

Annual Report 2017

UNIVERSITY OF TASMANIA



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UNIVERSITY OF TASMANIA ANNUAL REPORT 2017

This report is made in accordance with a resolution of the members of the Council of the University of Tasmania on 11 May, 2018.

To Her Excellency

Professor the Honourable Kate Warner AC

Governor of Tasmania

May it please Your Excellency: The Council of the University of Tasmania, in conformity with the provisions of the University of Tasmania Act 1992, has the honour to report, for Your Excellency's information, on the proceedings of the University for 2017 and to present the financial statement for that year.



The Honourable Michael Field AC
Chancellor

11 May, 2018

Mission

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

Vision

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

Chancellor's Message



A former Prime Minister said: "When you change the government, you change the country".

It seems to me that this principle has become part of the lived experience at the University of Tasmania following the arrival of our new Vice-Chancellor, Professor Rufus Black.

In recent years, much has been done to increase the resilience of our university in an increasingly competitive and at times uncertain higher education environment, both nationally and globally.

Many people have contributed to the success of this period, but it was led with vision and energy by our previous Vice-Chancellor, Professor Peter Rathjen.

Professor Rathjen has taken up the same role at his alma mater, the University of Adelaide.

The 'Rathjen era', which spanned more than six years, saw many exciting streams of thought emerge and converge, including a new type of curriculum enshrined in the University College, the Northern Transformation Program which will deliver new campuses at the Cradle Coast and Launceston, and a consensus view on the importance of education to the future of our State.

At the time of the preparation of this annual report, Professor Black was relatively new in the role, but having an immediate impact.

It is my view he will bring a unique set of skills and experience at an exciting new phase of the University's development.

The world is changing and we need to ensure we are changing with it.

We need to engage meaningfully and at all levels of our institution to pilot our future direction.

In the years to come, Professor Black will advance the priorities established by the University Council in partnership with our many government, community and industry stakeholders, and in concert with the University's dedicated staff.

**The Honourable Michael Field AC,
Chancellor**

Vice-Chancellor's Message



Supporting the revitalisation of Tasmania's communities and economy through education has been an imperative of this university in recent years, and 2017 saw that vision begin to take shape, in concrete form and otherwise.

At the time of writing this, I am in the early stages of my chapter as the new Vice-Chancellor at the University of Tasmania.

In recent weeks I've enjoyed many conversations with people who are passionate about our university and the role it plays. This includes our staff and students, our alumni, partners (including government), business and industry, and the broader community right across the State.

I've picked up a sense of spirit and belonging which is very strong and due, at least in part, to our unique and beautiful place in the world.

My interest in this role was driven very much by a view that great things can be achieved because of the unique relationship of our island and its people, and our role as the only university in the State. This is not a new idea and a general chorus has occurred here in recent years about the important role

education will play in realising new futures for Tasmania and its people.

This principle has been at the centre of much of the thinking of past years, to which many people have contributed, but led very much by my predecessor Professor Peter Rathjen.

Now we are switching gears from a period in which we formulated some powerful ideas and concepts, to the way in which we bring those ideas into reality – importantly, how we get our community engaged in delivering that future, bringing those concepts to pass.

Our university community is rich with staff who love this institution and feel a great sense of worth in its mission. I look forward to working with them, our students and our partners, on realising the next chapter of our history, ever mindful that it is our location that makes us unique, but our people who make us truly excellent.

**Rufus Black,
Vice-Chancellor**

3,000

The University's research publications output per year for the past four years

44%

The Global Division's increase in revenue from 2016, to \$86 million in 2017

\$101.6m

The total amount of research income in 2016

50%

The experiential education component of each new associate degree offered by University College

37,787

The 2017 student headcount, a 7.39 per cent increase on the previous year

11,000

Hours of validated activities by Children's University participants in 2017

10,000

Total attendance at more than 150 public events in 2017, with a further 20,000 watching on the Livestream channel

\$7 million +

The University of Tasmania Foundation's fundraising total for 2017

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 of management performance and compliance, staff appointments and the allocation of funds.

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

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

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

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

AUDIT AND RISK**Risk Management**

Risk management at the University is overseen and supported by Council through the Audit and Risk Committee. The focus for risk management during 2017 was to:

- Review and update the Council-approved Whole of University Strategic Risk Profile and facilitate individual detailed risk revisions as management engage formally with the committee;
- Work collaboratively with the Strategy and Planning Unit in aligning risk information in the annual planning process;
- Provide support to divisions, colleges, faculties and institutes as they analyse, assess and report on key risks.



The 2017 University Council: Back row, from left, Professor Dianne Nicol, Clark Cooley, Professor Kwong Lee Dow, Pip Leedham, Paul Gregg, Dr Peter Davis, Susan Chen, Distinguished Professor Jamie Kirkpatrick, Rhys Edwards and Corey Peterson; front row, from left, Harvey Gibson, the Hon Michael Field AC, Professor Peter Rathjen and Leanne Topfer. *Photo: Jim Rice.*

TABLE 1: 2017 Review of Operations

\$M	CONSOLIDATED			UNIVERSITY		
	2017	2016	% increase/ decrease	2017	2016	% increase/ decrease
Total revenue from continuing operations	679.2	618.0	9.9%	664.8	602.8	10.3%
Total expenses from continuing operations	620.3	603.1	2.9%	610.7	595.3	2.6%
Net result	58.9	14.9	294.6%	54.1	7.5	621.9%
Total equity	912.3	911.6	0.1%	843.1	847.2	-0.5%

Audit

During 2017 the University focused on integrating the co-sourced service providers to assist in delivering the internal audit program more effectively. The University undertook a significant body of internal audit activity with major elements of the program including:

- An ongoing focus on mitigation of identified risk exposures arising from prior internal audit activities;
- Continued focus on workplace health and safety and information technology systems and security;
- Consideration of frameworks, systems and processes in respect to the administration of graduations, research project output management and implementation of Higher Education Standards;
- An assessment of the University's fraud and corruption risk management.

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

LEGAL SERVICES**Right to information**

During the year, the University received six applications for access to information under the assessed disclosure provisions of the Right to Information Act 2009. Four applications were dealt with under the provisions of the Act, one application was formally withdrawn by the applicant, and one application was not pursued, therefore informally withdrawn.

Public Interest Disclosures

The University's procedures developed in compliance with its obligations under the Public Interest Disclosures Act 2002 may be accessed via the University's website <http://www.utas.edu.au/legal-services/public-interest-disclosure>. There were no relevant disclosures under the Act during 2017.

\$679.2m

Total consolidated revenue from continuing operations

COUNCIL MEMBERSHIP MEMBERS

These people were members of University Council during the whole of 2017 (unless otherwise indicated):

Chancellor (ex officio)**Hon Michael Field AC**

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

Vice-Chancellor and President (ex officio)**Professor Peter Rathjen**

Vice-Chancellor of the University of Tasmania and a member of the University Council since 28 March, 2011. Professor Rathjen's term ended on 31 December, 2017.

Chair of Academic Senate (ex officio)**Professor Dianne Nicol**

Chair of Academic Senate and a member of the University Council since 1 January, 2013. Professor Nicol vacated the Chair to take up the position as Acting Provost from 30 October, 2018.

Acting Chair of Academic Senate (ex officio)**Professor Dominic Geraghty**

Acting Chair of Academic Senate since 30 October, 2018.

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

A member of the University Council since 1 January, 2007.

Mrs Susan Chen

A member of the University Council since 1 January, 2012.

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

A member of the University Council since 1 July, 2005.

Deputy Chancellor Mr Harvey Gibson

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

Mr Paul Gregg

A member of the University Council since 1 January, 2009.

Ms 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.

Ms Leanne Topfer

A member of the University Council since 16 January, 2015.

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**Mr Corey Peterson**

A member of the University Council since 1 January, 2013.

A minimum of one student appointed by the Council**Mr Clark Cooley**

A member of the University Council from 1 January, 2017, until 31 December, 2017.

Secretary to Council**Mr Alastair McDougall**

Secretary to the University Council since 1 January, 2017.

COUNCIL COMMITTEE MEMBERSHIP

1 January, 2017 – 31 December, 2017

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

Mr Rhys Edwards (ex officio as Chair of Finance Committee)**Professor Kwong Lee Dow****Ms Janelle O'Reilly****Mr Corey Peterson****Professor Jamie Kirkpatrick****Ms Leanne Topfer**

The Audit and Risk Committee has responsibility for overseeing the risk management framework and monitoring the performance of internal and external audit functions. It reviews and endorses the annual financial statements, receives and reviews internal audit reports and management responses, monitors the establishment of and compliance with, an appropriate framework of internal control, and oversees the effectiveness of the University's compliance framework.

Built Environment and Infrastructure Committee

Chair

Dr Peter Davis

Members

Professor Peter Rathjen**Mr David Button****Mrs Susan Chen****Professor Stephen Loo (until 30 May)****Professor Ceridwen Owen (from 17 October)****Professor Elaine Stratford**

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

Ceremonial and Honorary Degrees Committee

Chair

Hon Michael Field AC

Members

Professor Peter Rathjen**Mr Harvey Gibson****Professor Dianne Nicol****Mr Stuart Clues (Chair, UTAS Foundation) (until 30 November)****Mr Damian Bugg AM QC (from 8 December)****Associate Professor Ashley Townsend (UTAS Alumni association)****Mr Young Dawkins (Executive Director, UTAS Foundation)**

The Ceremonial and Honorary Degrees Committee makes recommendations to Council for recognition by the University of individuals and organisations, the naming of buildings or facilities, graduation ceremonies and other ceremonial matters.

Finance Committee

Chair

Mr Rhys Edwards

Members

Mr Harvey Gibson (ex officio as Chair of Audit and Risk Committee)**Mr Paul Gregg****Ms Pip Leedham****Professor Dianne Nicol****Professor Peter Rathjen**

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

financial performance against the University's operating and capital budgets, and considers proposals which have an impact on the borrowings of the University.

Remuneration and Nominations Committee

Chair

Hon Michael Field AC (Chancellor, ex officio)

Members

Mr Harvey Gibson (Deputy Chancellor, ex officio)**Mr Rhys Edwards (Chair of Finance Committee, ex officio)****Professor Peter Rathjen (Vice-Chancellor, ex officio)**

The Remuneration and Nominations Committee ensures the strategic alignment of human resource management and industrial negotiations with the University's plan. It also makes recommendations to Council on appointments, setting remuneration (within bands approved by Council), and on the 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).

ACADEMIC DEVELOPMENT AND GOVERNANCE

Formation of the Academic Division

The Academic Division, led by the Provost, was established on 1 January, 2017, bringing together the Division of the Provost, the Division of Students and Education and the Strategy and Planning Unit. The objective of this initiative was to achieve stronger strategic alignment, operational efficiencies and streamlined support for the University's colleges.

The division has key stewardship roles in academic leadership, including supporting the advancement of academic and scholarly life across the University's campuses; leading the institution in embedding the University's Strategic Plan for Aboriginal Engagement and Retention and Success Strategy; delivery of a high-quality student experience; leadership of the University community and schools engagement; and leading the regional development and partnerships agenda. It is also responsible for driving academic excellence, guiding the recruitment of an outstanding and diverse academic community and supporting the faculties and colleges.

In 2017, the Academic Division had a dual internal and external focus supporting significant areas of transformation for the University.

The division has led the design and implementation of the new college model for the University. In 2017, this focused on supporting the college formation to ensure that the overall quality of student and staff experience began to change.

It was a key driver in the development of the University's transformation framework, to revitalise the North and North West campuses and, in so doing, the economies of these regions. In Hobart, the division led the proposal for the development of a new STEM Centre.

The division has continued its strong focus on fostering regional community partnerships, including formal partnership agreements, and industry and schools engagement, to underpin both strong regional network support for the University and the future flow of students.

Essentially, a regional authorising environment for transformational change has been catalysed in preparation for the development of a strategic implementation plan.

Formation of the colleges

The Academic Division was instrumental in the design and implementation of the new college model. In 2017, the division led the University to finalise its academic structure redesign, with the objective of reducing the number of academic reporting units, increased autonomy of organisational units, and a re-focusing of resources on strategic priorities. Through this process, the University moved from nine faculties/institutes and 38 schools/centres in 2012 to a college model governance structure comprising five colleges and 19 schools/institutes:

- College of Sciences and Engineering, officially formed 1 January, 2018;
- College of Health and Medicine, officially formed 1 January, 2018;
- College of Business and Economics, officially formed 1 January, 2018;
- College of Arts, Law and Education, officially formed 1 July, 2017;
- University College, officially formed on 2 November, 2016.

This change to the University's operating model had been supported by extensive work during 2017 on governance implications, including leadership and committee structures, and delegations, accountability and nomenclature frameworks.

Implementation of the college model also necessitated a review of the role, responsibility and composition of the University's institute boards: Australian Maritime College (AMC); Institute for Marine and Antarctic Studies

\$300m

Funds secured in 2017 to support campus developments in the North and North-West

(IMAS); Menzies Institute for Medical Research; and Tasmanian Institute of Agriculture (TIA).

Aboriginal Research and Leadership

Key actions from the Strategic Plan for Aboriginal Engagement 2017-2020 delivered in 2017 include: the move of the Riawunna Centre from Hytten Hall to the Social Sciences Building at Sandy Bay; redevelopment of the University's 'Aboriginal Business' web presence; and development in partnership with Riawunna of Breadth Unit XBR113, Indigenous Lifeworlds: Local to the Global, which attracted an enrolment of more than 70 students. The University also established the Strategic Plan for Aboriginal Engagement Steering Committee and the Indigenous Student Success Program (ISSP) Governance Committee and the processes to oversee ISSP initiatives and projects.

Academic Awards

University of Tasmania Visiting Fellows and Scholars Program

This program supports short-term visits to the University by internationally renowned academics, scholars and other eminent individuals, normally from outside Tasmania. During 2017, the program supported visits by eight Fellows and 30 scholars from 18 countries.

Adjunct, Clinical and University

Associate Titles

In 2017, the University's Adjunct, Clinical and University Associate Titles Committee approved 101 titles ranging across adjunct professors, adjunct associate professors, clinical and associate titles.

Academic Promotions

In 2017, the committee recommended 12 academic staff promotions to Level E, 14 to Level D, 22 to Level C and three to Level B.

Academic Probations

The Academic Probation Committee, chaired by the Provost, reviewed 103 probation employees, with 31 employees confirmed as ongoing.

Vice-Chancellor's Awards

The 2017 Vice-Chancellor's Award for

Outstanding Contributions by Adjunct Clinical and University Associate Title Holders was awarded to Dr Andrew Gooley, who has held the title of University Associate with the School of Physical Sciences since 2011. This award recognised his breadth of work with the ARC Training Centre for Portable Analytical Separation technologies and the Australian Centre for Research on Separation Science, and his role as industrial supervisor and mentor for students.

The 2017 Vice-Chancellor's Award for Exceptional Performance by Professional Staff recognises professional staff that make an outstanding contribution to the University's mission and objectives through innovation or improvement in services and/or sustained exceptional performance in an area or areas within the University. The 2017 award went to Dr Sandrin Feig, a laboratory analyst with the Central Science Laboratory, for his high-level performance outside his primary role and innovation in the workplace over a sustained and respected career.

The 2017 Vice-Chancellor's Award for Outstanding Community Engagement was awarded to two recipients:

- An individual award to Ms Kristyn Whitmore, a research nurse with the Menzies Institute for Medical Research, for her innovative approach to the development of video resources for trial participants and the wider community of people suffering from heart failure; and
- A team award to the Clemente Program, a community engagement program, led by a dedicated team in the College of Arts, Law and Education, which aims to overcome barriers to participation for people who suffer multiple disadvantages or have never had the chance to access higher education.

The 2017 Vice-Chancellor's Distinguished Service Medal was awarded to Professor Stewart Frusher, from the Institute of Marine and Antarctic Studies, recognising his reputation for embracing interdisciplinary research and collaboration at the University, in Australia and internationally.

CURRICULUM, SCHOLARSHIP AND QUALITY

Renewing the University curriculum

About 34 per cent of the University's bachelor and combined-bachelor courses were reviewed and renewed under the new curriculum model and approved by Academic Senate in 2017, for commencement in Semester 1, 2018.

