


Annual Report / 2021

 New Cradle Coast
Campus at West Park.

UNIVERSITY of 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.*

This report is made in accordance with a resolution of the members of the Council of the University of Tasmania on 27 April 2022.

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 2021 and to present the financial statements for that year.



Alison Watkins, AM
Chancellor

27 April 2022

Institutional Overview

We are committed to our place-based mission to improve the future for all Tasmanians and to contribute to the world in ways which are distinctively from Tasmania.

Throughout the complexities of COVID-19, we have remained focused on this mission. In 2021, we made good headway on our strategy to make a positive difference for and from Tasmania. This year's Annual Report outlines our progress, which starts with our commitment to the Tasmanian Aboriginal People. In 2021, we:

- Completed our Strategic Plan for Aboriginal Engagement, which sets out a path to positively impact Aboriginal engagement, enrolment, academic success, research, cultural awareness and safety, employment, and governance.
- Provided higher education to a record number of Tasmanian students, while attracting great people to Tasmania by improving access to education and focusing on distinctiveness.
- Diversified our international student strategy to help enrich our education and build global networks.
- Contributed to meeting the workforce needs of Tasmania in critical front-line service professions, while also creating jobs across Tasmania and beyond.
- Attracted record levels of funding, helping us to provide the research Tasmania needs.
- Created excellent learning and research facilities, marked by the official opening of The Hedberg in Hobart and our campus building at West Park.



In 2021, we also:

- Engaged with the community and its future generations to talk about the things that really matter to Tasmanians, while inspiring and challenging young people to see themselves at the University of Tasmania in the future.
- Created a climate positive organisation by embedding sustainable outcomes for ourselves, our surrounding communities, and the world, into everything that we do.
- Ensured long-term financial stewardship, which secures our ability to maintain the breadth of our offering, the excellence of teaching and research, and a sustainable workforce.
- Farewelled outgoing Chancellor The Hon Michael Field AC after more than eight years of valued service, and welcomed Alison Watkins AM, our first female Chancellor, in the University's 132-year history.

As we remain committed to delivering our mission, we ensure that we are doing so in a way that recognises and supports our staff to do their best work. Thanks to the tremendous efforts of staff both in Tasmania and in Sydney, we are in good shape.

All of this can only be achieved by working with people from across Tasmanian communities and organisations, and we are grateful for all that we continue to learn and benefit through these relationships. Together, we continue to evolve and transform to meet the opportunities that face us.



Alison Watkins, AM
Chancellor



Professor Rufus Black,
Vice-Chancellor



Serving our first peoples

Our commitment to Tasmania starts with our commitment to the Tasmanian Aboriginal People.

In advancing that cause in 2021, we completed our Strategic Plan for Aboriginal Engagement, which:

- Lays out a path to providing deeper support for Indigenous students.
- Allows us to create a learning environment that celebrates culture, diversity, aspiration, and success.
- Commits us to initiatives that reach across all areas of our University, creating shared accountability for success.

We also want all students to share in the rich cultural knowledges and histories of palawa/pakana (Tasmanian Aboriginal) people. To make this happen, and to reshape our curriculum, we have:

- Engaged deeply with palawa heritage, culture, and knowledges of lutruwita/Tasmania.
- Begun the process of cultural healing through the recruitment of Indigenous scholars.
- Ensured that our Indigenous graduates have the capability and confidence to lead across all professions and vocations.





Improving access to education

So much of Tasmania's future is linked to educational participation. That means our core objective is to provide quality higher education to the most diverse range of Tasmanians possible.

Each year, we set out to attract more students through our distinctive courses, engaging experiences, and great teaching. In 2021, we:

- Attracted **6,091** (3,766 equivalent full-time study load) new Tasmanian students from all regions, ages, stages, and walks of life.
- Awarded **345** scholarships to provide support with accommodation, relocation, and study costs.
- Enabled **565** new students who would not otherwise have access to university to find a pathway to higher education.

Our Schools Recommendation Program is transforming the way year 12 students access higher education. Thanks to the program, more students have a place with us than ever before.

- **1,927 Tasmanians** applied early through the program.
- We saw a **7% increase in enrolments** of Tasmanian school leavers.
- We had our first ever applications from high schools like Mountain Heights, New Norfolk, Sheffield, Bayview, and the Jordan River Learning Federation.
- There has been a **30% increase** in enrolments from students with disabilities.

Today the University serves the whole Tasmanian population providing education they need throughout their life. At our university:

- **3,424** of commencing students are school leavers.*
- **12,479** of commencing students are adult learners.*
- The average age is **32**.
- **20,036** are part-time.
- **8,375** are from the South, **3,571** from the North, **2,249** from the North-West of Tasmania.

*A school leaver is defined as age 19 years and under. An adult learner is defined as age 20 years and over.

Attracting great people to Tasmania

A key part of our strategy is to attract more interstate students to study at our Tasmanian campuses. This is important for Tasmania's future, as our aging population starts to see fewer young Tasmanians.

It is also important to enable us as a university to be the size we need to provide a full range of excellent courses and research without being dependent on too large a cohort of international students. Attracting 'Tasmanians by choice' has been a great success, with interstate enrolments growing by 17%.

Through this process, we are building more connections to Tasmania than ever before, with increased applications from mainland students.

Students are drawn here by our uniquely Tasmanian offerings. This includes courses in Antarctic studies, marine industries, the creative arts, and natural sciences. For example, the Bachelor of Marine and Antarctic Science saw an increase of 52% in applications. This translated into a 50% increase in enrolments.

Our innovative Tasmanian Schools Recommendation Program is also proving popular interstate where no similar scheme exists. The result is the number of schools we engaged with increased from around 500 to over 800. In this cohort, interstate year 12 applications rose 17% and enrolments went up 19%.

Our international cohort

As expected, our international student numbers were heavily impacted by COVID-19. In 2021, we had 912 international students compared to 1,967 in 2019, the last full recruitment year pre-COVID, and 1,398 in 2018.

The onshore international student market continued to decline due to the reduction in international students studying in Australia over the last two years, and we expect that this market will continue to shrink over the next three years.

That is why we have diversified our international student strategy as we start to rebuild the number of international students who choose to study with us. We created a large digital campaign to share our unique offerings across 20 key markets. This saw increased traffic on our website, with 59% of all leads coming from targeted international markets.

Meeting the workforce needs of Tasmania

In Tasmania, we graduated students ready to serve in critical front-line service professions:



116 students with a Bachelor of Medicine and Bachelor of Surgery



479 undergraduate and postgraduate Education and Teaching students



3,738 undergraduate and postgraduate Nursing students



30 undergraduate and postgraduate Social Work students



204 undergraduate and postgraduate Paramedicine students



107 Law students

We also graduated a further **6,097** students ready for employment across Tasmania.

Our graduates are doing well in meeting the workforce needs of Tasmania. Our graduates had employment rates of 91% across the sciences, humanities, arts and business, which is well above the equivalent national employment rate.*

Our average graduate full-time income of \$87,000 was also above the national average.

* 2021 National Graduate Outcomes Survey



Providing the research Tasmania needs

Last year, the University brought in \$197.3 million in research funding. This funding is being used across a range of crucial initiatives that will help Tasmanians, as well as people around the world. Here are some of the key projects from our flagship research institutes:

Menzies is pursuing key health challenges.

We have increased the scope and impact of our multiple sclerosis research by establishing the MS Research Flagship. This builds on more than 20 years of cross-disciplinary research excellence in MS. Tasmania has the highest prevalence of MS in the nation.

Our innovative AirRater app provides real-time, accurate air quality data to help people manage their health and activities as air quality fluctuates. The app was downloaded 50,000 times during the Black Summer bushfires.

The OxyGenie® software was developed by scientists and biomedical engineers to help preterm babies breathe. It has been commercialised and is now used in hospitals around the world.

Wicking is tackling the challenge of living with dementia.

The Island Study Linking Ageing and Neurodegenerative Disease (ISLAND) is an innovative new approach to tackling the increasing prevalence of dementia in Tasmania.

The ISLAND Project utilises the Preventing Dementia MOOC, as well as a range of surveys, to help researchers understand the over-50 cohort. Tools such as the 'Dementia Risk Profile' provide feedback to individuals on their areas of potential risk.

Over two years, tracking of participants has shown that ISLAND has improved risk status and highlighted which domains of risk are most amenable to positive change.

TIA is finding sustainable solutions for farmers and producers.

A \$6.5 million partnership with Dairy Australia will deliver a national dairy research and industry development program to drive profitability and sustainability for Australian farmers.

A \$7.7 million partnership with the Tasmanian Government will transform research farm facilities at Forthside and Elliott, helping deliver better outcomes for Tasmanian agriculture.

Investigation is being undertaken into industrial hemp as a forage crop for livestock. We are also investigating the challenges that need to be overcome to support the success of this emerging industry in Tasmania.

The NEXUS Project examines the connection between profitability, productivity, and greenhouse gas emissions of livestock businesses under an increasingly variable climate.

The Drought Resilience Hub will protect communities from extreme climate events.

We have formed a consortium of 21 diverse partners and a system of collaborative governance, which will help farmers prepare for future droughts.

Processes have been created to engage Tasmanian Aboriginal peoples and integrate local knowledge.

We have collaborated with other Australian hubs and Future Drought Fund programs regionally. These will strengthen networks, reduce duplication, and address issues holistically.

At our Sandy Bay campus, we co-hosted the Department of Agriculture, Water and the Environment's inaugural Science to Practice Forum. Over 800 participants engaged across three days.

IMAS is protecting our waters, while supporting new approaches to fisheries and aquaculture.

We are leading Australian research in blue-water oceanography, working across the Antarctic, Southern Ocean, and temperate oceans.

Our research helps understand marine ecosystems and the impacts of climate change, patterns and drivers of biodiversity, as well as conservation ecology and research.

We are supporting the long-term sustainable harvest of wild marine resources. Our research aims to increase production while minimising environmental impact.

Partnering with the Tasmanian Government, we are ensuring Tasmania's marine resources and industries are sustainably developed and managed through the Sustainable Marine Research Collaboration Agreement (SMRCA).

Our research is enabled through flagship partnerships such as the Blue Economy CRC, Marine Bioproducts CRC, Seaweed Solutions CRC-P, the ARC Research Hub for Sustainable Onshore Lobster Aquaculture, Australian Antarctic Partnership Program, Australian Centre for Excellence in Antarctic Science (ACEAS), and the Centre for Marine Socioecology.





Creating excellent learning and research facilities

We are a university committed to learning in person and to ensuring our students, staff, and researchers have excellent contemporary facilities that enable them to do their best work. We also want to ensure that our facilities make education as accessible as possible for all Tasmanians. Statewide, we have a series of major projects to transform our campus to meet those objectives.

Burnie

In 2021, we opened our \$52 million campus building at West Park. The campus has been shaped by the people and region it will serve and is enabling:

- More students to attend university closer to home.
- New regionally distinctive courses responding to the needs of the community, like the Bachelor of Nursing.
- Opportunities to study in world-class facilities that support interactive learning.
- The activation of a vibrant, shared precinct within proximity of Burnie's CBD.
- Events and experiences bringing together students, staff, and the community.
- Indoor and outdoor gathering spaces for everyone to enjoy.
- Strengthened collaboration and partnerships with community and industry.



Launceston

At Inveresk, our campus transformation remains on track to be fully completed by 2024:

- The new \$23 million Library has opened to students and the community.
- A pedestrian and cycle bridge is now connecting the campus precinct to the city.
- An Urban Realm will help green Inveresk while supporting community gardening learning programs.
- New courses have become available in allied health (physiotherapy and speech pathology), timber design, psychology, and agricultural science.
- The next two major academic buildings will open in 2023 and 2024 respectively for the majority of students and staff to transition to the new campus.

Work is also underway on the future of our Newnham campus. We are creating an industry-focused research precinct, anchored by the Australian Maritime College and headquarters for the Tasmanian Institute of Agriculture.





Hobart

The Hedberg was officially opened in partnership with the Tasmanian and Australian governments and the Theatre Royal.

With philanthropic support, the Hedberg is one of Tasmania's most ambitious cultural and arts infrastructure projects. It is the University's home for collaboration and performance with the creative sector and the Tasmanian community.

We also progressed our plans to consolidate our campus in the Hobart CBD. This will improve access to higher education for more Tasmanians in contemporary, fit-for-purpose learning, and teaching spaces.

