11,151	11,476	11,151
Impairment of assets	4.4	445	2,438	445	2,441
Other expenses	4.5	220,138	196,702	217,230	192,047
Total expenses from continuing operations		726,068	697,550	713,486	685,879
Net result from continuing operations		43,071	165,940	37,644	170,002
Items that will not be reclassified to profit or loss					
Gain/(loss) on revaluation of property, plant and equipment	12	166,771	-	166,715	-
Net actuarial gains in respect of defined benefit plans	33(c)	901	140	901	140
Total comprehensive income		210,743	166,080	205,260	170,142

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

The above Statement of Comprehensive Income (referred to thereafter as the 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.

		CONSOLIDATED		PARENT ENTITY	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
KEY COMPONENTS OF THE RESULT					
The following reconciliation highlights the key components of the University result					
Result from core activities*		(18,886)	(1,214)	(25,940)	4,568
Net movements in statutory funds (excluding investment allocations)		4,872	19,428	4,872	19,428
Investment income		(30,708)	115,286	(29,081)	113,566
Net interest costs		(6,893)	(11,151)	(6,893)	(11,151)
Capital grants		97,491	48,371	97,491	48,371
Net settlement of insurance claims		(42)	(35)	(42)	(35)
Restructuring costs		(2,763)	(4,745)	(2,763)	(4,745)
Net result from continuing operations		43,071	165,940	37,644	170,002

*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. Restructuring costs are not regarded as core activities.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Notes	CONSOLIDATED		PARENT ENTITY	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	129,658	13,131	128,800	11,151
Receivables	6	59,280	54,216	58,849	59,039
Inventories	7	1,072	1,060	1,072	1,060
Contract assets	8	9,066	7,917	9,066	7,917
Other financial assets	10	316,300	333,455	312,639	322,170
Other non-financial assets	11	23,808	25,522	23,783	25,463
Non-current assets classified as held for sale	15	16	-	16	-
Total current assets		539,200	435,301	534,225	426,800
NON-CURRENT ASSETS					
Receivables	6	5,374	6,075	5,374	6,075
Investments accounted for using the equity method	9	217	240	-	-
Other financial assets	10	230,563	160,576	231,134	165,868
Property, plant and equipment	12	1,173,891	946,496	1,173,302	945,995
Intangible assets	13	55,360	42,669	55,295	42,661
Service concession assets	14	249,935	223,649	249,935	223,649
Total non-current assets		1,715,340	1,379,705	1,715,040	1,384,248
Total assets		2,254,540	1,815,006	2,249,265	1,811,048
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	16	72,710	43,740	80,827	47,702
Borrowings	17	2,976	73,181	2,976	73,181
Provisions	18	81,128	76,175	80,306	75,173
Contract liabilities	19	142,758	207,410	142,637	207,334
Other liabilities	20	7,116	11,972	7,116	11,972
Total current liabilities		306,688	412,478	313,862	415,362
NON-CURRENT LIABILITIES					
Payables	16	315	882	315	882
Borrowings	17	357,026	9,697	357,026	9,697
Provisions	18	23,137	24,929	22,954	24,870
Contract liabilities	19	46,477	50,432	46,477	50,432
Other liabilities	20	167,743	174,177	167,743	174,177
Total non-current liabilities		594,698	260,117	594,515	260,058
Total liabilities		901,386	672,595	908,377	675,420
Net assets		1,353,154	1,142,411	1,340,888	1,135,628
EQUITY					
Statutory funds	21	146,549	146,082	146,549	146,082
Reserves	21	383,769	216,998	383,713	216,998
Retained earnings	21	822,836	779,331	810,626	772,548
Total equity		1,353,154	1,142,411	1,340,888	1,135,628

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

CONSOLIDATED	Notes	Statutory funds	Reserves	Retained earnings	Total
		\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2021		123,086	216,998	636,247	976,331
Net result	21	-	-	165,940	165,940
Transfer to statutory funds	21	22,996	-	(22,996)	-
Net actuarial gains in respect of defined benefit plans	21	-	-	140	140
Total comprehensive income		22,996	-	143,084	166,080
Balance at 31 December 2021		146,082	216,998	779,331	1,142,411
Balance at 1 January 2022		146,082	216,998	779,331	1,142,411
Net result	21	-	-	43,071	43,071
Transfer to statutory funds	21	467	-	(467)	-
Gain/(loss) on revaluation of property, plant and equipment	21	-	166,771	-	166,771
Net actuarial gains in respect of defined benefit plans	21	-	-	901	901
Total comprehensive income		467	166,771	43,505	210,743
Balance at 31 December 2022		146,549	383,769	822,836	1,353,154
PARENT ENTITY					
Balance at 1 January 2021		123,086	216,998	625,402	965,486
Net result	21	-	-	170,002	170,002
Transfer to statutory funds	21	22,996	-	(22,996)	-
Net actuarial gains in respect of defined benefit plans	21	-	-	140	140
Total comprehensive income		22,996	-	147,146	170,142
Balance at 31 December 2021		146,082	216,998	772,548	1,135,628
Balance at 1 January 2022		146,082	216,998	772,548	1,135,628
Net result	21	-	-	37,644	37,644
Transfer to statutory funds	21	467	-	(467)	-
Gain/(loss) on revaluation of property, plant and equipment	21	-	166,715	-	166,715
Net actuarial gains in respect of defined benefit plans	21	-	-	901	901
Total comprehensive income		467	166,715	38,078	205,260
Balance at 31 December 2022		146,549	383,713	810,626	1,340,888

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

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	CONSOLIDATED		PARENT ENTITY	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES					
Australian Government grants		470,960	503,208	470,960	503,208
OS-HELP (net)		153	2,507	153	2,507
Superannuation supplementation		537	566	537	566
State and Local Government grants		16,855	19,544	16,855	19,544
HECS-HELP – student payments		9,111	11,105	9,111	11,105
Receipts from student fees and other customers		98,379	112,994	98,034	113,164
Dividends received		6,606	18,014	6,253	17,760
Interest received		1,917	344	2,253	342
Payments to suppliers and employees (inclusive of GST)		(644,391)	(670,678)	(630,372)	(660,295)
Interest and other costs of finance		(7,669)	(12,943)	(7,669)	(12,943)
Short-term lease payments and lease payments for leases of low value assets		(3,131)	(1,960)	(3,168)	(2,030)
Receipts from consultancies and contracts (Inc. of GST)		50,114	52,884	40,999	44,500
Other operating inflows (Inc. of GST)		32,642	46,202	31,723	48,346
Net cash inflow/(outflow) from operating activities	29(b)	32,083	81,787	35,669	85,774
CASH FLOWS FROM INVESTING ACTIVITIES					
Capital grants		40,297	104,978	40,252	104,978
Proceeds from sale of property, plant and equipment		10,048	104	143	70
Payments for property, plant and equipment		(127,617)	(215,444)	(127,519)	(215,089)
Payments for intangibles		(19,726)	(3,192)	(19,662)	(3,192)
Payments for financial assets		(95,629)	(18,875)	(95,074)	(16,757)
Repayments / (drawdown) of loan from related parties		(49)	-	8,511	745
Proceeds from licensing of student accommodation		-	70,811	-	70,811
Other investing inflows		(4)	(1,242)	(4)	(1,242)
Investment in subsidiary		-	-	(1,791)	(6,000)
Net cash inflow/(outflow) from investing activities		(192,680)	(62,860)	(195,144)	(65,676)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from borrowings		350,000	70,000	350,000	70,000
Repayment of borrowings		(70,000)	(125,000)	(70,000)	(125,000)
Repayment of lease liabilities		(2,876)	(3,101)	(2,876)	(3,101)
Net cash inflow/(outflow) from financing activities		277,124	(58,101)	277,124	(58,101)
Net increase/(decrease) in cash held		116,527	(39,174)	117,649	(38,003)
Cash and cash equivalents at beginning of reporting period		13,131	52,305	11,151	49,155
Cash and cash equivalents at end of reporting period	5	129,658	13,131	128,800	11,151
Financing facilities and balances	17(a)				

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

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NOTES

FOR THE YEAR ENDED 31 DECEMBER 2022

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, its subsidiaries and other controlled entities. The registered address of the University is 2 Churchill Avenue Sandy Bay, Tasmania, Australia, 7005.

1.1 Basis of preparation

As per AASB 1054 *Australian Additional Disclosures*, the annual financial statements represent the audited general purpose financial statements of the University of Tasmania. They have been prepared on an accrual basis and comply with the Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The University applies Tier 1 reporting requirements. 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.

Date of authorisation for issue

The financial statements were authorised for issue by the University Council on 2 March 2023.

Historical cost convention

These financial statements have been prepared under the historical cost convention, except for debt and equity financial assets (including derivative financial instruments) that have been measured at fair value either through other comprehensive income or 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 making 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:

- Recognition of revenue and income, and associated contract assets and liabilities (Notes 2.6 and 18)
- Impairment of assets (Note 4.4)
- Fair value, depreciation and amortisation of property, plant and equipment (Note 12)
- Fair value of investments and receivables (Note 32)
- Intangibles (Note 13)
- Service concession assets (Notes 14 and 20)
- Lease liabilities (Note 26.1)
- Superannuation provision (Notes 18 and 33)
- Long service leave provision (Note 18)
- Other employee related costs (Note 18)

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

1.2 Basis of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all controlled entities of the University as at 31 December 2022 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 parent 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 parent 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 parent entity controls another entity. Controlled entities are fully consolidated from the date on which control is transferred to the parent 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. 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 parent entity. Refer to Note 28 for detailed information on controlled entities.

Associates

Associates are entities which the consolidated entity has significant influence but no control, and in general the consolidated entity has voting rights of between 20% and 50%. Investments in associates in the consolidated financial statements are initially recognised at cost and subsequent accounted for using the equity method of accounting.

The consolidated entity's share of post acquisition profits or losses is recognised in the Income Statement. Refer to Note 9 for detailed information on associates of the consolidated entity.

Joint operations and collaborative agreements

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

1.3 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 parent 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 the Income Statement.

1.4 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.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

1.5 COVID-19 Impact

On 31 January 2020, the World Health Organisation declared COVID-19 a global pandemic and the situation with the COVID-19 pandemic continues to evolve. To the extent possible, the effects of COVID-19 have been considered based upon available data when undertaking a review of key estimates in preparing these financial statements.

1.6 Rounding of amounts

Amounts in the financial statements are rounded to the nearest thousand dollars.

1.7 Comparative amounts

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

1.8 New accounting standards and interpretations

Accounting standards adopted

In the current year, all new and revised accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are effective and applicable for the current reporting period have had no impact:

AASB 2020-3

Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments (Application date: 1 January 2025)

AASB 2022-2

Amendments to Australian Accounting Standards - Extending Transition Relief under AASB 1 (Application date: 1 January 2022)

AASB 2021-3

Amendments to Australian Accounting Standards - COVID-19 -Related Rent Concessions beyond 30 June 2021 (Application date: 1 January 2022)

Future pronouncements

The following standards, amendments and interpretations have been issued and available for early adoption but have not been applied for the 31 December 2022 reporting period:

AASB 2014-10

Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Application date: 1 January 2025)

AASB 2020-1

Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current (Application date: 1 January 2023)

AASB 2021-2

Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates (Application date: 1 January 2023)

AASB 2022-1

Amendments to Australian Accounting Standards - Initial application of AASB 17 and AASB 9 - Comparative Information (Application date: 1 January 2023)

AASB 2022-3

Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit (Application date: 1 January 2023)

AASB 2022-5

Lease Liabilities in a Sale and Leaseback (Application date: 1 January 2024)

The impact of these standards is not expected to be material.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

2. REVENUE AND INCOME

Notes 2.1 to 2.5 disclose the revenue and income received during the period according to the mandatory disclosures required by the Australian Department of Education. The disclosures as per AASB 15 and AASB 1058 are included in Note 2.6 and a reconciliation is included in Note 2.7.

	Notes	CONSOLIDATED		PARENT ENTITY	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
2.1 Australian Government financial assistance including Australian Government Loan Programs (HELP)					
(a) Commonwealth Grant Scheme and other grants	34.1				
Commonwealth Grant Scheme		234,662	248,713	234,662	248,713
National Institutes Funding		8,180	8,107	8,180	8,107
Access and Participation Fund		9,103	7,022	9,103	7,022
National Priorities and Industry Linkage Fund		7,063	4,750	7,063	4,750
Advanced Apprenticeship Pilots - Industry 4.0		74	218	74	218
Promotion of Excellence in Learning and Teaching		1	-	1	-
Disability Performance Funding		250	286	250	286
Indigenous Student Success Program		3,167	3,025	3,167	3,025
Total Commonwealth Grants Scheme and other grants		262,500	272,121	262,500	272,121
(b) Higher Education Loan Programs (HELP)	34.2				
HECS-HELP		66,999	66,732	66,999	66,732
FEE-HELP		2,462	2,508	2,462	2,508
SA-HELP		1,717	1,349	1,717	1,349
Total Higher Education Loan Programs		71,178	70,589	71,178	70,589
(c) EDUCATION Research	34.3				
Research Training Program		25,860	25,397	25,860	25,397
Research Support Program		19,931	42,896	19,931	42,896
Regional Research Funding		753	-	753	-
Total EDUCATION Research		46,544	68,293	46,544	68,293
(d) Other capital funding	34.5				
Linkage Infrastructure, Equipment and Facilities grant		393	526	393	526
Total other capital funding		393	526	393	526
(e) Australian Research Council (ARC)	34.6				
Discovery		8,600	7,688	8,600	7,688
Linkages		1,554	3,210	1,554	3,210
Special Research Initiatives		1,909	-	1,909	-
Total Australian Research Council		12,063	10,898	12,063	10,898
(f) Other Australian Government financial assistance Non-capital					
National Health and Medical Research Council		8,623	10,183	8,623	10,183
Australian Government Research (non-ARC)		42,822	22,557	42,822	22,557
Other Australian Government income		35,698	42,077	35,698	42,077
Total non-capital		87,143	74,817	87,143	74,817
Capital					
Other Australian Government capital income	34.5	71,510	39,422	71,510	39,422
Total capital		71,510	39,422	71,510	39,422
Total other Australian Government financial assistance		158,653	114,239	158,653	114,239
Total Australian Government financial assistance		551,331	536,666	551,331	536,666
Reconciliation					
Australian Government grants		480,153	466,077	480,153	466,077
Higher Education Loan Programs		71,178	70,589	71,178	70,589
Total Australian Government financial assistance		551,331	536,666	551,331	536,666

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

2. REVENUE AND INCOME (continued)

2.1 Australian Government financial assistance including Australian Government Loan Programs (HELP) (continued)

Key estimates and judgements

Significant judgement is applied to assess if a grant or contract is legally enforceable and contains sufficiently specific performance obligations. This assessment is required to determine when the revenue should be recognised in the Income Statement. The consolidated entity considers the existence of clauses such as refund of unspent funds and termination clauses in the agreements with the grantor when assessing whether a grant or contract is legally enforceable. A grant or contract is deemed to have sufficiently specific performance obligations if there is an obligation to provide to the customer (or on behalf of the customer):

- Comprehensive academic paper with the results of the research after completion, or
- Publishing research data and results on an ongoing basis in an openly accessible repository as requested by the grantor, or
- Intellectual property.