Other achievements include: initial design of Applied Honours to be first offered in Semester 1, 2021; establishment of an Experiential/Work Integrated Learning Taskforce to develop an institutional framework and policies; and consultation and drafting of a Curriculum Innovation Development Framework intended to support colleges to develop innovative courses and units.

Teaching Matters Conference

The 16th annual Teaching Matters Conference, held at Sandy Bay, was attended by more than 160 staff. The conference is the University's major showcase for learning and teaching and focused in 2017 on the theme of Making a Difference.

Development of University's Open Access Policy

The University Library has led the development of a University policy on Open Access on behalf of the Division of Research. Open Access will extend the reach and impact of academic scholarly works and enhances the University's research reputation. The Open Access policy and procedure were approved and endorsed in 2017 and will be implemented by the Division of Research in 2018.

Cultural Collections

The University's Fine Arts Collection acquired significant works in 2017 by Tasmanians Patrick Hall and Heather Swann, both alumni.

The Tyler Research Repository was launched in March as the first University of Tasmania collection to be digitised and made publicly discoverable. The Tyler Collection's online portal is a major step in enabling public and institutional engagement with the collection.

The Treasures of the University of Tasmania Collections exhibition in May highlighted the beautiful, the precious, the odd, the unusual, and the subtle and significant items in the University's collections. The event was part of a pilot exhibition program at the Academy Gallery at Inveresk.

Accessibility of the University's Special and Rare Collections has been enhanced through the implementation in 2017 of an online archival management system, with the capacity to describe collections of letters, diaries and other archival documents down to the item level.

Complaints and Academic Integrity

A range of enhancement initiatives commenced in 2017, including a comprehensive review of the University's approach to handling student complaints and general misconduct. The project included benchmarking against approaches at other institutions and national statements of good practice, and the release of a discussion paper, with recommendations for improvement and with the aim that revisions to Ordinance 8 – Student Complaints and Ordinance 9 –

TABLE 2: Destinations of 2016 Graduates

	Undergraduates		Postgraduates (Coursework)		Postgraduates (Research)	
	University of Tasmania %	National Average %	University of Tasmania %	National Average %	University of Tasmania %	National Average %
Full-time employment ¹	72.2	69.6	83.5	76.0	78.0	77.0
Overall employed ²	84.4	84	90.2	85.6	86.8	88.0
In the labour force ³	88.3	90.4	96.4	94.0	97.1	95.0
Further full-time study ⁴	26.9	22.5	8.1	8.7	1.5	7.4
Median Australian salary ⁵	\$65,200	\$60,000	\$83,300	\$82,000	\$90,000	\$88,000

Graduate Outcomes

The Graduate Outcomes Survey provides a detailed investigation into

the labour market and further study activities of 2016 University graduates four to six months after the completion of

their course. The institutional response rate was 45.9 percent (a rise of 7.7%); 57.9 per cent were undergraduates

and 42.1 per cent were postgraduates, both coursework and higher degree by research.

TABLE 3: Average University of Tasmania Scores On Key Course Experience Questionnaire [CEQ] Scales

	Undergraduates		Postgraduates (Coursework)		Postgraduates (Research)	
	University of Tasmania %	National Average %	University of Tasmania %	National Average %	University of Tasmania %	National Average %
Overall satisfaction	78.9	79.4	82.3	82.1	100.0	100.0
Good teaching scale	64.3	62.8	69.0	69.5	100.0	100.0
Generic skills scale	81.3	81.3	77.1	78.8	100.0	100.0
Graduate qualities scale	83.6	83.1	84.4	85.8	100.0	100.0

Graduate Satisfaction

The Course Experience Questionnaire [CEQ] for graduates asks them to rate aspects of their course and groups responses into four

overarching indicators.

The Undergraduate score for Good Teaching is 1.5% above the national average. The score for Generic Skills equals the national average and has

increased 0.2% compared to 2015

results. The Postgraduate by Coursework score for Overall Satisfaction is above the national average, while the cohort's scores have increased across all scales

compared to 2015 results. As with 2015 results, Postgraduates by Research are completely satisfied with their Course and their school is equal the national average, which has risen to 100%.

Student Discipline (Part Two) will be approved and implemented in 2018.

TEQSA Application for Renewal of Registration

The University's registration as a higher education provider with self-accrediting authority under the Tertiary Education Quality Standards Act 2011 expires on 31 October, 2018. A major body of work has been

undertaken throughout 2017 in preparation for the University's application for renewal of registration to be assessed against the Higher Education Standards Framework (Threshold Standards) 2015 (HESF).

The University has put in place a range of mechanisms to ensure the ongoing enhancement of quality and compliance with the HESF, including a quality improvement plan.

TEACHING AWARDS AND RECOGNITION**International award**

The work of the Tasmanian Institute of Learning and Teaching was recognised internationally with an Award for Open Education Excellence from the Open Education Consortium (OEC) for the development of its Open Education Licensing Toolkit.

Australian Awards for University Teaching

Citations for Outstanding Contributions to Student Learning:

- Ms Nicole Herbert, SET – for leading the design, development and delivery of an industry-engaged curriculum, integrating professional and technical skills, and enhancing the employability of ICT graduates;
- Dr Darren Pullen, CALE – for continuously inspiring student self-growth and learning through independent, problem-based learning strategies; and
- Professor Rob White, CALE – for establishing and developing the first criminology program in Tasmania, interacting with and positively contributing to the State criminal justice system.

Vice-Chancellor's Teaching and Student Experience Awards**Vice-Chancellor's Medal for Sustained Commitment to Teaching Excellence**

- Professor Justin Walls.

Awards for Learning and Teaching Programs

- Career Mentor Program: Dr Julie Preston, Mr Alastair Lee, Mrs Kathy Hoare and Mrs Brigid Wilkinson;
- Unit for Medication Outcomes, Research and Education (UMORE) Medicines Australia Continuing Education Program (CEP): Dr Corinna Dwan, Dr Tristan Ling, Dr Ivan Bindoff, Mr Peter Gee, Ms Breeanna Rayner, Professor Gregory Peterson, Associate Professor Luke Bereznicki, Mr Paul McClarron and Dr Nicole Bye.

Award for Early Career Academic Teaching

- Dr Alexander Bissemer.

Citations for Outstanding Contributions to Student Learning

Individual Awards

Professor Rob White, School of Social Sciences in CALE

For establishment and development of the first-ever criminology program in Tasmania, interacting with and positively contributing to the criminal justice system in this State;

Dr Janet Dymont, School of Education in CALE

For outstanding innovation in web-conference pedagogies that promote professional learning communities and scholarly teacher inquiry in online teacher education;

Dr Jo-Anne Kelder, Faculty of Health

For enabling, leading and inspiring

academics to provide high-quality curriculum that is relevant to students, assures learning outcomes and is underpinned by scholarship;

Team Award

Dr Si Fan, Ms Michelle Hinds, Mr Ross Belbin and Ms Katia Duff, School of Education in CALE

For sustained commitment to providing supportive and engaging experiences for pre-service teachers in an undergraduate teacher education program.

Award for Outstanding Contribution to Enhancement of the Student Experience

University Students in Schools – Dr Jess Woodroffe and Mr Robert Alderson.

REGIONS, PATHWAYS, PARTNERSHIPS AND PARTICIPATION

Regional Partnerships

A partnership between the University and the Australian Masters Games supported a highly successful 16th annual event in October, attracting thousands of participants to Burnie. This partnership included the development of a Community Volunteering Short Course by the University, supporting the participation of up to 1,000 University-trained volunteers.

A Memorandum of Understanding developed between the University and the Australian Council of National Trusts/National Trust of Australia (Tasmania) cements a partnership to support the creation of opportunities in teaching, research and engagement particularly in the areas of cultural value, creativity and place.

The co-location of the Ten Days on the Island festival at the University's West Park Campus in 2017 supports the move of the event to Burnie and an objective to enhance regional participation in cultural activities.

In partnership with TasTAFE, the Northern Suburbs Community Centre and LINC Devonport, the University was awarded a Skills Tasmania grant (\$102,211), to explore the delivery of targeted short courses in community venues as a method of developing learning pathways.

Discussions in Queenstown in September 2017 between the University, the local council, community members and the State Government considered opportunities for the University to influence participation and educational attainment for students in

Tasmania's West Coast. A partnership with the State Government is being established to enhance the University's services in this region.

Ten community engagement grants were awarded across the University in 2017. With a total value of \$160,000, grants supported initiatives including the further development of the Aboriginal Tasmania Digital Map, engaging adolescent girls from marginalised communities in activities to improve health literacy, and a musical ensemble tour to regional centres.

The Peter Underwood Centre for Educational Attainment

Professor Natalie Brown was appointed Centre Director in June 2017. Professor Brown is also the Tasmanian Government's representative on the National School Resourcing Board, which advises on distribution of Commonwealth school funding across Australia.

An international three-day symposium, Education Transforms 2017, brought together 120 scholars, policy-makers and practitioners to focus on raising aspirations for educational attainment.

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

Funding body	Collaborations	Title	Funding from 2016
Ian Potter Foundation		Facilitating school-parent community partnerships throughout Tasmania to help children realise their educational potential	\$250,000 (over 3yrs)
Department of Education	DoE Performance Review team	Review of literacy teacher training and practice in government schools	\$990,000 (over 3yrs)
Department of Education	Big Picture Education Australia	Launceston Big Picture School evaluation	\$160,000 (over 4yrs)
Department of Education	DoE Performance Review team	Research – appointment of data/research analysts	\$400,000 (over 3yrs)
Department of Education		Research activity	\$500,000 (over 4yrs)
Department of Education		Research infrastructure – NRAS development	\$500,000 (over 2yrs)
Funding body	Collaborations	Title	Funding from 2017
Tasmanian Community Fund		Children's University expansion in NW Tasmania	\$350,000 (over 3yrs)
Lord Mayor's Charitable Foundation	Deakin University Victoria University		\$95,000
Tasmanian Community Fund		Parents Matter	\$68,000 (over 2yrs)
East Asia Institute	College of Arts, Law and Education	Dare to Dream: A comparative analysis of Children's University in Malaysia and Australia	\$10,000 (jointly with Prof Can Seng Oi)
Beacon Foundation		Collective Education project evaluation	\$350,000 (over 5yrs)

In 2017, the Underwood Centre moved to a new Hobart CBD location, which includes a STEAM-focused learning space, the A-Lab.

Children's University Tasmania received \$350,000 from the Tasmanian Community Fund to extend the program to 10 schools in North West Tasmania during the next three years, benefitting at least 500 more students in the area. A total of 167 primary school children graduated from the Children's University, having amassed more than 11,000 hours of validated activities.

A total of 95 teachers and school support staff graduated from workforce development programs developed by the Underwood Centre and delivered by the University.

Schools Engagement

The Schools Engagement Strategy 2017-2020 outlines strategic priorities for school and college engagement and outreach across Tasmania. The School and Community Engagement Advisory Committee met for the first time in September.

A range of new outreach initiatives was developed including:

- The launch of an annual calendar of activities and events, and a new website;
- A successful pilot of Schools Engagement Grants supporting seven innovative projects across the University;
- A pilot residential summer school, supported by the Department of Education, providing year-10 students in Northern Tasmania with an immersive practical experience of living away from home and attending university;
- Partnership with the Department of Education's My Education team to develop Creating My Career (CMC) and Learn 2 Lead. CMC attracted more than 3,300 Year 9 students to engage in on-campus activities highlighting possible career and tertiary study pathways. Learn 2 Lead, the University's Year 9/10 leadership program for School Representative Council members, engaged with more than 250 students.

During 2017, schools engagement activities across the University involved more than 90 per cent of the State's schools and reached more than 20,000 students.

TABLE 5: Student Load (EFTSL) 2013-2017

	2013	2014	2015	2016	2017	CAGR
Total	18,366.69	18,986.39	19,790.10	21,048.04	21,804.87	3.5%
On-shore	17,250.94	17,993.26	18,833.85	20,089.51	20,834.47	3.8%
Off-shore	1,115.75	993.13	956.25	958.53	970.40	-2.8%
Domestic/International						
Domestic	14,605.92	15,448.30	15,871.55	16,786.43	16,766.28	2.8%
International	3,760.77	3,538.09	3,918.55	4,261.61	5,038.59	6.0%
Commencing/Continuing						
Commencing	8,484.85	9,358.81	9,863.76	10,409.71	10,770.18	4.9%
Continuing	9,881.84	9,627.58	9,926.33	10,638.34	11,034.69	2.2%
Reporting Fee Type						
Operating Grant	13,724.96	14,526.43	14,918.25	15,868.62	15,887.47	3.0%
International Onshore	2,322.77	2,199.81	2,539.46	2,843.30	3,601.35	9.2%
International Offshore	1,115.75	993.13	953.38	957.03	970.40	-2.8%
Domestic Full Fee	313.38	302.25	312.88	272.81	257.44	-3.9%
Domestic HDR	567.35	619.37	640.05	644.99	621.18	1.8%
International HDR	322.25	345.16	425.71	461.28	466.85	7.7%
Other	0.24	0.25	0.38	0.00	0.19	-4.6%

STUDENT EXPERIENCE

PASS

2017 marked the 10th anniversary of the Peer Assisted Study Sessions (PASS) program, also known globally as Supplemental Instruction (SI). A Decade of PASS (<https://secure.utas.edu.au/retention-success>) was launched and highlighted the impact of PASS at the University since its inception.

PASS has grown from supporting eight units and about 1,200 students in its first year, to 93 units and nearly 80,000 students after 10 years.

The quality of PASS has been measured by detailed evaluations of its impact, demonstrating that, on average, students who regularly attend PASS perform better (average = + 8.3 marks/100) and are retained at higher rates (average = +9%) than students who do not attend.

PASS has achieved consistent recognition in the national and international peer learning community. Twelve University PASS Leaders have won national peer leader awards since they were introduced in 2008 (second only to the National Centre for PASS in Australasia).

Vice-Chancellor's Leadership program

The Vice-Chancellor's Leadership Program (VCLP) is a three-tier scaffolded program

that provides students with opportunities and support in their development of leadership skills and employability.

The VCLP rewards and recognises the wide range of experiences that students may have while studying, both as part of the University community and with the wider community, and helps them to identify, articulate and evidence those experiences and skills to future employers. It also provides opportunities for the University to partner with a broad range of employers, community groups and organisations to provide mutually-beneficial student learning experiences.

Since its inception in mid-2016, 135 students have completed the formal leadership development component (Tier 1), 111 students have received citations for their curricular and co-curricular leadership activities under Tier 2, and 26 students have received Vice-Chancellor's Leadership Awards after completing all three tiers of the program.

Industry Engagement

The Vice-Chancellor launched a new industry engagement scheme, Learn.Experience. Actuate Potential (Leap), at the Vice-Chancellor's Leadership Program awards ceremony in February.

Leap is aimed at providing students with greater opportunities to build employability capability and fosters partnerships between the University and employing organisations across the Tasmanian community to provide extra-curricular experiences to enhance student work experience, leadership skills and graduate employability.

The University has commenced a collaboration with the Tasmanian Department of State Growth and TasTAFE through the Leap scheme, expanding the highly successful international student work readiness program (I-PREP).

I-PREP is an industry-focused, intensive education program for international students to enable them to gain a broad understanding of Australian workplace culture and job application and interview processes. The program included workshops, industry site visits, opportunities to submit a resume for review and attend an industry mock interview and, for selected students, internships hosted at either the Hobart or Launceston campuses or with employers across the State.

Through I-PREP 2017, 101 students completed the educational workshop and 63 students attended industry site visits at six locations around the State. In addition, 32 students were placed in internships through Leap: 25 at the University and seven at Hobart City Council, Glenorchy City Council, Live Tiles, Junction Arts Festival and the Peter Underwood Centre for Educational Attainment.

Leap also supported the delivery of the University's Career Mentor Program (CMP) that provides extension opportunities for domestic and international students to develop employability skills essential for the local and global workforce. The program promotes

global learning by matching students with local, national and internationally based alumni mentors, connecting with the global workplace to develop communication skills and industry awareness, and to foster professional networks that are crucial to graduate success.