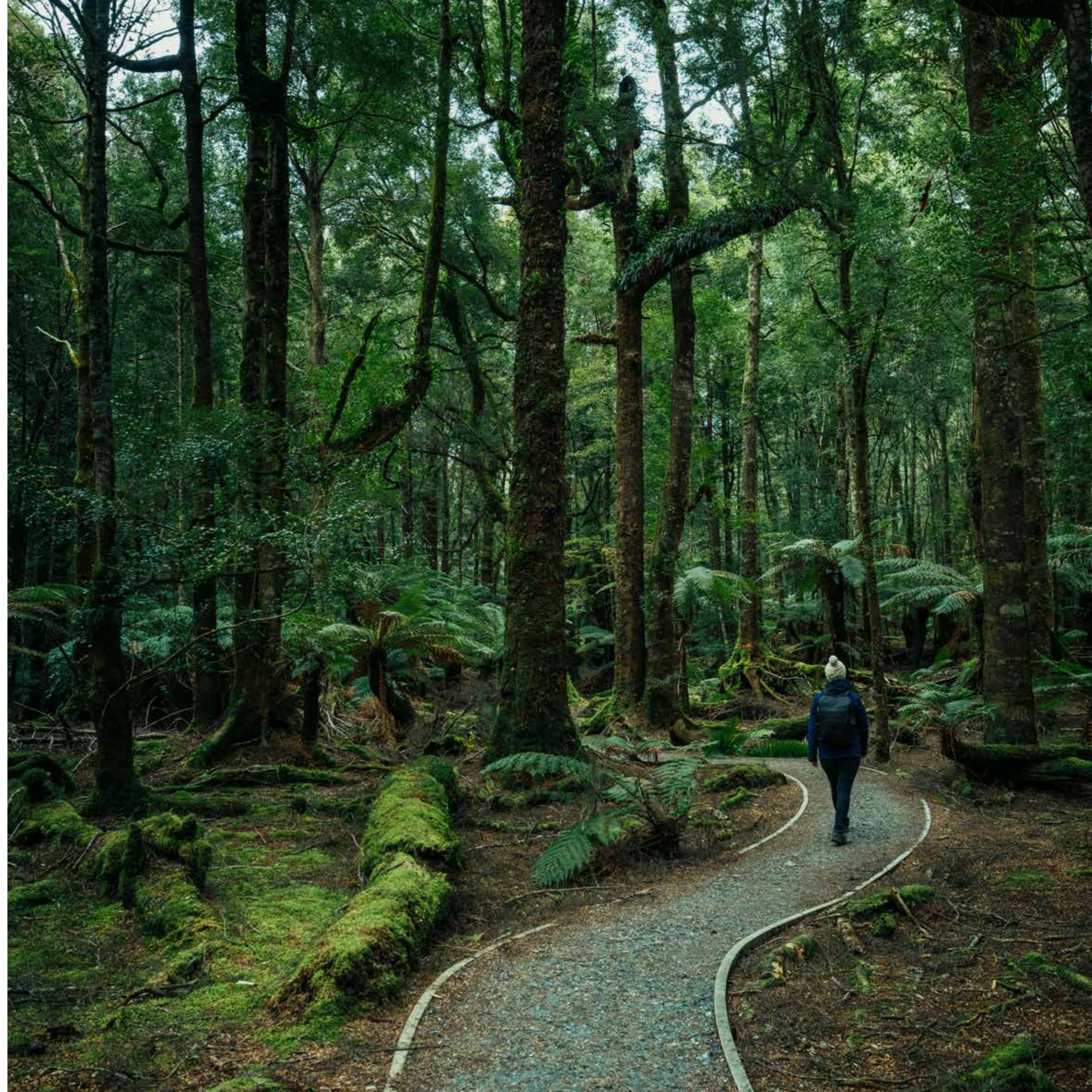
- Conversations with staff, students, and the community were reflected in a draft Urban Design Framework, which captures the values of the University and community. Those values became our four principles: Place, Sustainability, Accessibility, and Community.
- In 2021, the University released a Concept Masterplan for the Sandy Bay site. The University will steward the development of Sandy Bay in ways that support the community, environment, and economy and align with our values.
- The development of the Sandy Bay site will provide a long-term income stream to support the University's teaching and research, reducing our reliance on government funding and revenue from international students.

Conversations about our move to the city are continuing. We are improving the ways we listen to our community, and we are acknowledging the need to work through the implications of change.

Creating a climate positive organisation

We are committed to sustainable outcomes for ourselves, our surrounding communities, and the world. The work we are doing in Tasmania has a real impact. In 2021, we:

- Won the Green Gown Award Australasia as the Sustainability Institution of the Year for Australia and New Zealand – the highest recognition in the sector for sustainability.
- Won the Tasmanian Community Achievement Award Sustainability category for our circular economy efforts.
- Conducted staff and student webinars with scientists from the Intergovernmental Panel on Climate Change process.
- Remained certified carbon neutral, with a zero-carbon footprint.
- Ranked in the top three universities worldwide for Climate Action.
- Completed divestment from fossil fuels and instituted a positive screen for investments that deliver on the UN Sustainable Development Goals.
- Designed two new buildings at Inveresk that deliver over 32% reduction in embodied carbon emissions.





Engaging with our community

In 2021, we delivered 30 public lectures through our Island of Ideas series. Over 28,500 people tuned in to view these live or catch up on our YouTube channel.

We also provided engagement activities to over 20,000 school students in Tasmania and beyond. These inspire and challenge young people to see themselves at the University of Tasmania in the future.

Despite the limitations created by COVID-19, we welcomed the community onto our campuses for exhibitions, concerts, forums, book launches, Open Days, and many more events.

Creating jobs across Tasmania and beyond

A university is more than a place to learn. It should stimulate the economy and create new opportunities.

We are creating the next generation of jobs and businesses for Tasmania, so that our children can stay here to study, work, and live. We are building our commercialisation agenda to incubate and develop new businesses to help create those opportunities.

Today, we are supporting Tasmania by employing 5,799 staff members across each region, as well as on our Sydney campuses. Each year, a total payroll of just over \$400 million is constantly flowing into the Tasmanian economy.*

*Data is based on extract from Enterprise Datawarehouse for all of 2021. Value is based on staff headcount. Headcount for casual staff includes staff that had some FTE within December 2021 only. Includes staff at all campus locations (as such, will include payroll for non-Tasmanian staff). Includes External Entity staff.

Ensuring long-term financial stewardship

Even before COVID, we recognised the need to implement a financial sustainability strategy that focuses on being a university both for and from Tasmania for the long run.

We recognise that the core mission of the University will always be to provide the best possible higher education for as many Tasmanians as possible, and to ensure that we do the research that enables the island to thrive and to make its own distinctive contribution to tackling global challenges.

To provide a university that serves Tasmania with a world-class teaching and research offering requires more income than the small population of our Island could generate. We require income that comes from off the Island.

Well before COVID, we recognised that an ever-growing international student population was not the best way to do that. However, we will always welcome international students. When a modest number come from a diversity of countries and participate in a range of courses, they enrich our education and help Tasmanians build the sort of global networks that are important in our time.

Today we focus on attracting domestic students from the mainland whom we also hope will stay in Tasmania and help to address our demographic challenges. We also provide distance education to people all around the country who are interested in our distinctive offerings like our Diploma of Sustainable Living and Diploma of Family History.

We are not a university that seeks constant growth, but one that aims to be the right size to serve our mission sustainably. In doing so, we have to manage costs carefully. And over the long run, with ever diminishing Commonwealth funding, we have to seek (as other universities do) to build up an endowment that generates the income that will secure our ability to maintain the breadth of our offering, the excellence of teaching and research, and levels of staffing.

Providing good governance

In 2021, Chancellor The Hon Michael Field AC left his position after more than eight years. Among his many contributions to the University, Michael played a key role in obtaining government support for the new campuses in Launceston and Burnie. He stewarded the University through the challenges presented by COVID-19 in 2020. Michael also led the complex decision making underpinning the decision to move from Sandy Bay into Hobart CBD in 2019.

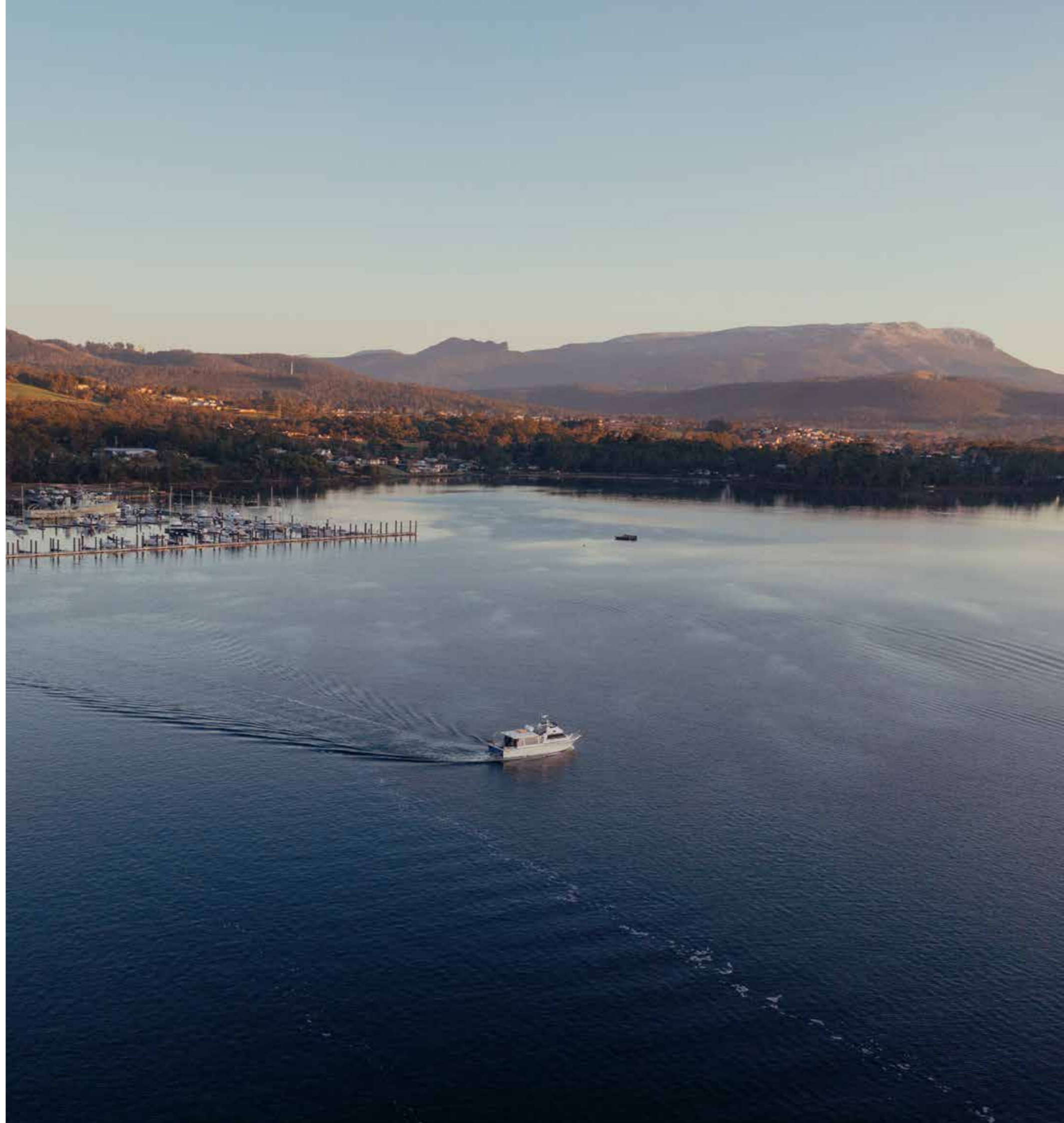
Distinguished alum Alison Watkins AM was elected as our new Chancellor in June 2021, our first female Chancellor in the University's 132-year history. Alison brings extensive corporate and board experience, a deep connection to Tasmania, and strong personal values. She is committed to equity and the enduring power of education.

The following members joined the University Council in 2021:

Kate Bramich
Professor Peter Dawkins AO
Tara Howell
Jacqueline Saward
Sheree Vertigan AM

Depending on their category of membership, these members are either appointed after external nominations and consultation with key groups – including State Government and student groups – or are elected by academic and professional staff.

This ensures that we maintain a Council with members that represent each distinct region of our Island. It also ensures that Council consistently has the skills and experience in agreed priority areas to perform its functions.





Governance

University Council

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

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

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

In 2020, the University reformed its suite of governance instruments (its ordinances, by-laws and policies) that delegate powers and functions of University Council under the University of Tasmania Act, and provide policy guidance for decision making. The University continued to develop its suite of streamlined procedures within the framework to support Lean and consistent operations across the University. The quality of the framework was recognised with a 2021 Association for Tertiary Education Management Award for Excellence in Governance and Policy.

The 'decision making' education program to roll out the new governance instruments and risk frameworks, which was commenced in 2020, continued through 2021, embedding a culture of good governance and accountable decision making at the University.

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 2021 was to:

- Review and update the Council-approved Whole of University Strategic and Operational Risk Profile.
- Refine the University's set of Risk Appetite Statements.
- Deliver bespoke Risk Management training across Colleges and Divisions.
- Provide support to Colleges as they analyse, assess and report on key risks, particularly as they engage formally with the Audit and Risk Committee.
- Develop a University Fraud and Corruption Control Plan.
- Update key University templates for decision-making (including Council papers) incorporate relevant risk based decision-making tools.

Internal Audit

During 2021, the University focused on providing assurance to safeguard operations most critical to enabling success. It undertook a body of internal audit activity, with major elements of the program including:

- Assessment the operational effectiveness of controls in place to manage the accounts payable processes at the University.
- Consideration of the operational effectiveness of controls in place to achieve compliance with the Tasmanian Poisons Act 1971 and subordinate Poisons Regulations 2008.
- Consideration of the operating effectiveness of controls in place to ensure that fee waivers, discounts and write-offs are authorised in accordance with delegations and policies.
- Assessment of the operational effectiveness of the new Delegations Ordinance across the University.



From left: Ms Sheree Vertigan AM, Ms Jacqueline Saward, Ms Kate Bramich, Distinguished Professor Jamie Kilpatrick, Professor Natalie Brown, Professor Rufus Black, Mrs Susan Chen, Mr Harvey Gibson, Mrs Pip Leedham, Mr James Groom. Absent: Ms Alison Watkins AM, Professor Peter Dawkins AO and Ms Tara Howell.

Compliance

The University's framework for managing and monitoring legal compliance continued to mature in 2021. Legal compliance and active monitoring plans to manage the risk of non-compliance were established for high-risk, whole of institution legislation. Compliance plans for remaining legislation will be developed over the course of 2022. 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 the development of institutional procedures as appropriate.

Right to Information (RTI)

During the year, the University received 13 applications for access to information under the assessed disclosure provisions of the Right to Information Act 2009 (Tas), eight of which were dealt with under the provisions of the Act.

Public Interest Disclosures (PID)

The University is subject to State and Commonwealth public interest disclosure regimes.

University employees who make public interest disclosures are afforded protection under the Public Interest Disclosures Act 2002 (Tas), where disclosures are made in accordance with the Act. The University provides support to people who make disclosures that reveal corrupt and improper conduct. University PID Procedures were reviewed and approved by the Tasmanian Ombudsman in April 2021 and may be accessed on the University Webpage - Public Interest Disclosure - Legal and Audit | University of Tasmania (utas.edu.au).

Public Interest Disclosures 2021

- 3** Number of disclosures made to the public body during the year that relate to improper conduct.
- 3** Number of disclosures made to the public body during the year that relate to detrimental action.
- 1** Number of disclosures determined to be a public interest disclosure.
- 2** Number of disclosures determined by the public body to be public interest disclosures that were investigated during the year.
- 0** Number and types of disclosed matters referred to the public body by the Ombudsman for investigation.
- 0** Number and types of disclosures referred by the public body to the Ombudsman for investigation.
- 0** Number and types of investigations taken over from the public body by the Ombudsman.
- 0** Number and types of disclosed matters that the public body has declined to investigate.
- 0** Number and types of disclosed matters that were substantiated upon investigation and the action taken on completion of the investigation.
- 0** Recommendations made by the Ombudsman that relate to the public body.