Depending on the nature of the promise, the consolidated entity either recognises revenue at a point in the time when the promise is delivered (e.g. when the comprehensive academic paper is published) or recognises revenue as the research or service is performed (e.g. as the customer obtains control of the intellectual property as it is created). Where the consolidated entity recognises revenue as the research or service is performed, it uses costs incurred to date to measure progress towards satisfying the performance obligations (i.e. the "input" method).

Accounting policy

The table below outlines the consolidated entity's policy and criteria for recognising Government Financial Assistance.

Where there is a refund clause within an agreement, a refund liability is recognised by the consolidated entity as soon as it is probable that the refund is payable and amount of the refund can be measured reliably.

Revenue Type	Specific Performance Obligation	Timing of Recognition
Commonwealth Grant Scheme and HELP	Provision of education and teaching services	Over time, as the student receives the services
Education research	None	On receipt in accordance with AASB 1058, <i>Income of not-for-profit entities</i>
Other capital funding and Other Australian Government capital income	To acquire or construct a non-financial asset	Over time, as the asset is constructed
Australian Research Council 'ARC' and National Health and Medical Research Council 'NHMRC'	Provision of Intellectual Property	Over time, as the Intellectual Property is created
Other Australian government Financial Assistance (Non-Capital)	Research agreements under \$0.1 million	On receipt
	Research agreements of \$0.1 million or more are reviewed as to whether it is legally enforceable and whether there are sufficiently specific performance obligations. The consolidated entity deems the following to be sufficiently specific performance obligations:	
	- Provision of a non-exclusive license or Intellectual Property to the knowledge created	Where the customer controls the benefit throughout the term of the agreement, the revenue will be recognised over time the Intellectual Property is created
	- Delivery of services directly to the public, on behalf of the customer	Over time, as the service is delivered
	- Provision of a final product. For example, a research report containing data and recommendations	When the final product is delivered

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

2. REVENUE AND INCOME (continued)

	CONSOLIDATED		PARENT ENTITY	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
2.2 State and Local Government financial assistance				
Notes				
Non-capital				
Institute for Marine and Antarctic Studies	3,736	3,105	3,736	3,105
Tasmanian Institute of Agriculture	5,829	5,759	5,829	5,759
Menzies Research Institute	1,332	997	1,332	997
Other State and Local Government Financial Assistance	4,356	3,874	4,356	3,874
Total non-capital	15,253	13,735	15,253	13,735
Capital				
Other capital income	26,983	10,377	26,983	10,377
Total capital	26,983	10,377	26,983	10,377
Total State and Local Government financial assistance	42,236	24,112	42,236	24,112

Key estimates and judgements and Accounting policy

Refer to Note 2.1

2.3 Fees and charges

Course fees and charges

Fee-paying overseas students – onshore	72,185	94,665	72,185	94,665
Fee-paying overseas students – offshore	3,388	3,093	3,388	3,093
Fee-paying domestic postgraduate students	4,410	2,031	4,410	2,031
Fee-paying Vocational Education and Training students	1,234	802	1,234	802
Total course fees and charges	81,217	100,591	81,217	100,591

Other non-course fees and charges

Student Services and Amenities Fees from students	34.10	3,300	3,787	3,300	3,787
Accommodation charges		15,569	14,177	15,147	14,184
Other		6,446	4,530	6,523	4,704
Total other fees and charges		25,315	22,494	24,970	22,675

Total fees and charges

	106,532	123,085	106,187	123,266
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Key estimates and judgements

Significant judgement is required to identify the existence of a sufficiently specific performance obligation, when it is satisfied and the amount of revenue to be allocated to each performance obligation. The accounting policy below outlines policy and criteria for recognising the main categories of fees and charges that the consolidated entity receives.

Accounting policy

Course fees and charges are recognised as the course is delivered to the student and is measured as the amount the consolidated entity expects to be entitled to. Any fee waivers are recognised as a reduction in the amount of revenue recognised.

Other fees and charges are recognised as the service is delivered to the student or customer. Revenue relating to student services and amenities fees and student accommodation is recognised over time as and when the service is provided. Revenue relating to parking fees, sale of goods, venue hire, conference registrations, commissions received and commercialisation revenue is recognised at the point in time when the service or sale is delivered.

Where revenue has been received for courses or services (such as accommodation services) to be delivered the following year, these amounts are deferred to the following year as a contract liability.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

2. REVENUE AND INCOME (continued)

	CONSOLIDATED		PARENT ENTITY	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000

2.4 Consultancy and contracts

Industry and other research contracts	30,516	21,940	30,516	21,940
Research consultancies	57	85	57	85
Contract revenue (other than consultancy and contract research)	11,641	10,354	3,057	2,732
Industry support to ARC Linkage projects	380	248	380	248
Industry support to other Commonwealth research	3,079	3,033	3,079	3,033
Total consultancy and contracts	45,673	35,660	37,089	28,038

Key estimates and judgements

Significant judgement is applied to assess if a grant or contract is legally enforceable and contains sufficiently specific performance obligations. This assessment is required to determine when the revenue should be recognised in the Income Statement. The consolidated entity considers the existence of clauses such as refund of unspent funds and termination clauses in the agreements with the grantor when assessing whether a grant or contract is legally enforceable. A grant or contract is deemed to have sufficiently specific performance obligations if there is an obligation to provide to the customer (or on behalf of the customer):

- Comprehensive academic paper with the results of the research after completion, or
- Publishing research data and results on an ongoing basis in an openly accessible repository as requested by the grantor, or
- Intellectual property.

Depending on the nature of the promise, the consolidated entity either recognises revenue at a point in the time when the promise is delivered (e.g. when the comprehensive academic paper is published) or recognises revenue as the research or service is performed (e.g. as the customer obtains control of the intellectual property as it is created). Where the consolidated entity recognises revenue as the research or service is performed, it uses costs incurred to date to measure progress towards satisfying the performance obligations (i.e. the "input" method).

Accounting policy

Revenue from consultancy and contracts is measured and recognised in accordance with the policy for Other Australian Government Financial Assistance (Non-Capital) as outlined in Note 2.1. Where there is a refund clause within an agreement, a refund liability is recognised by the consolidated entity as soon as it is probable that the refund is payable and amount of the refund can be measured reliably.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

2. REVENUE AND INCOME (continued)

CONSOLIDATED		PARENT ENTITY	
2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000

2.5 Other income and revenue

	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Donations and bequests	1,047	1,138	1,047	1,138
Research donations and bequests	4,419	4,228	4,419	4,228
Scholarships and prizes	2,889	3,225	2,889	3,225
Sale of goods	5,187	4,301	5,184	4,300
Rental income and venue hire	4,075	2,217	4,039	2,177
Other income	8,846	4,365	8,042	5,949
Total other income and revenue	26,463	19,474	25,620	21,017

Key estimates and judgements

Significant judgement is required to identify the existence of a sufficiently specific performance obligation, when it is satisfied and the amount of revenue to be allocated to each performance obligation.

Accounting policy

The accounting policy below outlines policy and criteria for recognising the main categories of other income and revenue that the consolidated entity receives.

Revenue Type	Specific Performance Obligation	Timing of Recognition
Donations and bequests, and research donations and bequests	None	On receipt, when there are no sufficiently specific performance obligations. In the rare circumstances where a donation or bequest has a sufficiently specific performance obligation the donation or bequest will be recognised when or as the performance obligation is satisfied
Scholarships and prizes	None	On receipt. Where there is a legally enforceable obligation to pay a specified amount received as a cash stipend to a student or other third party over a specified duration, the amount payable is recognised on receipt as a liability
Contract and other revenue	Provision of a service	Recognised as the service is delivered to the student or customer
Sale of goods	Provision of a goods	Recognised when the goods are delivered to the student or customer
Other income	None	On receipt

Volunteer services

Volunteers make a contribution to the consolidated entity through their engagement in a diverse range of research, teaching, services, events and other activities. Not only does this provide value to the consolidated entity, it also provides valuable experience and benefit to the volunteers themselves, who are predominantly students and alumni. Volunteers work in a number of areas within the University, which include assisting with research and administration at the Menzies Research Institute, and supporting students as part of the Student Ambassador Program and Community Friends and Network Program. The consolidated entity has elected to not recognise volunteer services received as income in its financial statements as the value cannot be reliably measured. The cost of capturing data on hours worked by volunteers is also deemed to outweigh the benefits of disclosing this information.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

2. REVENUE AND INCOME (continued)

2.6 Revenue and income from continuing operation

The consolidated entity receives revenue and income streams from a variety of sources, as follows:

Sources of funding: The consolidated entity receives funds from Australian Government as well as State and Local Government to assist with education programs across a wide range of disciplines, and at different education qualification levels. In addition to the funds received from Government, the consolidated entity also receives funds and fees from private organisations or individuals that are used for the different programs led by the parent entity or correspond to the education services provided by it.

Revenue and income streams: The consolidated entity derives revenue and income from two main activities:

i) Education: The consolidated entity has domestic and overseas students enrolled in a variety of programs for different qualification levels (from certificates to doctoral degrees). Whilst the numbers of domestic students are affected by national economic factors as interest rates or unemployment, overseas students are impacted by the changes in immigration policies.

ii) Research: The consolidated entity performs research activities in different fields such as health, engineering, education and science. The consolidated entity enters into many different types of research agreements with different counterparties, such as with private sector customers and Government agencies that award research grants. Each grant agreement is assessed as to whether it is an enforceable arrangement and contains sufficiently specific promises to transfer outputs from the research to the customer (or at the direction of the customer). Judgement is required in making this assessment. The consolidated entity has concluded that some research agreements represent a contract with a customer whereas other research grants are recognised as income when the consolidated entity obtains control of the research funds.

iii) Non-course fees and charges: In addition to revenue and income derived from education and research activities, the consolidated entity also derives revenue and income from other fees and charges from services that are provided ancillary to education and research, such as accommodation and amenities provided to students, and capital grants to fund its infrastructure.

Revenue and income is derived from:

Consolidated – For the year ending 31 December 2022 – Sources of funding \$'000						
Australian Government financial assistance	State and Local Government financial assistance	Student fees and charges	Industry and non-government	Other sources	Revenue from contracts with customers	Income of not-for-profit entities

Revenue and income streams:

Education – Course fees and charges

Domestic students	331,961	-	4,410	-	-	332,954	3,417
Overseas students	-	-	75,573	-	-	75,573	-
Vocational education and training	-	-	1,234	-	-	1,234	-
Total education revenue and income	331,961	-	81,217	-	-	409,761	3,417
Research	145,750	15,253	-	34,032	4,419	123,707	75,747

Non-course fees and charges (ancillary to provision of education and research)

Student Services and Amenities Fees	1,717	-	3,300	-	-	5,017	-
Accommodation charges	-	-	15,569	-	-	15,569	-
Other fees and charges	-	-	6,446	-	-	5,859	587
Total non-course fees and charges	1,717	-	25,315	-	-	26,445	587
Capital Government Grants	71,903	26,983	-	-	-	86,872	12,014
Other income and revenue	-	-	-	16,828	16,857	20,903	12,782
Total revenue and income	551,331	42,236	106,532	50,860	21,276	667,688	104,547

Total revenue from contracts with customers	480,113	29,631	105,945	47,924	4,075	667,688	
Total income of not-for-profit entities	71,218	12,605	587	2,936	17,201		104,547

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

2. REVENUE AND INCOME FROM CONTINUING OPERATIONS (continued)

2.6 Revenue and income from continuing operation (continued)

PARENT ENTITY – For the year ending 31 December 2022 – Sources of funding \$'000						
Australian Government financial assistance	State and Local Government financial assistance	Student fees and charges	Industry and non-government	Other sources	Revenue from contracts with customers	Income of not-for-profit entities

Revenue and income streams:

Education – Course fees and charges

Domestic students	331,961	-	4,410	-	-	332,954	3,417
Overseas students	-	-	75,573	-	-	75,573	-
Vocational education and training	-	-	1,234	-	-	1,234	-
Total education revenue and income	331,961	-	81,217	-	-	409,761	3,417
Research	145,750	15,253	-	34,032	4,419	123,707	75,747

Non-course fees and charges (ancillary to provision of education and research)

Student Services and Amenities Fees	1,717	-	3,300	-	-	5,017	-
Accommodation charges	-	-	15,147	-	-	15,147	-
Other fees and charges	-	-	6,523	-	-	5,929	594
Total non-course fees and charges	1,717	-	24,970	-	-	26,093	594
Capital Government Grants	71,903	26,983	-	-	-	86,872	12,014
Other income and revenue	-	-	-	8,241	16,017	12,280	11,978
Total revenue and income	551,331	42,236	106,187	42,273	20,436	658,713	103,750
Total revenue from contracts with customers	480,113	29,631	105,593	39,337	4,039	658,713	
Total income of not-for-profit entities	71,218	12,605	594	2,936	16,397		103,750

CONSOLIDATED – For the year ending 31 December 2021 – Sources of funding \$'000						
Australian Government financial assistance	State and Local Government financial assistance	Student fees and charges	Industry and non-government	Other sources	Revenue from contracts with customers	Income of not-for-profit entities

Revenue and income streams:

Education – Course fees and charges

Domestic students	341,361	-	2,031	-	-	343,392	-
Overseas students	-	-	97,758	-	-	97,758	-
Vocational education and training	-	-	802	-	-	802	-
Total education revenue and income	341,361	-	100,591	-	-	441,952	-
Research	154,008	13,735	-	25,306	4,228	90,326	106,951

Non-course fees and charges (ancillary to provision of education and research)

Student Services and Amenities Fees	1,349	-	3,787	-	-	5,136	-
Accommodation charges	-	-	14,177	-	-	14,177	-
Other fees and charges	-	-	4,530	-	-	4,511	19
Total non-course fees and charges	1,349	-	22,494	-	-	23,824	19
Capital Government Grants	39,948	10,377	-	-	-	50,325	-
Other income and revenue	-	-	-	14,655	10,945	15,946	9,654
Total revenue and income	536,666	24,112	123,085	39,961	15,173	622,373	116,624
Total revenue from contracts with customers	451,918	12,587	123,066	33,511	1,291	622,373	
Total income of not-for-profit entities	84,748	11,525	19	6,450	13,882		116,624

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

2. REVENUE AND INCOME FROM CONTINUING OPERATIONS (continued)

2.6 Revenue and income from continuing operation (continued)

PARENT ENTITY – For the year ending 31 December 2021 – Sources of funding \$'000						
Australian Government financial assistance	State and Local Government financial assistance	Student fees and charges	Industry and non-government	Other sources	Revenue from contracts with customers	Income of not-for-profit entities

Revenue and income streams:

Education – Course fees and charges

Domestic students	341,361	-	2,031	-	-	343,392	-
Overseas students	-	-	97,758	-	-	97,758	-
Vocational education and training	-	-	802	-	-	802	-
Total education revenue and income	341,361	-	100,591	-	-	441,952	-
Research	154,008	13,735	-	25,306	4,228	90,326	106,951