Since its establishment in 2011, the CMP has facilitated mentoring partnerships for almost 700 students, with more than 300 mentors volunteering to share their experiences. Feedback from those involved in the program indicates that it is highly valued by both mentees and mentors.

The University's Student Jobs team supports the role of the University as a key employer in its own right. In 2017, the team employed 277 students in roles across the University. The team supports both employers and job applicants through the job application and onboarding process, to embed a careers education focus into the job application experience.

Respect.Now.Always

The Student Experience portfolio continued to drive a range of initiatives to support the proactive response to the National Report on Sexual Assault and Harassment in Australian Universities. These include leading the Respect.Now.Always campaign to promote behaviours, reporting and support, collaborating with the TUU on the NeverOK campaign and implementing the new reporting tool, MySafety.

In July, the online modules Consent Matters and Responding to Disclosures of Sexual Violence were rolled out to staff and students in higher risk fields such as Student Living, TUU Student Leaders and Student Advocates, and University support staff. They were complemented by face-to-face training.

Participation in University Games

For the second year, 12 Aboriginal and Torres Strait Islander students were supported to represent the University at the Indigenous Unigames, hosted by Deakin University.

The University also supported rowers to attend the Australian University Championship Rowing Regatta held at Wyaralong Dam on the Gold Coast in September. The team was awarded bronze in the coxed quad four, silver in coxless pair, and gold and Australian Unigames champion in the single.

In July, 64 international and domestic students participated in the Southern Unigames with competitors across eight sports. The University finished fourth on the medal tally and third overall on a per capita basis, winning gold in women's futsal, table tennis and cross country, and silver in women's futsal and squash and men's hockey.

In September, 20 students competed in the Australian University Games, participating in women's netball, swimming and rowing. It was the first time that individuals competed in swimming events, and the first year since

2007 that students competed in rowing events, achieving gold, silver and bronze respectively across men's single scull, men's pairs and men's coxed four.

Riawunna

The Riawunna Centre for Aboriginal Education at Sandy Bay was relocated to the heart of the campus and formally opened in April. The centre has been refurbished into a cultural hub for the University, including a special display of significant cultural artefacts and items. The relocation of Riawunna has impacted positively on the number of Aboriginal and Torres Strait Islander students accessing the services, with increased numbers using the Computer Lab, student study spaces and community room. In Semester 1 2017, the murina (pathways) program was delivered for the first time in both Hobart and Launceston. Enrolments for Semester 1 increased by 187 per cent on 2016.

STRATEGY, PLANNING AND TRANSFORMATION

The Transformation Program delivered a number of key milestones in 2017, the most notable include:

- The successful establishment of the University College as a standalone division in the University with its own brand and market presence;
- The development of six new associate degrees and integration of the University's pathway courses into the University College to provide a more systematic approach to pre-degree educational offerings;
- Securing \$300 million in funds to support the campus developments in the North and North West;
- Delivery of the master plans for the North and North West campuses, with strong community support for both plans and stakeholder management to maintain advocacy for the projects;
- Embedding the new college structure within the University.

In 2017, the Strategy and Planning team coordinated the University's planning process, working with colleagues across the University in the development of a refined set of institutional measures and annual plans for each college and division. This was

the first year that the colleges operated in their new structures to develop annual plans. Activity in 2017 will serve to inform future development of the University's strategy planning framework.

Within the Strategy and Planning portfolio, Business Intelligence completed its transition from its developmental phase to an operational phase.

International ranking data submissions were completed within the normal cycle, and the Strategy and Planning team continued to develop its international rankings analysis capability. Ongoing analysis will inform a new international rankings strategic discussion in 2018.

University College is a new academic division at the University of Tasmania, established in late 2016 to help dramatically raise educational attainment in Tasmania. Led by its Principal, Professor Janelle Allison, University College is characterised by an assertive access agenda, a strong commitment to regional Tasmania, social inclusion and the delivery of ‘work-ready graduates’.

University College is tasked with delivering enabling programs (including the University Preparation Program) and developing a new suite of industry-informed associate degree (AQF6) programs in collaboration with relevant colleges and schools.

These associate degree programs each have nested diplomas (AQF5) and are shorter, more affordable and more flexible, delivered via a blended learning platform across four terms. A key distinguishing feature is their distinctive course content, which is driven by experiential education. Constituting 50 per cent of each associate degree, the experiential education provides the foundation upon which discipline knowledge is introduced.

Closely linked to industry, the University College’s associate degrees align with and contribute to workforce development for identified emerging economic opportunities within Tasmania. With skilful promotion, the associate degrees are expected to attract a large new cohort of students in the coming years, with the aim that many will progress to higher-level studies.

The pathways to and from the associate degrees are enhanced by locating all enabling programs and mid-level qualifications – that is, AQF5 and AQF6 – within the University College, offering multiple entry and exit points, including articulation with University of Tasmania degrees.

2017 courses and course development

University College started teaching its first associate degree students in early 2017

with two courses, the Associate Degree in Applied Business and the Associate Degree in Agribusiness, offering seven specialisations.

Partnerships played an important part in the first year of teaching, demonstrating the value of the University College’s links with industry:

- A partnership with Horticulture Innovation Australia saw the University College teaching to a nationwide cohort of students in a Diploma of Horticultural Business;
- Blundstone partnered with University College to establish the Blundstone Scholarship for Agribusiness, which provided up to \$4,000 per year (\$500 per unit) to Associate Degree of Agribusiness students;
- A partnership with the Tasmanian Department of Education brought a large cohort of school business managers into the Associate Diploma of Applied Business.

Following the success of this initial intake, University College was supported to undertake an accelerated program of development, and by year end had gained approval (for 2018 intake) for five courses, with 15 specialisations, with one suite of programs (in Applied Design) taught through a third-party arrangement with Tasmanian company Foundry. In addition to these, the enabling program Bachelor of General Studies was re-designed and approved as a Diploma of University Studies.

TABLE 6: University College Courses as at 31 December 2017 (*italics indicates new for 2018 entry*)

Type	Course	Specialisations
Associate Degree with embedded Diploma	AD in Applied Business	<ul style="list-style-type: none"> • General • Tourism and event management • Sport, recreation and leisure <ul style="list-style-type: none"> • Local leadership • Supply chain management
	AD in Agribusiness	<ul style="list-style-type: none"> • D Horticultural Business (national offering) • General <ul style="list-style-type: none"> • Horticulture • Dairy • Value chain management
	AD in Applied Design (delivered through third-party agreement with Foundry)	<ul style="list-style-type: none"> • General
	AD in Applied Science	<ul style="list-style-type: none"> • Fermentation and separation science <ul style="list-style-type: none"> • Aquaculture
	AD in Applied Technologies	<ul style="list-style-type: none"> • Cybersecurity <ul style="list-style-type: none"> • Robotics and automation
Enabling	University Preparation Program	
	Diploma of University Studies (Pathways)	<ul style="list-style-type: none"> • Various

The University of Tasmania has a long and distinguished history of innovation underpinned by research excellence. For more than a century we have held a unique position in the Tasmanian community, as the driver of pioneering research that has both supported local ambitions and contributed global impact.

The University's overarching five research themes draw together our rich multidisciplinary expertise to develop solutions to real-world problems of international relevance within a local context.

The themes are Environment, Resources and Sustainability; Creativity, Culture and Society; Better Health; Marine, Antarctic and Maritime; and Data, Knowledge and Decisions. They have provided novel multidimensional settings where researchers can explore new ideas, fostered new research concentrations, provided a conduit for our partners to work in a rich collaborative space, and capitalised on the advantages presented by our unique location and current areas of research excellence.

OUR REPUTATION

Tasmania's only university is a connected, research-intensive institution recognised for excellence in research in Australia and globally. The University reported \$101.6 million of external research income in 2016 in the Australian Government's Higher Education Research Data Collection (HERDC). This was 2.7 per cent of the \$3.79 billion of total research income reported by higher education providers nationally, the ninth highest result in the country, and the second year in a row that the University reached more than \$100 million. This quantum of funding provides testimony for research excellence and more importantly provides a clear narrative around our strong partnerships with a range of research, industry and business partners.

The University is recognised as a global research leader in several knowledge domains and highly ranked for research excellence by many different agencies.

In 2017, we continued to rise in all major international rankings. The University was placed 284th out of about 24,000 globally ranked universities in the prestigious Academic Ranking of World Universities. *The Times*

Higher Education (THE) World University Rankings placed the University 315th; in the *THE* subject rankings, Law secured recognition for the first time at 61 globally.

In the QS World University Rankings the University climbed 57 places to 313th. For the first time, two of our specialist subject areas, Earth and Marine Sciences, were ranked in the top 50 worldwide – an impressive achievement. Since the establishment in 2010 of the Institute for Marine and Antarctic Studies, the University's QS ranking in Earth and Marine Sciences has risen from the top 150 to the top 50 (49th) as this unique multidisciplinary research institute continues to deliver on its goal of undertaking world-class research and education in marine and Antarctic studies.

OUR RESEARCH

Across the broad spectrum of our research endeavours it remains our goal to offer meaningful contributions to solutions for some of the biggest problems of our age, both globally and locally. In 2017, the University led and contributed to hundreds of diverse projects, ranging from world-leading research into the scale and structure of the Milky Way, the role of circadian rhythms in crop adaptation for future food security and how myelinating cells alter neural cell circuits to facilitate learning, and we focused attention on the challenges emerging from the Southern Ocean's response to abrupt climate change. Through our success with the Australian Research Council (ARC)'s Linkage Infrastructure, Equipment and Facilities scheme we increased our research facility expertise through the creation of a unique, open-access database on Antarctic law and governance, and developed an advanced high-resolution biomolecular analysis facility for

top 50 in the world for Earth and Marine Sciences – a first-time subject ranking achievement for University of Tasmania research (QS)

RESEARCH AND ENGAGEMENT

It is through sharing of knowledge that research achieves impact. In 2017, University of Tasmania researchers across all disciplines were widely published: in peer-reviewed journals, conferences, books, performances and recordings. The University has published more than 3,000 publications per year for the last four years. Fifty per cent of journal articles were published in top quartile journals – a track record we have maintained for the last five years.

Clarivate Analytics recognised three of the University's academics in its 2017 list of Highly Cited Researchers. Associate Professor Tim Brodribb, Professor Sergey Shabala and Professor Reg Watson were three of about 3,400 academics from around the world in 21 fields of the sciences and social sciences whose work inspired the research of many others. Other researchers were recognised with prizes, awards and medals from discipline communities, learned societies and wider national bodies.

As a university deeply embedded in our island home, we remain committed wherever possible to engaging with communities and the public to share research outcomes, connect with policy developments and, wherever possible, bring research alive in context.

For the second year in a row, Science Worth Seeing provided an opportunity for our science researchers to share their knowledge directly with the community in an accessible way. In 2017, this popular event drew larger crowds than ever. Scholars from Humanities, Arts and Social Sciences hosted a great range of community events across a variety of topics, and Health and Medicine continued an active community engagement program.

Research Partnerships and Cross-Disciplinary Expertise

Research partnerships continue to underpin some of our best research. The University has a proven track record of forming lasting and productive research partnerships with industry, government, community groups and non-government organisations. Over the last year, our research was advanced through 211 Australian industry collaborators. Twenty three per cent of our 731 active

research projects received funding and in-kind contributions from Australian industry partners totalled \$12.4 million.

Such partnerships are evident across our institution. We continued to lead the country with the most Industrial Transformation Training Centres and Research Hubs combined under the Australian Government's Industrial Transformation Research Program, with seven hubs and centres across a range of industries.

Our fruitful Sense-T program, originally fostered in partnership with CSIRO and the Tasmanian Government, completed its second stage, resulting in 25 successful projects across 10 industry sectors. All projects involved the development and adoption of new technologies, including sensors, telemetry solutions, data analytics and the development of management dashboards and apps with the intention of enhancing business decision-making and providing evidence on which to progress key decisions. It is estimated that as a result of Sense-T's second stage:

- 129 new jobs were created in Tasmania;
- \$6.7 million of benefits were delivered to the Tasmanian community;
- \$12 million was attracted in complementary funding;
- There was a potential return on investment of more than \$300 million.

Sense-T continues to develop as an entrepreneurial research unit linking researchers from across the University to develop new industry-aligned partnerships. Sense-T was selected from a global marketplace by TasRail to develop a predictive analysis tool to identify potential rail break locations and reduce the number experienced in the TasRail network. Sense T – working

211 Australian industry
collaborators

with its Advanced Sensor Manufacturing partner, Definium, and CSIRO – was recruited by the State Government to provide the first Australian LoRaWAN network for a city, thus enabling Launceston to join Amsterdam and develop its identity as a modern ‘Smart City’. The linked ARC Industrial Training Centre Pathways to Market has focused on blending smart decision systems with an IoT-enabled sensing to advance agricultural practices and productivity. Several Tasmanian primary producers are associated with these innovative projects, deploying new technologies to address production and logistics challenges.

Sense-T also spearheaded the University’s participation in two successful nationally led Cooperative Research Centres (CRCs). The iMove CRC will exploit digital and evolving technologies to effectively manage end-to-end freight supply chains, enable traffic to flow more smoothly and develop integrated real-time approaches to passenger transport. The CRC for High-Performance Soils will give farmers the tools and knowledge to make decisions on complex soil management issues to optimise yield and profitability. In each case, the University’s capability with sensing technology and big data, built through the Sense-T partnership, provided the foundation for its contribution. Including iMove and High Performance Soils, the University now

participates in seven CRCs.

The University was instrumental in establishing the salmon industry in Tasmania 30 years ago and continues to play a significant role in its development. In 2017 the University worked with key players to form a new future-focused developmental partnership which brought together global industry experts and Tasmanian-based scientists, industry champions and regulators to lay the groundwork for a Global Salmon Forum to be held in 2018. The project aims to review world’s best practices and future developments in farming systems, environmental management, biosecurity, and science policy with a view to enhancing and developing Tasmania’s salmon industry and making the State the most environmentally sustainable quality producer in the world.

The University launched its Defence Network in 2017 as part of its response to new national defence and security priorities. The network aims to build the University’s capability to work with defence and defence industries; support the academic community in its pursuit of defence industry research and development opportunities; and to support the State’s growing defence sector commitments.

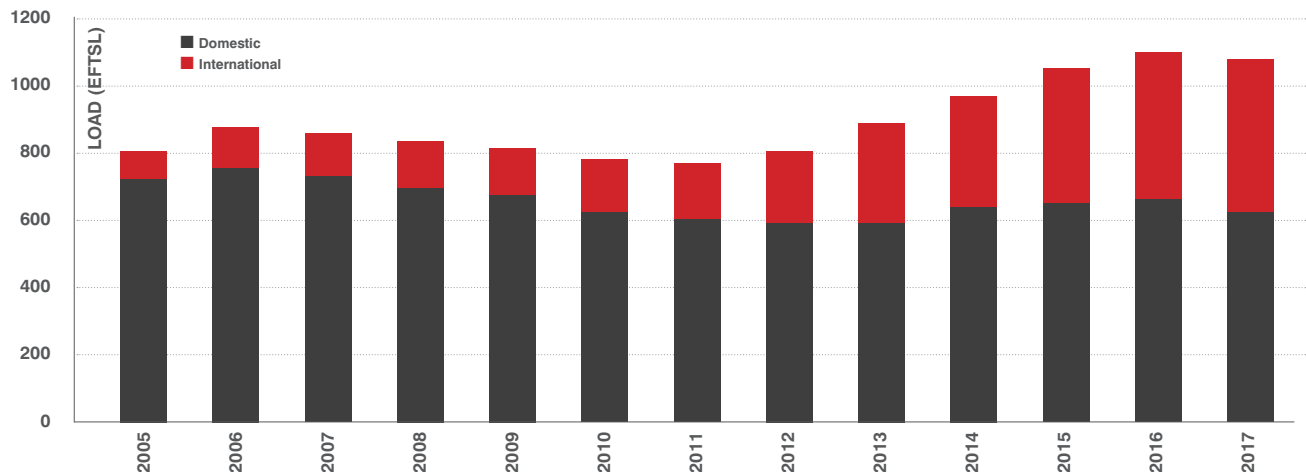
OUR RESEARCHERS

Recognition

Many of our researchers are recognised internationally as esteemed leaders in their fields of inquiry. Formal recognition of their achievements in 2017 included:

- Professor Rob White was honoured with a series of national and international accolades for his criminal justice research. These ranged from being made a Fellow of the Australian and New Zealand Society of Criminology, to receiving the Division of International Criminology Freda Adler Distinguished Scholar Award by the American Society of Criminology, as well as being honoured with the 2017 Lifetime Achievement Award by the Division of Critical Criminology and Social Justice of the ASC, for sustained and distinguished scholarship, teaching and service in the field of critical criminology.
- Associate Professor Gretta Pecl, with a team of multidisciplinary researchers from the University of Tasmania and a range of organisations and interstate universities, won the national 2017 Peer Prize for Women in Science (Category Earth, Environment and Space) for the Species on the Move project. In addition, Associate Professor Pecl’s citizen-science marine species response to climate change project, Redmap (Range Extension Database and Mapping), was a Eureka Prize finalist for the second year in a row.
- Professor David Cooke (ARC Centre of Excellence in Ore Deposits) was awarded the Australian Academy of Science’s Haddon Forrester King Medal, and Professor Matt

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



Data source: Elsevier's SciVal – www.scival.com. Date of access: 12 March 2018

King (School of Land and Food) was awarded the Mawson Medal and Lecture.