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. The University published its first 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, 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 2020 - 31 December 2020 and was published on the Department of Home Affairs website and University website by 30 June 2021 in accordance with 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.

Council membership

Members

These people were members of University Council during the whole of 2021 (unless otherwise indicated):

Chancellor (ex officio)

Hon Michael Field AC

Chancellor of the University from 1 January 2013 until 30 June 2021 and a member of the University Council from 16 July 2012 through until 30 June 2021

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

Secretary to Council

Ms Sally Paynter

Secretary to the University Council since 4 December 2020

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

Mrs Susan Chen

A member of the University Council since 1 January 2012

Ms Phillipa Leedham

A member of the University Council since 1 January 2012

Professor Kwong Lee Dow

A member of the University Council since 3 March 2014 through until 12 February 2021

Professor Peter Dawkins AO

A member of the University Council since 1 July 2021

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





Council committee membership

1 January 2021 – 31 December 2021

The Chancellor is an ex-officio member of every board, faculty 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, faculty, 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

Mr James Groom

Distinguished Professor Jamie Kirkpatrick

Ms Alicia Leis (from May 2021)

Professor Natalie Brown (from November 2021)

Professor Kwong Lee Dow (until February 2021)

Ms Janelle O'Reilly (until February 2021)

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

Hon Michael Field AC (until 30 June 2021)

Ms Alison Watkins AM (from 1 July 2021)

Members

Professor Rufus Black

Mr Harvey Gibson

Professor Natalie Brown

Ms Jacqueline Saward

Dr Damian Bugg AM QC (Chair, UTAS Foundation)

Associate Professor Ashley Townsend
(UTAS Alumni Association)

Ms Kate Robertson
(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, graduation ceremonies and other ceremonial matters.

Remuneration and Nominations Committee

Chair

Hon Michael Field AC (until 30 June 2021)

Ms Alison Watkins AM (from 1 July 2021)

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 plan. 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 for that purpose).

Strategic Resourcing Committee

Chair

Mr James Groom

Members

Hon Michael Field AC (until 30 June 2021)

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)

Mrs Sue Chen

Ms Tara Howell (from 15 October 2021)

Professor Peter Dawkins AO (from 15 October 2021)

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 Kate Robertson

(VC's nominee until 16th August 2021)

Ms Rebecca Cuthill

(VC's nominee from 8th November 2021)

Dr Damian Bugg AM QC

(Council-appointed member)

Mrs Yvonne Rundle (Council appointed member)

Associate Professor Ashley Townsend

(Alumni Committee member)

Ms Susan Gough (Friends of the University member)

Dr David Warren (Friends of the University member)

Mr Peter Worrall (Friends of the University member)

In accordance with Ordinance 20 (University Foundation Committee), the University Foundation Committee was established as a Council committee by the University Council on 23 March 2018.

Members were appointed to the committee at the 11 May 2018 meeting of Council.

The mission of the 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, 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)

Mr David Clerk (Chief Operating Officer, ex officio)

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

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.



Meetings attended by University Council Members

The numbers of meetings of the members of the University of Tasmania's Council and of each board committee held during the year ended 31 December 2021, 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
Hon Michael Field AC	5 of 5	1 of 1	-	1 of 1	3 of 3	2 of 3	-	-	-
Ms Alison Watkins AM	5 of 5	1 of 1	3 of 3	2 of 2	2 of 2	3 of 3	-	-	-
Prof Rufus Black	8 of 8	2 of 2	-	3 of 3	5 of 5	6 of 6	3 of 3	8 of 8	4 of 5
Ms Kate Bramich	8 of 8	2 of 2	-	-	-	-	-	-	-
Prof Natalie Brown	8 of 8	1 of 2	1 of 1	2 of 3	-	-	-	-	-
Mrs Susan Chen	8 of 8	2 of 2	-	-	-	6 of 6	-	-	-
Prof Peter Dawkins AO	5 of 5	1 of 1	-	-	-	3 of 3	-	-	-
Prof Kwong Lee Dow	1 of 1	-	1 of 1	-	-	-	-	-	-
Mr Harvey Gibson	8 of 8	2 of 2	4 of 5	3 of 3	5 of 5	5 of 6	-	-	5 of 5
Mr James Groom	8 of 8	2 of 2	2 of 5	-	5 of 5	6 of 6	-	7 of 8	-
Ms Tara Howell	7 of 7	1 of 1	-	-	-	3 of 3	-	-	-
Prof Jamie Kirkpatrick	8 of 8	2 of 2	5 of 5	-	-	-	-	-	-
Ms Phillipa Leedham	8 of 8	2 of 2	-	-	-	-	-	-	-
Ms Jacqueline Saward	8 of 8	2 of 2	-	3 of 3	-	-	-	-	-
Ms Sheree Vertigan AM	7 of 7	1 of 1	-	-	-	-	-	-	-



Annual Financial Statements

31 DECEMBER 2021

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FIVE YEAR SUMMARY – UNIVERSITY FOR THE YEAR ENDED 31 DECEMBER 2021

	2021		2020		2019		2018		2017	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
INCOME										
Australian Government financial assistance										
Australian Government grants	312,069	36.4	249,684	35.0	225,801	29.4	229,472	30.0	234,093	35.2
HELP Australian Government payments	70,589	8.2	74,708	10.5	72,422	9.4	78,943	10.3	72,368	10.9
Scholarships and research	154,008	18.0	136,979	19.2	144,741	18.8	142,671	18.7	119,028	17.9
State and Local Government financial assistance	24,112	2.8	28,602	4.0	23,730	3.1	24,626	3.2	29,245	4.4
HECS-HELP student payments	11,105	1.3	8,474	1.2	7,615	1.0	6,627	0.9	8,076	1.2
Fees and charges	123,266	14.4	155,274	21.8	165,526	21.5	143,617	18.8	124,313	18.7
Investment income (net gains/losses)	113,566	13.2	5,371	0.8	76,436	9.9	11,310	1.5	28,223	4.2
Consultancy and contracts	28,038	3.3	29,743	4.2	28,991	3.8	30,173	3.9	30,015	4.5
Gain on disposal of assets	-	0.0	-	0.0	1,071	0.1	-	0.0	3,063	0.5
Other income and revenue	21,017	2.5	24,409	3.4	22,997	3.0	96,543	12.6	16,350	2.5
Total income	857,770	100.0	713,244	100.0	769,330	100.0	763,982	100.0	664,774	100.0

EXPENDITURE										
Academic salary costs	214,286	31.2	220,248	31.7	206,035	29.6	191,670	29.7	192,896	31.6
Non-academic salary costs	206,833	30.1	199,929	28.8	199,779	28.7	183,862	28.5	174,135	28.5
Depreciation and amortisation	46,506	6.8	45,807	6.6	39,941	5.7	34,678	5.4	35,732	5.9
Repairs and maintenance	12,615	1.8	11,452	1.6	16,372	2.3	17,452	2.7	14,498	2.4
Impairment of assets	2,441	0.4	7,693	1.1	149	0.0	6,593	1.0	-	0.0
Loss on disposal of assets	1,889	0.3	317	0.0	-	0.0	126	0.0	-	0.0
Other expenses	203,198	29.5	209,779	30.2	234,683	33.7	210,533	32.6	193,423	31.7
Total expenditure	687,768	100.0	695,225	100.0	696,959	100.0	644,914	100.0	610,684	100.0

Net Result	170,002	18,019	72,371	119,068	54,090
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KEY RATIOS										
1. Financial stability and liquidity										
Current ratio	1.0	1.3	0.3	0.7	0.5					
Net cash balances	11,151	49,155	15,355	33,877	32,822					
Net assets	1,135,628	965,486	947,721	962,098	843,115					

2. Revenue										
Australian Government grants including HECS	353,815	323,624	297,452	302,340	303,017					
Australian Government capital grants	39,948	9,242	8,386	12,702	11,520					
Scholarships and research	154,008	136,979	144,741	142,671	120,548					
Other University income	309,999	243,399	318,751	306,269	231,209					
TOTAL UNIVERSITY INCOME	857,770	713,244	769,330	763,982	664,774					

Australian Government operating grants including HECS as a % of total income	41%	45%	39%	40%	46%
Commonwealth funded students (full-time equivalents)*	15,887	16,349	14,484	14,811	15,888
Average Commonwealth recurrent grant	22,271	19,795	20,537	20,413	19,072

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

FIVE YEAR SUMMARY – CONSOLIDATED FOR THE YEAR ENDED 31 DECEMBER 2021

	2021		2020		2019		2018		2017	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
INCOME										
Australian Government financial assistance										
Australian Government grants	312,069	36.1	249,684	34.7	225,801	29.1	229,472	32.2	234,093	34.5
HELP Australian Government payments	70,589	8.2	74,708	10.4	72,422	9.3	78,943	11.1	72,368	10.7
Scholarships and research	154,008	17.8	136,979	19.0	144,741	18.6	142,671	20.0	119,028	17.5
State and Local Government financial assistance	24,112	2.8	28,602	4.0	23,730	3.1	24,626	3.5	29,245	4.3
HECS-HELP student payments	11,105	1.3	8,474	1.2	7,615	1.0	6,627	0.9	8,076	1.2
Fees and charges	123,085	14.2	155,898	21.7	166,713	21.5	144,653	20.3	125,198	18.4
Investment income (net gains/losses)	115,286	13.3	5,863	0.8	78,551	10.1	11,736	1.6	33,511	4.9
Consultancy and contracts	35,660	4.1	34,878	4.8	28,991	3.7	30,173	4.2	30,004	4.4
Gain on disposal of assets	-	0.0	-	0.0	1,071	0.1	-	0.0	3,063	0.5
Other income and revenue	19,474	2.3	24,153	3.4	27,407	3.5	43,559	6.1	24,653	3.6
Total income	865,388	100.0	719,239	100.0	777,042	100.0	712,460	100.0	679,239	100.0

EXPENDITURE										
Academic salary costs	214,329	30.6	220,248	31.4	205,981	29.3	193,140	29.6	194,341	31.3
Non-academic salary costs	213,368	30.5	204,873	29.2	204,685	29.1	186,720	28.6	177,252	28.6
Depreciation and amortisation	46,925	6.7	45,994	6.6	40,179	5.7	34,960	5.4	36,033	5.8
Repairs and maintenance	12,637	1.8	11,512	1.6	16,421	2.3	17,483	2.7	14,504	2.3
Impairment of assets	2,438	0.3	7,693	1.1	149	0.0	6,593	1.0	-	0.0
Loss on disposal of assets	1,898	0.3	317	0.0	-	0.0	126	0.0	-	0.0
Other expenses	207,853	29.7	210,103	30.0	236,155	33.6	214,309	32.8	198,180	31.9
Total expenditure	699,448	100.0	700,740	100.0	703,570	100.0	653,331	100.0	620,310	100.0

Net Result	165,940	18,499	73,472	59,129	58,929
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KEY RATIOS										
1. Financial stability and liquidity										
Current ratio	1.0	1.3	0.3	0.7	0.6					
Net cash balances	13,131	52,305	18,926	37,092	41,989					
Net assets	1,142,411	976,331	958,086	971,362	912,318					

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	CONSOLIDATED		PARENT ENTITY	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
REVENUE AND INCOME FROM CONTINUING OPERATIONS					
Australian Government financial assistance: grants	2.1	466,077	386,663	466,077	386,663
Australian Government financial assistance: HELP payments	2.1	70,589	74,708	70,589	74,708
State and local government financial assistance	2.2	24,112	28,602	24,112	28,602
HECS-HELP – student payments		11,105	8,474	11,105	8,474
Fees and charges	2.3	123,085	155,898	123,266	155,274
Consultancy and contracts	2.4	35,660	34,878	28,038	29,743
Other income and revenue	2.5	19,474	24,153	21,017	24,409
Investment income	3	115,286	5,863	113,566	5,371
Gain/(loss) on disposal of assets		(1,898)	(317)	(1,889)	(317)
Total revenue and income from continuing operations		863,490	718,922	855,881	712,927
EXPENSES FROM CONTINUING OPERATIONS					
Employee related expenses	4.1	427,697	425,121	421,119	420,177
Depreciation and amortisation	4.2	46,925	45,994	46,506	45,807
Repairs and maintenance		12,637	11,512	12,615	11,452
Borrowing costs	4.3	11,151	5,791	11,151	5,791
Impairment of assets	4.4	2,438	7,693	2,441	7,693
Other expenses	4.5	196,702	204,312	192,047	203,988
Total expenses from continuing operations		697,550	700,423	685,879	694,908
Net result from continuing operations		165,940	18,499	170,002	18,019
Items that will not be reclassified to profit or loss					
Gain/(loss) on revaluation of property, plant and equipment	11	-	(280)	-	(280)
Net actuarial gains/(losses) in respect of superannuation plans	31(c)	140	26	140	26
Total comprehensive income		166,080	18,245	170,142	17,765

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

The above Income Statement has been prepared in accordance with Australian Accounting Standards.

The summary below provides a breakdown of the composition of the net result as it relates to the University. It should not be interpreted that noting these key components in any way draws attention away from the statutory total result.

	CONSOLIDATED		PARENT ENTITY	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
KEY COMPONENTS OF THE RESULT				
The following reconciliation highlights the key components of the University result:				
Result from core activities *	(1,214)	3,680	4,568	4,511
Net movements in statutory funds (excluding investment allocations)	19,428	4,190	19,428	4,190
Investment income (interest and dividends)	45,236	14,223	44,980	13,946
Investment income (net fair value gains/(losses))	70,050	(8,360)	68,586	(9,394)
Borrowing costs	(11,151)	(5,791)	(11,151)	(5,791)
Capital grants	48,371	26,507	48,371	26,507
Net Settlement of Insurance Claim	(35)	-	(35)	-
Restructuring costs	(4,745)	(15,950)	(4,745)	(15,950)
Net result from continuing operations	165,940	18,499	170,002	18,019

*The core activities of the University are:

- learning and teaching;
- research, knowledge transfer and research training;
- community engagement; and
- activities incidental to undertaking the above.

Restructure programs are not included.