Non-course fees and charges (ancillary to provision of education and research)

Student Services and Amenities Fees	1,349	-	3,787	-	-	5,136	-
Accommodation charges	-	-	14,184	-	-	14,184	-
Other fees and charges	-	-	4,704	-	-	4,685	19
Total non-course fees and charges	1,349	-	22,675	-	-	24,005	19
Capital Government Grants	39,948	10,377	-	-	-	50,325	-
Other income and revenue	-	-	-	7,032	12,489	10,081	9,440
Total revenue and income	536,666	24,112	123,266	32,338	16,717	616,689	116,410
Total revenue from contracts with customers	451,918	12,587	123,247	25,888	3,049	616,689	
Total income of not-for-profit entities	84,748	11,525	19	6,450	13,668		116,410

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

2. REVENUE AND INCOME FROM CONTINUING OPERATIONS (continued)

2.7 Reconciliation of revenue and income

The following table reconciles the amounts disclosed in Notes 2.1 to 2.5 which contain the mandatory disclosures required by the Department of Education and the disclosures provided in Note 2.6 as per AASB 15 and AASB 1058:

Notes	CONSOLIDATED		PARENT ENTITY		
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	
Total Australian Government financial assistance including Australian Government Loan Programs (HELP)	2.1	551,331	536,666	551,331	536,666
Total State and Local Government financial assistance	2.2	42,236	24,112	42,236	24,112
Total Fees and charges	2.3	106,532	123,085	106,187	123,266
Total Consultancy and contract fees	2.4	45,673	35,660	37,089	28,038
Total Other revenue and income	2.5	26,463	19,474	25,620	21,017
Total		772,235	738,997	762,463	733,099
Total Revenue from contracts with customers as per AASB 15	2.6	667,689	622,373	658,714	616,689
Total Income of not-for-profit as per AASB 1058	2.6	104,546	116,624	103,749	116,410
Total Revenue and Income from continuing operations		772,235	738,997	762,463	733,099

3. INVESTMENT INCOME

Interest	6,007	344	6,343	342
Dividends	6,606	44,892	6,253	44,638
Net fair value gains/(losses) – Financial assets designated at fair value through profit or loss	(37,881)	70,050	(36,237)	68,586
Total investment income	(25,268)	115,286	(23,641)	113,566

Accounting policy

Interest

Recognised on a proportional basis taking into account the interest rates applicable to the financial asset.

Dividends

Revenue is recognised when (a) the consolidated entity's right to receive the payment is established, which is generally when shareholders approve the dividend, (b) it is probable that the economic benefits associated with the dividend will flow to the entity; and (c) the amount of the dividend can be measured reliably.

Net fair value gains/(losses) - financial assets designated at fair value through profit or loss

The net fair value gains/(losses) for financial assets designated at fair value through the profit or loss is comprised of changes in the fair value of:

- the consolidated entity's investment portfolio (refer Note 10).
- derivatives undertaken to hedge the investment portfolio. Unrealised gains and losses on derivative to hedge the investment portfolio are disclosed in Notes 10 and 20 respectively.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

4. EXPENSES FROM CONTINUING OPERATIONS

4.1 Employee related expenses

Academic

Notes	CONSOLIDATED		PARENT ENTITY	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Salaries	158,027	153,861	158,016	153,818
Contribution to superannuation and pension schemes	26,770	25,894	26,770	25,894
Payroll tax	12,201	12,081	12,201	12,081
Workers' compensation	163	400	163	400
Long service leave expense	3,361	4,606	3,361	4,606
Annual leave	10,592	10,259	10,588	10,259
Other employee related costs	1,595	2,731	1,595	2,731
Other expenses	3,925	4,497	3,925	4,497
Total academic	216,634	214,329	216,619	214,286

Non-Academic

Salaries	158,987	147,234	151,602	142,118
Contribution to superannuation and pension schemes	26,948	24,285	25,917	23,649
Payroll tax	11,920	11,200	11,454	10,902
Workers' compensation	192	410	156	385
Long service leave expense	4,261	4,477	4,024	4,328
Annual leave	11,188	10,669	10,975	10,366
Other employee related costs	1,168	13,029	1,168	13,029
Other expenses	1,552	2,064	1,515	2,056
Total non-academic	216,216	213,368	206,811	206,833

Total employee benefits and on costs

	432,850	427,697	423,430	421,119
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Accounting policy

Refer to Note 18 for accounting policy.

4.2 Depreciation and amortisation

Depreciation on property, plant and equipment	12	33,093	31,201	32,994	30,784
Depreciation on right of use assets	12	3,793	4,240	3,793	4,240
Amortisation on intangible assets	13	7,035	7,966	7,028	7,964
Depreciation service concession assets	14	3,837	3,518	3,837	3,518
Total depreciation and amortisation		47,758	46,925	47,652	46,506

Accounting policy

Refer to Notes 12, 13 and 14 for accounting policies.

4.3 Borrowing costs

Interest expense on financial liabilities at amortised cost	11,135	10,716	11,135	10,716
Interest expense on lease liabilities	341	435	341	435
Total borrowing costs expensed	11,476	11,151	11,476	11,151

For details of the consolidated entity's borrowings, please refer to Note 17.

Accounting policy

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period for which they are incurred.

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.

For interest expense on lease liabilities, please refer to Note 26.2 which details the policy for lease accounting where the consolidated entity is a lessee.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

4. EXPENSES FROM CONTINUING OPERATIONS (continued)

Notes	CONSOLIDATED		PARENT ENTITY	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000

4.4 Impairment of assets

Property, plant and equipment	12	-	536	-	536
Right of use assets	12	-	2,363	-	2,363
Impairment of receivables	6,31	445	(461)	445	(458)
Total impairment of assets		445	2,438	445	2,441

Key estimates, judgements and accounting policy

Assets that have an indefinite useful life are not subject to amortisation or depreciation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate 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.

Where there is an impairment for specific trade receivables the consolidated entity recognises this in the provision for doubtful debts for trade receivables. Additionally, the consolidated entity estimates an allowance for doubtful debts for the remainder of the trade receivables based on expected credit losses at each reporting date. This requires significant judgement and assumptions regarding past history, and market conditions

4.5 Other expenses

Scholarships and prizes		31,682	28,375	31,682	28,375
Research sub-contractors		34,027	37,076	34,027	37,076
Professional and advisory services		28,729	27,718	29,049	25,057
Information technology operating costs		18,154	16,503	18,040	16,476
Consumable products		16,928	13,372	16,576	13,061
Advertising, marketing and promotional expenses		16,877	11,488	16,542	11,500
Audit and assurance services		678	547	599	515
Books, serials and subscriptions		10,677	9,416	10,623	9,394
Cleaning and waste management		6,427	6,001	6,366	5,973
Conjoints, secondments and employment agency costs		1,249	2,122	1,249	2,030
Council and director fees		1,379	934	659	643
Electricity and heating fuel		6,445	6,362	6,455	6,362
Insurance		4,317	3,878	4,291	3,857
Recruitment expenses		1,505	1,003	1,494	973
Non-capitalised property, plant and equipment		8,199	8,312	8,233	8,244
Office administration costs		2,653	2,326	2,594	2,288
Property and building operating costs		4,006	3,211	3,952	3,210
Security		3,309	3,013	3,352	3,013
Short term and low value asset lease payments		3,131	1,960	3,168	2,030
Telecommunications		2,502	3,451	2,484	3,435
Travel and staff development		13,140	5,350	12,501	4,950
Other		4,124	4,284	3,294	3,585
Total other expenses		220,138	196,702	217,230	192,047

Accounting policy

Other expenses are recognised on an accruals basis.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

5. CASH AND CASH EQUIVALENTS

	CONSOLIDATED		PARENT ENTITY	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000

Cash at bank and on hand	89,658	11,436	88,800	11,151
Short term deposits and bills	40,000	1,695	40,000	-
Total current cash and cash equivalents	129,658	13,131	128,800	11,151

(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:

Balance per the Statement of Cash Flows	129,658	13,131	128,800	11,151
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Cash at bank accounts are bearing floating interest rates ranging between 0.1% and 3.1% (2021: at 0.1% for the entire year). Cash on hand is non-interest bearing.

Short term deposits and bills as at 31 December 2022 are bearing interest rates ranging between 0.2% and 4.47% (2021: at 0.2% for the entire year). These deposits have a maturity date of less than 90 days or at call.

Accounting policy

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

6. RECEIVABLES

	Notes	CONSOLIDATED		PARENT ENTITY	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Receivables					
Current					
Trade receivables		26,366	21,112	25,585	20,518
Less provision for expected credit losses		(801)	(1,283)	(801)	(1,283)
		25,565	19,829	24,784	19,235
Accrued interest receivable		4,090	-	4,090	-
Deferred Government contribution for superannuation	33	610	608	610	608
Bonds and deposits		889	851	889	851
Franking credits receivable and other accrued income		23,750	30,000	23,537	29,829
GST		4,327	2,928	4,365	2,960
Loans to controlled/other entities		49	-	574	5,556
Total current receivables		59,280	54,216	58,849	59,039
Non-current					
Deferred Government contribution for superannuation	33	5,374	6,075	5,374	6,075
Sundry loans and advances		-	300	-	300
Less provision for expected credit losses		-	(300)	-	(300)
Total non-current receivables		5,374	6,075	5,374	6,075
Total receivables		64,654	60,291	64,223	65,114

Allowance for impaired receivables

Set out below is the movement in the allowance for expected credit losses of trade receivables:

As at 1 January	1,583	2,993	1,583	2,990
Provision for doubtful debts and expected credit losses	607	903	607	903
Receivables written off during the year as uncollectible	(595)	(2,271)	(595)	(2,271)
Unused amount reversed	(794)	(42)	(794)	(39)
As at 31 December	801	1,583	801	1,583

Accounting policy

Trade receivables

Trade receivables are recognised at their consideration less provision for impairment. Trade receivables are non-interest bearing and typically due for settlement no more than 30 days from the date of recognition.

The collection of trade 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. See Note 4.4 for details of the consolidated entity's impairment policy.

Franking credits receivable and other accrued income

Franking credits receivable and other accrued income represents franking credits and income that has been earned, but not yet received.

Deferred Government contribution for superannuation

The consolidated entity has a small number of former staff who are members of the State Government Scheme, the Retirement Benefits Fund. This scheme is a State Superannuation Scheme and not open to current or future University employees. Funding to meet the payments is provided to the consolidated entity by the Australian Government on an emerging cost basis. See Note 33 for further details.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

7. INVENTORIES

	CONSOLIDATED		PARENT ENTITY	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Livestock, feed and merchandise	1,072	1,060	1,072	1,060
Total inventories	1,072	1,060	1,072	1,060

Accounting policy

Livestock and feed is revalued annually to its net realisable value which is the estimated selling price in the ordinary course of business. Merchandise is held for sale and is valued at cost.

8. CONTRACT ASSETS

	CONSOLIDATED		PARENT ENTITY	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current				
Contract assets	9,066	7,917	9,066	7,917
Total contract assets	9,066	7,917	9,066	7,917

Accounting policy

A contract asset is recognised when a performance obligation in a grant or contract is satisfied (and revenue recognised) but the right to receive consideration is conditional on something other than passage of time, such as meeting the terms and performance obligations of the contract.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

9. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	Notes	CONSOLIDATED		PARENT ENTITY	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Investments in associates	28	217	240	-	-
Total investments accounted for using the equity method		217	240	-	-

Reconciliation

Balance as at 1 January	240	-	-	-
Share of profit/(loss) for the year	(23)	-	-	-
Investments in associates	-	240	-	-
Balance as at 31 December	217	240	-	-

List of associated entities

Name of associate and principal activity	Place of incorporation and operations	Ownership and interest held by the consolidated entity	
		2022	2021
Swisherr Pty Ltd – operates basketball training facilities	Australia	49%	49%

The financial year end date for all associates is 30 June which was the reporting date when the companies were incorporated. For the purposes of applying the equity method of accounting, the financial statements for the year ending 30 June 2022 has been used.

Summarised financial information for associates

Financial position

Cash and cash equivalents	76	148	-	-
Other current assets	-	7	-	-
Non-current assets	377	323	-	-
Total assets	453	478	-	-

Current liabilities	10	6	-	-
Total liabilities	10	6	-	-

Net Assets	443	472	-	-
Share of associate's net assets	217	231	-	-

Financial performance

Total revenue	589	37	-	-
Profit/(loss) from continuing operations	(28)	(18)	-	-
Total comprehensive result	(28)	(18)	-	-
Share of associate's profit/(loss)	(14)	(9)	-	-

Accounting policy and Significant Judgements

Investments accounted for using the equity method

As at 31 December 2022 the consolidated entity held a 49 per cent share in Swisherr Pty Ltd. The investment in Swisherr Pty Ltd has been accounted for as an Associate using the equity method. The consolidated entity has reviewed the agreement and has determined that it does not have control of the Associate as defined in AASB 10 but does have significant influence. The consolidated entity's share of profits or losses of the associate has been recognised in the Income Statement using the latest audited financial statements, that being 30 June 2022. The loss for both the 2021 and 2022 financial years has been included in the consolidated entity results in 2022.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

10. OTHER FINANCIAL ASSETS

	Notes	CONSOLIDATED		PARENT ENTITY	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current					
Other financial assets at amortised cost	10.1	201,273	73,765	199,176	72,029
Financial assets at fair value through profit and loss (FVTPL)	10.2	114,957	254,618	113,393	245,069
Derivative assets	3	70	5,072	70	5,072
Total current other financial assets		316,300	333,455	312,639	322,170

Non-current

Other financial assets at amortised cost	10.1	77,310	6,626	75,010	4,668
Financial assets at fair value through profit and loss (FVTPL)	10.2	153,253	153,950	144,799	151,666
Investment in subsidiaries	10.3	-	-	11,325	9,534
Total non-current other financial assets		230,563	160,576	231,134	165,868

Total other financial assets		546,863	494,031	543,773	488,038
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Accounting policy

The consolidated entity classifies its financial assets as follows:

- those to be subsequently measured at fair value (either through profit or loss (FVTPL) or through other comprehensive income (FVTOCI)), and
- those to be measured at amortised cost.

The classification depends on the consolidated entity's business model for holding the financial assets and the contractual cash flow characteristics. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

For assets measured at fair value, gains and losses will either be recognised the FVTPL or FVTOCI. For investments in equity investments that are not held for trading, this will depend on whether the consolidated entity has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Financial assets held at amortised cost

Financial assets which are held to collect contractual cash flows (principal and interest) are recognised at amortised cost. Interest income from these financial assets is included in investment income using the effective interest rate method. Any gain or loss arising on derecognition directly in the income statement and presented in other gains/(losses) together with foreign exchange gains or losses. Impairment losses are presented separately in the Income Statement.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. They are held for sale in the near term; that is, for trading. These assets comprise the consolidated entity's investment funds which are managed as a pooled fund. Funds are invested in Australian equities, overseas equities, alternatives, fixed interest securities and property trusts under an approved investment policy (see Note 10.2). 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.