- Historian Associate Professor Penny Edmonds' book, *Settler Colonialism and (Re)conciliation: Frontier Violence, Affective Performances, and Imaginative Refoundings*, was shortlisted for the Ernest Scott Prize, a recognition of the work's contribution to the history of colonisation and the history of Australia and New Zealand.
- Dr Matthew Harrison, Senior Research Fellow, Tasmanian Institute of Agriculture, was awarded the Agronomy Australia 2017 Young Agronomist of the Year, in recognition of his outstanding scientific research and publication record and contribution to industry-relevant research.
- Professor Jamie Kirkpatrick received the Australian Heritage Council's 2017 Sharon Sullivan National Heritage Award for his work on national and international heritage. The award particularly recognised his work in Tasmania, the Blue Mountains, the Australian Alps and the Subantarctic.

- Dr Joaquin Vespignani, Senior Economics Lecturer, was recognised as the Top Australian Young Economist under 10 years of Graduation, as well as one of the top 10 economists globally, in the 2017 Research Papers in Economics rankings.
- Dr Fiona Kerslake (TIA research fellow) and Dr Jess Melbourne-Thomas (ACE-CRC/Australian Antarctic Division) were chosen from 300 applicants to be among 30 women scientists and technologists nationwide named as the first Superstars of STEM, a new Science and Technology Australia award.
- Associate Professor Jan Radford, General Practice, School of Medicine, Launceston Clinical School, received a prestigious Churchill Fellowship for her research into to improving the collation of electronic medical data and how this can improve patient care.

The Next Generation of Researchers

Our Higher Degree by Research (HDR) candidates, that is, students undertaking a Masters by Research, a Doctor of Philosophy (PhD) or a Professional

Doctorate, are a key element of sustainable research communities and part of the growing knowledge economy. We have an embedded researcher development culture that enables us to replenish and revitalise the next generation talent, stimulate new research and work to nurture and grow capacity across academe, industry and wider activities.

Figure 2 shows HDR load for the past 12 years. This load translated to 1,772 individual HDR students hosted at the University in 2017, of whom 37 per cent were international. A total of 307 students commenced during the year and 229 students completed their degree.

Another key element of our succession planning and capacity-building across the knowledge workforce are the research fellows embedded within our research groups. In 2017, 72 externally funded research fellows provided a deep base of research excellence and development within our academic community. Several new fellowships were awarded by the

ARC and NHMRC, including an ARC Discovery Early Career Award to Dr Sophie Bestley to build state-of-the-art mathematical models for movement processes of high conservation-value Antarctic penguins, seals, and whales, a Multiple Sclerosis Research Association Macquarie Senior Research/Practitioner Fellowship to Dr Kaylene Young and Professor

Bruce Taylor; and an NHMRC Career Development Fellowship to Dr Dawn Aitken. The University also received two NHMRC Early Career Fellowships – the first since 2013 - and one NHMRC Translating Research Into Practice (TRIP) Fellowship - again, the first awarded since 2013.

INNOVATION AND COMMERCIALISATION

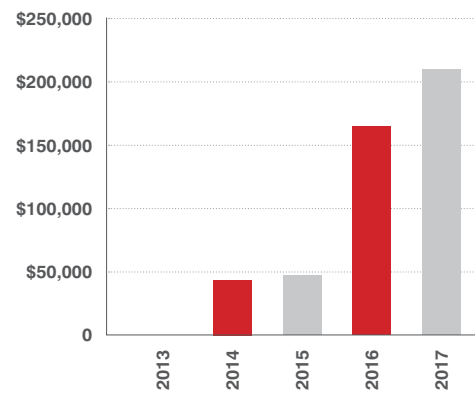
The contribution of universities to the national innovation agenda is a matter of growing focus, with academic institutions encouraged to support and facilitate the widest possible stakeholder engagement to inform research and to ensure impactful outcomes with social, cultural and/or economic benefits. In 2017, the University produced a range of research outcomes that demonstrated its capacity to do just that.

The University's Enterprise Innovation and Commercialisation Framework, established in 2017, encompasses the organisation's multifaceted efforts to offer a modern university education to a diverse community of students while protecting and growing revenue through a range of commercial activities that ensure a financially resilient business model. The framework aims to support and leverage our capability and capacity whilst advancing key strategic partnerships (both domestically and internationally) that add value to our research, advance our links with community and ensure the University is functionally competitive as a result of collaborative alliances with industry, business and social enterprises.

There have been exciting advances in the commercialisation of the University's rock lobster aquaculture technologies. In 2017 the spin-off company UTAS Nexus Aquasciences raised \$2.5 million in private capital, which leveraged another \$2 million in ARC funding to complete the technology optimisation work required to underpin commercial-scale production of tropical rock lobsters. These methods were sublicensed by the University to the PFG Group Pty Ltd to establish the world's first commercial-scale rock lobster hatchery in Tasmania. The University was delighted to see this partnership formed, as it brings with it the tantalising potential of being a founding participant in the birth of a new global industry.

Another new start-up based on University of Tasmania intellectual property is GreyScan Pty Ltd, which raised more than \$3 million to advance the final stages in the technical production of a world-leading explosive detection instrument. In another example

FIGURE 3: INTELLECTUAL PROPERTY / COMMERCIAL REVENUE



of long-term partnerships, the University licensed its IP in real-time, high-sensitivity inorganic ion detection, initially to parent company Grey Innovation Pty Ltd in 2014, which spun out GreyScan in 2015 to drive the commercialisation process. The University expects that these breakthrough instruments will be sold into the billion-dollar global security market in late 2018.

Feeding the innovation pipeline remains an important challenge. In 2017 there were 20 new invention/opportunity disclosures, reported growth in the value of the University's equity portfolio, and a 25 per cent increase in cash IP revenue over the 2016 performance (Figure 3).

ADVANCEMENT

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

ALUMNI RELATIONS

The Alumni Office works to engage and strengthen ties with the University's 105,000 alumni living and working in more than 100 countries. The year began with the implementation of a new alumni advisory committee by online election, with three members being elected by alumni worldwide, joining appointed members who represent key areas within the University.

The office delivered an exceptional engagement program in 2017, hosting 49 events both directly and through partnerships, which provided opportunities for alumni to network and connect with their university. Six of our key events were made possible through a generous grant from the Tasmanian Government's Department of State Growth: the Future of Work series in Burnie, Launceston and Hobart, presented in conjunction with the Institute for the Study of Social Change; a keynote address on 'The MONA Perspective' presented at alumni receptions in both Melbourne and Canberra, and a young alumni forum in Hobart titled The Tasmanian Dilemma: Should I Stay or Should I Go?, attended by more than 400 people.

Other partnered events included Ten Days on the Island's The Art of Community Engagement – a series of three forums presented in Burnie, Launceston and Hobart, and Peace: A Practical Matter, in partnership with the Tamar Valley Peace Festival. The University also welcomed alumni at international gatherings in London, New York, Denver, Los Angeles, San Francisco, Palo Alto, Washington, Shanghai, Hong Kong, Kuala Lumpur and Singapore.

The University continued to recognise the achievements of alumni at its annual University dinners. Professor Jane Pirkis (BA Hons 1985, MPsyc 1988) was awarded the Distinguished Alumni Award for her significant contribution to mental health research, and international lawyer Dr Alice Edwards (BA/LLB Hons 1997)

was awarded the Foundation Graduate Award for her considerable achievements within human rights law and policy-making.

The Career Mentor Program (CMP) received a 2017 Vice-Chancellor's Award for Learning and Teaching Programs in the category of Student experiences and services supporting learning, development, and growth in higher education. Since its establishment in 2011, the CMP has facilitated mentoring partnerships for almost 700 students across all colleges, faculties, and institutes, with more than 300 mentors volunteering to share their experiences.

UNIVERSITY OF TASMANIA FOUNDATION

Support for the University's extensive scholarship program remains at the heart of the Foundation's fundraising efforts, enabling the University to increase access to education and fund vital research and facilities. Annual funds at the University performed strongly, totalling more than \$2.4 million in donations which will go towards the ongoing support of these essential initiatives. To date, the generosity of alumni, industry and friends of the University has enabled more than \$53 million of endowment to support scholarships on an ongoing basis in 2017.

A new partnership between the Tasmanian Government and the University of Tasmania established two scholarships designed to encourage young Tasmanians to undertake higher education. The Premier of Tasmania Education Inspiration Fund will provide scholarships of \$22,000 per student for Years 11 and 12, and the duration of their undergraduate degree, while the Premier of Tasmania Honours Scholarship will provide one student per year with \$10,000 to undertake an Honours project.

Other highlights from the year include the launch of the Tasmanian Asylum Seeker Scholarship fund, which provided fee-waiver scholarships to enable three young asylum seekers to undertake bachelor's degrees, and

TABLE 7: University of Tasmania Foundation

	2017	2016
Income		
Donations and bequests	\$4.23 million	\$7.57 million
University contributions	\$2.00 million	\$1.78 million
Other income	\$0.12 million	\$0.11 million
Investment income	\$4.34 million	\$2.63 million
Expenditure		
Funding support for University programs (including scholarships, research, teaching and facilities)	\$4.16 million	\$4.49 million
Other expenses	\$1.53 million	\$1.26 million
Net Operating Result	\$5.01 million	\$6.34 million
Total funds managed by Foundation at EOY	\$58.8 million	\$53.7 million

the endowment of the John Kable Memorial Scholarship through an extraordinarily generous \$600,000 bequest by the late Bess Kable. Another significant gift was the \$350,000 grant provided by the Tasmanian Community Fund, which will benefit at least 500 students on the North West Coast by extending the Peter Underwood Centre's Children's University to 10 schools during the next three years.

The University's visionary creative arts precinct, The Hedberg, created in partnership with the Commonwealth and Tasmanian governments, received two major donations, bringing the total value of the project to \$96 million. The Ian Potter Foundation awarded a grant of \$5 million towards the project, and the Tasmanian-based Alcorso Foundation made an \$80,000 donation. With construction well underway, the building will provide a new home for the Conservatorium of Music, along with new performance, teaching and laboratory spaces to facilitate multidisciplinary study.

All of these activities helped push overall fundraising to more than \$7 million for 2017, an extremely strong performance.

EVENTS AND PROTOCOL

In 2017, Events and Protocol delivered a remarkable range of events, including

more than 150 lectures and public forums, corporate events and dinners and many smaller networking and community partnership receptions, forums and events. These events were attended by about 10,000 people, with nearly 20,000 unique visitors viewing events on the University's Livestream channel.

Most significantly, the University's graduation ceremonies and Town and Gown processions brought the civic and University communities together with families and friends, including those interstate and overseas via live broadcast, to celebrate the achievements of our newest graduates.

The University's annual dinners held in Launceston, Burnie and Hobart continued to be a true celebration of the University's excellence in research and teaching and provided an opportunity to recognise our scholarship recipients and high-achieving alumni. Among other highlights from 2017 was an inspiring International Women's Day Address delivered by 2017 Tasmanian Australian of the Year and alumna Rosalie Martin, and a series of forums presented in partnership with the University's Institute for the Study of Social Change and the *Mercury* newspaper, which engaged Tasmanians in a discussion about the rise of Airbnb, journalism in a changing world, and the future of work.

GLOBAL DIVISION

The fourth quarter of 2016 saw the establishment of a new division, Global. Mid-2017 saw several senior appointments made and the portfolio expanded to encompass Domestic Recruitment, Marketing and the English Language Centre, complementing International Student Recruitment and Marketing, and Global Engagement. The consolidation of University-wide recruitment and marketing into a single portfolio has enabled a more unified approach to the market, encompassing both strategic and operational functions, sales and external engagement.

This new structure works closely in partnership with the colleges to support and develop recruitment-focused institutional relationships that generate revenue for the University.

GLOBAL ENGAGEMENT

The Global Engagement Office is responsible for developing and driving the strategic internationalisation agenda of the University. It initiates, manages and supports the University's engagement with international institutions, government and non-government strategic relationships. It is also responsible for developing and promoting international mobility and experiential programs for students and staff.

Partnerships

In 2017, Global Engagement facilitated two strategic partnerships: a formal agreement was signed with King's College London, and a joint symposium was successfully delivered with the University of Freiburg. Development of strategic partnerships allows the University to establish a global brand and become an international knowledge leader. By increasing the quality and depth of engagement with highly-ranked overseas institutions, the University's ranking performance is enhanced.

Delegations

In 2017, the University hosted 39 delegations from 22 countries. Delegates included Australian ambassadors, members of the diplomatic corps, foreign ambassadors, representatives of sister cities, institutional partners, and prospective institutional partners seeking future cooperation.

Executive Missions

There were nine executive missions in 2017, each supported by the Global Engagement Office. Missions included joining the Honourable Angus Taylor, Assistant Minister for Cities, on a strategic visit to Cambridgeshire, the Cambridge City Deals project, and the Francis Crick Institute, exploring the role universities can play in all cities. It also included a trip to establish a partnership with a French consortium to position the University's Australian Maritime College for the delivery of Australia's next-generation submarine fleet; and a tour for the mayors and aldermen of Hobart, Burnie and Launceston to collaboratively explore how strong partnerships between universities and cities can create social, cultural, and economic benefits.

Student Mobility

Five University students received scholarships under the Australian Government's New Colombo Plan (NCP) in 2017. The NCP is a signature initiative which aims to lift knowledge of the Indo-Pacific in Australia by supporting Australian undergraduates to study and undertake internships in the region. A total of 158 students participated in short-term overseas study opportunities funded through New Colombo and Endeavour Mobility grants. These programs, funded by the Australian Government, enable students to participate in programs overseas, which contribute to their academic and cultural learning. In 2017, the University offered NCP programs in 17 countries.

158

Number of students who participated in **short-term overseas study opportunities** funded through New Colombo and Endeavour Mobility grants

TABLE 8: Domestic recruitment

Course Level	Applications submitted				Offers made				Offers accepted			
	2017	2016	% Var	Var	2017	2016	% Var	Var	2017	2016	% Var	Var
Undergraduate	15,043	15,629	-3.75%	-586	14,723	13,501	9.05%	1,222	11,297	10,925	3.41%	372
Pre-Degree	787	643	22.40%	144	1,136	837	35.72%	299	799	695	14.96%	104
Postgraduate	4,650	3,240	43.52%	1,410	2,146	1,983	8.22%	163	1,790	1,705	4.99%	85
Total	20,480	19,512	4.96%	968	18,005	16,321	10.32%	1,684	13,886	13,325	4.21%	561

Student Exchange and Study Abroad

Exchange and study abroad programs allow students to undertake a semester or a full year of studies at overseas institutions, and provide credit back to their University of Tasmania degree programs. In 2017 the University received 144 inbound exchange students and 69 study abroad students. A total of 77 University of Tasmania students undertook a semester or more of overseas study as part of their degree program.

INTERNATIONAL STUDENT RECRUITMENT AND MARKETING

Following 2016's increase of 3.5 per cent, changes to state nomination supported a further significant increase in student numbers for 2017. Total EFTSL increased by 35.3 per cent, with an increase in student fee revenue of 44 per cent. This meant revenue from international students grew to \$86 million.