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	CONSOLIDATED		PARENT ENTITY	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	13,131	52,305	11,151	49,155
Receivables	6	54,216	32,158	59,039	32,546
Contract assets	7	7,917	5,825	7,917	5,825
Other financial assets	8	332,270	249,339	322,386	240,881
Inventories	9	1,060	790	1,060	790
Other non-financial assets	10	25,522	13,675	25,463	13,628
Total current assets		434,116	354,092	427,016	342,825
NON-CURRENT ASSETS					
Receivables	6	6,075	7,148	6,075	7,148
Other financial assets	8	162,001	150,825	165,652	150,632
Property, plant and equipment	11	946,496	856,899	945,995	856,336
Intangible assets	12	42,669	47,443	42,661	47,433
Service concession assets	13	223,649	145,747	223,649	145,747
Total non-current assets		1,380,890	1,208,062	1,384,032	1,207,296
Total assets		1,815,006	1,562,154	1,811,048	1,550,121
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	14	44,622	48,897	48,584	48,663
Borrowings	15	73,181	2,761	73,181	2,761
Provisions	16	76,175	67,842	75,173	67,083
Contract liabilities	17	214,760	141,025	214,684	140,872
Other liabilities	18	11,972	6,316	11,972	6,316
Total current liabilities		420,710	266,841	423,594	265,695
NON-CURRENT LIABILITIES					
Borrowings	15	9,697	132,523	9,697	132,523
Provisions	16	24,929	26,269	24,870	26,227
Contract liabilities	17	43,082	47,046	43,082	47,046
Other liabilities	18	174,177	113,144	174,177	113,144
Total non-current liabilities		251,885	318,982	251,826	318,940
Total liabilities		672,595	585,823	675,420	584,635
Net assets		1,142,411	976,331	1,135,628	965,486
EQUITY					
Statutory funds	19	146,082	123,086	146,082	123,086
Reserves	19	216,998	216,998	216,998	216,998
Retained earnings	19	779,331	636,247	772,548	625,402
Total equity		1,142,411	976,331	1,135,628	965,486

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED	Notes	Statutory funds	Reserves	Retained earnings	Total
		\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2020		120,111	217,278	620,697	958,086
Net result	19	-	-	18,499	18,499
Transfer to statutory funds	19	2,975	-	(2,975)	-
Gain/(loss) on revaluation of property, plant and equipment	19	-	(280)	-	(280)
Other comprehensive income	19	-	-	26	26
Total comprehensive income		2,975	(280)	15,550	18,245
Balance at 31 December 2020		123,086	216,998	636,247	976,331
Balance at 1 January 2021		123,086	216,998	636,247	976,331
Net result	19	-	-	165,940	165,940
Transfer to statutory funds	19	22,996	-	(22,996)	-
Other comprehensive income	19	-	-	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
PARENT ENTITY					
Balance at 1 January 2020		120,111	217,278	610,332	947,721
Net result	19	-	-	18,019	18,019
Transfer to statutory funds	19	2,975	-	(2,975)	-
Gain/(loss) on revaluation of property, plant and equipment	19	-	(280)	-	(280)
Other comprehensive income	19	-	-	26	26
Total comprehensive income		2,975	(280)	15,070	17,765
Balance at 31 December 2020		123,086	216,998	625,402	965,486
Balance at 1 January 2021		123,086	216,998	625,402	965,486
Net result	19	-	-	170,002	170,002
Transfer to statutory funds	19	22,996	-	(22,996)	-
Other comprehensive income	19	-	-	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

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

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	CONSOLIDATED		PARENT ENTITY	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES					
Australian Government grants		503,208	476,218	503,208	476,218
OS-HELP (net)		2,507	1,129	2,507	1,129
Superannuation supplementation		566	587	566	587
State and Local Government grants		19,544	7,899	19,544	7,899
HECS-HELP – student payments		11,105	8,474	11,105	8,474
Receipts from student fees and other customers		112,994	149,825	113,164	148,778
Dividends received		18,014	12,565	17,760	12,307
Interest received		344	867	342	848
Payments to suppliers and employees (inclusive of GST)		(670,678)	(656,903)	(660,295)	(650,144)
Interest and other costs of finance		(12,943)	(5,791)	(12,943)	(5,791)
Short-term lease payments and lease payments for leases of low value assets		(1,960)	(1,506)	(2,030)	(1,761)
Receipts from consultancies and contracts		52,884	47,593	44,500	41,945
Other operating inflows		46,202	43,521	48,346	43,147
Net cash inflow/(outflow) from operating activities	27(b)	81,787	84,479	85,774	83,635
CASH FLOWS FROM INVESTING ACTIVITIES					
Capital grants		104,978	64,589	104,978	64,589
Proceeds from sale of property, plant and equipment		104	30	70	30
Payments for property, plant and equipment		(215,444)	(75,246)	(215,089)	(75,244)
Payments for intangibles		(3,192)	(2,581)	(3,192)	(2,581)
Payments for financial assets		(18,875)	(194,859)	(16,757)	(192,868)
Proceeds from sale of financial assets		-	228,917	-	226,941
Repayments / (drawdown) of loan from related parties		-	-	745	1,247
Proceeds from licensing of student accommodation		70,811	-	70,811	-
Other investing inflows		(1,242)	(319)	(1,242)	(319)
Investment in subsidiary		-	-	(6,000)	-
Net cash inflow/(outflow) from investing activities		(62,860)	20,532	(65,676)	21,795
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from borrowings		70,000	-	70,000	-
Repayment of borrowings		(125,000)	(68,600)	(125,000)	(68,600)
Repayment of lease liabilities		(3,101)	(3,031)	(3,101)	(3,031)
Net cash inflow/(outflow) from financing activities		(58,101)	(71,631)	(58,101)	(71,631)
Net increase/(decrease) in cash held		(39,174)	33,379	(38,003)	33,799
Cash and cash equivalents at beginning of reporting period		52,305	18,926	49,155	15,355
Cash and cash equivalents at end of reporting period	5	13,131	52,305	11,151	49,155

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

Contents of the notes to the financial statements

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NOTES

FOR THE YEAR ENDED 31 DECEMBER 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1.1 Basis of preparation

As per AASB1054 *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. Some of the Australian Accounting Standards requirements for not-for-profit entities are inconsistent with the International Financial Reporting Standards (IFRS) requirements.

Date of authorisation for issue

The financial statements were authorised for issue by the University Council on 11 February 2022.

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, certain classes of property, plant and equipment and investment properties.

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 17)
- Impairment of assets (Note 4.4)
- Fair value, depreciation and amortisation of property, plant and equipment (Note 11)
- Fair value of investments and receivables (Note 29)
- Intangibles (Note 12)
- Service concession assets (Notes 13 and 18)
- Lease liabilities (Note 24.1)
- Superannuation provision (Notes 16 and 31)
- Long service leave provision (Note 16)
- Restructuring and other employee related costs (Note 16)

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

1.2 Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all controlled entities of the University (parent entity) as at 31 December 2021 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.

A list of controlled entities is contained in Note 26 to the financial statements. 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.

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 2021

1.5 Joint venture and collaborative agreements

The consolidated entity participates in six 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.

1.6 COVID-19 Impact

On 31 January 2020, the World Health Organisation declared a 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.

1.7 Rounding of amounts

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

1.8 Comparative amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect of the changes in presentation adopted in the current year. Comparative information for Other Financial Assets (Note 8) has been amended as explained in that note.

1.9 New accounting standards and interpretations

The following standards have been issued but are not mandatory for 31 December 2021 reporting periods:

- AASB 2020-3. Amendments to Australian Accounting Standards - Annual improvements 2018 – 2021 and Other Amendments (Application date: 1 January 2022)
- AASB 2020-1 and 2020-6. 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)

In addition, at the date of authorisation of the financial statements, the following IASB Standards and IFRIC Interpretations were on issue but not yet effective:

- Amendments to IAS 1 and IFRS Practice Statement 2. Disclosure of Accounting Policies – (Application date 1 January 2023)
- Amendments to IAS 8. Definition of Accounting Estimates – (Application date 1 January 2023)

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

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

2. REVENUE AND INCOME FROM CONTINUING OPERATIONS

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 AASB15 and AASB1058 are included in Note 2.6 and a reconciliation is included in Note 2.7.

	Notes	CONSOLIDATED		PARENT ENTITY	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
2.1 Australian Government financial assistance including Australian Government Loan Programs (HELP)					
(a) Commonwealth Grant Scheme and other grants	32.1				
Commonwealth Grant Scheme		248,713	222,790	248,713	222,790
National Institutes Funding		8,107	7,964	8,107	7,964
Access and Participation Fund		7,022	6,364	7,022	6,364
National Priorities and Industry Linkage Fund		4,750	-	4,750	-
Advanced Apprenticeship Pilots - Industry 4.0		218	-	218	-
Promotion of Excellence in Learning and Teaching		-	19	-	19
Disability Performance Funding		286	261	286	261
Indigenous Student Success Program		3,025	3,044	3,025	3,044
Total Commonwealth Grants Scheme and other grants		272,121	240,442	272,121	240,442
(b) Higher Education Loan Programs (HELP)	32.2				
HECS-HELP		66,732	70,324	66,732	70,324
FEE-HELP		2,508	2,984	2,508	2,984
SA-HELP		1,349	1,400	1,349	1,400
Total Higher Education Loan Programs		70,589	74,708	70,589	74,708
(c) EDUCATION Research	32.3				
Research Training Program		25,397	25,009	25,397	25,009
Research Support Program		42,896	21,958	42,896	21,958
Total EDUCATION Research		68,293	46,967	68,293	46,967
(d) Other capital funding	32.5				
Linkage Infrastructure, Equipment and Facilities grant		526	-	526	-
Total other capital funding		526	-	526	-
(e) Australian Research Council (ARC)	32.6				
Discovery		7,688	8,292	7,688	8,292
Linkages		3,210	4,479	3,210	4,479
Special Research Initiatives		-	3,680	-	3,680
Total Australian Research Council		10,898	16,451	10,898	16,451
(f) Other Australian Government financial assistance Non-capital					
National Health and Medical Research Council		10,183	8,224	10,183	8,224
Australian Government Research (non-ARC)		22,557	23,175	22,557	23,175
Other Australian Government income		42,077	42,162	42,077	42,162
Total non-capital		74,817	73,561	74,817	73,561
Capital					
Other Australian Government capital income	32.5	39,422	9,242	39,422	9,242
Total capital		39,422	9,242	39,422	9,242
Total other Australian Government financial assistance		114,239	82,803	114,239	82,803
Total Australian Government financial assistance		536,666	461,371	536,666	461,371
Reconciliation					
Australian Government grants		466,077	386,663	466,077	386,663
Higher Education Loan Programs		70,589	74,708	70,589	74,708
Total Australian Government financial assistance		536,666	461,371	536,666	461,371

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

2. REVENUE AND INCOME FROM CONTINUING OPERATIONS (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 AASB1058, <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 (IP) 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 2021

2. REVENUE AND INCOME FROM CONTINUING OPERATIONS (continued)

	CONSOLIDATED		PARENT ENTITY	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
2.2 State and Local Government financial assistance	Notes			
Non-capital				
Institute for Marine and Antarctic Studies (IMAS)	3,105	2,727	3,105	2,727
Tasmanian Institute of Agriculture (TIA)	5,759	5,838	5,759	5,838
Menzies Research Institute (Menzies)	997	1,250	997	1,250
Other State and Local Government Financial Assistance	3,874	4,739	3,874	4,739
Total non-capital	13,735	14,554	13,735	14,554
Capital				
Other capital income	10,377	14,048	10,377	14,048
Total capital	10,377	14,048	10,377	14,048
Total State and Local Government financial assistance	24,112	28,602	24,112	28,602

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	94,665	127,174	94,665	127,174
Fee-paying overseas students – offshore	3,093	2,927	3,093	2,927
Fee-paying domestic postgraduate students	2,031	1,963	2,031	1,963
Fee-paying Vocational Education and Training students	802	772	802	773
Total course fees and charges	100,591	132,836	100,591	132,837

Other non-course fees and charges

Student Services and Amenities Fees from students	32.10	3,787	3,284	3,787
Accommodation charges		14,177	14,303	13,933
Other		4,530	5,475	5,220
Total other fees and charges		22,494	23,062	22,437

Total fees and charges	123,085	155,898	123,266	155,274
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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 2021

2. REVENUE AND INCOME FROM CONTINUING OPERATIONS (continued)

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

2.4 Consultancy and contracts

Industry and other research contracts	21,940	21,422	21,940	21,427
Research consultancies	85	111	85	111
Contract revenue (other than consultancy and contract research)	10,354	6,909	2,732	1,769
Industry support to ARC Linkage projects	248	456	248	456
Industry support to other Commonwealth research	3,033	5,980	3,033	5,980
Total consultancy and contracts	35,660	34,878	28,038	29,743

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 2021

2. REVENUE AND INCOME FROM CONTINUING OPERATIONS (continued)

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

2.5 Other income and revenue

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Donations and bequests	1,138	4,164	1,138	4,164
Research donations and bequests	4,228	4,919	4,228	4,919
Scholarships and prizes	3,225	2,092	3,225	2,092
Sale of goods	4,301	4,260	4,300	4,260
Other revenue	3,089	3,804	3,049	3,823
Other income	3,493	4,914	5,077	5,151
Total other income and revenue	19,474	24,153	21,017	24,409

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.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

2. REVENUE AND INCOME FROM CONTINUING OPERATIONS (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 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). Domestic and overseas student recruitment is affected by various economic, social and political factors such as the national and global economy, global events and local demography.

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.