Purchases and sales of investments are recognised on trade date, the date on which the consolidated entity commits to purchase or sell the asset. Financial assets at FVTPL are carried in the Statement of Financial Position at fair value with net changes in fair value recognised in the Income Statement. Financial assets are derecognised when the right to receive cash flows expires or is transferred, and the consolidated entity transferred substantially all the risks and rewards of ownership. Upon derecognition the gain or loss is recognised in the Income Statement.

Endowed other financial assets

As at 31 December 2022, the Parent Entity held endowed financial assets of \$99.1 million (2021: \$105.3 million). These relate to donations and bequests from donors and are managed in accordance with donor wishes and for educational and research purposes.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

10. OTHER FINANCIAL ASSETS (continued)

CONSOLIDATED		PARENT ENTITY	
2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000

10.1 Other financial asset at amortised cost

Current

Funds at call	201,273	73,765	199,176	72,029
Total current other financial asset at amortised cost	201,273	73,765	199,176	72,029

Non-current

Term deposits	72,300	-	70,000	-
Fixed interest	-	1,958	-	-
Trust investments	5,010	4,668	5,010	4,668
Total non-current other financial asset at amortised cost	77,310	6,626	75,010	4,668

10.2 Financial assets at fair value through profit and loss (FVTPL)

Listed securities - managed funds, comprising:

Current

Australian equities	32,819	106,840	32,111	100,555
Overseas equities	82,138	147,778	81,282	144,514
Total current financial assets at FVTPL	114,957	254,618	113,393	245,069

Non-Current

Australian property	-	824	-	-
Non listed entities	153,253	153,126	144,799	151,666
Total non-current financial assets at FVTPL	153,253	153,950	144,799	151,666

Australian and overseas equities are classified as current assets as the consolidated entity, if required, would realise these within twelve months of the balance sheet date. All other investments are classified as non-current assets in line with the consolidated entity's strategy of holding them long term.

10.3 The consolidated entity's investment in subsidiaries relates to its investment in AMC Search Limited and UTAS Holdings Pty Ltd. Refer to Note 28 for further details.

11. OTHER NON-FINANCIAL ASSETS

Prepayments	23,808	25,522	23,783	25,463
Total other non-financial assets	23,808	25,522	23,783	25,463

Accounting policy

The consolidated entity recognises a prepayment as an asset when payments for goods or services have been made in advance of the consolidated entity obtaining a right to access those goods or services.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

12. PROPERTY, PLANT AND EQUIPMENT

(a) Consolidated - \$'000

Notes	Land	Buildings	Capital WIP	Plant, vehicles and equipment	Library	Works of art	Subtotal Property, plant and equipment (owned)	Right of use assets	Total
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At 1 January 2021

At cost	-	-	64,524	180,325	51,812	-	296,661	40,222	336,883
At valuation	174,074	531,112	-	-	-	10,000	715,186	-	715,186
Accumulated depreciation and impairment	-	(18,742)	-	(118,118)	(48,706)	-	(185,566)	(9,604)	(195,170)
Net book amount	174,074	512,370	64,524	62,207	3,106	10,000	826,281	30,618	856,899

Year ended 31 December 2021

Opening net book amount	174,074	512,370	64,524	62,207	3,106	10,000	826,281	30,618	856,899
Additions	8,615	191	114,297	4,426	-	74	127,603	6,838	134,441
Transfers between classes	-	68,676	(73,224)	8,915	-	-	4,367	(4,367)	-
Revaluation increment/(decrement)	21	-	-	-	-	-	-	(398)	(398)
Disposals	(510)	(5,028)	-	(568)	-	-	(6,106)	-	(6,106)
Impairment	-	-	(536)	-	-	-	(536)	(2,363)	(2,899)
Depreciation charge	4.2	-	(17,214)	-	(13,621)	(366)	(31,201)	(4,240)	(35,441)
Closing net book amount	182,179	558,995	105,061	61,359	2,740	10,074	920,408	26,088	946,496

At 31 December 2021

At cost	-	-	105,061	192,342	51,812	-	349,215	37,343	386,558
At valuation	182,179	595,655	-	-	-	10,074	787,908	-	787,908
Accumulated depreciation and impairment	-	(36,660)	-	(130,983)	(49,072)	-	(216,715)	(11,255)	(227,970)
Net book amount	182,179	558,995	105,061	61,359	2,740	10,074	920,408	26,088	946,496

Year ended 31 December 2022

Opening net book amount	182,179	558,995	105,061	61,359	2,740	10,074	920,408	26,088	946,496
Additions	-	1,822	124,472	5,727	-	43	132,064	2,313	134,377
Transfers between classes	596	47,720	(65,623)	8,428	-	(20)	(8,899)	-	(8,899)
Revaluation increment/(decrement)	21	45,746	94,093	-	-	-	139,839	-	139,839
Disposals	(1,001)	-	-	(25)	-	(10)	(1,036)	-	(1,036)
Depreciation charge	4.2	-	(18,626)	-	(14,115)	(352)	(33,093)	(3,793)	(36,886)
Closing net book amount	227,520	684,004	163,910	61,374	2,388	10,087	1,149,283	24,608	1,173,891

At 31 December 2022

At cost	-	-	163,910	206,472	51,812	-	422,194	39,656	461,850
At valuation	227,520	739,290	-	-	-	10,087	976,897	-	976,897
Accumulated depreciation and impairment	-	(55,286)	-	(145,098)	(49,424)	-	(249,808)	(15,048)	(264,856)
Net book amount	227,520	684,004	163,910	61,374	2,388	10,087	1,149,283	24,608	1,173,891

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

12. PROPERTY, PLANT AND EQUIPMENT (continued)

(b) Parent entity – \$'000

Notes	Land	Buildings	Capital WIP	Plant, vehicles and equipment	Library	Works of art	Subtotal Property, plant and equipment (owned)	Right of use assets	Total
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At 1 January 2021

At cost	-	-	64,524	178,008	51,812	-	294,344	40,222	334,566
At valuation	174,074	531,113	-	-	-	10,000	715,187	-	715,187
Accumulated depreciation and impairment	-	(18,743)	-	(116,364)	(48,706)	-	(183,813)	(9,604)	(193,417)
Net book amount	174,074	512,370	64,524	61,644	3,106	10,000	825,718	30,618	856,336

Year ended 31 December 2021

Opening net book amount	174,074	512,370	64,524	61,644	3,106	10,000	825,718	30,618	856,336
Additions	8,405	4	114,276	4,446	-	74	127,205	6,838	134,043
Transfers between classes	-	68,676	(73,224)	8,915	-	-	4,367	(4,367)	-
Revaluation increment/ (decrement)	21	-	-	-	-	-	-	(398)	(398)
Disposals	(510)	(5,028)	-	(525)	-	-	(6,063)	-	(6,063)
Impairment	-	-	(536)	-	-	-	(536)	(2,363)	(2,899)
Depreciation charge	4.2	-	(17,180)	-	(13,238)	(366)	(30,784)	(4,240)	(35,024)
Closing net book amount	181,969	558,842	105,040	61,242	2,740	10,074	919,907	26,088	945,995

At 31 December 2021

At cost	-	-	105,040	190,451	51,812	-	347,303	37,329	384,632
At valuation	181,969	595,464	-	-	-	10,074	787,507	-	787,507
Accumulated depreciation and impairment	-	(36,622)	-	(129,209)	(49,072)	-	(214,903)	(11,241)	(226,144)
Net book amount	181,969	558,842	105,040	61,242	2,740	10,074	919,907	26,088	945,995

Year ended 31 December 2022

Opening net book amount	181,969	558,842	105,040	61,242	2,740	10,074	919,907	26,088	945,995
Additions	-	1,822	124,469	5,721	-	43	132,055	2,313	134,368
Transfers between classes	596	47,720	(65,599)	8,282	-	(20)	(9,021)	-	(9,021)
Revaluation increment/ (decrement)	21	45,716	94,067	-	-	-	139,783	-	139,783
Disposals	(1,001)	-	-	(25)	-	(10)	(1,036)	-	(1,036)
Depreciation charge	4.2	-	(18,607)	-	(14,035)	(352)	(32,994)	(3,793)	(36,787)
Closing net book amount	227,280	683,844	163,910	61,185	2,388	10,087	1,148,694	24,608	1,173,302

At 31 December 2022

At cost	-	-	163,910	204,429	51,812	-	420,151	39,642	459,793
At valuation	227,280	683,844	-	-	-	10,087	921,211	-	921,211
Accumulated depreciation and impairment	-	-	-	(143,244)	(49,424)	-	(192,668)	(15,034)	(207,702)
Net book amount	227,280	683,844	163,910	61,185	2,388	10,087	1,148,694	24,608	1,173,302

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

12. PROPERTY, PLANT AND EQUIPMENT (continued)

Key estimates, judgements and accounting policy

Property, plant and equipment

Land, buildings and works of art are shown at fair value based on periodic valuations by external independent valuers, less subsequent depreciation. 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 and buildings)	Fair Value	Freehold land and buildings were revalued in 2022.
Plant and equipment	Cost	All plant and equipment items with a cost equal to or exceeding \$10,000 have been capitalised.
Library collections	Cost	All library items with a cost equal to or exceeding \$10,000 have been capitalised.
Works of art	Fair Value	A valuation of works of art was undertaken in 2019.

Revaluations are made with sufficient regularity to ensure that the carrying amount of land, buildings and works of art does not differ materially from their fair value at reporting date (Note 32).

Where land, buildings 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 the Income Statement, the increment is first recognised in the Income Statement. 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.

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

Capital Work in Progress (WIP)

Capital work in progress is recognised at cost and 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.

Depreciation

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Depreciable assets	2022	2021
Buildings	6 – 80 Years	6 – 80 Years
Right of use assets	2 – 45 Years	2 – 45 Years
Plant and equipment	2 – 40 Years	2 – 40 Years
Library collections	20 Years	20 Years

Land and works of art are not depreciated.

Useful lives of assets are reviewed on an annual basis.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

12. PROPERTY, PLANT AND EQUIPMENT (continued)

12.1 Right-of-use assets

CONSOLIDATED		PARENT ENTITY	
2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000

The consolidated entity leases vehicles and a number of properties in Hobart and across the state of Tasmania. Information about leases where the consolidated entity is a lessee is presented below:

Right-of-use Assets

	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
As at 1 January	26,088	30,618	26,088	30,618
Additions of right-of-use assets	2,313	10,233	2,313	10,233
Transfer between asset classes	-	(7,762)	-	(7,762)
Right-of-use assessment	-	(398)	-	(398)
Right-of-use impairment	-	(2,363)	-	(2,363)
Depreciation charge	(3,793)	(4,240)	(3,793)	(4,240)
As at 31 December	24,608	26,088	24,608	26,088

Accounting policy

Assessment of whether a contract is, or contains, a lease

At inception of a contract, the consolidated entity assesses whether a contract is, or contains a lease. A contract is, or contains a lease, if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The consolidated entity assesses whether:

- the contract involves the use of an identified asset – The asset may be explicitly or implicitly specified in the contract. A capacity portion of larger assets is considered an identified asset if the portion is physically distinct or if the portion represents substantially all of the capacity of the asset. The asset is not considered an identified asset, if the supplier has the substantive right to substitute the asset throughout the period of use,
- the consolidated entity as lessee has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use,
- the consolidated entity as lessee has the right to direct the use of the asset throughout the period of use. The lessee is considered to have the right to direct the use of the asset only if either:
 - it has the right to direct how and for what purpose the identified asset is used throughout the period of use, or
 - the relevant decisions about how and for what purposes the asset is used is predetermined and the lessee has the right to operate the asset, or the lessee designed the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

Accounting for lease – the consolidated entity as lessee

In contracts where the consolidated entity is a lessee, the consolidated entity recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied.

Right-of-use assets

A right-of-use asset is measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred in obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Concessionary (peppercorn) leases

Leased assets arising from significantly below market leases are measured at fair value at the inception of the lease whereas the lease liability is recognised at present value of peppercorn lease payment amounts. The difference between the right-of-use asset and lease liability is recorded as income in the Income Statement under AASB 1058. The consolidated entity has however elected, under AASB 2019-8 Amendments to Australia Accounting Standards - Right-of-Use Assets of Not-for-Profit Entities, to measure right-of-use assets arising under 'concessionary leases' at initial recognition at cost, in accordance with AASB 16 paragraphs 23–25, which incorporates the amount of the initial measurement of the lease liability.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

13. INTANGIBLE ASSETS

CONSOLIDATED		PARENT ENTITY	
2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000

Cost	96,288	85,181	96,269	85,162
Accumulated amortisation and impairment	(57,374)	(50,339)	(57,356)	(50,328)
Intangibles work in progress	16,446	7,827	16,382	7,827
Net book amount	55,360	42,669	55,295	42,661

Opening net book amount	42,669	47,443	42,661	47,433
Additions	11,107	1,954	11,107	1,954
Additions to intangibles work in progress	8,619	1,238	8,555	1,238
Amortisation charge	(7,035)	(7,966)	(7,028)	(7,964)
Closing net book amount	55,360	42,669	55,295	42,661

Accounting policy

Intangible assets that are acquired, developed or constructed by the consolidated entity are initially stated at cost and subsequently at cost less accumulated amortisation and impairment losses which represents any reduction in fair value. 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.

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

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:

Core business systems software	10 - 15 Years
Other minor software applications	3 Years
Other non software licences	Over the life of the licence

Included in the additions in intangibles for 2022 was \$5.5 million for the cost of constructing a carpark at Forster Street in the Inveresk Precinct in exchange for receiving an access licence to use 484 of the 852 carpark spaces for staff and students during the week. The agreement is a 20 year agreement with a 20 year additional option. As the agreement does not convey control of the car park, it was deemed to be classified as an intangible asset.

The car park is currently recognised in the balance sheet at cost, which was deemed as fair value based on an arm's length transaction to acquire the licence. As the move to the Inveresk Precinct is still in progress, there is currently insufficient data to support an alternative valuation.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

14. SERVICE CONCESSION ASSETS

	CONSOLIDATED		PARENT ENTITY	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
At valuation	249,935	223,649	249,935	223,649
Accumulated depreciation and impairment	-	-	-	-
Net book amount	249,935	223,649	249,935	223,649
Opening balance at valuation	223,649	145,747	223,649	145,747
Additions	3,191	81,420	3,191	81,420
Depreciation	(3,837)	(3,518)	(3,837)	(3,518)
Revaluation increment/(decrement)	26,932	-	26,932	-
Total service concession asset	249,935	223,649	249,935	223,649

Accounting policy

In 2017, the University executed a market transaction in respect of Purpose Built Student Accommodation (PBSA) assets, whereby it granted a 30 year licence to receive net rentals from these assets in exchange for payment of an upfront amount. The licensee is responsible for maintaining the asset condition to a pre-set regime and the University retains the operations of the premises. At the conclusion of the arrangement the asset will revert back to the University's control at a pre-agreed condition at which time the University will assume asset risk and rental revenue.

In 2019, the University entered into a joint arrangement with third parties to construct a Purpose Built Student Accommodation (PBSA) at 40-44 Melville Street, Hobart. The contract settled on 2 February 2021 resulting in an increase in service concession assets and the recognition of a corresponding grant of right to operate liability as per above arrangement.