For the past two years, alongside a growth strategy, there has been a strong emphasis on attaining and maintaining AL level 1 status, which allows a streamlined visa process for those institutions with low visa-refusal rates.

Throughout 2017 there were some new initiatives designed to improve the recruitment of international students:

- A focus on retaining market share in our key markets of Malaysia and Singapore;
- Reorientation of our recruitment activities in India to ensure sustainable growth;

- A focus on recruiting international students from interstate Australia;
- A focus on recruiting students through articulation partnerships.

In the last quarter of 2017, two new regional teams were introduced to focus on markets across the Middle East and Africa.

December saw the establishment of an in-house conversion team to provide a best-in-sector customer experience. The conversion function is a highly important part of our value chain, supporting students from enquiry through to enrolment. The in-house capability will see a transition away from the external provider that has been providing the conversion service over recent years.

In 2017, the portfolio reviewed its international recruitment agent relationships. This included an assessment of all contracts and the appointment of agents across new markets while refocusing regional and in-country teams for a more relationship-based approach.

Key achievements in 2017 included:

- A 90 per cent increase in the number of commencing Chinese students;
- Agent recruitment increased by 10 per cent;
- Onshore Australian recruitment now accounts for 31 per cent, compared to 16 per cent in 2016;
- A doubling of Tasmanian School of

Business and Economics international EFTSL, making it the largest college for international load;

- Increased College of Sciences and Engineering EFTSL by 14 per cent;
- Postgraduate EFTSL increased by 73 per cent;
- Undergraduate EFTSL remained stable compared to 2016.

There were, however, several key challenges experienced during the same period.

Key challenges in 2017 included:

- Increased reliance on China, specifically onshore;
- Reduced cohort from East Asia, Europe, Middle East and South Asia;
- Heavy reliance on four key markets and on students seeking migration;
- Accommodation shortages caused negative messages to enter the market;
- The percentage split between direct and agent reduced from 45/55 to 35/65 (direct/agent).

DOMESTIC RECRUITMENT

Domestic Recruitment is responsible for the onboarding journey for new students to the University, from first enquiry through to enrolment. Throughout 2017, the portfolio was reorganised to better engage across Tasmania and the mainland. In addition, dedicated focus is now being provided to support student enrolments into our associate degree programs.

Domestic student recruitment delivered an overall increase in course applications, offers and acceptances. Growth was achieved by a small number of high-demand courses in the health discipline. Outside these areas there was a slight decline.

The English Language Centre

The English Language Centre (ELC) serves the needs of international students by providing English language and foundation studies courses to encourage further study at the University.

In 2017 the ELC delivered a 19 per cent increase in English course participation compared to 2016. The Foundation Studies Program, however, experienced a 33 per cent decrease for the year. The decline can be attributed to the change to student visas. The Indian sub-continent was particularly affected, with a 98 per cent decrease in commencements from this region compared to 2016.

MARKETING

The marketing function was transferred into the Global Division in March 2017 with new leadership taking the helm mid-year to refine the organisation’s brand positioning and visual representation, as well as driving development of the A New State of Mind advertising campaign.

Following the transfer, the portfolio has undergone significant restructuring to enable delivery of a full suite of marketing services across the University. The team now includes

TABLE 9: English Language Centre Statistics 2017

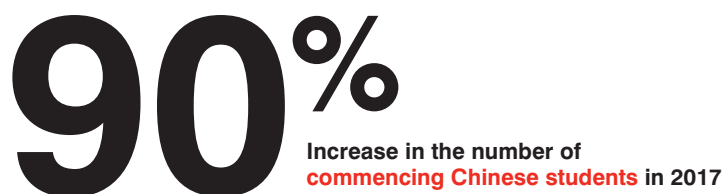
Foundation Studies Program	71 students enrolled
English Language Courses	1927 x five-weekly study periods delivered

Category Marketing, which supports the colleges and divisions, and is responsible for developing and implementing marketing strategy and tactics in line with brand proposition.

In particular, the development of a Market Research team will enable the University to develop evidence-based approaches to marketing. This includes assessing our market position, brand equity, and the delivery of market intelligence, to inform the development of new programs and courses.

During 2017, the team delivered the A New State of Mind campaign, developed a suite of strategies and, in partnership with the colleges, marketing plans to uplift brand and reputation with the aim of attracting aspirational students to the University.

The institution’s 2018 Marketing Plan was also developed to “define and position the University of Tasmania brand in order to support the objectives of the Open to Talent Strategy” and maximise market potential of the University’s Degrees of Difference model.



CHIEF OPERATING OFFICER DIVISION

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

In 2017, new University infrastructure continued to transform the skylines of Hobart, Launceston and Burnie, while Infrastructure Australia placed a proposed STEM precinct in Hobart on its national infrastructure priority list. Another transformation unfolded in the form of a \$10 million Information Technology Services capital program. The University and the unions negotiated a Heads of Agreement to form the basis for the next enterprise agreement, and the Vice-Chancellor announced that the University would become certified carbon-neutral.

MAJOR PROJECTS

Infrastructure Australia approved a business case for the proposed Science and Technology Precinct in February, placing the project on its national infrastructure priority list – the first education project ever to make the list. The \$400 million development is earmarked for University-owned land at the corner of Melville and Argyle Streets in Hobart. The University is working with State and Federal governments to pursue funding for the major project.

The University Apartments on the corner of Melville and Elizabeth Streets in Hobart were completed in April, providing 430 additional student apartments. The University has since entered into an innovative new partnership with Spark Living to manage 10 of the University's 14 student accommodation properties – totalling about 1,800 beds. Under the 30-year licence, the University continues to manage the allocation of students to accommodation, student services and pastoral care while also being able to invest proceeds into its core priorities of research, teaching and student experience.

HUMAN RESOURCES

Staff Experience

A continued focus on personal and leadership development saw the inaugural University of Tasmania Executive Leadership program

launched in June. Delivered by the Melbourne Business School, the program included a mix of 60 academic and professional leaders from across the University.

The Career Development Scholarship program supported the career development of about 200 staff, with 21 individual and 17 group scholarships awarded, while the Leadership Development for Women program hosted 26 senior women.

Work Health and Safety (WHS)

Key achievements to promote the health, safety and wellbeing of our community include:

- Implementation of a new and contemporary MySAFETY system;
- Completion of organisational unit management reviews as an internal check to improve WHS management and performance;
- Hosting a safety conference on behalf of the Australasian Universities Safety Association;
- Implementation of new governance structure to support our diving activities;
- A review of biosafety and biosecurity for ongoing governance and practice improvement;
- A new health and wellbeing program, MyHEALTH, focusing on work and all aspects of health.

Enterprise Agreement Negotiations

The University and the unions successfully negotiated a Heads of Agreement to form the basis for our next enterprise agreement, enabling future needs of the University to be delivered. The single agreement includes new teaching roles, vocational education and training programs, and practice-based positions; it also recognises the specific requirements of the University College. Other key changes include:

- 8.5% salary increase over the life of the agreement, inclusive of the 1.5% increase already paid to staff in July 2017;

- Inclusion of a new top-salary step for each classification step;
- Improved parental leave, family violence leave and a more contemporary approach to Aboriginal and Torres Strait Islander leave;
- Continuation of the three-day grace period between Christmas and New Year maintained for the life of the agreement.

The new agreement will be presented to staff for a vote in early 2018.

INFORMATION TECHNOLOGY SERVICES

Continued investment in and transformation of University systems through a \$10m capital program saw optimisation of the MyHR system, the introduction of a new high-performance computing centre and augmentation of ServiceNow to automate and improve University processes. Self-help was introduced to the Service Portal, which currently manages more than 87,000 enquiries annually, with a Live Chat

feature providing a far more responsive service.

INFRASTRUCTURE SERVICES AND DEVELOPMENT (ISD)

Capital Projects

The University of Tasmania's new infrastructure is creating vibrant education precincts that are woven into the economic and social fabrics of city life. The University Apartments in Hobart welcomed the first 359 students in February, helping to create a new vibrant

TABLE 10: HR Statistics (as at 31 December 2017)

	HEADCOUNT		FTE	
	2016	2017	2016	2017
Continuing Appointments				
Academic Continuing	662	595	605	567
Professional Continuing	990	950	911	870
TOTAL FTE CONTINUING	1652	1545	1516	1437
Fixed-term Appointments				
Academic Fixed-term	544	583	468	489
Professional Fixed-term	566	579	467	499
TOTAL FIXED-TERM	1110	1162	935	989
TOTAL	2762	2707	2451	2426
Age				
Academic Average Age	-	-	48	48
Professional Average Age	-	-	44	45
AVERAGE AGE	-	-	46	46
Gender				
Female	1520		1307	1302
Male	1242		1144	1125
Length of Service - Current Position				
Academic Average Length of Service	-	-	7.59	7.74
Professional Average Length of Service	-	-	6.88	6.81

TABLE 11: Statistics at a Glance – 2017

	HEADCOUNT	FTE
All Staff (excluding Casuals)	2707	2426
Academic (excluding Casuals)	1178	1056
Professional (excluding Casuals)	1529	1370

'midtown' district. The Hedberg continues to emerge from its foundations on the corner of Campbell and Collins Streets. The \$96m creative and performing arts precinct is being built in partnership with State and Federal governments and the Theatre Royal.

Smaller projects undertaken to improve campus amenity and operations include relocating Riawunna to the centre of the Sandy Bay campus and refurbishing of the Morris Miller Library and the Engineering building. Fit-outs commenced in newly leased properties for AMC at Darling Harbour, Sydney, and the Media School in Salamanca.

The Inveresk Apartments, completed in 2016, were awarded a prestigious 2017 Australasian Green Gown Award.

Business and Campus Improvement

A new Project Register and Maintenance Scheduling Tool was introduced to support resource rationalisation, improve asset management and increase efficiency. A new security strategy, underpinned by a program of consultation and site-vulnerability assessments, was developed, providing a model and scope to ensure safety and security of students, staff, visitors and assets.

The Sandy Bay campus heating system and key electricity supply assets were replaced, eliminating major sources of maintenance issues and customer dissatisfaction, thus ensuring ongoing reliability and efficiency.

The Conservatorium of Music property was sold in May.

Sustainability

In September the Vice-Chancellor announced a landmark decision that the University would become certified carbon-neutral. Based on 2016 emissions, carbon credits were purchased to achieve carbon neutrality, making the University the second university in Australasia to achieve this status. The University commits to ongoing improvements to sustainability practices to further reduce greenhouse gas emissions.

Other milestones include:

- The University's Sustainable Transport Strategy 2017-2021 was developed to build on the successful 2012-2016 Strategy;
- The 2017 Travel Behaviour Survey was conducted to provide strategic planning data;
- An institutional re-use program was launched in June to coordinate repurposing of surplus furniture and equipment.

Community Engagement

ISD facilitated the University's support for a number of community and charitable fundraising events, including the Wooden Boat Festival, Relay for Life, Ten Days on the Island, the Hobiennale Arts Festival and the Institute of Architects Open Doors program.

STUDENT OPERATIONS

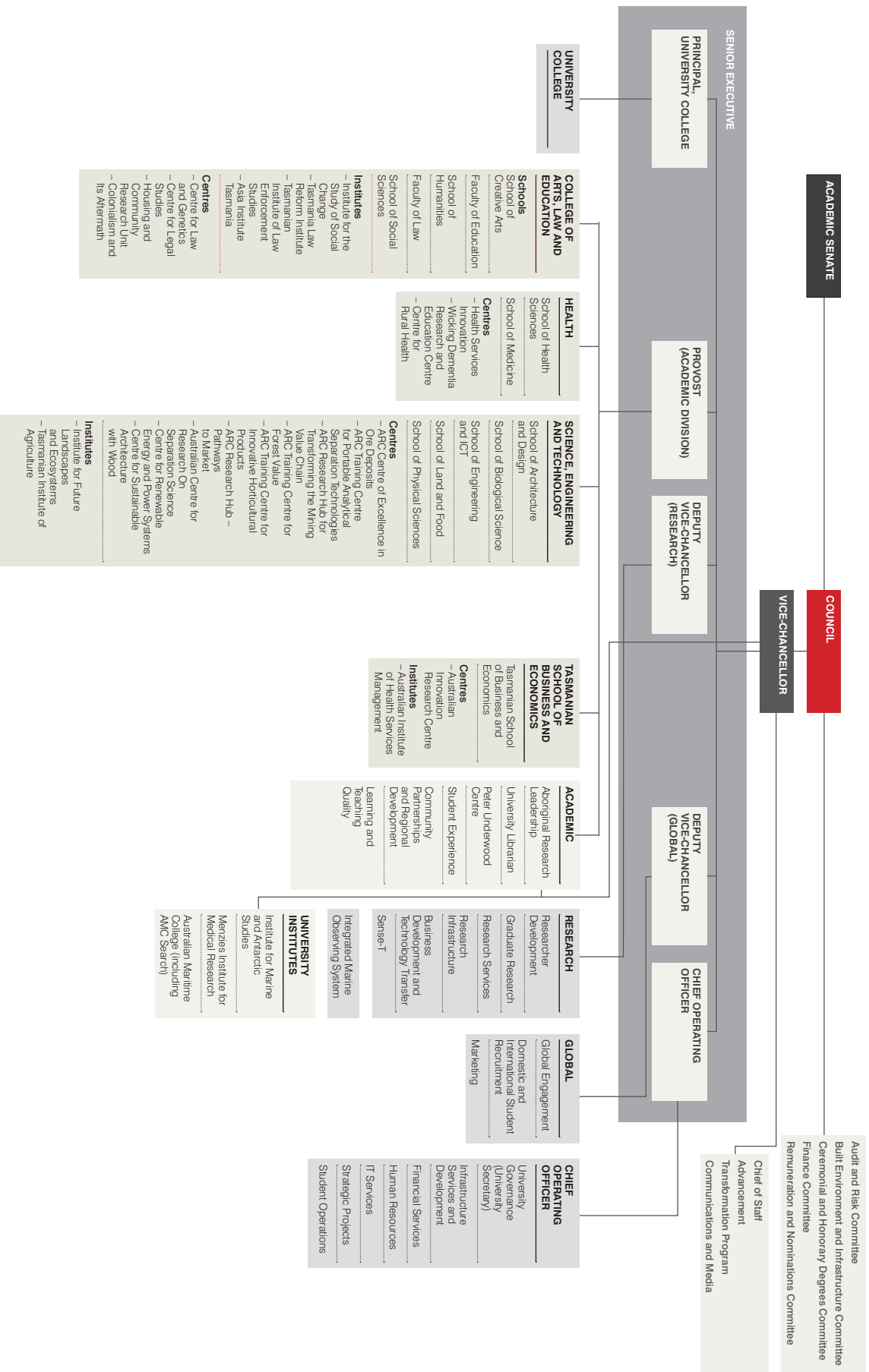
The implementation of the Australia-wide project MyEquals platform provides improved credential security to verified digital academic records and testamurs for students.

System enhancements to Studylink, continuous improvements to processes, and collaborative working arrangements with International Student Recruitment and colleges realised significant improvements in admission turnaround times and improved customer service.

Student Operations assisted with curriculum configuration, compliance, admissions and enrolment, scheduling and supporting system changes for the implementation of the new Degrees of Difference curriculum.

Equity and access remained an important tenet of the scholarship strategy, with 26 per cent of all scholarships awarded on access and diversity criteria. Academic achievement accounted for 31 per cent of scholarships, with special talent at 6 per cent and 37 per cent awarded for specific projects.