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 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 2021

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

CONSOLIDATED – For the year ending 31 December 2020 – 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	313,750	-	1,963	-	-	315,713	-
Overseas students	-	-	130,101	-	-	130,101	-
Vocational education and training	-	-	772	-	-	772	-
Total education revenue and income	313,750	-	132,836	-	-	446,586	-
Research	136,979	14,554	-	27,969	4,919	115,430	68,991
Non-course fees and charges (ancillary to provision of education and research)							
Student Services and Amenities Fees	1,400	-	3,284	-	-	4,684	-
Accommodation charges	-	-	14,303	-	-	14,303	-
Other fees and charges	-	-	5,475	-	-	5,450	25
Total non-course fees and charges	1,400	-	23,062	-	-	24,437	25
Capital Government Grants	9,242	14,048	-	-	-	23,290	-
Other income and revenue	-	-	-	11,169	14,974	14,973	11,170
Total revenue and income	461,371	28,602	155,898	39,138	19,893	624,716	80,186
Total revenue from contracts with customers	409,623	18,386	155,873	36,897	3,937	624,716	-
Total income of not-for-profit entities	51,748	10,216	25	2,241	15,956	-	80,186

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

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 2020 – 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	313,750	-	1,963	-	-	315,713	-
Overseas students	-	-	130,101	-	-	130,101	-
Vocational education and training	-	-	773	-	-	773	-
Total education revenue and income	313,750	-	132,837	-	-	446,587	-
Research	136,979	14,554	-	27,974	4,919	115,435	68,991
Non-course fees and charges (ancillary to provision of education and research)							
Student Services and Amenities Fees	1,400	-	3,284	-	-	4,684	-
Accommodation charges	-	-	13,933	-	-	13,933	-
Other fees and charges	-	-	5,220	-	-	5,195	25
Total non-course fees and charges	1,400	-	22,437	-	-	23,812	25
Capital Government Grants	9,242	14,048	-	-	-	23,290	-
Other income and revenue	-	-	-	6,029	15,230	9,852	11,407
Total revenue and income	461,371	28,602	155,274	34,003	20,149	618,976	80,423
Total revenue from contracts with customers	409,623	18,386	155,249	31,762	3,956	618,976	-
Total income of not-for-profit entities	51,748	10,216	25	2,241	16,193	-	80,423

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

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 AASB15 and AASB1058:

Notes	CONSOLIDATED		PARENT ENTITY		
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	
Total Australian Government financial assistance including Australian Government Loan Programs (HELP)	2.1	536,666	461,371	536,666	461,371
Total State and Local Government financial assistance	2.2	24,112	28,602	24,112	28,602
Total Fees and charges	2.3	123,085	155,898	123,266	155,274
Total Consultancy and contract fees	2.4	35,660	34,878	28,038	29,743
Total Other revenue and income	2.5	19,474	24,153	21,017	24,409
Total		738,997	704,902	733,099	699,399
Total Revenue from contracts with customers as per AASB15	2.6	622,373	624,716	616,689	618,976
Total Income of not-for-profit as per AASB1058	2.6	116,624	80,186	116,410	80,423
Total Revenue and Income from continuing operations		738,997	704,902	733,099	699,399

3. INVESTMENT INCOME

Interest	344	862	342	843
Dividends	44,892	13,361	44,638	13,103
Net fair value gains/(losses) – Financial assets designated at fair value through profit or loss	70,148	(8,360)	68,684	(8,575)
Net gains / (losses) derived from hedging financial assets	(98)	-	(98)	-
Total investment income	115,286	5,863	113,566	5,371

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

Comprised of changes in fair value of the consolidated entity's investment portfolio (refer Note 8).

Net gains / (losses) derived from hedging financial assets

Hedges relating to the sale of shares were in a net loss position as at 31 December 2021 (refer Notes 8 and 18).

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

4. EXPENSES FROM CONTINUING OPERATIONS

4.1 Employee related expenses

Academic

	CONSOLIDATED		PARENT ENTITY	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Salaries	153,861	154,383	153,818	154,383
Contribution to superannuation and pension schemes	25,894	25,283	25,894	25,283
Payroll tax	12,081	12,117	12,081	12,117
Workers' compensation	400	382	400	382
Long service leave expense	4,606	4,170	4,606	4,170
Annual leave	10,259	10,398	10,259	10,398
Restructuring and other employee related costs	2,731	8,857	2,731	8,857
Other expenses	4,497	4,658	4,497	4,658
Total academic	214,329	220,248	214,286	220,248

Non-Academic

Salaries	147,234	145,894	142,118	141,760
Contribution to superannuation and pension schemes	24,285	23,517	23,649	22,998
Payroll tax	11,200	10,927	10,902	10,930
Workers' compensation	410	399	385	376
Long service leave expense	4,477	4,500	4,328	4,549
Annual leave	10,669	10,009	10,366	9,809
Restructuring and other employee related costs	13,029	7,178	13,029	7,093
Other expenses	2,064	2,449	2,056	2,414
Total non-academic	213,368	204,873	206,833	199,929

Total employee benefits and on costs

	427,697	425,121	421,119	420,177
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Accounting policy

Refer to Note 16 for accounting policy.

4.2 Depreciation and amortisation

Depreciation on property, plant and equipment	31,201	29,482	30,784	29,295
Depreciation on right of use assets	4,240	6,195	4,240	6,195
Depreciation service concession assets	3,518	2,489	3,518	2,489
Amortisation on intangible assets	7,966	7,828	7,964	7,828
Total depreciation and amortisation	46,925	45,994	46,506	45,807

Accounting policy

Refer to Notes 11, 12 and 13 for accounting policies.

4.3 Borrowing costs

Interest expense on financial liabilities at amortised cost	10,716	5,509	10,716	5,509
Interest expense on lease liabilities	435	282	435	282
Total borrowing costs expensed	11,151	5,791	11,151	5,791

For details of the consolidated entity's borrowings, please refer to Note 15.

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 24.1 which details the policy for lease accounting where the consolidated entity is a lessee.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

4. EXPENSES FROM CONTINUING OPERATIONS (continued)

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

4.4 Impairment of assets

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Property, Plant and Equipment	536	-	536	-
Right of use assets	2,363	3,133	2,363	3,133
Impairment of receivables (Notes 6 and 29)	(461)	4,560	(458)	4,560
Total impairment of assets	2,438	7,693	2,441	7,693

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 lifetime expected credit losses at each reporting date. An expected credit loss (ECL) matrix is prepared incorporating debtor carrying amount by days past due category, with respective historical write-off rates and forward-looking rates applied to compute the ECL. This requires significant judgement and assumptions regarding past history, and market conditions

4.5 Other expenses

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Scholarships and prizes	28,375	31,255	28,375	31,245
Research sub-contractors	37,076	37,945	37,076	37,945
Professional and advisory services	27,718	26,374	25,057	26,948
Information technology operating costs	16,503	14,645	16,476	14,584
Consumable products	13,372	14,189	13,061	14,017
Advertising, marketing and promotional expenses	11,488	8,241	11,500	8,221
Audit and assurance services	547	474	515	443
Books, serials and subscriptions	9,416	9,299	9,394	9,278
Cleaning and waste management	6,001	7,386	5,973	7,351
Conjoints, secondments and employment agency costs	2,122	2,380	2,030	2,380
Council and director fees	934	975	643	975
Electricity and heating fuel	6,362	6,627	6,362	6,627
Insurance	3,878	3,895	3,857	3,893
New appointment expenses	1,003	536	973	535
Non-capitalised property, plant and equipment	4,438	12,869	4,370	12,809
Office administration costs	2,326	2,126	2,288	2,100
Property and building operating costs	3,211	3,379	3,210	3,386
Security	3,013	3,382	3,013	3,382
Short-term and low-value asset lease payments	1,960	1,506	2,030	1,761
Telecommunications	3,451	2,865	3,435	2,851
Travel and staff development	5,350	4,793	4,950	4,622
Other	8,158	9,171	7,459	8,635
Total other expenses	196,702	204,312	192,047	203,988

Accounting policy

Other expenses are recognised on an accruals basis.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

5. CASH AND CASH EQUIVALENTS

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

Cash at bank and on hand	11,436	49,738	11,151	49,155
Short-term deposits and bills	1,695	2,567	-	-
Total current cash and cash equivalents	13,131	52,305	11,151	49,155

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

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

Balances as above	13,131	52,305	11,151	49,155
Balance per the Statement of Cash Flows	13,131	52,305	11,151	49,155

Cash at bank accounts are bearing floating interest rates at 0.1% (2020: range between 0.1% and 1.25%). Cash on hand is non-interest bearing. Short-term deposits and bills as at 31 December 2021 are bearing interest rates at 0.2% (2020: range between 0.01% and 1.47%). 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 2021

6. RECEIVABLES

	Notes	CONSOLIDATED		PARENT ENTITY	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Receivables					
Current					
Trade receivables		21,112	29,574	20,518	28,923
Less provision for expected credit losses		(1,283)	(2,693)	(1,283)	(2,690)
		19,829	26,881	19,235	26,233
Non-current					
Deferred Government contribution for superannuation	31	608	603	608	603
Bonds and deposits		851	778	851	778
Franking credits receivable and other accrued income		30,000	2,339	29,829	2,114
GST		2,928	1,557	2,960	1,557
Loans to controlled entities		-	-	5,556	1,261
Total current receivables		54,216	32,158	59,039	32,546
Non-current					
Deferred Government contribution for superannuation	31	6,075	7,148	6,075	7,148
Sundry loans and advances		300	300	300	300
Less provision for expected credit losses		(300)	(300)	(300)	(300)
Total non-current receivables		6,075	7,148	6,075	7,148
Total receivables		60,291	39,306	65,114	39,694

Allowance for impaired receivables

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

As at 1 January	2,993	809	2,990	809
Provision for doubtful debts and expected credit losses	903	2,393	903	2,390
Receivables written off during the year as uncollectible	(2,271)	(168)	(2,271)	(168)
Unused amount reversed	(42)	(41)	(39)	(41)
As at 31 December	1,583	2,993	1,583	2,990

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 31 for further details.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

7. CONTRACT ASSETS

	CONSOLIDATED		PARENT ENTITY	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current				
Contract assets – current	7,917	5,825	7,917	5,825
Total contract assets	7,917	5,825	7,917	5,825

Accounting policy

Contract assets

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 2021

8. OTHER FINANCIAL ASSETS

	Notes	CONSOLIDATED		PARENT ENTITY	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current					
Other financial assets at amortised cost	8.1	73,765	76,577	72,029	75,854
Derivative assets	3	5,072	-	5,072	-
Financial assets at fair value through profit and loss (FVTPL)	8.2	253,433	172,762	245,285	165,027
Total current other financial assets		332,270	249,339	322,386	240,881
Non-current					
Other financial assets at amortised cost	8.1	6,626	760	4,668	760
Financial assets at fair value through profit and loss (FVTPL)	8.2	155,375	150,065	151,450	146,338
Investment in subsidiaries	8.3	-	-	9,534	3,534
Total non-current other financial assets		162,001	150,825	165,652	150,632
Total other financial assets		494,271	400,164	488,038	391,513

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 in profit or loss (FVTPL) or OCI (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 (FVTOCI).

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 de-recognition directly in the income (profit or loss) 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 pooled funds. Funds are invested in Australian equities, overseas equities, alternatives, fixed interest securities and property trusts under an approved investment policy (see Note 8.2). 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.

Comparative information 2020

Financial assets valued at fair value through profit and loss were classified as non-current in the 2020 financial year. In the 2021 financial statements these assets are now classified as both current and non-current assets to reflect the consolidated entity's strategy with regard to investments held (refer to Note 8.2 for further details). The 2020 comparatives have been restated to show an amount of \$172.8 million as a current asset, which was the value of Australian and overseas equities held as at 31 December 2020.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

8. OTHER FINANCIAL ASSETS (continued)

	CONSOLIDATED		PARENT ENTITY	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
8.1 Other financial asset at amortised cost				
Current				
Managed Funds at Call	73,765	76,577	72,029	75,854
Non-current				
Fixed interest	1,958	-	-	-
Trust investments	4,668	760	4,668	760
Total other financial asset at amortised cost	80,391	77,337	76,697	76,614

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

Listed securities – managed funds, comprising:

Australian equities	106,840	37,713	100,555	32,529
Overseas equities	147,778	135,049	144,514	132,496
Australian property	824	824	-	-
Alternatives	153,366	81,446	151,666	80,632
Australian fixed interest	-	1,838	-	-
Overseas fixed interest	-	25,006	-	24,757
Total managed funds	408,808	281,876	396,735	270,414
Unlisted securities – shares	-	40,951	-	40,951
Total financial assets at fair value through profit and loss (FVTPL)	408,808	322,827	396,735	311,365

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.

- 8.3 The consolidated entity's investment in subsidiaries relates to its investment in AMC Search Limited and UTAS Holdings Pty Ltd. Refer to Note 26 for further details.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

9. INVENTORIES

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

Livestock and feed	1,060	790	1,060	790
Total inventories	1,060	790	1,060	790

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.

10. OTHER NON-FINANCIAL ASSETS

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

Prepayments	25,522	13,675	25,463	13,628
Total other non-financial assets	25,522	13,675	25,463	13,628

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 2021

11. 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 2020

At cost	-	-	143,118	155,678	51,778	-	350,574	45,306	395,880
At valuation	169,637	412,890	-	-	-	9,960	592,487	-	592,487
Accumulated depreciation and impairment	-	(2,199)	-	(107,209)	(48,316)	-	(157,724)	(4,222)	(161,946)
Net book amount	169,637	410,691	143,118	48,469	3,462	9,960	785,337	41,084	826,421

Year ended 31 December 2020

Opening net book amount	169,637	410,691	143,118	48,469	3,462	9,960	785,337	41,084	826,421
Additions	4,717	-	70,827	4,246	34	40	79,864	981	80,845
Transfers between classes	-	118,222	(141,765)	22,097	-	-	(1,446)	1,446	-
Revaluation increment/ (decrement)	19	(280)	-	-	-	-	(280)	(3,565)	(3,845)
Disposals	-	-	-	(56)	-	-	(56)	-	(56)
Asset Write Off	-	-	(7,656)	-	-	-	(7,656)	-	(7,656)
Impairment	-	-	-	-	-	-	-	(3,133)	(3,133)
Depreciation charge	4.2	-	(16,543)	(12,550)	(390)	-	(29,483)	(6,195)	(35,678)
Closing net book amount	174,074	512,370	64,524	62,207	3,106	10,000	826,281	30,618	856,899

At 31 December 2020

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)	19	-	-	-	-	-	-	(398)	(398)
Disposals	(510)	(5,028)	-	(568)	-	-	(6,106)	-	(6,106)
Impairment	4.4	-	(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

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

II. PROPERTY, PLANT AND EQUIPMENT

(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 2020

At cost	-	-	143,118	153,365	51,778	-	348,261	45,306	393,567
At valuation	169,637	412,890	-	-	-	9,960	592,487	-	592,487
Accumulated depreciation and impairment	-	(2,199)	-	(105,642)	(48,316)	-	(156,157)	(4,222)	(160,379)
Net book amount	169,637	410,691	143,118	47,723	3,462	9,960	784,591	41,084	825,675

Year ended 31 December 2020

Opening net book amount	169,637	410,691	143,118	47,723	3,462	9,960	784,591	41,084	825,675
Additions	4,717	-	70,827	4,242	34	40	79,860	981	80,841
Transfers between classes	-	118,222	(141,765)	22,097	-	-	(1,446)	1,446	-
Revaluation increment/ (decrement)	19	(280)	-	-	-	-	(280)	(3,565)	(3,845)
Disposals	-	-	-	(56)	-	-	(56)	-	(56)
Asset Write Off	-	-	(7,656)	-	-	-	(7,656)	-	(7,656)
Impairment	-	-	-	-	-	-	-	(3,133)	(3,133)
Depreciation charge	4.2	-	(16,543)	(12,362)	(390)	-	(29,295)	(6,195)	(35,490)
Closing net book amount	174,074	512,370	64,524	61,644	3,106	10,000	825,718	30,618	856,336

At 31 December 2020

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)	19	-	-	-	-	-	-	(398)	(398)
Disposals	(510)	(5,028)	-	(525)	-	-	(6,063)	-	(6,063)
Impairment	4.4	-	(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

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

II. 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 2019.
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.

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.