Service concession assets are revalued at depreciated current replacement cost. Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, which range from 8 years to 75 years (2021: 8 to 75 years).

Revaluations are made with sufficient regularity to ensure that the carrying amount of service concession assets does not differ materially from their fair value at reporting date (Note 32).

15. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Current				
Property, plant and equipment assets classified as held for sale	16	-	16	-
Total non-current assets classified as held for sale	16	-	16	-

Accounting policy

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, 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.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

16. TRADE AND OTHER PAYABLES

	CONSOLIDATED		PARENT ENTITY	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current				
Creditors and accruals	64,438	38,573	63,986	37,495
Accrued interest payable	3,821	14	3,821	14
Amounts owed to controlled entities	-	-	8,569	5,040
Scholarships payable	637	1,526	637	1,526
OS-HELP liability and Tertiary Access Payment to Australian Government	3,814	3,627	3,814	3,627
Total current trade and other payables	72,710	43,740	80,827	47,702
Non-current				
Scholarships payable	315	882	315	882
Total non-current trade and other payables	315	882	315	882
Total trade and other payables	73,025	44,622	81,142	48,584

Accounting policy

Creditors and accruals 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.

Creditors and accruals include refund liabilities related to research contracts with customers of \$0.18 million (2021: \$0.14 million). A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the consolidated entity ultimately expects it will have to return to the customer. The consolidated entity updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

17. BORROWINGS

Current				
Overnight borrowing	-	70,000	-	70,000
Lease liabilities	2,976	3,181	2,976	3,181
Total current borrowings	2,976	73,181	2,976	73,181
Non-current				
Unsecured green bond issuance - interest bearing	350,000	-	350,000	-
Lease liabilities	7,026	9,697	7,026	9,697
Total non-current borrowings	357,026	9,697	357,026	9,697
Total borrowings	360,002	82,878	360,002	82,878

On 24 March 2022 Tascorp debt of \$70 million was repaid and the Tascorp Master Loan Facility Agreement together with the Tascorp overdraft facility ceased.

On the same day the University received proceeds of \$350 million from a dual tranche debt issuance for Green Bonds:

- \$280 million issued for 10 years at a rate of 3.97%
- \$70 million issued for 20 years at 4.45%

The issue was rated by Moody's as Aa2.

A \$50 million ANZ bi-lateral overdraft facility was also established.

The University operates under a borrowing limit established by the Treasurer of the State of Tasmania, the limit as at 31 December 2022 is \$400 million.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

17. BORROWINGS (continued)

CONSOLIDATED		PARENT ENTITY	
2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000

a) Financing arrangements

At balance date the following lines of credit were established:

Loan facility agreements

	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Green bond issuance	350,000	-	350,000	-
Bi-lateral loan facilities	50,000	-	50,000	-
Tascorp loan facilities	-	145,000	-	145,000
Used at balance date	(350,000)	(70,000)	(350,000)	(70,000)
Unused at balance date	50,000	75,000	50,000	75,000

Business card facility

	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Total facility	4,000	3,000	4,000	3,000
Used at balance date	-	-	-	-
Unused at balance date	4,000	3,000	4,000	3,000

Bank guarantee facility

	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Total facility	2,000	1,000	2,000	1,000
Used at balance date	(818)	(624)	(818)	(624)
Unused at balance date	1,182	376	1,182	376

b) Fair value

The fair values of borrowings are set out in Note 32.

c) Risk exposure

The exposure of the consolidated entity's borrowings to interest rate changes and contractual repricing at the balance dates are as follows:

	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Within one year	2,976	73,181	2,976	73,181
Between one and five years	6,259	8,437	6,259	8,437
Later than five years	350,767	1,260	350,767	1,260
Total borrowings	360,002	82,878	360,002	82,878

	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current borrowings	2,976	73,181	2,976	73,181
Non-current borrowings	357,026	9,697	357,026	9,697
Total borrowings	360,002	82,878	360,002	82,878

All borrowings are in Australian Dollars. For an analysis of the sensitivity of borrowings to interest rate risk refer to Note 31.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

17. BORROWINGS (continued)

d) Reconciliation of liabilities arising from financing activities	2021 \$'000	Cash flows \$'000	Non-cash changes			2022 \$'000
			Acquisition/ Disposal \$'000	Fair Value Changes \$'000	Initial recognition \$'000	
Long-term borrowings	-	350,000	-	-	-	350,000
Short-term borrowings	70,000	(70,000)	-	-	-	-
Lease liabilities	12,878	(2,876)	-	-	(1)	10,002
Total liabilities from financing activities	82,878	277,124	-	-	(1)	360,002

Accounting policy

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.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

18. PROVISIONS

	Notes	CONSOLIDATED		PARENT ENTITY	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current					
Annual leave		28,030	28,406	27,639	27,918
Long service leave		36,709	33,965	36,307	33,468
Superannuation – defined benefits schemes	33	931	1,124	931	1,124
Other employee related provisions	24	14,529	11,763	14,529	11,763
Other provisions		929	917	900	900
Total current provisions		81,128	76,175	80,306	75,173
Non-current					
Long service leave		15,402	15,506	15,219	15,447
Superannuation – defined benefits schemes	33	7,735	9,423	7,735	9,423
Total non-current provisions		23,137	24,929	22,954	24,870
Total provisions		104,265	101,104	103,260	100,043
(1) Annual leave liabilities include the following labour on-costs		5,441	5,494	5,379	5,448
(2) Long service leave liabilities include the following labour on-costs		10,174	9,659	10,069	9,559

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

18. PROVISIONS (continued)

Key estimates, judgements and accounting policy

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 liability for leave provision balances resides with the entity that has the employment contract with the employee.

Employee benefits:

Wages and salaries, and sick leave

Liabilities for short-term employee benefits including wages and salaries are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before 12 months after the end of the reporting period, and is recognised in other 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.

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 as they become payable.

Other employee related provisions

Other employee related costs and provisions are recognised as an expense and liability when it is probable that there is a present obligation and the amount at settlement can be measured reliably, for example the consolidated entity has approved a detailed and formal restructuring plan, and the restructuring has either commenced or been announced.

Other employee related provisions includes a provision of \$14.3 million (2021 \$11.0 million) relating to historical payment shortfalls of staff salaries and subsequent interest. On the 3rd of February 2022 the parent entity notified staff that it had identified issues concerning possible payment shortfalls of staff, which a number of Australian universities have experienced. The parent entity engaged third party specialists to undertake a review of payroll that covered the period dating back to 6 March 2014. During 2021 the review covered the period where the parent entity's payroll had been managed within the current software system, 6 March 2016 to 21 December 2021, resulting in recognition of a provision of \$11.0 million. During 2022 further analysis has been undertaken to extend the period of review to 6 March 2014 through to 20 December 2022, including the accrual of further interest. This has resulted in an increase in the provision to \$14.3 million. It is anticipated that the required rectification payments will commence in 2023. Please refer to Note 24 - Contingencies for further details of the review.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

19. CONTRACT LIABILITIES

	CONSOLIDATED		PARENT ENTITY	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current				
Student fees	26,100	31,853	26,100	31,853
Research grants and contracts	67,209	65,448	67,209	65,448
Capital grants and other	30,516	81,629	30,395	81,553
Australian Government unspent financial assistance	18,933	28,480	18,933	28,480
Total current contract liabilities	142,758	207,410	142,637	207,334
Non-current				
Research grants and contracts	40,352	43,082	40,352	43,082
Australian Government unspent financial assistance	6,125	7,350	6,125	7,350
Total non-current contract liabilities	46,477	50,432	46,477	50,432
Total contract liabilities	189,235	257,842	189,114	257,766

Key estimates, judgements and accounting policy

Contract liabilities arise from contracts with customers and represent revenue received from or invoiced to customers for which the performance obligations have not yet been met. Significant judgement is applied to assess if a grant or contract is legally enforceable and contains sufficiently specific performance obligations. This assessment is required to determine when the revenue should be recognised in the Income Statement, and consequently when it should be recognised as a contract liability and recognised in subsequent years once the performance obligations have been met.

Australian Government unspent financial assistance represents funding received but not spent and also includes unspent Higher Education Loan Program (HELP) funds.

Unsatisfied performance obligations

Remaining performance obligations represent services the consolidated entity has promised to provide to customers under agreements for research services which are satisfied as the goods or services are provided over the contract term. The consolidated entity uses the input method to determine the transaction price allocated to the remaining performance obligations in its contracts with customers. The input method recognises revenue on the basis of the consolidated entity's efforts or inputs to the satisfaction of a performance obligation; the consolidated entity uses costs incurred to measure its efforts or inputs to the satisfaction of a performance obligation.

For customer contracts with terms of one year or less, or where revenue is recognised using the 'right to invoice' method of recognising revenue, as permitted under AASB 15, disclosures are not required in relation to the transaction price allocated to these unsatisfied performance obligations.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

20. OTHER LIABILITIES

	CONSOLIDATED		PARENT ENTITY	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current				
Bonds and deposits held	711	592	711	592
Monies held on behalf of other entities	-	4	-	4
Derivative liabilities	3	157	157	5,169
Grant of right to operate	6,248	6,207	6,248	6,207
Total other liabilities – current	7,116	11,972	7,116	11,972
Non-current				
Grant of right to operate	167,743	174,177	167,743	174,177
Total other liabilities – non-current	167,743	174,177	167,743	174,177
Total other liabilities	174,859	186,149	174,859	186,149

Key estimates, judgements and accounting policy

Grant of right to operate relates to funds received upfront in relation to arrangements with the private sector for the provision of student accommodation (Purpose Built Student Accommodation (PBSA) – Note 14). The remaining term of these arrangements is 29 years (2021: 30 years) and the income is to be recognised over the arrangement term.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

21. EQUITY

	Notes	CONSOLIDATED		PARENT ENTITY	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Reserves					
Asset revaluation reserve					
Balance at end of previous year		216,998	216,998	216,998	216,998
Add: revaluation increment/(decrement) on land	12	45,746	-	45,716	-
Add: revaluation increment/(decrement) on buildings	12	94,093	-	94,067	-
Add: revaluation increment/(decrement) on service concession assets	14	26,932	-	26,932	-
Balance at end of year		383,769	216,998	383,713	216,998

Statutory funds

Balance at end of previous year		146,082	123,086	146,082	123,086
Current year movements		467	22,996	467	22,996
Balance at end of year		146,549	146,082	146,549	146,082

Retained earnings

Balance at end of previous year		779,331	636,247	772,548	625,402
Other comprehensive income		901	140	901	140
Result		43,071	165,940	37,644	170,002
Movement and transfer in statutory funds		(467)	(22,996)	(467)	(22,996)
Balance at end of year		822,836	779,331	810,626	772,548

Accounting policy

Statutory funds

The Statement of Comprehensive Income combines a number of funds which, under granting conditions, cannot be utilised for general purpose expenditure. These are referred to as Statutory Funds, and comprise:

- Trust funds – donations for endowments and specified purposes such as prizes and scholarships, and
- Other statutory funds – specific research grants, consultancies and other contract funds.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

22. KEY MANAGEMENT PERSONNEL DISCLOSURES

22.1 Remuneration of Council Members

The Council is the governing body of the University. The following individuals were responsible persons and executive officers during 2022.

Name	Position	Term expiry
Ms Alison Watkins AM	Chancellor	31/12/2025
Professor Rufus Black	Vice-Chancellor	28/2/2023
Professor Natalie Brown	Chair, Academic	31/12/2023
Ms Sheree Vertigan AM	Appointed by Minister of Education	31/12/2023
Ms Tara Howell	Appointed by Minister of Education	31/12/2023
Ms Sarah-Jayne Hall	Appointed by Council	31/12/2024
Ms Alicia Leis	Appointed by Council	10/02/2025
Professor Peter Dawkins AO	Appointed by Council	30/06/2024
Mr James Groom	Deputy Chancellor - appointed by Council	31/12/2024
Mr Harvey Gibson	Deputy Chancellor - appointed by Council	31/12/2022
Professor James Kirkpatrick	Elected by Academic Staff	31/12/2022
Ms Kate Bramich	Elected by Professional Staff	31/12/2022
Ms Jacqueline Saward	Student appointed by Council	31/12/2022

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:

	CONSOLIDATED		PARENT ENTITY	
	2022 No.	2021 No.	2022 No.	2021 No.
\$0 to \$14,999	2	5	2	5
\$15,000 to \$29,999	8	5	8	5
\$30,000 to \$44,999	-	3	-	3
\$45,000 to \$59,999	2	2	2	2
\$75,000 to \$89,999	1	-	1	-
	13	15	13	15

Aggregate remuneration of Council Members	\$342,832	\$329,130	\$342,832	\$329,130
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Certain members of Council also receive remuneration in respect of their ongoing employment as a University staff member. The Vice-Chancellor and Chair, Academic Senate do not receive remuneration for service on the Council.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

22. KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

22.2 Other Key Management Personnel

The University had the following executives who also had authority and responsibility for planning, directing and controlling the activities of the University during 2022

Name	Position	Term expiry
Professor Rufus Black	Vice-Chancellor and President	Full year
Professor Jane Long	Provost	Part year
Professor Anthony Koutoulis	Deputy Vice-Chancellor (Research)	Full year
Professor Martin Grimmer	Deputy Vice-Chancellor (Academic)	Part year
Mr Craig Barling	Vice President Strategy, Finance and Marketing	Full year
Mr David Clerk	Chief Operating Officer	Part year

Following the departure of the Provost in August 2022, the Deputy Vice-Chancellor (Academic) assumed greater authority and responsibility for planning and directing the activities of the University as a whole.

Other key management personnel remuneration	CONSOLIDATED		PARENT ENTITY	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Short-term employee benefits	2,891	2,854	2,891	2,854
Post-employment benefits	314	277	314	277
Other long-term benefits	93	75	93	75
Total other key management personnel remuneration	3,298	3,206	3,298	3,206

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

22. KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

The number of executive positions where the total remuneration (including salary, superannuation and other benefits) for the reporting period was paid within bands of \$10,000 were:

Remuneration of executive officers

	CONSOLIDATED		PARENT ENTITY	
	2022 No.	2021 No.	2022 No.	2021 No.
180,000 to 189,999	1	-	1	-
360,000 to 369,999	1	-	1	-
420,000 to 429,999	-	1	-	1
490,000 to 499,999	1	1	1	1
500,000 to 509,999	1	-	1	-
590,000 to 599,999	-	1	-	1
690,000 to 699,999	-	1	-	1
720,000 to 729,999	1	-	1	-
980,000 to 989,999	-	1	-	1
1,010,000 to 1,019,999	1	-	1	-
	6	5	6	5

Aggregate remuneration of executives	\$3,297,686	\$3,206,582	\$3,297,686	\$3,206,582
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Other transactions with key management personnel

All transactions with members of Council and key management personnel or their related entities are conducted at arm's length, at normal market prices and on normal commercial terms.