ORGANISATIONAL CHART AS AT 31 DECEMBER, 2017



STATEMENTS**Income Statement****Statement of
Comprehensive
Income****Statement of
Financial Position****Statement of
Changes in Equity****Statement of Cash Flows****Notes to the financial statements**

Note 1	Summary of significant accounting policies
Note 2	Revenue from continuing operations
Note 3	Expenses from continuing operations
Note 4	Cash and cash equivalents
Note 5	Receivables
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FIVE YEAR SUMMARY

ENDED 31 DECEMBER 2017 – UNIVERSITY

	2017		2016		2015		2014		2013	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
INCOME										
Australian Government financial assistance										
Australian Government grants	232,573	35.0	232,163	38.5	201,667	34.3	198,736	36.5	191,788	35.7
HELP Australian Government payments	72,368	10.9	69,105	11.5	72,692	12.3	71,184	13.1	69,574	13.0
Scholarships and research	120,548	18.1	118,981	19.7	132,367	22.5	121,305	22.3	111,401	20.7
State and Local Government financial assistance	29,245	4.4	21,690	3.6	24,216	4.1	12,165	2.2	11,568	2.2
HECS-HELP student payments	8,076	1.2	8,852	1.5	5,637	1.0	13,454	2.5	10,129	1.9
Fees and charges	124,313	18.7	93,904	15.6	85,013	14.4	71,836	13.2	62,923	11.7
Investment revenue	28,223	4.2	14,934	2.5	22,809	3.9	16,796	3.1	30,354	5.7
Consultancy and contracts	30,015	4.5	25,717	4.3	28,148	4.8	26,531	4.9	35,001	6.5
Gain on disposal of assets	3,063	0.5	603	0.1	-	0.0	86	0.0	-	0.0
Other income	16,350	2.5	16,825	2.8	16,154	2.7	12,208	2.2	14,474	2.7
TOTAL INCOME	664,774	100.0	602,774	100.0	588,703	100.0	544,301	100.0	537,212	100.0
EXPENDITURE										
Academic salary costs	192,896	31.6	188,815	31.7	174,028	29.9	167,439	30.7	164,417	32.9
Non-academic salary costs	174,135	28.5	167,262	28.1	158,117	27.2	153,830	28.2	135,213	27.0
Depreciation and amortisation	35,732	5.9	32,859	5.5	30,966	5.3	28,465	5.2	25,407	5.1
Repairs and maintenance	14,498	2.4	13,745	2.3	14,702	2.5	13,779	2.5	17,143	3.4
Impairment of assets	-	0.0	12,554	2.1	11,569	2.0	446	0.1	220	0.0
Loss on disposal of assets	-	-	-	-	9,796	1.7	-	0.0	151	0.0
Other expenses	193,423	31.7	180,046	30.2	183,176	31.5	180,639	33.2	157,346	31.5
TOTAL EXPENDITURE	610,684	100.0	595,281	100.0	582,354	100.0	544,598	100.0	499,897	100.0
NET RESULT	54,090		7,493		6,349		(297)		37,315	
KEY RATIOS										
1. Financial stability and liquidity										
- Current ratio	0.5		0.3		0.5		0.7		1.1	
- Net cash balances	32,822		7,159		32,389		43,296		69,554	
- Net assets	843,115		847,201		842,906		827,955		828,594	
2. Revenue										
- Australian Government grants including HECS	303,017		302,020		279,996		276,874		260,491	
- Australian Government capital grants	10,000		8,100		-		6,500		11,000	
- Scholarships and research	120,548		118,981		132,367		121,305		111,401	
- Other University income	231,209		173,673		176,340		139,622		154,320	
TOTAL UNIVERSITY INCOME	664,774		602,774		588,703		544,301		537,212	
Australian Government operating grants including HECS as a % of total income	46%		50%		48%		51%		48%	
Commonwealth funded students (full-time equivalents)*	15,888		15,869		14,919		14,530		13,704	
Average Commonwealth recurrent grant	19,072		19,032		18,768		19,055		19,008	

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

FIVE YEAR SUMMARY

ENDED 31 DECEMBER 2017 – CONSOLIDATED

	2017		2016		2015		2014		2013	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000	%
INCOME										
Australian Government financial assistance										
Australian Government grants	232,573	34.2	232,163	37.6	201,667	33.6	201,036	35.8	191,788	34.9
HELP Australian Government payments	72,368	10.7	69,105	11.2	72,692	12.1	71,184	12.7	69,574	12.6
Scholarships and research	120,548	17.7	118,981	19.3	132,367	22.1	121,305	21.6	111,401	20.2
State and Local Government financial assistance	29,245	4.3	21,690	3.5	24,216	4.0	12,165	2.2	11,568	2.1
HECS-HELP student payments	8,076	1.2	8,852	1.4	5,637	0.9	13,454	2.4	10,129	1.8
Fees and charges	125,198	18.4	93,640	15.2	84,360	14.1	71,836	12.8	62,923	11.4
Investment revenue	33,511	4.9	18,342	3.0	24,668	4.1	19,720	3.5	35,244	6.4
Consultancy and contracts	30,004	4.4	25,717	4.2	28,128	4.7	26,531	4.7	32,294	5.9
Gain on disposal of assets	3,063	0.5	401	0.1	-	0.0	86	0.0	-	0.0
Other income	24,653	3.6	29,152	4.7	25,875	4.3	24,041	4.3	25,402	4.6
TOTAL INCOME	679,239	100.0	618,043	100.0	599,610	100.0	561,358	100.0	550,323	100.0

EXPENDITURE										
Academic salary costs	194,341	31.3	190,153	31.5	175,085	29.6	168,250	30.2	165,083	32.4
Non-academic salary costs	177,252	28.6	170,594	28.3	161,642	27.4	156,662	28.1	137,431	27.0
Depreciation and amortisation	36,033	5.8	33,091	5.5	31,149	5.3	28,641	5.1	25,598	5.0
Repairs and maintenance	14,504	2.3	13,752	2.3	14,711	2.5	13,784	2.5	17,170	3.4
Impairment of assets	-	0.0	11,478	1.9	11,569	2.0	446	0.1	220	0.0
Loss on disposal of assets	-	0.0	-	0.0	9,791	1.7	-	0.0	151	0.0
Other expenses	198,180	31.9	184,041	30.5	186,745	31.6	189,882	34.0	163,887	32.2
TOTAL EXPENDITURE	620,310	100.0	603,109	100.0	590,692	100.0	557,665	100.0	509,540	100.0

NET RESULT	58,929		14,934		8,918		3,693		40,783	
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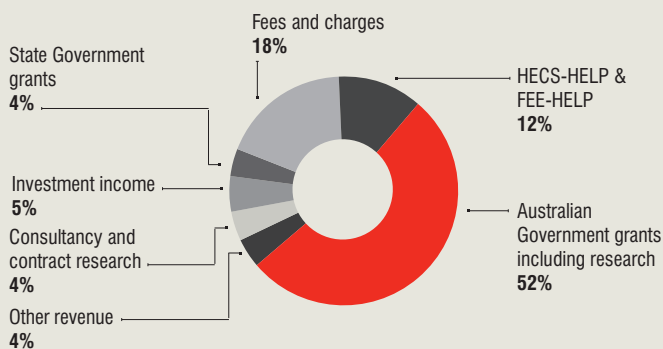
KEY RATIOS

1. Financial stability and liquidity

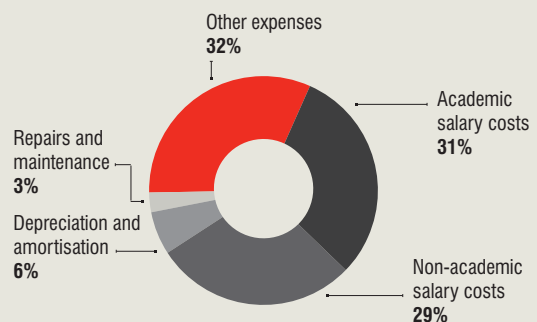
- Current ratio	0.6		0.4		0.6		0.7		1.2	
- Net cash balances	41,989		17,437		44,277		48,241		77,645	
- Net assets	912,318		911,565		899,829		882,309		878,958	

CONSOLIDATED INCOME AND EXPENDITURE 2017

INCOME



EXPENDITURE



INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Consolidated		Parent entity	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
INCOME FROM CONTINUING OPERATIONS					
Australian Government financial assistance					
Australian Government grants	2.1	353,121	351,144	353,121	351,144
HELP - Australian Government payments	2.1	72,368	69,105	72,368	69,105
State and Local Government financial assistance	2.2	29,245	21,690	29,245	21,690
HECS-HELP - student payments		8,076	8,852	8,076	8,852
Fees and charges	2.3	125,198	93,640	124,313	93,904
Investment revenue and income	2.4	33,511	18,342	28,223	14,934
Consultancy and contracts	2.5	30,004	25,717	30,015	25,717
Gain on disposal of assets		3,063	401	3,063	603
Other income	2.6	24,653	29,152	16,350	16,825
Total income from continuing operations		679,239	618,043	664,774	602,774
EXPENSES FROM CONTINUING OPERATIONS					
Employee related expenses	3.1	371,593	360,747	367,031	356,077
Depreciation and amortisation	8, 9	36,033	33,091	35,732	32,859
Repairs and maintenance		14,504	13,752	14,498	13,745
Borrowing costs	3.2	4,824	1,687	4,824	1,687
Impairment of assets	3.3	-	11,478	-	12,554
Other expenses	3.4	193,356	182,354	188,599	178,359
Total expenses from continuing operations		620,310	603,109	610,684	595,281
Net result from continuing operations		58,929	14,934	54,090	7,493

This statement should be read in conjunction with the accompanying notes. The above Income Statement has been prepared in accordance with Australian Accounting Standards.

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

KEY COMPONENTS OF THE RESULT

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

Result from core activities *		8,724	(9,351)	9,837	(8,601)
Net movements in statutory funds (excluding investment allocations)		4,918	4,013	4,254	306
Investment income (interest and dividends)		15,120	14,318	12,259	11,498
Realised gains/(losses) on investments		616	3,770	445	3,168
Unrealised gains/(losses) on investments		17,775	254	15,519	268
Borrowing costs		(4,824)	(1,687)	(4,824)	(1,687)
Capital income		27,075	17,503	27,075	17,503
Commonwealth Grant Scheme and HECS adjustments		-	2,776	-	2,776
Impairment		-	(10,127)	-	(11,203)
Restructuring costs		(10,475)	(6,535)	(10,475)	(6,535)
Net result from continuing operations		58,929	14,934	54,090	7,493

* The core activities of the University are:
- learning and teaching;
- research, knowledge transfer and research training;

- community engagement; and
- activities incidental to undertaking the above.
- restructure programs are not included.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Consolidated		Parent entity	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Net result for the period		58,929	14,934	54,090	7,493
Items that will not be reclassified to profit or loss					
Gain/(loss) on revaluation of property, plant and equipment	8	(58,130)	(3,736)	(58,130)	(3,736)
Net actuarial gains/(losses) in respect of superannuation plans	26	(46)	538	(46)	538
Total comprehensive income		753	11,736	(4,086)	4,295

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

	Notes	Consolidated		Parent entity	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4	41,989	17,437	32,822	7,159
Receivables	5	25,889	25,249	25,449	24,488
Inventories		740	852	740	852
Non-current assets classified as held for sale	6	925	925	925	925
Prepayments		8,783	7,751	8,768	7,437
Total current assets		78,326	52,214	68,704	40,861
NON-CURRENT ASSETS					
Receivables	5	6,719	7,959	6,719	7,959
Investments	7	419,633	288,375	360,181	234,679
Property, plant and equipment	8	603,651	783,869	602,391	782,323
Intangible assets	9	51,049	49,590	51,049	49,590
Service concession asset	10	143,512	-	143,512	-
Total non-current assets		1,224,564	1,129,793	1,163,852	1,074,551
Total assets		1,302,890	1,182,007	1,232,556	1,115,412
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	11	34,409	31,388	34,188	30,935
Borrowings	12	-	9,500	-	9,500
Employee benefit provisions	13	54,316	53,792	53,499	52,918
Provisions	13	10,994	7,257	10,994	7,257
Other liabilities	14	38,627	41,290	38,569	40,428
Total current liabilities		138,346	143,227	137,250	141,038
NON-CURRENT LIABILITIES					
Borrowings	12	93,600	93,600	93,600	93,600
Employee benefit provisions	13	12,437	12,734	12,402	12,692
Provisions	13	12,166	14,050	12,166	14,050
Other liabilities	14	134,023	6,831	134,023	6,831
Total non-current liabilities		252,226	127,215	252,191	127,173
Total liabilities		390,572	270,442	389,441	268,211
Net assets		912,318	911,565	843,115	847,201
EQUITY					
Statutory funds	15	173,541	162,297	114,786	108,551
Reserves	15	217,100	275,230	217,100	275,230
Retained earnings	15	521,677	474,038	511,229	463,420
Total equity		912,318	911,565	843,115	847,201

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

STATEMENT OF CHANGES IN EQUITY

AS AT 31 DECEMBER 2017

Consolidated	Notes	Statutory funds \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2016		149,199	278,966	471,664	899,829
Surplus/(deficit)		8,119	-	6,815	14,934
Reclassification of statutory funds		4,979	-	(4,979)	-
Gain/(loss) on revaluation of property, plant and equipment		-	(3,736)	-	(3,736)
Other comprehensive income		-	-	538	538
Total comprehensive income		13,098	(3,736)	2,374	11,736
Balance at 31 December 2016		162,297	275,230	474,038	911,565
Balance at 1 January 2017		162,297	275,230	474,038	911,565
Surplus/(deficit)		11,244	-	47,685	58,929
Gain/(loss) on revaluation of property, plant and equipment		-	(58,130)	-	(58,130)
Other comprehensive income	15	-	-	(46)	(46)
Total comprehensive income	15	11,244	(58,130)	47,639	753
Balance at 31 December 2017		173,541	217,100	521,677	912,318

Parent Entity	Notes	Statutory funds \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2016		101,793	278,966	462,147	842,906
Surplus/(deficit)		1,779	-	5,714	7,493
Reclassification of statutory funds		4,979	-	(4,979)	-
Gain/(loss) on revaluation of property, plant and equipment		-	(3,736)	-	(3,736)
Other comprehensive income		-	-	538	538
Total comprehensive income		6,758	(3,736)	1,273	4,295
Balance at 31 December 2016		108,551	275,230	463,420	847,201
Balance at 1 January 2017		108,551	275,230	463,420	847,201
Surplus/(deficit)		6,235	-	47,855	54,090
Gain/(loss) on revaluation of property, plant and equipment	15	-	(58,130)	-	(58,130)
Other comprehensive income	15	-	-	(46)	(46)
Total comprehensive income		6,235	(58,130)	47,809	(4,086)
Balance at 31 December 2017		114,786	217,100	511,229	843,115

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Consolidated		Parent Entity	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
		Inflows Outflows	Inflows (Outflows)	Inflows Outflows	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES					
Australian Government grants		405,338	416,127	405,338	416,127
OS-HELP (net)		78	4	78	4
Superannuation supplementation		649	521	649	521
State and Local Government financial assistance		19,403	11,052	19,403	11,052
HECS-HELP - student payments		8,076	8,852	8,076	8,852
Fees and charges		126,772	98,178	125,901	98,234
Dividends received		12,268	13,854	9,562	11,395
Interest received		2,828	1,305	2,443	903
Interest paid		(3,807)	(1,200)	(3,807)	(1,200)
Other receipts		70,405	72,313	62,226	59,568
Payments to suppliers and employees (inclusive of GST)		(593,393)	(565,128)	(582,916)	(555,323)
Net cash inflow/(outflow) from operating activities	22(b)	48,615	55,878	46,951	50,133
CASH FLOWS FROM INVESTING ACTIVITIES					
Capital grants		27,075	17,503	27,075	17,503
Proceeds from sale of property, plant and equipment		12,649	6,900	12,649	6,883
Payments for property, plant and equipment		(64,267)	(80,345)	(64,252)	(79,482)
Payments for intangibles		(8,722)	(6,768)	(8,722)	(6,768)
Payments for investments		(155,727)	(76,697)	(146,254)	(56,424)
Proceeds from disposal of investments	14	42,860	72,210	36,716	58,440
Proceeds from licensing of student accommodation	5	132,608	-	132,608	-
Movement in loans to controlled entities	5, 14	-	-	(581)	-
Movement in bonds and deposits	14	547	(72)	559	(66)
Movement in monies held on behalf of other entities		(1,586)	51	(1,586)	51
Net cash inflow/(outflow) from investing activities		(14,563)	(67,218)	(11,788)	(59,863)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from borrowings		-	9,500	-	9,500
Repayment of borrowings		(9,500)	(25,000)	(9,500)	(25,000)
Net cash inflow/(outflow) from financing activities		(9,500)	(15,500)	(9,500)	(15,500)
Net increase/(decrease) in cash held		24,552	(26,840)	25,663	(25,230)
Cash at beginning of reporting period		17,437	44,277	7,159	32,389
Cash at end of reporting period	4	41,989	17,437	32,822	7,159

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

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

The annual financial statements are general purpose financial statements that have been prepared on an accrual basis in accordance with Australian Accounting Standards.