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

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	2021	2020
Buildings	6 – 85 Years	6 – 82 Years
Right of use assets	2 – 45 Years	2 – 45 Years
Plant and equipment	2 – 41 Years	2 – 41 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 2021

11. PROPERTY, PLANT AND EQUIPMENT (continued)

11.1 Right-of-use assets

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:

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

Right-of-use Assets

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
As at 1 January	30,618	41,084	30,618	41,084
Additions of right-of-use assets	10,233	2,427	10,233	2,427
Transfer between asset classes	(7,762)	-	(7,762)	-
Right-of-use assessment	(398)	(3,565)	(398)	(3,565)
Right-of-use impairment	(2,363)	(3,133)	(2,363)	(3,133)
Amortisation charge	(4,240)	(6,195)	(4,240)	(6,195)
As at 31 December	26,088	30,618	26,088	30,618

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 AASB1058. 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 2021

12. INTANGIBLE ASSETS

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

Opening net book amount	47,443	52,692	47,433	52,680
Additions	1,954	5,999	1,954	5,999
Additions to intangibles work in progress	1,238	(3,420)	1,238	(3,418)
Amortisation charge	(7,966)	(7,828)	(7,964)	(7,828)
Closing net book amount	42,669	47,443	42,661	47,433

Cost	85,181	83,542	85,162	83,225
Accumulated amortisation and impairment	(50,339)	(42,688)	(50,328)	(42,381)
Intangibles work in progress	7,827	6,589	7,827	6,589
Net book amount	42,669	47,443	42,661	47,433

Accounting policy

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

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

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

Core business systems software	10 – 15 years
Other minor software applications	3 years

13. SERVICE CONCESSION ASSETS

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

Non-current

Opening balance at valuation	145,747	142,903	145,747	142,903
Additions	81,420	5,333	81,420	5,333
Depreciation	(3,518)	(2,489)	(3,518)	(2,489)
Total service concession asset	223,649	145,747	223,649	145,747

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 new 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 (2020: 8 to 75 years).

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

14. TRADE AND OTHER PAYABLES

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

Current

Creditors and accruals	38,587	47,777	37,509	47,543
Amounts owed to controlled entities	-	-	5,040	-
Scholarships payable	2,408	-	2,408	-
OS-HELP liability and Tertiary Access Payment to Australian Government	3,627	1,120	3,627	1,120
Total current trade and other payables	44,622	48,897	48,584	48,663

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 \$0.14 million (2020: \$0.07 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.

15. BORROWINGS

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

Current

Unsecured loan – interest bearing	70,000	-	70,000	-
Lease liabilities	3,181	2,761	3,181	2,761
Total current borrowings	73,181	2,761	73,181	2,761

Non-current

Unsecured loan – interest bearing	-	125,000	-	125,000
Lease liabilities	9,697	7,523	9,697	7,523
Total non-current borrowings	9,697	132,523	9,697	132,523

Total borrowings	82,878	135,284	82,878	135,284
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The loan facilities with Tascorp are made under a Master Loan Facility Agreement; the facility restricts other financial indebtedness and encumbrances that can be incurred. The University borrowed \$70 million; however, they require the University to maintain cash reserves at a level no less than the outstanding amount loaned, where cash reserves means cash, cash equivalents and financial investments, or equivalent items, less the value of Statutory Funds.

The University also has a Tascorp overdraft facility, with an official cash rate of + 0.65%.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

15. BORROWINGS (continued)

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

a) Financing arrangements

At balance date the following lines of credit were established:

Loan facilities

Total loan facility - Tascorp	70,000	125,000	70,000	125,000
Total overdraft facility	75,000	75,000	75,000	75,000
Used at balance date	(70,000)	(125,000)	(70,000)	(125,000)
Unused at balance date	75,000	75,000	75,000	75,000

Business card facility

Total facility	3,000	9,000	3,000	9,000
Used at balance date	-	-	-	-
Unused at balance date	3,000	9,000	3,000	9,000

b) Fair value

The fair values of borrowings are set out in Note 30.

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:

Within one year	73,181	2,761	73,181	2,761
Between one and five years	8,437	130,927	8,437	130,927
Later than five years	1,260	1,596	1,260	1,596
Total borrowings	82,878	135,284	82,878	135,284

Current borrowings	73,181	2,761	73,181	2,761
Non-current borrowings	9,697	132,523	9,697	132,523
Total borrowings	82,878	135,284	82,878	135,284

All borrowings are in Australian Dollars. For an analysis of the sensitivity of borrowings to interest rate risk refer to Note 29.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

15. BORROWINGS (continued)

d) Reconciliation of liabilities arising from financing activities	2020 \$'000	Cash flows \$'000	Acquisition/ Disposal \$'000	Non-cash changes Fair Value Changes \$'000	Initial recognition \$'000	2021 \$'000
Long-term borrowings	125,000	(125,000)	-	-	-	-
Short-term borrowings	-	70,000	-	-	-	70,000
Lease liabilities	10,284	(3,101)	6,598	(904)	-	12,878
Total liabilities from financing activities	135,284	(58,101)	6,598	(904)	-	82,878

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 2021

16. PROVISIONS

Notes	CONSOLIDATED		PARENT ENTITY	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

Current

Annual leave	28,406	27,945	27,918	27,625
Long service leave	33,965	31,833	33,468	31,394
Restructuring and other employee related costs	11,763	6,088	11,763	6,088
Superannuation	31	1,124	1,172	1,172
Other	917	804	900	804
Total current provisions	76,175	67,842	75,173	67,083

Non-current

Long service leave	15,506	15,361	15,447	15,319
Superannuation	31	9,423	10,908	10,908
Total non-current provisions	24,929	26,269	24,870	26,227
Total provisions	101,104	94,111	100,043	93,310

(1) Annual leave liabilities include the following non-employee on-costs	5,494	5,420	5,448	5,397
(2) Long service leave liabilities include the following non-employee on-costs	3,985	3,371	3,545	3,336

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 increase in the provision due to the passage of time is recognised as a finance cost.

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.

Restructure and other employee related costs

Restructuring and other employee related costs 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.

Restructuring and other employee related costs includes a provision of \$11.0m relating to underpayments of staff salaries and subsequent interest covering the period 6 March 2016 to 21 December 2021. Please refer to Note 22 – Contingencies for further details.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

17. CONTRACT LIABILITIES

	CONSOLIDATED		PARENT ENTITY	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current				
Student fees	31,853	33,429	31,853	33,429
Research grants and contracts	65,448	46,810	65,448	46,810
Capital grants and other	81,629	39,028	81,553	38,876
Australian Government unspent financial assistance	35,830	21,757	35,830	21,757
Total current contract liabilities	214,760	141,025	214,684	140,872
Non-current				
Research grants and contracts	43,082	47,046	43,082	47,046
Total non-current contract liabilities	43,082	47,046	43,082	47,046
Total contract liabilities	257,842	188,071	257,766	187,918

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 AASB15, disclosures are not required in relation to the transaction price allocated to these unsatisfied performance obligations.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

18. OTHER LIABILITIES

	CONSOLIDATED		PARENT ENTITY	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current				
Bonds and deposits held	592	579	592	579
Monies held on behalf of other entities	4	1,246	4	1,246
Derivative liabilities	3 5,169	-	5,169	-
Grant of right to operate	6,207	4,491	6,207	4,491
Total other liabilities – current	11,972	6,316	11,972	6,316
Non-current				
Grant of right to operate	174,177	113,144	174,177	113,144
Total other liabilities – non-current	174,177	113,144	174,177	113,144
Total other liabilities	186,149	119,460	186,149	119,460

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 13). The remaining term of this arrangement is 26 years and the income is to be recognised over the arrangement term.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

19. EQUITY

	Notes	CONSOLIDATED		PARENT ENTITY	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Reserves					
Asset revaluation reserve					
Balance at end of previous year		216,998	217,278	216,998	217,278
Add: revaluation increment/(decrement) on land	11	-	(280)	-	(280)
Balance at end of year		216,998	216,998	216,998	216,998
Statutory funds					
Balance at end of previous year		123,086	120,111	123,086	120,111
Current year movements		22,996	2,975	22,996	2,975
Balance at end of year		146,082	123,086	146,082	123,086
Retained earnings					
Balance at end of previous year		636,247	620,697	625,402	610,332
Other comprehensive income		140	26	140	26
Result		165,940	18,499	170,002	18,019
Movement and transfer in statutory funds		(22,996)	(2,975)	(22,996)	(2,975)
Contributed Equity to Subsidiaries		-	-	-	-
Total retained surplus		779,331	636,247	772,548	625,402

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 2021

20. KEY MANAGEMENT PERSONNEL DISCLOSURES

Remuneration of Council Members

The Council is the governing body of the University.

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

	CONSOLIDATED		PARENT ENTITY	
	2021 No.	2020 No.	2021 No.	2020 No.
\$0 to \$14,999	5	4	5	4
\$15,000 to \$29,999	5	5	5	5
\$30,000 to \$44,999	3	2	3	2
\$45,000 to \$59,999	2	1	2	1
\$75,000 to \$89,999	-	1	-	1
	15	13	15	13

	2021	2020	2021	2020
Aggregate remuneration of Council Members	\$329,130	\$313,491	\$329,130	\$313,491

Members of the University Council are: Hon. Michael Field (part of 2021), Ms Alison Watkins (part of 2021), Professor Rufus Black, Ms Kate Bramich, Professor Natalie Brown, Mrs Susan Chen, Mr Peter Dawkins (part of 2021), Mr Harvey Gibson, Mr James Groom, Ms Tara Howell (part of 2021), Professor Jamie Kilpatrick, Professor Kwong Lee Dow (part of 2021), Ms Phillipa Leedham, Ms Jacqueline Seward, and Ms Sheree Vertigan (part of 2021).

Certain members of Council also receive remuneration in respect of their ongoing employment as a University staff member.

Remuneration of executive officers

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

	CONSOLIDATED		PARENT ENTITY	
	2021 No.	2020 No.	2021 No.	2020 No.
230,000 to 239,999	-	1	-	1
400,000 to 409,999	-	1	-	1
420,000 to 429,999	1	-	1	-
450,000 to 459,999	-	1	-	1
490,000 to 499,999	2	-	2	-
580,000 to 589,999	-	1	-	1
600,000 to 609,999	1	-	1	-
660,000 to 669,999	-	1	-	1
690,000 to 699,999	1	-	1	-
980,000 to 989,999	1	1	1	1
	6	6	6	6

	2021	2020	2021	2020
Aggregate remuneration of executives	\$3,697,936	\$3,325,025	\$3,697,936	\$3,325,025

Executive officers are defined as the Vice-Chancellor and members of the University Executive Team who are responsible for the whole of University strategy. The list of senior executives comprises: Professor Rufus Black (Vice-Chancellor), Professor Jane Long (Provost), Professor Anthony Koutoulis (Deputy Vice-Chancellor (Research)), Ms Jill Bye (Chief People Officer), Mr Craig Barling (Vice President Strategy, Finance and Marketing), Mr David Clerk (Chief Operating Officer).

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 following activity occurred during 2021: Professor Rufus Black (Vice-Chancellor) donated \$100,000 (2020: \$100,000) of his remuneration to the University for scholarships.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

21. 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	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

Audit of the financial statements

Tasmanian Audit Office	201	189	172	160
Total remuneration for audit services	201	189	172	160

Other audit and assurance services

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

Deloitte	11	41	11	41
Department of Agriculture, Water and the Environment	1	6	1	6
CyberCX Pty Ltd	22	-	22	-
KPMG	285	197	285	197
Lloyd's Register Quality Assurance Ltd	4	3	1	1
Tasmanian Audit Office	23	38	23	38
Total remuneration for other audit and assurance services	346	285	343	283

Total remuneration	547	474	515	443
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22. CONTINGENCIES

The parent entity had the following contingent liabilities at 31 December 2021:

Contract performance guarantee with Tasmanian Water and Sewerage Corporation Pty Ltd (expiry 24/01/2022)

- 2021: \$179 thousand (2020: \$179 thousand)

Contract performance guarantee with Launceston City Council (expiry 26/08/2022)

- 2021: \$125 thousand (2020: \$nil)

Contract performance guarantee with Premium Custody Services Pty Ltd (expiry 31/08/2022)

- 2021: \$25 thousand (2020: \$25 thousand)

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

- 2021: \$125 thousand (2020: \$nil)

Contract performance guarantee in respect of a lease with TPG Telecom Ltd (Level 6, 40 Bathurst Street, Hobart) (expiry 31/03/2024)

- 2021: \$170 thousand (2020: \$nil)

The parent entity is acting as guarantor for a rental agreement entered into by Blue Economy Cooperative Research Centre (BECRC) (expiry: 31/12/2027)

- 2021: \$3.7 million (2020: \$3.7 million)

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 will cover the period dating back to 6 March 2014. The preliminary review has covered the period where our payroll has been managed within the current software system, from 6 March 2016 to 21 December 2021. This has identified issues largely relating to minimum engagement periods and the application of penalty rates. Based on the work carried out so far, we have determined a possible estimate of \$1.4m for each year, representing 0.4% of our annual payroll. When we add on-costs and interest, the total estimate for 2016-2021 amounts to \$11.0m. This remains an estimate only and we are prioritising the work to accurately determine the extent of the payment shortfalls, but in order to ensure the Parent Entity have the money set aside for employees, it has made the decision to provide the \$11m in the Restructuring and Other Employee Provisions in the Parent Entity's financial statements this year (refer to Restructuring and Other Employee Provisions – Note 16). Due to the change in the payroll system in 2016, we do not yet have an estimate of the payment shortfalls prior to 6 March 2016. The Parent Entity is working actively to calculate the amounts, but until that is completed, is unable to quantify the additional amount of the provision required.