The Vice-Chancellor donated \$100,000 (2021: \$100,000) of his remuneration to the University for scholarships.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

23. REMUNERATION OF AUDITORS

The following fees were payable for services provided to the consolidated entity by the auditor and non-related audit firms:

CONSOLIDATED		PARENT ENTITY	
2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000

Audit of the financial statements

Tasmanian Audit Office	240	201	179	172
Total remuneration for the audit of financial statements	240	201	179	172

Other audit and assurance services

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

Tasmanian Audit Office	18	23	18	23
KPMG	294	285	294	285
Deloitte	16	11	2	11
CyberCX Pty Ltd	75	22	75	22
Other assurance services	35	5	31	2
Total remuneration for other audit and assurance services	438	346	420	343

Total remuneration of auditors	678	547	599	515
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NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

24. CONTINGENCIES

The parent entity had the following contingent liabilities at 31 December 2022:

Contract performance guarantee with Launceston City Council (expiry 26/06/2023)

- 2022: \$123 thousand (2021: \$nil)

Contract performance guarantee with Launceston City Council (expiry 26/08/2023)

- 2022: \$125 thousand (2021: \$125 thousand)

Contract performance guarantee with Tasmanian Water and Sewerage Corporation Pty Ltd (expiry 30/06/2023)

- 2022: \$468 thousand (2021: \$nil)

Contract performance guarantee with Launceston City Council (expiry 14/05/2027)

- 2022: \$104 thousand (2021: \$nil)

The parent entity is acting as guarantor for a rental agreement entered into by Blue Economy Cooperative Research Centre expiring on 31 December 2027 for \$2.7 million (2021: \$3.3 million).

The University has joined the National Redress Scheme that was established following the Royal Commission into Institutional Child Sexual Abuse. The University may recognise future liabilities in the event an allegation is made against the University under the Scheme. Any allegations will be evaluated on a case by case basis. To date no claims have been received and at this time no actual or contingent liability exists.

On the 3rd of February 2022 the parent entity notified staff that it had identified issues concerning possible payment shortfalls of staff, which a number of Australian universities have experienced. The parent entity undertook a review of payroll that covered the period dating back to 6 March 2014. There are two stages of the review. Stage one relates to a review of payments made for time worked by staff paid under the University's Enterprise Agreement. This stage has been largely completed and the review identified an estimated payment shortfall of \$9.96 million (on average \$1.1 million for each year, representing 0.3% of the parent entity's annual payroll), after allowing for interest and on-costs, the Parent entity has included a provision of \$14.3 million (2021: \$11.0 million) in its Financial Statements for the reporting period ended 31st December 2022 (refer to Other Employee Related Provisions – Note 18). Stage two of the project includes a review of allowances, loadings, leave accruals and deductions, and a sample review of superannuation and termination payments. This review has commenced and is expected to be completed in the first half of 2023. Until stage 2 of the review is completed, the parent entity is unable to quantify the additional amount of any provision required.

The consolidated entity has no other material contingent liabilities. There were no contingent assets as at 31 December 2022.

25. COMMITMENTS

CONSOLIDATED		PARENT ENTITY	
2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000

Capital expenditure commitments

Contracted but not provided for and payable not later than one year	108,353	13,248	108,353	13,248
Later than one year but not later than five years	21,676	-	21,676	-
Later than five years	-	-	-	-
Total capital expenditure commitments	130,029	13,248	130,029	13,248

Capital expenditure commitments includes \$96.1 million (2021: \$9.6 million) for the Northern Transformation project.

Lease commitments not recognised as liabilities

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

Within one year	45	82	45	82
Later than one year but not later than five years	65	85	65	85
Later than five years	-	2	-	2
Total short term/low value lease commitments	110	169	110	169

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

26. LEASES

CONSOLIDATED		PARENT ENTITY	
2022	2021	2022	2021
\$'000	\$'000	\$'000	\$'000

26.1 The consolidated entity as lessor

Operating leases

	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Lease income	4,075	2,077	4,039	2,077

Operating leases as a Lessor

Maturity analysis of undiscounted lease payments:

	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Within one year	897	1,852	897	1,852
Later than one year but not later than five years	2,310	4,087	2,310	4,087
Later than five years	612	831	612	831
Total undiscounted lease payments receivable	3,819	6,770	3,819	6,770

Accounting policy

Policy on assessment of whether a contract is, or contains, a lease is detailed in Note 12.1.

The consolidated entity as a lessor

When the consolidated entity acts as a lessor, it determines at inception whether each lease is a finance lease or an operating lease. To classify each lease, the consolidated entity makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the consolidated entity considers indicators such as whether the lease is for the major part of the economic life of the asset. The consolidated entity reassesses the lease classification only if there is a lease modification. Changes in estimates (e.g. changes in estimates of the economic life or of the residual value of the underlying asset), or changes in circumstances (e.g. default by the lessee), do not give rise to a new classification of a lease for accounting purposes.

The consolidated entity recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

Where the lease is classified as a finance lease, the consolidated entity recognises assets held under a finance lease in its Statement of Financial Position and presents them as a receivable at an amount equal to the net investment in the lease. Subsequently, the consolidated entity recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

26.2 The consolidated entity as lessee

Amounts recognised in the income statement:

	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Interest on lease liabilities	341	435	341	435
Lease expenses (excluding short term leases or low-value assets)	912	503	917	503
Total amounts recognised in the income statement	1,253	938	1,258	938

Maturity analysis – undiscounted contractual cash flows:

	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Within one year	3,260	3,517	3,260	3,517
Later than one year but not later than five years	7,364	9,320	7,364	9,320
Later than five years	767	1,101	767	1,101
Total undiscounted contractual cash flows	11,391	13,938	11,391	13,938

	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Lease liabilities recognised in the Statement of Financial Position	10,002	12,878	10,002	12,878

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

26. LEASES (continued)

CONSOLIDATED		PARENT ENTITY	
2022	2021	2022	2021
\$'000	\$'000	\$'000	\$'000

26.2 The consolidated entity as lessee (continued)

	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current	2,976	3,181	2,976	3,181
Non-current	7,026	9,697	7,026	9,697
Total lease liabilities recognised in the Statement of Financial Position	10,002	12,878	10,002	12,878

The leases as at 31 December 2022 relate to property \$9.7 million (2021: \$12.6 million) and motor vehicles \$0.3 million (2021: \$0.3 million).

Amounts recognised in statement of cash flows:

	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Total cash outflow for leases	(2,876)	(3,101)	(2,876)	(3,101)

Accounting policy

Lease liabilities – the consolidated entity as lessee

Policy on assessment of whether a contract is, or contains, a lease is detailed in Note 12.1.

Lease liability

A lease liability is initially measured at the present value of unpaid lease payments at the commencement date of the lease. To calculate the present value, the unpaid lease payments are discounted using the interest rate implicit in the lease if the rate is readily determinable. If the interest rate implicit in the lease cannot be readily determined, the incremental borrowing rate at the commencement date of the lease is used.

Lease payments included in the measurement of lease liabilities comprise:

- Fixed payments, including in-substance fixed payments,
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (e.g. payments varying on account of changes in CPI),
- Amounts expected to be payable by the lessee under residual value guarantees,
- The exercise price of a purchase option if the consolidated entity is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequently, the lease liability is measured at amortised cost using the effective interest rate method resulting in interest expense being recognised as a borrowing cost in the income statement. The lease liability is remeasured when there are changes in future lease payments arising from a change in an index or rate with a corresponding adjustment to the right-of-use asset, or where there are other changes to the lease such as change in a lease term or change in the assessment of an option to purchase the underlying asset. The adjustment amount is factored into amortisation of the right-of-use asset prospectively.

Right-of-use assets are presented within property, plant and equipment in Note 12.1 and lease liabilities are presented as borrowings in Note 17.

Short-term leases and leases of low-value assets

The consolidated entity has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets i.e., when the value of the leased asset when new is \$10,000 or less. The consolidated entity recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

26.3 Concessionary leases

The consolidated entity has a number of concessionary (peppercorn) leases, where it pays rent at a below market rent. As at 31 December 2022, there were three material concessionary leases: the Makers Workshop in Burnie, Hunter Street buildings in Hobart and land relating to the Forster Street carpark in Launceston.

Accounting policy

Refer to Note 14.1 for accounting policy related to concessionary leases.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

27. 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 28.

(c) Key management personnel

Disclosures relating to Council Members and specified executives are set out in Note 22.

PARENT ENTITY	
2022 \$'000	2021 \$'000

(d) Transactions with related parties/controlled entities

	2022 \$'000	2021 \$'000
Sale of goods and services to controlled entities	3,583	914
Purchase of goods and services from controlled entities	1,876	1,324

(e) Loans to/(from) related parties/controlled entities

	2022 \$'000	2021 \$'000
Loan to controlled entities - Beginning of the year	512	1,801
Funds advanced to related parties / controlled entities	53	3,754
Funds received from related parties / controlled entities	(8,559)	(5,043)
Loans to/(from) controlled entities - end of year	(7,994)	512

(f) Outstanding balances

Current receivables (sale of goods and services)

	2022 \$'000	2021 \$'000
Controlled entities	17	-
Total current receivables	17	-

Current payables (purchases of goods)

	2022 \$'000	2021 \$'000
Controlled entities	55	20
Total current payables	55	20

28. CONTROLLED ENTITIES

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 1.2:

Name of entity	Foot note	Principal place of business	Ownership Interest	
			2022 %	2021 %
AMC Search Limited		Australia	100	100
UTAS Properties Pty Ltd		Australia	100	100
UTAS Holdings Pty Ltd		Australia	100	100
Tasmanian University Student Association (TUSA)	1	Australia	-	-
Sense-Co Tasmania Pty Ltd	2	Australia	-	80
Ozluna Pty Ltd	3	Australia	100	-

1. TUSA is not a subsidiary of the University but is considered to be a controlled entity as the University has significant control over their funding.

2. Sense-Co Tasmania Pty Ltd cancelled its ABN on 21 January 2022 and voluntarily deregistered.

3. Ozluna Pty Ltd was incorporated on 29 June 2022 and is a wholly owned subsidiary of UTAS Holdings Pty Ltd.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

29. NOTES TO THE STATEMENT OF CASH FLOWS

(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:

Notes	CONSOLIDATED		PARENT ENTITY	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Cash at bank and on hand	89,658	11,436	88,800	11,151
Short-term deposits and bills	40,000	1,695	40,000	-
	129,658	13,131	128,800	11,151

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

	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Result	43,071	165,940	37,644	170,002
Capital grants	(40,297)	(104,978)	(40,252)	(104,978)
Depreciation and amortisation	4.2	47,758	46,925	47,652
(Profit)/loss on sale of property, plant and equipment	(9,015)	1,898	872	1,889
Impairment of assets	12	-	2,899	-
Movement in realised/unrealised (gains)/losses on investments	3	37,881	(70,050)	36,237
Share of profit/(loss) on investments using the equity method	9	23	-	-
Net actuarial (gains)/losses in respect of superannuation plans	33(c)	901	140	901

Change in Assets and Liabilities

	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
(Increase)/decrease in receivables and contract assets	(4,681)	(21,667)	(4,458)	(21,810)
(Decrease)/increase in provision for impaired receivables	6	(782)	(1,410)	(782)
(Increase)/decrease in inventories	7	(12)	(270)	(12)
(Increase)/decrease in other non-financial assets		1,714	(11,847)	1,680
(Decrease)/increase in payables		28,271	5,548	28,915
(Decrease)/increase in provisions		2,260	6,993	2,316
(Decrease)/increase in unspent financial assistance		(10,772)	14,073	(10,772)
(Decrease)/increase in other liabilities		(64,237)	47,593	(64,272)
Net cash provided or used by operating activities	32,083	81,787	35,669	85,774

30. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

No significant events have occurred.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

31. FINANCIAL RISK MANAGEMENT

Financial Risk Management Objectives and Policies

The University's Council has overall responsibility for the establishment and oversight of the consolidated entity's risk management framework. The Council established:

- The Audit and Risk Committee, which meets regularly to monitor and evaluate the consolidated entity's risk management framework;
- The Investment Advisory Panel which monitors and advises on investment strategy and performance.

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

a) 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 expected credit loss. The consolidated entity has no significant concentrations of credit risk. The trade receivables balance is spread across a large number of different customers with no single non Government debtor representing more than 10% of the total balance due (2021: 15%). Accounts receivable credit terms are 30 days. The consolidated entity invests significant term deposits with major banks within set counterparty limits prescribed in the treasury procedure to manage credit risk.

Set out below is the information about credit risk exposures on trade receivables as at 31 December 2022

	<30 days \$'000	30-60 days \$'000	61-90 days \$'000	> 91 days \$'000	Total \$'000
Gross carrying amount	13,196	1,006	37	12,127	26,366
Expected credit loss	-	-	-	(801)	(801)
Net carrying amount	13,196	1,006	37	11,326	25,565

Set out below is the information about credit risk exposures on trade receivables as at 31 December 2021

	<30 days \$'000	30-60 days \$'000	61-90 days \$'000	> 91 days \$'000	Total \$'000
Gross carrying amount	13,029	1,286	5,514	1,283	21,112
Expected credit loss	-	-	-	(1,283)	(1,283)
Net carrying amount	13,029	1,286	5,514	-	19,829

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

31. FINANCIAL RISK MANAGEMENT (continued)

b) 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 have sufficient liquidity to meet its liabilities through maintenance of sufficient liquid assets and borrowing facilities and active monitoring of cash flow forecasts. The following table summarises the maturity of the consolidated financial assets and financial liabilities:

Consolidated	Average interest rate % p.a.	Non interest bearing \$'000	Floating \$'000	"1 year or less" \$'000	Over 1 year to 5 years \$'000	"More than 5 years" \$'000	Carrying amount in Statement of Financial Position \$'000
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31 December 2022

Financial assets

Cash and cash equivalents	3.43	-	89,658	40,000	-	-	129,658
Receivables	n/a	64,654	-	-	-	-	64,654
Other financial assets	3.03	268,210	34,653	174,000	70,000	-	546,863
Total financial assets		332,864	124,311	214,000	70,000	-	741,175

Financial liabilities

Payables	n/a	73,025	-	-	-	-	73,025
Borrowings	4.07	10,002	-	-	-	350,000	360,002
Total financial liabilities		83,027	-	-	-	350,000	433,027

31 December 2021

Financial assets

Cash and cash equivalents	0.10	-	11,436	1,695	-	-	13,131
Receivables	n/a	60,291	-	-	-	-	60,291
Other financial assets	0.22	408,568	83,505	-	1,958	-	494,031
Total financial assets		468,859	94,941	1,695	1,958	-	567,453

Financial liabilities

Payables	n/a	44,622	-	-	-	-	44,622
Borrowings	0.65	12,878	70,000	-	-	-	82,878
Total financial liabilities		57,500	70,000	-	-	-	127,500

c) 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.

d) Interest rate risk

The consolidated entity is not exposed to interest rate risk on its long term borrowings as they are at a fixed interest rate. It has minimal exposure to interest rate risk through its holdings of cash and other short term assets, and short term borrowings.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

31. FINANCIAL RISK MANAGEMENT (continued)

e) Derivative financial instruments

The consolidated entity holds derivative financial instruments to hedge its foreign currency and equity price risk exposures. Derivatives are initially recognised at fair value on the date a contract is entered into and are subsequently measured at fair value.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The fair value of derivative contracts is determined by estimating the difference between the relevant market prices and the contract strike price for the notional volumes of the derivative contracts. At 31 December 2022 three foreign exchange contracts were in place totalling USD 2.414 million and EURO 6.718 million to hedge foreign currency exposures measured at fair value through profit and loss.

f) Market risk

Exposure to other price risk arises due to the inherent risk of unfavourable movements in the market value of the consolidated entity's investments. The investments mainly comprise investments in public and private assets. The investment fund has a longer-term objective, reflective of its endowment style investment strategy. It is acknowledged there may be short-term fluctuations in asset values from time to time with such a strategy.