Additionally, the statements have been prepared in accordance with the following statutory requirements:

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

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

Date of authorisation for issue

The financial statements were authorised for issue by the University Council on 9 February 2018.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative instruments) at fair value through

profit or loss, and certain classes of property, plant and equipment.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

Note 8 – Fair value, depreciation and amortisation of property, plant and equipment

Note 9 – Intangibles

Note 13 & 26 – Superannuation provision

Note 13 – Long service leave provision

Note 13 – Restructuring provision

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 2017 and the results of all controlled entities for the year then ended. The University and its controlled entities together are referred to in these financial statements as the consolidated entity.

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

power over the controlled entity.

Power over the controlled entity exists when the consolidated entity has existing rights that give it current ability to direct the relevant activities of the controlled entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the consolidated entity controls another entity. A list of controlled entities is contained in Note 21 to the financial statements.

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

The acquisition method of accounting is used to account for the acquisition of controlled entities.

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

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 consolidated entity's functional and presentation currency.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

Transactions and balances

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

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.

1.5 JOINT VENTURE AND COLLABORATIVE AGREEMENTS

The consolidated entity participates in four 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 ROUNDING OF AMOUNTS

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

1.7 COMPARATIVE AMOUNTS

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

1.8 IMPACTS OF NEW ACCOUNTING STANDARDS

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2017 reporting period. The University's assessment of the impact of these new standards and interpretations is set out below:

AASB 9 Financial Instruments includes requirements for the classification and measurement of financial assets and will become mandatory for the consolidated entity in reporting periods beginning on or after 1 January 2018. Due to a change in accounting policy during 2010, AASB 9 is not expected to have a significant impact on the consolidated entity's financial statements.

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities are

mandatory from 1 January 2019. The standards replace AASB 118 Revenue, AASB 111 Construction Contracts and AASB 1004 Contributions.

AASB 15 establishes a single and comprehensive framework which sets out how and when revenue is recognised. The core principle of AASB 15 is that revenue is recognised when transfers of goods or services to customers occur in exchange for consideration which the vendor expects to be entitled to in exchange for the provision of those goods or services (i.e. fulfilment of performance obligations). Revenue will only be recognised when control over the goods or services is transferred to the customer, which is either over time or at a point in time.

Furthermore, AASB 1058 amends the income recognition requirements that apply to not-for-profit entities and establishes principles for not-for-profit entities that apply to:

- (a) transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not-for-profit entity to further its objectives;
- (b) the receipt of volunteer services; and
- (c) transfers made to enable an entity to acquire or construct a non-financial asset for its own use.

The University intends to adopt the 'modified retrospective' approach to the initial application of AASB 15 and AASB 1058. That approach applies the new standards from the date of initial application on 1 January 2019 and will not result in the restatement of comparative financial information.

Management has assessed each category of revenue and there will be a negative material impact on

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

the recognition of research grant and donation revenue received by the University in the first year of application. Under existing accounting standards revenue from research contracts is recognised upon invoicing the funding body. Under AASB 15 and AASB 1058 revenue will be recognised when performance obligations have been met. Where specific performance obligations are not outlined in the contract, revenue will be recognised in line with expenditure unless it is clear there is no such nexus.

AASB 16 Leases introduces a single lessee accounting model and requires a lessee to recognise

assets and liabilities for all leases with a term of more than 12 months. The standard applies to annual reporting periods beginning on or after 1 January 2019. Management has assessed the impact of AASB 16 and the application from 1 January 2019 is not expected to have material changes to the consolidated entity's future financial statements.

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

1.9 INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARD

AASB 1059 Service Concession Arrangements: Grantors addresses the accounting for a service concession arrangement by a grantor that is a public sector entity by prescribing the accounting for the arrangement from the grantor's perspective. The standard applies to annual reporting periods beginning on or after 1 January 2019. The University has early adopted this standard from 1 January 2017 in order to account for its Purpose Built Student Accommodation (PBSA) assets transaction. Refer to note 10 for further details.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. REVENUE FROM CONTINUING OPERATIONS

	Notes	Consolidated		Parent Entity	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
2.1 Australian Government financial assistance including Australian Government Loan Programs (HELP)					
(a) Commonwealth Grant Scheme and other grants					
Commonwealth Grant Scheme	27.1	206,260	206,485	206,260	206,485
Access and Participation Fund	27.1	6,701	7,131	6,701	7,131
Disability Performance Funding	27.1	186	175	186	175
National Institutes Funding	27.1	7,564	7,452	7,564	7,452
Promotion of Excellence in Learning and Teaching	27.1	30	279	30	279
Indigenous Student Success Program	27.1	1,832	1,601	1,832	1,601
Australian Maths & Science Partnership Program	27.1	-	940	-	940
Total Commonwealth Grants Scheme and other grants		222,573	224,063	222,573	224,063
(b) Higher Education Loan Programs (HELP)					
HECS-HELP	27.2	68,192	64,880	68,192	64,880
FEE-HELP	27.2	2,917	3,078	2,917	3,078
SA-HELP	27.2	1,259	1,147	1,259	1,147
Total Higher Education Loan Programs		72,368	69,105	72,368	69,105
(c) Scholarships					
Research Training Program	27.3	24,251	24,147	24,251	24,147
Total scholarships		24,251	24,147	24,251	24,147
(d) EDUCATION Research					
Research Support Program	27.3	22,203	19,022	22,203	19,022
Total EDUCATION Research		22,203	19,022	22,203	19,022
(e) Other capital funding					
Education Investment Fund	27.4	10,000	7,500	10,000	7,500
Linkage Infrastructure, Equipment and Facilities grant	27.4	-	600	-	600
Total other capital funding		10,000	8,100	10,000	8,100
(f) Australian Research Council (ARC)					
Discovery	27.5	8,228	7,765	8,228	7,765
Linkages	27.5	4,369	8,245	4,369	8,245
Networks and Centres	27.5	53	-	53	-
Special Research Initiatives	27.5	8,406	8,282	8,406	8,282
Total Australian Research Council		21,056	24,292	21,056	24,292

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. REVENUE FROM CONTINUING OPERATIONS (continued)

	Notes	Consolidated		Parent Entity	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
(g) Other Australian Government financial assistance					
Non-capital					
National Health and Medical Research Council		4,606	5,310	4,606	5,310
Australian Government Research (non-ARC)		21,406	18,957	21,406	18,957
Other Australian Government income		25,506	24,793	25,506	24,793
Total non-capital		51,518	49,060	51,518	49,060
Capital					
National Rental Affordability Scheme (NRAS)		1,520	2,430	1,520	2,430
Other Australian Government capital income		-	30	-	30
Total capital		1,520	2,460	1,520	2,460
Total other Australian Government financial assistance		53,038	51,520	53,038	51,520
Total Australian Government financial assistance	27.6	425,489	420,249	425,489	420,249
Reconciliation					
Australian Government grants		353,121	351,144	353,121	351,144
Higher Education Loan Programs		72,368	69,105	72,368	69,105
Total Australian Government financial assistance		425,489	420,249	425,489	420,249

Accounting policy

Revenue is measured at the fair value of the consideration received or receivable.

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

Revenue type

Government Grants

Recognition

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

HELP payments

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. REVENUE FROM CONTINUING OPERATIONS (continued)

	Notes	Consolidated		Parent Entity	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
2.2 State and Local Government financial assistance					
Non-capital					
Institute for Marine and Antarctic Studies		3,118	2,914	3,118	2,914
Tasmanian Institute of Agriculture		5,654	5,403	5,654	5,403
Menzies Research Institute		1,076	1,024	1,076	1,024
Other income		6,281	5,677	6,281	5,677
Total non-capital		16,129	15,018	16,129	15,018
Capital					
Other capital income		13,116	6,672	13,116	6,672
Total capital		13,116	6,672	13,116	6,672
Total State and Local Government financial assistance		29,245	21,690	29,245	21,690

Accounting policy

State and Local Government financial assistance is measured and recognised in accordance with the policy set out in Note 2.1.

2.3 Fees and charges					
Course fees and charges					
Fee-paying overseas students - onshore		94,272	67,056	94,272	67,056
Fee-paying overseas students - offshore		2,588	2,905	2,588	2,905
Fee-paying domestic postgraduate students		1,943	1,871	1,943	1,871
Total course fees and charges		98,803	71,832	98,803	71,832
Other fees and charges					
Student Services and Amenities Fees from students		2,898	3,567	2,898	3,567
Accommodation charges		15,862	11,537	14,959	11,770
Vocational Education and Training student fees		1,270	1,297	1,270	1,297
Other		6,365	5,407	6,383	5,438
Total other fees and charges		26,395	21,808	25,510	22,072
Total fees and charges		125,198	93,640	124,313	93,904

Accounting policy

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

2. REVENUE FROM CONTINUING OPERATIONS (continued)

	Notes	Consolidated		Parent Entity	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
2.4 Investment revenue and income					
Interest		2,629	1,450	2,244	1,098
Dividends		12,491	12,868	10,015	10,400
Realised gains/(losses)		616	3,770	445	3,168
Unrealised gains/(losses)		17,775	254	15,519	268
Total investment revenue and income		33,511	18,342	28,223	14,934

Accounting policy

Revenue type Recognition

Interest	Recognised on a proportional basis taking into account the interest rates applicable to the financial asset.
Dividends	Recognised when the right to receive a dividend has been established.

2.5 Consultancy and contracts

Industry and other research		19,853	17,621	19,864	17,621
Research consultancies		190	499	190	499
Research donations and bequests		2,859	2,090	2,859	2,090
Industry support to ARC Linkage projects		1,006	931	1,006	931
Industry support to other Commonwealth research		6,096	4,576	6,096	4,576
Total consultancy and contracts		30,004	25,717	30,015	25,717

Accounting policy

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

2.6 Other income

Donations and bequests		4,953	8,039	1,408	1,518
Scholarships and prizes		944	586	944	612
Contract revenue (other than consultancy and contract research)		10,768	13,264	3,474	4,213
Sale of goods		3,570	3,586	3,572	3,581
Miscellaneous income		4,418	3,677	6,952	6,901
Total other income		24,653	29,152	16,350	16,825

Accounting policy

Revenue type

Recognition

Donations and bequests	Recognised when the right to receive the funds has been established.
Scholarships and prizes	Recognised when the right to receive the funds has been established.
Sale of goods	Recognised upon the delivery of goods to the customer.
Contract revenue	Recognised upon the delivery of the service to the customer.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

3. EXPENSES FROM CONTINUING OPERATIONS

	Notes	Consolidated		Parent Entity	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
3.1 Employee related expenses					
Academic					
Salaries		136,279	135,122	135,272	134,073
Contribution to superannuation and pension schemes		21,876	21,568	21,537	21,432
Payroll tax		10,575	10,177	10,522	10,125
Workers' compensation		549	437	543	430
Long service leave expense		3,029	3,340	3,012	3,317
Annual leave		10,434	10,549	10,411	10,478
Restructuring costs		6,381	4,311	6,381	4,311
Other expenses		5,218	4,649	5,218	4,649
Total academic		194,341	190,153	192,896	188,815
Non-Academic					
Salaries		128,759	124,765	126,143	122,081
Contribution to superannuation and pension schemes		20,044	19,270	19,900	18,944
Payroll tax		9,677	9,215	9,580	9,118
Workers' compensation		101	361	83	342
Long service leave expense		2,736	2,885	2,698	2,821
Annual leave		9,473	9,732	9,275	9,597
Restructuring costs		4,094	2,224	4,094	2,224
Other expenses		2,368	2,142	2,362	2,135
Total non-academic		177,252	170,594	174,135	167,262
Total employee benefits and on-costs		371,593	360,747	367,031	356,077

Accounting policy

Refer to Note 13 for accounting policy.

3.2 Borrowing costs

Interest expense		5,292	4,769	5,292	4,769
Less amount capitalised		(468)	(3,082)	(468)	(3,082)
Total borrowing costs expensed		4,824	1,687	4,824	1,687

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. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period for which they are incurred.

Interest rates payable:

Current (Tascorp overdraft facility - Official Cash Rate + 0.65%)

Non-current (Tascorp loan maturing March 2023 - fixed interest only, 5.11% payable six monthly in arrears)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

3. EXPENSES FROM CONTINUING OPERATIONS (continued)

	Notes	Consolidated		Parent Entity	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
3.3 Impairment of assets					
Debtors		-	1,351	-	2,427
Library		-	10,127	-	10,127
Total impairment of assets		-	11,478	-	12,554

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.

3.4 Other expenses					
Scholarships and prizes		27,896	27,856	25,039	25,133
Non-capitalised equipment		8,311	8,538	8,248	8,560
Advertising, marketing and promotional expenses		8,651	6,799	8,550	6,627
Telecommunications		3,934	3,485	3,911	3,484
Travel and staff development		18,703	17,919	18,097	17,494
Consumables		13,171	10,789	12,764	10,326
Office administration		3,442	3,546	3,365	3,452
Information technology operating costs		10,004	9,872	9,967	9,782
Consultancy and advisory services		31,872	26,452	31,922	26,751
Research sub-contractors		19,491	18,921	19,491	18,921
Conjoints, secondments and employment agency costs		2,617	2,780	2,617	2,780
Books, serials and subscriptions		7,580	7,441	7,537	7,408
Electricity and heating fuel		5,895	5,900	5,904	5,898
Cleaning		5,993	5,845	5,976	5,860
Security		2,969	3,088	2,969	3,095
Property and building operating costs		2,781	2,752	2,770	2,502
Council and director fees		568	570	582	583
Audit and assurance services		874	725	850	702
Operating lease payments		3,628	2,489	3,803	2,727
Insurance		1,924	1,967	1,925	1,965
New appointment expenses		1,428	1,291	1,428	1,291
Hire of plant and equipment		349	2,263	344	2,265
Other		11,275	11,066	10,540	10,753
Total other expenses		193,356	182,354	188,599	178,359

Accounting policy

Other expenses are recognised on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

4. CASH AND CASH EQUIVALENTS

	Notes	Consolidated		Parent Entity	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Current					
Cash at bank and on hand		19,530	14,206	12,822	6,817
Short term deposits and bills		22,459	3,231	20,000	342
Total cash and cash equivalents		41,989	17,437	32,822	7,159

(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		41,989	17,437	32,822	7,159
Balance per the Statement of Cash Flows		41,989	17,437	32,822	7,159

Accounting policy

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

Cash at bank accounts are bearing floating interest rates between 1.30% and 2.00% (2016: 1.00% and 1.45%). Cash on hand is non-interest bearing.

Short term deposits and bills are bearing floating interest rates of 2.50% (2016: 1.10%).