The consolidated entity has no other material contingent liabilities. There were no contingent assets as at 31 December 2021.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

23. COMMITMENTS

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

Capital expenditure commitments

Contracted but not provided for and payable not later than one year	13,248	7,271	13,248	7,271
Later than one year but not later than five years	-	-	-	-
Later than five years	-	-	-	-
Total capital expenditure commitments	13,248	7,271	13,248	7,271

Capital expenditure commitments includes \$9.6 million (2020: \$4.9 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 payable

Within one year	82	26	82	26
Later than one year but not later than five years	85	45	85	45
Later than five years	2	29	2	29
Total short-term/low value lease commitments	169	100	169	100

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

24. LEASES

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

24.1 The consolidated entity as lessor

Operating leases

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Lease income	2,077	1,462	2,077	1,462

Operating leases as a Lessor

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Maturity analysis of undiscounted lease payments:				
Within one year	4,087	2,852	2,520	2,852
Later than one year but not later than five years	831	665	831	665
Total undiscounted lease payments receivable	6,770	5,325	4,798	5,325

Accounting policy

Policy on assessment of whether a contract is, or contains, a lease is detailed in Note 15.1.

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.

24.2 The consolidated entity as lessee

Amounts recognised in the income statement:

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Interest on lease liabilities	435	282	435	282
Expenses relating to leases of short-term leases and low-value assets, excluding short-term leases of low-value assets	503	499	503	499
Total amounts recognised in the income statement	938	781	938	781

Maturity analysis – undiscounted contractual cash flows:

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Within one year	3,517	3,101	3,517	3,101
Later than one year but not later than five years	9,320	6,590	9,320	6,590
Later than five years	1,101	1,852	1,101	1,852
Total undiscounted contractual cash flows	13,938	11,543	13,938	11,543

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Lease liabilities recognised in the statement of financial position	12,878	10,284	12,878	10,284

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

24. LEASES (continued)

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

24.2 The consolidated entity as lessee (continued)

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current	3,181	2,761	3,181	2,761
Non-current	9,697	7,523	9,697	7,523
Total lease liabilities recognised in the statement of financial position	12,878	10,284	12,878	10,284

The leases as at 31 December 2021 relate to property \$13.6 million (2020: \$9.3 million) and motor vehicles \$0.3 million (2020: \$0.9 million).

Amounts recognised in statement of cash flows:

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Total cash outflow for leases	(3,101)	(3,031)	(3,101)	(3,031)

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 11.1.

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 11.1 and lease liabilities are presented as borrowings in Note 15.

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.

24.3 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 2021, there were two material concessionary leases: the Makers Workshop and Hunter Street buildings.

Accounting policy

Refer to Note 11.1 for accounting policy related to concessionary leases and for details of the assets which have a concessionary lease.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

25. 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 26.

(c) Key management personnel

Disclosures relating to Council Members and specified executives are set out in Note 20.

CONSOLIDATED		PARENT ENTITY	
2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

(d) Transactions with related parties/controlled entities

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Sale of goods and services to controlled entities	-	-	914	735
Purchase of goods and services from controlled entities	-	-	1,324	1,301
Funding provided to controlled entities	-	-	6,993	897

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

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Loan to controlled entities – Beginning of the year	-	-	1,261	2,508
Loans advanced	-	-	4,298	-
Loan repayments received	-	-	(3)	(1,247)
Loans to controlled entities – end of year	-	-	5,556	1,261

(f) Outstanding balances

Current payables (purchases of goods)

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Controlled entities	-	-	5,040	55
Total current payables	-	-	5,040	55

26. 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	Principal place of business	Ownership Interest	
		2021 %	2020 %
AMC Search Limited	Australia	100	100
UTAS Properties Pty Ltd	Australia	100	100
Tasmanian University Student Association (TUSA)	Australia	-	-
UTAS Holdings Pty Ltd	Australia	100	100
Sense-Co Tasmania Pty Ltd	Australia	80	80

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

27. 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:

	CONSOLIDATED		PARENT ENTITY	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Cash at bank and on hand	11,436	49,738	11,151	49,155
Short-term deposits and bills	1,695	2,567	-	-
	13,131	52,305	11,151	49,155

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

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Result	165,940	18,499	170,002	18,019
Capital grants	(104,978)	(64,589)	(104,978)	(64,589)
Depreciation and amortisation	46,925	45,994	46,506	45,807
(Profit)/loss on sale of property, plant and equipment	1,898	317	1,889	317
Impairment of assets	2,899	3,133	2,899	3,133
Movement in realised/unrealised (gains)/losses on investments	(70,050)	8,360	(68,586)	8,575
Net actuarial (gains)/losses in respect of superannuation plans	140	26	140	26

Change in Assets and Liabilities

	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
(Increase)/decrease in receivables and contract assets	(21,667)	(6,747)	(21,810)	(7,509)
(Decrease)/increase in provision for impaired receivables	(1,410)	2,184	(1,407)	2,181
(Increase)/decrease in inventories	(270)	(35)	(270)	(35)
(Increase)/decrease in other non-financial assets	(11,847)	979	(11,835)	966
(Decrease)/increase in payables	5,548	8,542	4,704	8,794
(Decrease)/increase in provisions	6,993	(69)	6,733	118
(Decrease)/increase in other financial liabilities	-	(227)	-	(227)
(Decrease)/increase in unspent financial assistance	14,073	8,672	14,073	8,672
(Decrease)/increase in other liabilities	47,593	59,440	47,714	59,387
Net cash provided or used by operating activities	81,787	84,479	85,774	83,635

28. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

No significant events have occurred.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

29. 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 Committee 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 15% of the total balance due (2020: 10%). Accounts receivable credit terms are 30 days.

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	Non-interest bearing	Floating	1 year or less	Over 1 year to 5 years	More than 5 years	Carrying amount as per Statement of Financial Position	Fair value
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

31 December 2021

Financial assets

Cash and cash equivalents	-	11,436	1,695	-	-	13,131	13,131
Receivables	60,291	-	-	-	-	60,291	60,291
Other financial assets	-	492,313	-	1,958	-	494,271	494,271
Total financial assets	60,291	503,749	1,695	1,958	-	567,693	567,693

Financial liabilities

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

31 December 2020

Financial assets

Cash and cash equivalents	-	49,738	2,567	-	-	52,305	52,305
Receivables	39,306	-	-	-	-	39,306	39,306
Other financial assets	40,951	332,369	-	26,844	-	400,164	400,164
Total financial assets	80,257	382,107	2,567	26,844	-	491,775	491,775

Financial liabilities

Payables	48,897	-	-	-	-	48,897	48,897
Borrowings	12,878	-	-	125,000	-	137,878	148,926
Total financial liabilities	61,775	-	-	125,000	-	186,775	197,823

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. The consolidated entity holds minimal foreign current denominated monetary assets or liabilities; there is therefore limited exposure to foreign currency risk.

d) Interest rate risk

The consolidated entity is not exposed to interest rate risk on its long-term borrowings as they are 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 2021

29. 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 equity 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.

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

The managers place a great deal of emphasis on risk management and constantly examine the risk and return profiles of the portfolios in terms of both asset allocation and the active management of each asset class within the portfolio. This ensures a well-diversified portfolio of assets.

The University's investment policy has established benchmarks for the portfolio. During 2021 the following benchmarks applied: Equities 40% (actual: 46%); alternatives 45% (actual: 38%), and cash and cash equivalents 15% (actual: 16%).

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:

Consolidated	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

31 December 2021

Financial assets

Cash and cash equivalents	13,131	(66)	(66)	131	131	n/a	n/a	n/a	n/a
Receivables	60,291	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other financial assets	494,271	(402)	(402)	804	804	(41,388)	(41,388)	41,388	41,388
Total financial assets	567,693	(468)	(468)	935	935	(41,388)	(41,388)	41,388	41,388

Financial liabilities

Payables	44,622	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Borrowings	82,878	(350)	(350)	700	700	n/a	na	na	na
Total financial liabilities	127,500	(350)	(350)	700	700	-	-	-	-

31 December 2020

Financial assets

Cash and cash equivalents	52,305	(262)	(262)	523	523	n/a	n/a	n/a	n/a
Receivables	39,306	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other financial assets	400,164	(383)	(383)	767	767	(32,347)	(32,347)	32,347	32,347
Total financial assets	491,775	(645)	(645)	1,290	1,290	(32,347)	(32,347)	32,347	32,347

Financial liabilities

Payables	48,897	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Borrowings	137,878	-	-	-	-	n/a	n/a	n/a	n/a
Total financial liabilities	186,775	-	-	-	-	-	-	-	-

Method and underlying assumptions of the sensitivity analysis:

1. The variation in interest rate risk takes into account interest rate movements during 2021 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. \$70 million of short-term overnight loans (2020: \$125 million of long-term loans at fixed interest rates).
5. Short-term borrowings calculated at current face value declining to 0 in 12 months.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

30. FAIR VALUE MEASUREMENTS

a) Fair value measurements

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

Due to the short-term nature of the current receivables, their carrying value 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	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Financial assets					
Cash and cash equivalents	5	13,131	52,305	13,131	52,305
Receivables	6	60,291	39,306	60,291	39,306
Other financial assets	8	494,271	400,164	494,271	400,164
Total financial assets		567,693	491,775	567,693	491,775
Financial liabilities					
Payables	14	44,622	48,897	44,622	48,897
Borrowings	15	82,878	135,284	82,878	146,332
Total financial liabilities		127,500	184,181	127,500	195,229

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 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 2021

	Notes	2021	Level 1	Level 2	Level 3
		\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements					
Financial assets					
Other financial assets	8	494,271	430,080	64,191	-
Total financial assets		494,271	430,080	64,191	-
Non-financial assets					
Land	11	182,179	-	182,179	-
Buildings	11	558,995	-	-	558,995
Works of art	11	10,074	-	10,074	-
Service concession asset	13	223,649	-	-	223,649
Total non-financial assets		974,897	-	192,253	782,644

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

30. FAIR VALUE MEASUREMENTS (continued)

Fair value measurements at 31 December 2020

	Notes	2020	Level 1	Level 2	Level 3
		\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements					
Financial assets					
Other financial assets	8	400,164	359,214	40,950	-
Total financial assets		400,164	359,214	40,950	-
Non-financial assets					
Land	11	174,074	-	174,074	-
Buildings	11	512,370	-	-	512,370
Works of art	11	10,000	-	10,000	-
Service concession asset	13	145,747	-	-	145,747
Total non-financial assets		842,191	-	184,074	658,117

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 and buildings: These assets are independently valued at regular intervals. An independent valuation of the University's land was performed by Messrs. Tim Ashton and Craig Butler of Marsh Valuation Services during 2019. The valuation was performed to determine fair value in accordance with AASB 116 Property, Plant and Equipment. The fair value was determined by employing current replacement cost.

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 leasehold improvements are valued independently at regular intervals. An independent valuation of the University's buildings and leasehold improvements was performed by Messrs. Tim Ashton and Craig Butler of Marsh Valuation Services during 2019. The valuation was performed to determine fair value in accordance with AASB 116. The fair value was determined by employing current replacement cost.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

30. FAIR VALUE MEASUREMENTS (continued)

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

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

	Other financial assets \$'000	Buildings \$'000	Land \$'000	Works of art \$'000	Service concession asset \$'000	Total \$'000
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

Level 3 Fair Value Measurements 2020

Opening balance	-	410,691	-	-	142,903	553,594
Additions	-	-	-	-	5,333	5,333
Transfers from capital works in progress	-	118,222	-	-	-	118,222
Depreciation and/or impairment	-	(16,543)	-	-	(2,489)	(19,032)
Revaluation	-	-	-	-	-	-
Closing balance	-	512,370	-	-	145,747	658,117

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

31. SUPERANNUATION

	2021 \$'000	2020 \$'000
Assets recognised in the Statement of Financial Position		
Current		
Deferred Government contribution for superannuation	608	603
Non-Current		
Deferred Government contribution for superannuation	6,075	7,148
Total superannuation assets	6,683	7,751
Liabilities recognised in the Statement of Financial Position		
Current		
Supplementary Pension Scheme	516	569
Retirement Benefits Fund	608	603
Total Current	1,124	1,172
Non-Current		
Supplementary Pension Scheme	3,348	3,760
Retirement Benefits Fund	6,075	7,148
Total Non-Current	9,423	10,908
Total superannuation liability	10,547	12,080

(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 2019 including estimates of future year liabilities.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

31. SUPERANNUATION (continued)

(b) Schemes closed to future membership (continued)

	2021 \$'000	2020 \$'000
Liabilities recognised in the Statement of Financial Position		
Total liability	3,864	4,329
Current	516	569
Non-current	3,348	3,760
	3,864	4,329
Principal actuarial assumptions		
Discount rate	2.50%	2.50%
Inflation (pensions)	2.50%	2.50%

	2021 \$'000	2020 \$'000
Reconciliation of change in liabilities		
Defined Benefit Obligation at 1 January	4,329	4,841
Interest cost	51	57
Benefits paid	(376)	(543)
Experience (gain)/loss on liabilities	(140)	(26)
Defined Benefit Obligation at 31 December	3,864	4,329

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 2019 actuarial report):

Assumption	Liability as at 31 December 2019 \$'000	Change in liability \$'000
Actual	4,841	-
Reduce discount rate by 0.5%	4,663	(178)
Increase salary increase assumption by 0.5%	5,029	188

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

31. 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.

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 \$6.7 million (2020: \$7.8 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. All new members receive accumulation only benefits.

Description of the regulatory framework

The scheme operates under the *Public Sector Superannuation Reform Act 2016* and the *Public Sector Superannuation Reform Regulations 2018*. Although the scheme is not formally subject to the Superannuation Industry (supervision) (SIS) legislation, the Tasmanian Government has undertaken (in a Heads of Government Agreement) to operate the scheme in accordance with the spirit of the SIS legislation. As an exempt public sector superannuation scheme (as defined in the SIS legislation), the scheme is not subject to any minimum funding requirements.

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

The Superannuation Commission is responsible for the governance of the scheme. As Trustee, the Superannuation Commission has a legal obligation to act solely in the best interests of scheme beneficiaries. The Superannuation Commission has the following roles:

- Administration of the scheme and payment to the beneficiaries when required in accordance with the scheme rules; and
- Management and investment of the scheme assets.