Investment risk exposure is monitored by the Investment Advisory Panel within approved risk parameters that are reviewed on at least an annual basis with advice from external advisors. Investments are diversified across investment managers and public and private assets.

Investment allocation decisions for longer-term investment funds are managed to achieve:

- a zero-carbon future in accordance with the Intergovernmental Panel on Climate Change (IPCC) target to limit global warming to 2 degrees celsius and which considers the United Nations Sustainable Development Goals
- the transformational energy transition required to achieve a zero-carbon future
- no fossil fuel investments in companies that remain committed to a fossil fuels future, including extraction, processing and or transportation.

g) 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				MARKET 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
Consolidated									
31 December 2022									
Financial assets									
Cash and cash equivalents	129,658	(648)	(648)	1,297	1,297	n/a	n/a	n/a	n/a
Other financial assets	546,863	(1,393)	(1,393)	2,787	2,787	(26,821)	(26,821)	26,821	26,821
Total financial assets	676,521	(2,041)	(2,041)	4,084	4,084	(26,821)	(26,821)	26,821	26,821
Financial liabilities									
Borrowings	360,002	n/a	n/a	n/a	n/a	n/a	na	na	na
Total financial liabilities	360,002	-	-	-	-	-	-	-	-

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

31. FINANCIAL RISK MANAGEMENT (continued)

	Carrying amount \$'000	INTEREST RATE RISK				MARKET 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
Consolidated									
31 December 2021									
Financial assets									
Cash and cash equivalents	13,131	(66)	(66)	131	131	n/a	n/a	n/a	n/a
Other financial assets	494,031	(402)	(402)	804	804	(41,364)	(41,364)	41,364	41,364
Total financial assets	507,162	(468)	(468)	935	935	(41,364)	(41,364)	41,364	41,364
Financial liabilities									
Borrowings	82,878	(350)	(350)	700	700	n/a	n/a	n/a	n/a
Total financial liabilities	82,878	(350)	(350)	700	700	-	-	-	-

Method and underlying assumptions of the sensitivity analysis:

1. The variation in interest rate risk takes into account interest rate movements during 2022 and future expectations.
2. A variation range of +/- 10% is estimated for other price risk based on investment returns over the past three years.
3. The University's foreign exchange risk is considered minimal.
4. \$350 million of long term loans at fixed interest rates (2021: \$70 million of short term overnight loans).

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

32. FAIR VALUE MEASUREMENTS

a) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement 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	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial assets					
Cash and cash equivalents	5	129,658	13,131	129,658	13,131
Receivables	6	64,654	60,291	64,654	60,291
Other financial assets	10	546,863	494,031	546,863	494,031
Total financial assets		741,175	567,453	741,175	567,453
Financial liabilities					
Payables	16	73,025	44,622	73,025	44,622
Borrowings	17	360,002	82,878	320,406	82,878
Total financial liabilities		433,027	127,500	393,431	127,500

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

- Financial assets at fair value through profit or loss
- Land and buildings
- Works of art
- Assets valued at fair value and classified as held for sale
- Service concession asset

b) Fair value hierarchy

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

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

i) Recognised fair value measurements

Fair value measurements recognised in the Statement of Financial Position are categorised into the following levels:

Fair value measurements at 31 December 2022

	Notes	2022	Level 1	Level 2	Level 3
		\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements					
Financial assets					
Other financial assets	10	546,863	393,610	153,253	-
Total financial assets		546,863	393,610	153,253	-
Non-financial assets					
Land	12	227,520	-	227,520	-
Buildings	12	684,004	-	-	684,004
Works of art	12	10,087	-	10,087	-
Service concession asset	14	249,935	-	-	249,935
Total non-financial assets		1,171,546	-	237,607	933,939

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

32. FAIR VALUE MEASUREMENTS (continued)

Fair value measurements at 31 December 2021

Notes	2021	Level 1	Level 2	Level 3	
	\$'000	\$'000	\$'000	\$'000	
Recurring fair value measurements					
Financial assets					
Other financial assets	10	494,031	349,232	144,799	-
Total financial assets		494,031	349,232	144,799	-
Non-financial assets					
Land	12	182,179	-	182,179	-
Buildings	12	558,995	-	-	558,995
Works of art	12	10,074	-	10,074	-
Service concession asset	14	223,649	-	-	223,649
Total non-financial assets		974,897	-	192,253	782,644

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

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

i) Level 2 fair values

Land, buildings and service concession assets: These assets are independently valued at regular intervals. An independent valuation of the University's land was performed by Mr Heinz Lindermann of Marsh Valuation Services during 2022. The valuation was performed to determine fair value in accordance with AASB 116 *Property, Plant and Equipment*. The fair value for land was determined on a market valuation basis.

Works of art: These assets are valued independently at regular intervals. An independent valuation of the University's works of art over \$5,000 was performed by Ms Rosanna Cameron during 2019. Works of art were valued by comparing selling prices of present pieces by the same artist. Management has assessed the remaining collection and deem that the carrying value represents the fair value.

Derivative contracts: Fair values are determined by estimating the difference between the relevant market rate and the contract strike rate, for the notional volume of the derivative contracts. Foreign currency derivative contracts are adjusted to fair value by comparing the contracted rate to the relevant market rate.

ii) Level 3 fair values

Buildings and service concession assets are valued independently at regular intervals. An independent valuation of the University's buildings and service concession assets was performed by Mr Heinz Lindermann of Marsh Valuation Services during 2022. The valuation was performed to determine fair value in accordance with AASB 116. The fair value was determined by employing current depreciated replacement cost.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

32. FAIR VALUE MEASUREMENTS (continued)

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

The following table is a reconciliation of level 3 items for the period ended 31 December 2022 and 2021.

	Other financial assets \$'000	Buildings \$'000	Land \$'000	Works of art \$'000	Service concession asset \$'000	Total \$'000
Level 3 Fair Value Measurements 2022						
Opening balance	-	558,995	-	-	223,649	782,644
Additions	-	1,822	-	-	3,191	5,013
Transfers from capital works in progress	-	47,720	-	-	-	47,720
Depreciation and/or impairment	-	(18,626)	-	-	(3,837)	(22,463)
Revaluation	-	94,093	-	-	26,932	121,025
Closing balance	-	684,004	-	-	249,935	933,939

Level 3 Fair Value Measurements 2021

Opening balance	-	512,370	-	-	145,747	658,117
Additions	-	191	-	-	81,420	81,611
Transfers from capital works in progress	-	68,676	-	-	-	68,676
Disposals	-	(5,028)	-	-	-	(5,028)
Depreciation and/or impairment	-	(17,214)	-	-	(3,518)	(20,732)
Closing balance	-	558,995	-	-	223,649	782,644

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

33. SUPERANNUATION

2022 \$'000	2021 \$'000
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Assets recognised in the Statement of Financial Position

Current

Deferred Government contribution for superannuation	610	608
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Non-Current

Deferred Government contribution for superannuation	5,374	6,075
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Total superannuation assets

5,984	6,683
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Liabilities recognised in the Statement of Financial Position

Current

Supplementary Pension Scheme	321	516
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Retirement Benefits Fund	610	608
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Total Current

931	1,124
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Non-Current

Supplementary Pension Scheme	2,361	3,348
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Retirement Benefits Fund	5,374	6,075
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Total Non-Current

7,735	9,423
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Total superannuation liability

8,666	10,547
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(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 dependents 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 Geoff Morley of GM Actuaries Pty Ltd as at 31 December 2022 including estimates of future year liabilities.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

33. SUPERANNUATION (continued)

(b) Schemes closed to future membership (continued)

	2022 \$'000	2021 \$'000
Liabilities recognised in the Statement of Financial Position		
Total liability	2,682	3,864
Current	321	516
Non-current	2,361	3,348
Defined Benefit Obligation at 31 December	2,682	3,864
Principal actuarial assumptions		
Discount rate	3.85%	2.50%
Inflation (pensions)	3.00%	2.50%

	2022 \$'000	2021 \$'000
Reconciliation of change in liabilities		
Defined Benefit Obligation at 1 January	3,864	4,329
Interest cost	46	51
Benefits paid	(327)	(376)
Actuarial (gains)/losses arising from changes in economic assumptions	(415)	-
Experience gain/(loss) on liabilities	(486)	(140)
Defined Benefit Obligation at 31 December	2,682	3,864

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 2022 actuarial report)

Assumption	Liability as at 31 December 2022 \$'000	Increase / (decrease) in liability in liability \$'000
Actual liability based upon central assumptions	2,682	-
Impact of 0.5% lower discount rate	2,773	91
Impact of 0.5% higher salary growth assumptions	2,779	97
Impact of using un-adjusted mortality rates	2,529	(153)

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

33. SUPERANNUATION (continued)

(b) Schemes closed to future membership (continued)

ii) Retirement Benefits Fund (RBF)

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. Members receive lump sum or pension benefits on retirement, death, invalidity or upon reaching the preservation age after resignation.

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 \$6.0 million (2021: \$6.7 million) is recognised in the Statement of Financial Position and the right to re-imbursment from the Commonwealth is recorded as an asset.

The defined benefit section of RBF is closed to new members.

Description of the regulatory framework

The scheme operates under the *Public Sector Superannuation Reform Act 2016* and the *Public Sector Superannuation Reform Regulations 2017 (as amended from time to time)*. 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 far as practicable. 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 Tasmanian Government and RBF board elects) up to the amount of "untaxed" benefits paid to members in the year.

The Superannuation Commission has fiduciary responsibility for, and oversees the administration of, the Scheme. The day to day running of the Scheme is managed by the Office of the Superannuation Commission, within the Department of Treasury and Finance.

Description of risks

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

- Investment risk - the risk that investment returns will be lower than assumed and 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.
- Inflation risk - the risk that inflation is higher than anticipated, increasing pension payments, and the associated employer contributions.
- Benefits options risk - the risk is that a greater proportion of members who joined prior to 1 July 1994 will elect the pension option, which is generally more costly than the alternative lump sum arrangement.
- Pensioner mortality risk - the risk is that pensioner mortality will be lighter than expected, resulting in pensions being paid for a longer period.
- Legislative risk - the risk is that legislative changes could be made which could increase the cost of providing the defined benefits.

During the year the *Public Sector Superannuation Reform Regulations 2017* were amended, but these amendments did not materially affect the defined benefits payable under the Scheme. There were no curtailments or settlements during the year.

An actuarial report was prepared by Dr David Knox (Fellow of the Institute of Actuaries of Australia) at Mercer as at 30 June 2022.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

33. SUPERANNUATION (continued)

(b) Schemes closed to future membership (continued)

	2022 \$'000	2021 \$'000
Liabilities recognised in the Statement of Financial Position		
Defined benefit obligations	8,061	8,830
Fair value of plan assets	(2,077)	(2,147)
Net liability	5,984	6,683
Current		
Current	610	608
Non-current		
Non-current	5,374	6,075
Net liability	5,984	6,683
Reconciliation of the net defined benefit liability / (asset)		
Net defined benefit liability/(asset) at start of year	6,683	7,751
Defined benefits recognised in the profit and loss	137	119
Defined benefits (remeasurements) recognised in the profit and loss	(278)	(608)
Employer contributions	(558)	(579)
Net defined benefit liability / (asset) at end of year	5,984	6,683
Reconciliation of the fair value of scheme assets		
Fair value of scheme assets at beginning of the year	2,147	1,908
Interest income	44	29
Actual return on scheme assets less interest income	46	373
Employer contributions	558	579
Benefits paid	(718)	(742)
Fair value of scheme assets at end of the year	2,077	2,147
Reconciliation of the Defined Benefit Obligation		
Present value of Defined Benefit Obligations at beginning of the year	8,830	9,659
Current service cost	-	-
Net interest	181	148
Actuarial (gains)/losses arising from changes in financial assumptions	(477)	562
Actuarial (gains)/losses arising from liability experience	245	(797)
Benefits paid	(718)	(742)
Present value of Defined Benefit Obligations at end of the year	8,061	8,830

Reconciliation of the effect of the asset ceiling

The asset ceiling has no impact on the net defined benefit liability / (asset).

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

33. SUPERANNUATION (continued)

(b) Schemes closed to future membership (continued)

	Total \$'000	Quoted prices in active markets for identical assets Level 1 \$'000	Significant observable inputs Level 2 \$'000	Unobservable inputs Level 3 \$'000
Fair value of scheme assets at year end				
Cash deposits	-	-	-	-
Australian equities	362	-	362	-
International equities	438	-	438	-
Infrastructure	268	-	69	199
Diversified fixed interest	464	-	464	-
Property	388	-	35	353
Alternative arrangements	158	-	158	-
Present value of Defined Benefit Obligations at end of the year	2,078	-	1,526	552

Significant actuarial assumptions

Assumptions to determine Defined Benefit Cost

	2022 per annum	2021 per annum
Discount rate (active members)	2.15%	1.60%
Discount rate (pensioners)	2.15%	1.60%
Expected rate of increase of compulsory preserved amounts	3.00%	3.00%
Expected salary increase	3.00%	3.00%
Expected pension increase rate	2.25%	2.25%

Assumptions to determine Defined Benefit Obligation

	2022 per annum	2021 per annum
Discount rate (active members)	3.85%	2.15%
Discount rate (pensioners)	3.85%	2.15%
Expected rate of increase of compulsory preserved amounts	3.50%	3.00%
Expected salary increase rate	3.50%	3.00%
Expected pension increase rate	2.50%	2.25%

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

33. SUPERANNUATION (continued)

(b) Schemes closed to future membership (continued)

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 2022 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	3.85% pa	2.85% pa	4.85% pa	3.85% pa	3.85% pa
Pension increase rate	3.5% pa	3.5% pa	3.5% pa	2.5% pa	4.5% pa
Defined Benefit Obligation (\$'000s)	8,061	8,532	7,481	7,506	8,494

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

The pension increase assumptions in the above table are long term pension increase assumptions. Higher rates are assumed for the next two years. In scenarios C and D, both the short term and long term assumptions have been adjusted.

Asset-Liability matching strategies

We are not aware of any asset and liability matching strategies adopted by the Scheme.

Expected contributions	\$'000
Expected employer contributions for the financial year ended 30 June 2023	610

The weighted average duration of the defined benefit obligation is 6.4 years (2021: 7.2 years).

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

33. SUPERANNUATION (continued)

(c) Amounts recognised in statements

	2022 \$'000	2021 \$'000
Amounts recognised in the Income Statement		
Supplementary Pension Scheme liability		
Interest expense	46	51
Retirement Benefits Fund		
Interest expense	181	148
Interest income	(44)	(29)
Deferred Government contribution		
Interest expense	(181)	(148)
Interest income	44	29
Total expense recognised in the Income Statement	46	51
Amount recognised in other comprehensive income		
Supplementary Pension Scheme liability		
Actuarial gains/(losses) arising from changes in financial assumptions	415	-
Actuarial gains/(losses) arising from liability experience	486	140
Retirement Benefits Fund		
Actuarial gains/(losses) arising from changes in financial assumptions	477	(562)
Actuarial gains/(losses) arising from liability experience	(245)	797
Deferred Government contribution		
Actuarial (gains)/losses arising from changes in financial assumptions	(477)	562
Actuarial (gains)/losses arising from liability experience	245	(797)
Total amount recognised in other comprehensive income	901	140

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

34. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

Parent Entity only

34.1 EDUCATION – CGS and other education grants

	Commonwealth Grant Scheme		Indigenous, Regional and Low-SES Attainment Fund		Access and Participation Program		Higher Education Disability Performance Funding		National Institutes Funding	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial assistance received in cash during reporting period	215,254	244,765	24,695	21,197	-	-	250	286	8,180	8,107
Net accrual adjustments	8,191	(7,202)	(1,208)	-	-	-	-	-	-	-
Revenue for the period	223,445	237,563	23,487	21,197			250	286	8,180	8,107
Surplus/(deficit) from the previous year	-	-	-	-	-	-	(656)	(484)	-	-
Funds available for the period	223,445	237,563	23,487	21,197			(406)	(198)	8,180	8,107
Less expenses including accrued expenses	(223,445)	(237,563)	(23,487)	(21,197)	-	-	(352)	(458)	(8,180)	(8,107)
Surplus/(deficit) for the reporting period	-	-	-	-	-	-	(758)	(656)	-	-

	Promotion of Excellence in Learning and Teaching		Australian Maths & Science Partnership Program		National Priorities and Industry Linkage Fund		Advanced Apprenticeship Pilots-Industry 4.0		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial assistance received in cash during reporting period	-	-	-	-	7,063	4,750	74	218	255,516	279,323
Net accrual adjustments	1	-	-	-	-	-	-	-	6,984	(7,202)
Revenue for the period	1	-	-	-	7,063	4,750	74	218	262,500	272,121
Surplus/(deficit) from the previous year	52	65	-	-	-	-	-	-	(604)	(419)
Funds available for the period	53	65	-	-	7,063	4,750	74	218	261,896	271,702
Less expenses including accrued expenses	(8)	(13)	-	-	(7,063)	(4,750)	(74)	(218)	(262,609)	(272,306)
Surplus/(deficit) for the reporting period	45	52	-	-	-	-	-	-	(713)	(604)

Financial assistance received in cash during reporting period	-	-	-	-	7,063	4,750	74	218	255,516	279,323
Net accrual adjustments	1	-	-	-	-	-	-	-	6,984	(7,202)
Revenue for the period	1	-	-	-	7,063	4,750	74	218	262,500	272,121
Surplus/(deficit) from the previous year	52	65	-	-	-	-	-	-	(604)	(419)
Funds available for the period	53	65	-	-	7,063	4,750	74	218	261,896	271,702
Less expenses including accrued expenses	(8)	(13)	-	-	(7,063)	(4,750)	(74)	(218)	(262,609)	(272,306)
Surplus/(deficit) for the reporting period	45	52	-	-	-	-	-	-	(713)	(604)

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

34. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

Parent Entity only

34.2 Higher Education Loan Programs (excluding OS-HELP)

	HECS-HELP		FEE-HELP		SA-HELP		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Cash payable/(receivable) at beginning of year	19,530	12,765	2,211	2,096	87	102	21,828	14,963
Financial assistance received in cash during the reporting period	70,141	73,497	2,375	2,623	1,349	1,334	73,865	77,454
Cash available for the period	89,671	86,262	4,586	4,719	1,436	1,436	95,693	92,417
Revenue earned	(66,999)	(66,732)	(2,462)	(2,508)	(1,717)	(1,349)	(71,178)	(70,589)
Cash payable/(receivable) at end of year	22,672	19,530	2,124	2,211	(281)	87	24,515	21,828

34.3 Department of Education and Training Research

	Research Training Program		Research Support Program		Regional Research Funding		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial assistance received in cash during reporting period	25,860	25,397	19,931	42,896	2,676	-	48,467	68,293
Net accrual adjustments	-	-	-	-	(1,923)	-	(1,923)	-
Revenue for the period	25,860	25,397	19,931	42,896	753	-	46,544	68,293
Surplus/(deficit) from the previous year	-	-	-	-	-	-	-	-
Funds available for the period	25,860	25,397	19,931	42,896	753	-	46,544	68,293
Less expenses including accrued expenses	(25,860)	(25,397)	(19,931)	(42,896)	(753)	-	(46,544)	(68,293)
Surplus/(deficit) for the reporting period	-	-	-	-	-	-	-	-

34.4 Total Research Training Program Expenditure

	Total domestic students		Total overseas students		Total Research Training program	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Research Training Program fee offsets	18,087	17,927	-	-	18,087	17,927
Research Training Program stipends	6,633	6,860	1,098	601	7,731	7,461
Research Training Program allowances	15	9	27	-	42	9
Total for all types of support	24,735	24,796	1,125	601	25,860	25,397

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

34. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

Parent Entity only

34.5 Other Capital Funding

	Linkage Infrastructure, Equipment and Facilities Grant		Jobs & Growth in Tasmania Education – Driven Economic Revitalisation of Launceston & Burnie Campuses		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial assistance received in cash during reporting period	552	275	25,000	65,000	25,552	65,275
Net accrual adjustments	(159)	251	34,510	(43,578)	34,351	(43,327)
Revenue for the period	393	526	59,510	21,422	59,903	21,948
Surplus/(deficit) from the previous year	-	-	-	4,800	-	4,800
Funds available for the period	393	526	59,510	26,222	59,903	26,748
Less expenses including accrued expenses	(393)	(526)	(59,510)	(26,222)	(59,903)	(26,748)
Surplus/(deficit) for the reporting period	-	-	-	-	-	-

34.6 Australian Research Council Grants

	Discovery		Linkages		Special Research Initiatives		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial assistance received in cash during reporting period	8,474	9,422	3,358	2,009	7,073	7,003	18,905	18,434
Net accrual adjustments	126	(1,734)	(1,804)	1,201	(5,164)	(7,003)	(6,842)	(7,536)
Revenue for the period	8,600	7,688	1,554	3,210	1,909	-	12,063	10,898
Surplus/(deficit) from the previous year	-	-	-	-	-	-	-	-
Funds available for the period	8,600	7,688	1,554	3,210	1,909	-	12,063	10,898
Less expenses including accrued expenses	(8,600)	(7,688)	(1,554)	(3,210)	(1,909)	-	(12,063)	(10,898)
Surplus/(deficit) for the reporting period	-	-	-	-	-	-	-	-

NOTES FOR THE YEAR ENDED 31 DECEMBER 2022

34. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

Parent Entity only

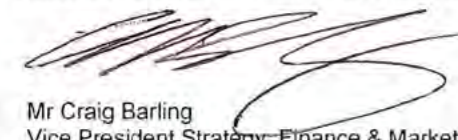
	PARENT ENTITY	
	2022 \$'000	2021 \$'000
34.7 Other Australian Government Financial Assistance		
Cash received during the reporting period	158,653	113,900
Cash spent during the reporting period	(158,653)	(113,900)
Net cash received	-	-
Cash surplus/(deficit) from the previous year	-	-
Cash surplus/(deficit) for the reporting period	-	-
34.8 OS-HELP		
Cash received during the reporting period	458	-
Cash spent during the reporting period	(306)	-
Net cash received	152	-
Cash surplus/(deficit) from the previous year	1,121	1,121
Cash surplus/(deficit) for the reporting period	1,273	1,121
34.9 Higher Education Superannuation		
Cash received during the reporting period	537	566
Cash available	537	566
Cash surplus/(deficit) from the previous year	33	31
Cash available for the reporting period	570	597
Contributions to specified defined benefit funds	(625)	(564)
Cash surplus/(deficit) for the reporting period	(55)	33
34.10 Student Services and Amenities Fee		
Unspent/(overspent) revenue from previous period	301	537
SA-HELP revenue earned	1,717	1,349
Student services fees direct from students	3,300	3,787
Total revenue expendable in period	5,318	5,673
Student services expenses during period	(4,962)	(5,372)
Unspent/(overspent) student services revenue	356	301

MANAGEMENT CERTIFICATE FOR THE YEAR ENDED 31 DECEMBER 2022**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 2022 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 2022 Reporting Period (issued by the Department of Education, Skills and Employment);
- (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.



Mr Craig Barling
Vice President Strategy, Finance & Marketing

2 March 2023

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 2022 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 2022 Reporting Period (issued by the Department of Education, Skills and Employment);
- 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.



Ms Alison Watkins
Chancellor

2 March 2023



Professor Rufus Black
Vice-Chancellor

2 March 2023

**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 its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022 and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the statement of certification by the Members of the Council (the Council).

In my opinion, the accompanying financial report of the Group is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Group's financial position of as at 31 December 2022 and its financial performance and its cash flows for the year then ended
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*.

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 auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (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 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 confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, was provided to the Council on the same date as this auditor’s report.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
Valuation of land and buildings <i>Refer to notes 12 and 32(C)</i>	
At 31 December 2022, the Group held land and buildings valued at \$911.52 million. The fair values of these assets is based on market values and replacement costs. The Group undertakes formal revaluations on a regular basis to ensure carrying values represent fair value. During the year the Group revalued these assets based on fair values determined by an external expert, resulting in an increase in fair value of \$139.84 million.	<ul style="list-style-type: none"> Assessing the scope, expertise and independence of the expert engaged to assist in the revaluation of land and buildings. Reviewing management’s assessment of the independent revaluation. Evaluating the appropriateness of the valuation methodology applied and key assumptions used to determine fair values. Testing the accuracy of recording valuations in the Group’s asset register and general ledger. Evaluating the adequacy of disclosures made in the financial report, including those regarding key assumptions used.
Investment portfolio <i>Refer to note 10 and 32</i>	
The Group held investments totalling \$546.86 million at 31 December 2022 recognised at either amortised cost or fair value. Investments at amortised cost are managed internally and included fixed interest, term deposits and funds at call.	<ul style="list-style-type: none"> Reviewing and evaluating the monitoring controls evaluating controls around the approval and management of investments. Review of the general ledger reconciliations of the investment portfolio.

Investments at fair value includes a mix of Australian equities, overseas equities, property and non-listed entities. The valuations of investments is complex and judgemental, relying upon both market and non-market information.	<ul style="list-style-type: none"> Obtaining confirmations from the managed fund investment managers as to their controls over the existence, completeness and valuation of assets under their management. Obtaining direct confirmation of units held in, and unit values of, managed funds from the investment manager. Obtaining Auditor Control Reports on the design, implementation and operating effectiveness of controls of managed funds. Obtaining confirmations from trustees of managed funds that existing, and any new, controls are still operating effectively from the date of the last auditor control report to the date of the confirmation. Obtaining, on a sample basis, direct confirmation of balances held in other investments. Evaluating the adequacy of disclosures made in the financial report, including those regarding key assumptions used.
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Responsibilities of the Council for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report 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 determined necessary to enable the preparation of the financial report that 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 the Council intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the 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.
- 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 represent 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 Group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

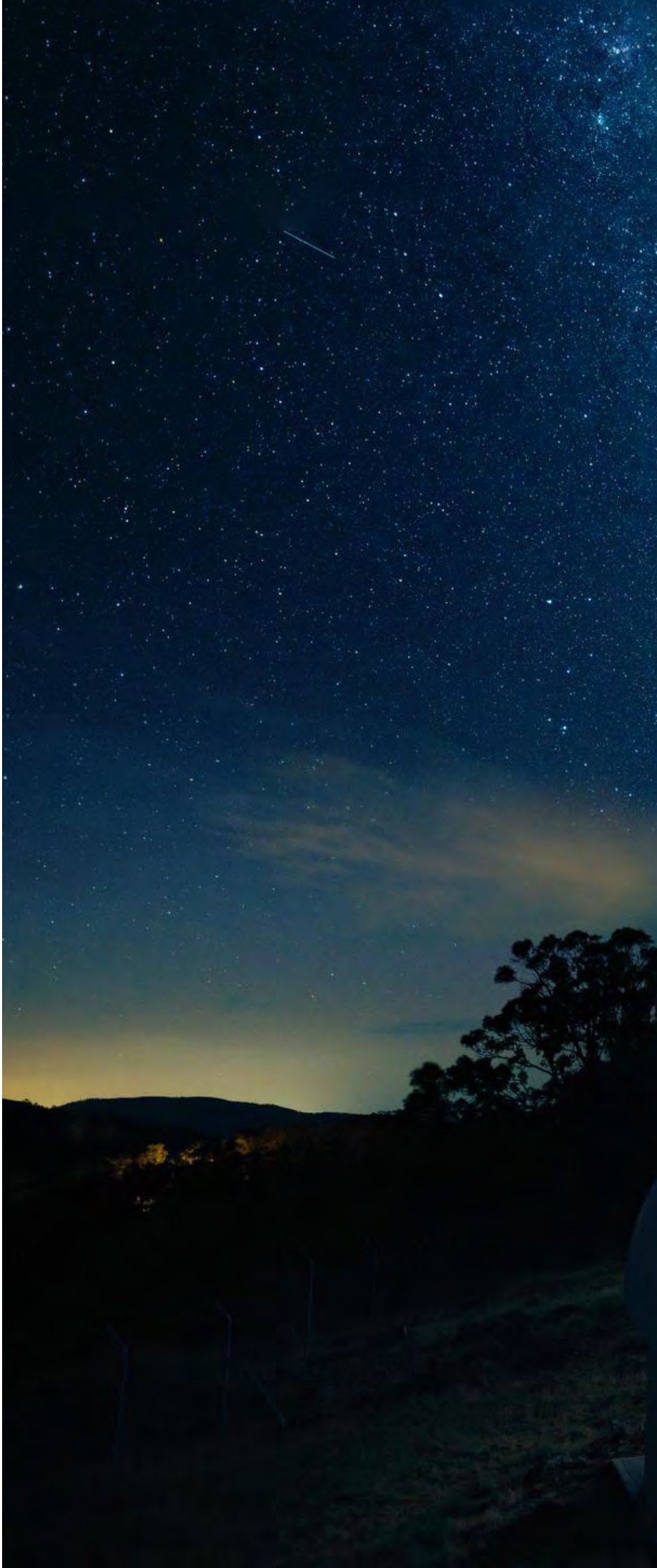
I communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Council, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Stephen Morrison
Assistant Auditor-General

7 March 2023
Hobart



UNIVERSITY of
TASMANIA 

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