Description of risks

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

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

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

An actuarial report was prepared by Dr David Knox (Fellow of the Institute of Actuaries of Australia) at Mercer as at 30 June 2021.

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

31. SUPERANNUATION (continued)

(b) Schemes closed to future membership (continued)

	2021 \$'000	2020 \$'000
Liabilities recognised in the statement of financial position		
Defined benefit obligations	8,830	9,659
Fair value of plan assets	(2,147)	(1,908)
Net liability	6,683	7,751
Current	608	603
Non-current	6,075	7,148
	6,683	7,751

Reconciliation of the fair value of scheme assets

Fair value of scheme assets at beginning of the year	1,908	1,888
Interest income	29	31
Actual return on scheme assets less interest income	373	487
Employer contributions	579	842
Benefits paid	(742)	(1,340)
Fair value of scheme assets at end of the year	2,147	1,908

Reconciliation of the Defined Benefit Obligation

Present value of Defined Benefit Obligations at beginning of the year	9,659	9,143
Net interest	148	156
Actuarial (gains)/losses arising from changes in demographic assumptions	-	53
Actuarial (gains)/losses arising from changes in financial assumptions	562	967
Actuarial (gains)/losses arising from liability experience	(797)	680
Benefits paid	(742)	(1,340)
Present value of Defined Benefit Obligations at end of the year	8,830	9,659

Significant actuarial assumptions

Assumptions to determine Defined Benefit Cost

Discount rate (active members)	1.60%	1.80%
Discount rate (pensioners)	1.60%	1.80%
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%	2.50%

Assumptions to determine Defined Benefit Obligation

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

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

31. 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 2021 under several scenarios is presented below.

Scenario A and B relate to discount rate sensitivity. Scenario C and D relate to expected pension increase rate sensitivity.

Scenario A: 1.0% pa lower discount rate assumption

Scenario B: 1.0% pa higher discount rate assumption

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

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

	Base Case	Scenario A	Scenario B	Scenario C	Scenario D
		-1.0% pa discount rate	+1.0% pa discount rate	-1.0% pa pension increase rate	+1.0% pa pension increase rate
Discount rate	2.15% pa	0.6% pa	2.60% pa	1.6% pa	1.6% pa
Pension increase rate	2.25% pa	2.25% pa	2.25% pa	1.25% pa	3.25% pa
Defined Benefit Obligation (\$'000s)	8,830	8,558	7,389	7,417	8,513

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

Financial year ending	2021 \$'000	2020 \$'000
Expected employer contributions	603	603

The weighted average duration of the defined benefit obligation is 7.2 years (2020: 7.5 years).

(c) Amounts recognised in statements

	2021 \$'000	2020 \$'000
Amounts recognised in the Income Statement		
Supplementary Pension Scheme liability		
Interest expense	51	57
Retirement Benefits Fund		
Interest expense	148	156
Interest income	(29)	(31)
Deferred Government contribution		
Interest expense	(148)	(156)
Interest income	29	31
Total expense recognised in the Income Statement	51	57

Amount recognised in other comprehensive income

Supplementary Pension Scheme liability		
Actuarial gains/(losses) arising from liability experience	140	26
Retirement Benefits Fund		
Actuarial gains/(losses) arising from changes in financial assumptions	(562)	(967)
Actuarial gains/(losses) arising from liability experience	797	(680)
Deferred Government contribution		
Actuarial (gains)/losses arising from changes in financial assumptions	562	967
Actuarial (gains)/losses arising from liability experience	(797)	680
Total amount recognised in other comprehensive income	140	26

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

32. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

32.1 EDUCATION – CGS and other education grants

	Commonwealth Grant Scheme		Indigenous Support Success Program		Access and Participation Program		Disability Performance Funding		National Institutes	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Financial assistance received in cash during reporting period	255,915	223,227	3,025	3,044	7,022	6,364	286	261	8,107	7,964
Net accrual adjustments	(7,202)	(437)	-	-	-	-	-	-	-	-
Revenue for the period	248,713	222,790	3,025	3,044	7,022	6,364	286	261	8,107	7,964
Surplus/(deficit) from the previous year	-	-	-	-	-	-	(484)	(339)	-	-
Funds available for the period	248,713	222,790	3,025	3,044	7,022	6,364	(198)	(78)	8,107	7,964
Less expenses including accrued expenses	(248,713)	(222,790)	(3,025)	(3,044)	(7,022)	(6,364)	(458)	(406)	(8,107)	(7,964)
Surplus/(deficit) for the reporting period	-	-	-	-	-	-	(656)	(484)	-	-

	Promotion of Excellence in Learning and Teaching		Australian Maths & Science Partnership Program		National Priorities		Advanced Apprenticeship Pilots-Industry 4.0		Total	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Financial assistance received in cash during reporting period	-	-	-	-	4,750	-	218	-	279,323	240,860
Net accrual adjustments	-	19	-	-	-	-	-	-	(7,202)	(418)
Revenue for the period	-	19	-	-	4,750	-	218	-	272,121	240,442
Surplus/(deficit) from the previous year	65	114	-	(44)	-	-	-	-	(419)	(269)
Funds available for the period	65	133	-	(44)	4,750	-	218	-	271,702	240,173
Less expenses including accrued expenses	(13)	(68)	-	44	(4,750)	-	(218)	-	(272,306)	(240,592)
Surplus/(deficit) for the reporting period	52	65	-	-	-	-	-	-	(604)	(419)

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

32. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

32.2 Higher Education Loan Programs (excluding OS-HELP)

	HECS-HELP		FEE-HELP		SA-HELP		Total	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Cash payable/(receivable) at beginning of year	12,765	5,744	2,096	682	102	29	14,963	6,455
Financial assistance received in cash during the reporting period	73,497	77,345	2,623	4,398	1,334	1,473	77,454	83,216
Cash available for the period	86,262	83,089	4,719	5,080	1,436	1,502	92,417	89,671
Revenue earned	(66,732)	(70,324)	(2,508)	(2,984)	(1,349)	(1,400)	(70,589)	(74,708)
Cash payable/(receivable) at end of year	19,530	12,765	2,211	2,096	87	102	21,828	14,963

32.3 Department of Education and Training Research

	Research Training Program		Research Support Program		Total	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Financial assistance received in cash during reporting period	25,397	25,009	42,896	21,958	68,293	46,967
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	25,397	25,009	42,896	21,958	68,293	46,967
Surplus/(deficit) from the previous year	-	-	-	-	-	-
Funds available for the period	25,397	25,009	42,896	21,958	68,293	46,967
Less expenses including accrued expenses	(25,397)	(25,009)	(42,896)	(21,958)	(68,293)	(46,967)
Surplus/(deficit) for the reporting period	-	-	-	-	-	-

32.4 Total Research Training Program Expenditure

	Total domestic students		Total overseas students		Total Research Training program	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Research Training Program fee offsets	17,927	18,454	-	68	17,927	18,522
Research Training Program stipends	6,860	6,037	601	449	7,461	6,486
Research Training Program allowances	9	1	-	-	9	1
Total for all types of support	24,796	24,492	601	517	25,397	25,009

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

32 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

32.5 Other Capital Funding

	Linkage Infrastructure, Equipment and Facilities Grant		Jobs & Growth in Tasmania Education – Driven Economic Revitalisation of Launceston & Burnie Campuses		Total	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Financial assistance received in cash during reporting period	275	420	65,000	30,000	65,275	30,420
Net accrual adjustments	251	(420)	(43,578)	(20,758)	(43,327)	(21,178)
Revenue for the period	526	-	21,422	9,242	21,948	9,242
Surplus/(deficit) from the previous year	-	-	4,800	582	4,800	582
Funds available for the period	526	-	26,222	9,824	26,748	9,824
Less expenses including accrued expenses	(526)	-	(26,222)	(5,024)	(26,748)	(5,024)
Surplus/(deficit) for the reporting period	-	-	-	4,800	-	4,800

32.6 Australian Research Council Grants

	Discovery		Linkages		Special Research Initiatives		Total	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Financial assistance received in cash during reporting period	9,422	10,263	2,009	2,231	7,003	6,809	18,434	19,303
Net accrual adjustments	(1,734)	(1,971)	1,201	2,248	(7,003)	(3,129)	(7,536)	(2,852)
Revenue for the period	7,688	8,292	3,210	4,479	-	3,680	10,898	16,451
Surplus/(deficit) from the previous year	-	(8)	-	5	-	1	-	(2)
Funds available for the period	7,688	8,284	3,210	4,484	-	3,681	10,898	16,449
Less expenses including accrued expenses	(7,688)	(8,284)	(3,210)	(4,484)	-	(3,681)	(10,898)	(16,449)
Surplus/(deficit) for the reporting period	-	-	-	-	-	-	-	-

NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

32 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

	PARENT ENTITY	
	2021 \$'000	2020 \$'000
32.7 Other Australian Government Financial Assistance		
Cash received during the reporting period	113,900	85,222
Cash spent during the reporting period	(113,900)	(85,222)
Net cash received	-	-
Cash surplus/(deficit) from the previous year	-	-
Cash surplus/(deficit) for the reporting period	-	-
32.8 OS-HELP		
Cash received during the reporting period	-	1,429
Cash spent during the reporting period	-	(299)
Net cash received	-	1,130
Cash surplus/(deficit) from the previous year	1,121	(9)
Cash surplus/(deficit) for the reporting period	1,121	1,121
32.9 Higher Education Superannuation		
Cash received during the reporting period	566	587
Cash available	566	587
Cash surplus/(deficit) from the previous year	31	2
Cash available for the reporting period	597	589
Contributions to specified defined benefit funds	(564)	(558)
Cash surplus/(deficit) for the reporting period	33	31
32.10 Student Services and Amenities Fee		
Unspent/(overspent) revenue from previous period	537	(351)
SA-HELP revenue earned	1,349	1,400
Student services fees direct from students	3,787	3,284
Total revenue expendable in period	5,673	4,333
Student services expenses during period	(5,372)	(3,796)
Unspent/(overspent) student services revenue	301	537

MANAGEMENT CERTIFICATE FOR THE YEAR ENDED 31 DECEMBER 2021**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 2021 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 2021 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

11 February 2022

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 2021 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 2021 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

11 February 2022



Professor Rufus Black
Vice-Chancellor

11 February 2022

**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 2021 and consolidated statements of 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:

- (a) presents fairly, in all material respects, the Group's financial position as at 31 December 2021 and its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *University of Tasmania Act 1992* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (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 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
Investment portfolio Refer to note 8 and 29	
<p>The Group held investments totalling \$494.3 million at 31 December 2021 recognised at fair value.</p> <p>Until 30 June 2021, a significant portion of the portfolio was managed by an external investment manager. Since 1 July 2021, the investments have been managed internally. Funds are invested in a variety of categories, although the majority of funds are invested in listed equities or listed equity derivatives.</p> <p>The majority of the investments in managed funds are valued using market data, and therefore are relatively non-judgemental. However, significant judgement is required for investments where no market data is available.</p> <p>The investment portfolio comprises a number of unlisted investment trusts and direct unlisted investments for which the value is not easily obtainable. Investments valuations are also subject to volatility in financial markets which could have a material impact on the financial statements.</p>	<ul style="list-style-type: none"> • Reviewing and evaluating the monitoring controls exercised over the performance of investment manager until 30 June 2021. • Reviewing and evaluating controls around the approval and management of investments. • Review of the general ledger reconciliations of the investment portfolio. • 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 • Examining, on a sample basis, audited financial statements for selected managed funds. • 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.

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
Research grant income Refer to note 2, 7, 17, and 32	<ul style="list-style-type: none"> • 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.
<p>The Group generates significant revenue from research contracts with external parties.</p> <p>In complying with Australian accounting standards AASB 15 <i>Revenue from Contracts with Customers</i> and AASB 1058 <i>Income of Not-for-Profit Entities</i>, significant judgement is required to determine, on a case by case basis, whether research contracts create obligations for the Group to deliver sufficiently specific outputs to external parties. This includes whether clauses exist in the research contracts that provide access to research data and/or intellectual property (being the key performance obligations identified by the Group), and the timing of this access.</p> <p>For contracts that create such obligations, revenue received in advance is initially recognised as a liability (revenue received in advance) and subsequently transferred to revenue as or when the Group fulfils the obligations, which is potentially in a future financial year. Otherwise, revenue received in advance is recognised immediately as revenue in the year of receipt. Accounting treatment differs depending on upon judgements made.</p>	<ul style="list-style-type: none"> • Evaluating management’s approach to the assessment of research contracts against the requirements of AASB 15 and AASB 1058. • For a sample of research contracts, assessing management’s judgements in relation to the recognition of revenue and revenue received in advance, and in particular: <ul style="list-style-type: none"> - whether the key terms of sampled contracts relate to research activities - whether the research activities in these contracts are sufficiently specific for recognition under AASB 15 - whether these contracts include clauses relating to assess to research data and/or intellectual property, and the timing of this access. • Evaluating the adequacy of disclosures made in the financial report in accordance with AASB 15 and AASB 1058.

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
Employee expenditure, benefits and provisions <i>Refer to note 4.1, 16 and 22</i>	
<p>The Group has a large decentralised employee base, employing an average of 2,578 full-time equivalent employees throughout 2021, under a variety of employee contracts and agreements.</p> <p>The Group incurred significant employee expenses during the year, \$427.7m, and recognised employee benefit provisions at year end valued at \$101.1 million.</p> <p>Employee benefit provisions are complex calculations involving management judgement when calculating the liabilities. Detailed disclosures are required for these provisions.</p> <p>As at 31 December 2021, the Group also recognised an \$11.0 million provision in relation to the potential historic underpayment of staff. Judgements and assumptions used in valuing this estimate are complex.</p>	<ul style="list-style-type: none"> • Reviewing and evaluating controls over new employees, terminations, masterfile changes and controls over monitoring, payment and disbursement of funds. • Performing detailed analytical procedures over wages and salary expenses. • Evaluating employee benefit provisions to ensure compliance with the requirements of AASB119 <i>Employee Benefits</i>. • Review and understand the assumptions and modelling behind the underpayment provision. • Assessing the adequacy of disclosures in the financial statements relating to employee provisions and related contingencies.

Responsibilities of the Council for the Financial Report

The Council are 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 are 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 this financial report.

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

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

16 February 2022
Hobart