5. RECEIVABLES

	Notes	Consolidated		Parent Entity	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Current					
Trade receivables		18,952	17,138	18,028	16,387
Loans to controlled entities		-	-	1,657	1,076
Less provision for impaired receivables		(542)	(669)	(1,618)	(1,745)
		18,410	16,469	18,067	15,718
Deferred Government contribution for superannuation	26	643	628	643	628
Bonds and deposits		488	474	480	474
Accrued revenue		2,843	4,308	2,691	4,283
GST		3,505	3,370	3,568	3,385
Total current receivables		25,889	25,249	25,449	24,488

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

5. RECEIVABLES (continued)

	Notes	Consolidated		Parent Entity	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Non-current					
Deferred Government contribution for superannuation	26	6,719	7,959	6,719	7,959
Sundry loans and advances		300	300	300	300
Less provision for impaired receivables		(300)	(300)	(300)	(300)
Total non-current receivables		6,719	7,959	6,719	7,959
Total receivables		32,608	33,208	32,168	32,447

As at 31 December 2017 current receivables of \$4.8m (2016: \$5.4m) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

3 to 6 months		2,069	2,336	2,027	2,328
6 to 12 months		974	1,855	974	1,855
Over 12 months		1,785	1,222	1,785	1,222
Total past due but not impaired current receivables		4,828	5,413	4,786	5,405

(a) Impaired receivables

As at 31 December 2017 current receivables of the Group with a nominal value of \$542k (2016: \$669k) were impaired. The ageing of these receivables is as follows:

3 to 6 months		27	161	27	161
6 to 12 months		131	119	131	119
Over 12 months		384	389	1,460	1,465
Total current impaired receivables		542	669	1,618	1,745

Movements in the provision for impaired receivables are as follows:

At 1 January		669	1,926	1,745	1,926
Provision for impairment recognised during the year		425	3,573	425	4,649
Receivables written off during the year as uncollectible		-	(2,609)	-	(2,609)
Unused amount reversed		(552)	(2,221)	(552)	(2,221)
At 31 December		542	669	1,618	1,745

Accounting policy

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Trade receivables are 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

6. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	Notes	Consolidated		Parent Entity	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Current					
Non-current assets classified as held for sale		925	925	925	925
Total non-current assets classified as held for sale		925	925	925	925

Accounting policy

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

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

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

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

7. INVESTMENTS

	Notes	Consolidated		Parent Entity	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Non-current					
At fair value through profit or loss:					
Trust investments		16,924	11,654	16,924	11,654
Investment funds		402,708	276,720	339,722	219,490
At cost:					
Shares - unlisted		1	1	1	1
Investment in subsidiaries (AMC Search Limited)		-	-	3,534	3,534
Total investments		419,633	288,375	360,181	234,679
The funds comprise:					
Australian equities		90,921	77,396	74,777	60,044
Overseas equities		94,505	48,674	80,020	38,413
Australian property		696	581	-	-
Alternatives		77,531	38,093	66,546	30,936
Australian fixed interest		59,145	39,006	49,791	30,838
Overseas fixed interest		30,399	26,052	26,092	21,157
Cash and cash equivalents		49,511	46,918	42,496	38,102
Total investment funds		402,708	276,720	339,722	219,490

Investment Funds

The Investment funds are invested in a mixture of managed funds and direct equities. 79% of the managed funds (up from 77% in 2016) are investments with fund managers who are signatories to the United Nations Principles for Responsible Investing (UN PRI).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

7. INVESTMENTS (continued)

\$21.1m of the investment portfolio is in direct equity holdings. The top 20 holdings, making up 77% of the portfolio, are:

Commonwealth Bank Of Australia (CBA) 8.82%; Westpac Banking Corporation (WBC) 6.91%; Australia & New Zealand Banking Group Ltd (ANZ) 5.78%; BHP Billiton Limited (BHP) 5.46%; CSL Limited (CSL) 5.08%; Woodside Petroleum Limited (WPL) 4.22%; Macquarie Group Limited (MQG) 3.74%; Transurban Group (TCL) 3.54%; Link Administration Holdings Limited (LNK) 3.44%; Rio Tinto Limited (RIO) 3.40%; Reliance Worldwide Corporation Limited (RWC) 3.22%; Macquarie Atlas Roads Grp (MQA) 2.98%; Boral Limited (BLD) 2.85%; Qantas Airways Limited (QAN) 2.76%; Resmed Inc (RMD) 2.62%; BlueScope Steel Limited (BSL) 2.52%; AGL Energy Limited (AGL) 2.46%; AMP Limited (AMP) 2.43%; Fortescue Metals Group Ltd (FMG) 2.35% and Cleanaway Waste Management Ltd (CWY) 2.28%.

Accounting policy

The consolidated entity's investment funds are held in managed portfolios and cash management accounts. The investments are measured at either fair value (at ex-distribution prices) through profit or loss, where changes in fair value are taken to the Income Statement, or at cost.

The consolidated entity currently classifies its financial assets in the following categories:— investments (comprising financial assets at fair value through profit or loss, or at cost), derivative financial instruments, and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

Financial assets at fair value through profit or loss

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

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

8. PROPERTY, PLANT AND EQUIPMENT

(a) Consolidated - \$'000	Notes	Land	Buildings	Capital WIP	Leasehold improvements	Plant and equipment	Library	Works of art	Total
At 1 January 2016									
At cost		-	-	61,393	15	130,359	52,953	-	244,720
At valuation		88,458	494,830	-	21,177	-	-	8,525	612,990
Accumulated depreciation and impairment		-	-	-	(4)	(75,404)	(36,666)	-	(112,074)
Net book amount		88,458	494,830	61,393	21,188	54,955	16,287	8,525	745,636

Year ended 31 December 2016

Opening net book amount		88,458	494,830	61,393	21,188	54,955	16,287	8,525	745,636
Additions		2,058	6,192	74,537	15	4,513	271	85	87,671
Transfers from capital works in progress		-	36,961	(45,803)	19	8,823	-	-	-
Revaluation increment/ (decrement)	15	(152)	(3,589)	-	-	-	-	5	(3,736)
Assets classified as held for sale	6	(258)	(667)	-	-	-	-	-	(925)
Disposals		(2,680)	(2,982)	-	-	(818)	-	-	(6,480)
Impairment losses	3.3	-	-	-	-	-	(10,127)	-	(10,127)
Depreciation charge		-	(13,088)	-	(545)	(12,406)	(2,131)	-	(28,170)
Closing net book amount		87,426	517,657	90,127	20,677	55,067	4,300	8,615	783,869

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

8. PROPERTY, PLANT AND EQUIPMENT (continued)

(a) Consolidated - \$'000	Notes	Land	Buildings	Capital WIP	Leasehold improvements	Plant and equipment	Library	Works of art	Total
At 31 December 2016									
At cost		-	-	90,127	15	139,162	52,503	-	281,807
At valuation		87,426	530,598	-	21,211	-	-	8,615	647,850
Accumulated depreciation and impairment		-	(12,941)	-	(549)	(84,095)	(48,203)	-	(145,788)
Net book amount		87,426	517,657	90,127	20,677	55,067	4,300	8,615	783,869
Year ended 31 December 2017									
Opening net book amount		87,426	517,657	90,127	20,677	55,067	4,300	8,615	783,869
Additions		6,801	1,335	47,211	-	3,815	109	511	59,782
Transfers from capital works in progress		-	90,538	(106,897)	2,556	13,803	-	-	-
Revaluation increment/ (decrement)	15	(4,610)	(53,520)	-	-	-	-	-	(58,130)
Service concession asset	10	-	(143,512)	-	-	-	-	-	(143,512)
Disposals		(4,370)	(4,544)	-	-	(643)	-	-	(9,557)
Depreciation charge		-	(14,956)	-	(606)	(12,854)	(385)	-	(28,801)
Closing net book amount		85,247	392,998	30,441	22,627	59,188	4,024	9,126	603,651
At 31 December 2017									
At cost		-	-	30,441	15	153,125	51,564	-	235,145
At valuation		85,247	412,395	-	23,767	-	-	9,126	530,535
Accumulated depreciation and impairment		-	(19,397)	-	(1,155)	(93,937)	(47,540)	-	(162,029)
Net book amount		85,247	392,998	30,441	22,627	59,188	4,024	9,126	603,651

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

8. PROPERTY, PLANT AND EQUIPMENT (continued)

(b) Parent entity - \$'000	Notes	Land	Buildings	Capital WIP	Leasehold improvements	Plant and equipment	Library	Works of art	Total
At 1 January 2016									
At cost		-	-	61,393	-	127,986	52,953	-	242,332
At valuation		88,458	494,830	-	21,177	-	-	8,525	612,990
Accumulated depreciation and impairment		-	-	-	-	(74,154)	(36,666)	-	(110,820)
Net book amount		88,458	494,830	61,393	21,177	53,832	16,287	8,525	744,502
Year ended 31 December 2016									
Opening net book amount		88,458	494,830	61,393	21,177	53,832	16,287	8,525	744,502
Additions		2,058	6,192	74,537	15	3,649	271	85	86,807
Transfers from capital works in progress		-	36,961	(45,803)	19	8,823	-	-	-
Revaluation increment/ (decrement)	15	(152)	(3,589)	-	-	-	-	5	(3,736)
Assets classified as held for sale	6	(258)	(667)	-	-	-	-	-	(925)
Disposals		(2,680)	(2,982)	-	-	(598)	-	-	(6,260)
Impairment losses	3.3	-	-	-	-	-	(10,127)	-	(10,127)
Depreciation charge		-	(13,088)	-	(544)	(12,175)	(2,131)	-	(27,938)
Closing net book amount		87,426	517,657	90,127	20,667	53,531	4,300	8,615	782,323
At 31 December 2016									
At cost		-	-	90,127	-	136,549	52,503	-	279,179
At valuation		87,426	530,598	-	21,211	-	-	8,615	647,850
Accumulated depreciation and impairment		-	(12,941)	-	(544)	(83,018)	(48,203)	-	(144,706)
Net book amount		87,426	517,657	90,127	20,667	53,531	4,300	8,615	782,323
Year ended 31 December 2017									
Opening net book amount		87,426	517,657	90,127	20,667	53,531	4,300	8,615	782,323
Additions		6,801	1,335	47,211	-	3,798	109	511	59,765
Transfers from capital works in progress		-	90,538	(106,897)	2,556	13,803	-	-	-
Revaluation increment/ (decrement)	15	(4,610)	(53,520)	-	-	-	-	-	(58,130)
Service concession asset	10	-	(143,512)	-	-	-	-	-	(143,512)
Disposals		(4,370)	(4,544)	-	-	(643)	-	-	(9,557)
Depreciation charge		-	(14,956)	-	(604)	(12,553)	(385)	-	(28,498)
Closing net book amount		85,247	392,998	30,441	22,619	57,936	4,024	9,126	602,391

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

8. PROPERTY, PLANT AND EQUIPMENT (continued)

	Notes	Land	Buildings	Capital WIP	Leasehold improvements	Plant and equipment	Library	Works of art	Total
At 31 December 2017									
At cost		-	-	30,441	-	150,494	51,564	-	232,499
At valuation		85,247	412,395	-	23,767	-	-	9,126	530,535
Accumulated depreciation and impairment		-	(19,397)	-	(1,148)	(92,558)	(47,540)	-	(160,643)
Net book amount		85,247	392,998	30,441	22,619	57,936	4,024	9,126	602,391

Key estimates, judgements and accounting policy

Property, plant and equipment

Land, buildings, leasehold improvements and works of art are shown at fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings and leasehold improvements. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Other classes of property, plant and equipment are stated at cost or fair value less depreciation. The valuation methodology adopted for asset classes is as follows:

Asset Class	Valuation basis	Detail
Property (land, buildings and leasehold improvements)	Fair Value	Freehold land, buildings and leasehold improvements were revalued as at 31 December 2017.
Plant and equipment	Cost	All plant and equipment items with a cost equal to or exceeding \$10,000 have been capitalised.
Library	Cost	
Works of art	Fair Value	A valuation of the works of art was undertaken in 2014.

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

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

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

Work in progress (WIP)

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

8. PROPERTY, PLANT AND EQUIPMENT (continued)

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	2017	2016
Buildings	2.5%	2.5%
Plant and equipment	2.5% - 33%	2.5% - 25%
Library collections	5%	5%
Leasehold improvements	2.5% - 5%	2.5% - 5%
Intangibles	6.6% - 33%	6.6% - 33%

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Land and works of art are not depreciated.

Useful lives of assets are reviewed on an annual basis.

9. INTANGIBLE ASSETS

	Notes	Consolidated		Parent Entity	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Opening net book amount		49,590	47,762	49,590	47,762
Additions		4,348	72	4,348	72
Additions to intangibles work in progress		4,374	6,696	4,374	6,696
Disposals		(29)	(19)	(29)	(19)
Amortisation charge		(7,234)	(4,921)	(7,234)	(4,921)
Closing net book amount		51,049	49,590	51,049	49,590
Cost		66,655	62,383	66,655	62,383
Accumulated amortisation and impairment		(22,899)	(15,712)	(22,899)	(15,712)
Intangibles work in progress		7,293	2,919	7,293	2,919
Net book amount		51,049	49,590	51,049	49,590

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:

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

10. SERVICE CONCESSION ASSET

	Notes	Consolidated		Parent Entity	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Non-current					
At valuation		143,512	-	143,512	-
Accumulated depreciation and impairment		-	-	-	-
Total service concession asset		143,512	-	143,512	-

Accounting policy

The University has executed a market transaction in respect of Purpose Built Student Accommodation (PBSA) assets. It has granted a 30 year licence to receive net rentals from these assets from 31 December 2017 in exchange for payment of an upfront amount. The licensee will be 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. The service concession asset will be revalued under the same policy as revaluations of property, plant and equipment. The transaction is accounted for under AASB 1059 'Service Concession Arrangements – Grantor' and the University has early adopted this standard. The University has not identified any other transactions in the scope of the standard and on that basis there is no further reporting requirements for the current or comparative periods.

11. TRADE AND OTHER PAYABLES

	Notes	Consolidated		Parent Entity	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Current					
Creditors and accruals		34,338	31,395	34,117	30,942
OS-HELP liability to Australian Government		71	(7)	71	(7)
Total trade and other payables		34,409	31,388	34,188	30,935

Accounting policy

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

12. BORROWINGS

	Notes	Consolidated		Parent Entity	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Current					
Unsecured loan - interest bearing		-	9,500	-	9,500
Total current borrowings		-	9,500	-	9,500

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

12. BORROWINGS (continued)

	Notes	Consolidated		Parent Entity	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Non-Current					
Unsecured loan - interest bearing		93,600	93,600	93,600	93,600
Total non-current borrowings		93,600	93,600	93,600	93,600
Total borrowings		93,600	103,100	93,600	103,100

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.

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

(a) Financing arrangements

At balance date the following lines of credit were established:

Loan facilities					
Total loan facility - Tascorp		100,000	130,000	100,000	130,000
Total overdraft facility		50,000	50,000	50,000	50,000
Used at balance date		(93,600)	(103,100)	(93,600)	(103,100)
Unused at balance date		56,400	76,900	56,400	76,900
Business card facility					
Total facility		8,000	8,000	8,000	8,000
Used at balance date		-	-	-	-
Unused at balance date		8,000	8,000	8,000	8,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

13. PROVISIONS

	Notes	Consolidated		Parent Entity	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Current					
Annual leave		27,265	27,868	26,892	27,486
Long service leave		27,051	25,924	26,607	25,432
Restructuring costs		9,544	5,753	9,544	5,753
Superannuation	26	1,450	1,504	1,450	1,504
Total current provisions		65,310	61,049	64,493	60,175
Non-current					
Long service leave		12,437	12,734	12,402	12,692
Superannuation	26	12,166	14,050	12,166	14,050
Total non current provisions		24,603	26,784	24,568	26,742
Total provisions		89,913	87,833	89,061	86,917
(1) Annual leave liabilities include the following non-employee on-costs		1,506	1,548	1,479	1,520
(2) Long service leave liabilities include the following non-employee on-costs		2,524	2,479	2,489	2,440

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

13. PROVISIONS (continued)

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 costs

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

14. OTHER LIABILITIES

	Notes	Consolidated		Parent Entity	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Current					
Revenue in advance		22,047	20,423	21,989	19,565
Bonds and deposits held		806	245	806	241
Monies held on behalf of other entities		3,391	4,977	3,391	4,977
Grant of right to operate		5,491	-	5,491	-
Australian Government unspent financial assistance		6,892	15,645	6,892	15,645
Total current other liabilities		38,627	41,290	38,569	40,428
Non-current					
Grant of right to operate		127,117	-	127,117	-
Australian Government unspent financial assistance		6,906	6,831	6,906	6,831
Total non-current other liabilities		134,023	6,831	134,023	6,831
Total trade and other payables		172,650	48,121	172,592	47,259

Accounting policy

Grant of right to operate

The University has executed a market transaction in respect of Purpose Built Student Accommodation (PBSA) assets. It has granted a 30 year licence to receive net rentals from these assets from 31 December 2017 in exchange for payment of an upfront amount. The upfront amount will be amortised over the 30 year life of the agreement.

15. EQUITY

Reserves					
Asset revaluation reserve					
Balance at end of previous year		275,230	278,966	275,230	278,966
Add: revaluation increment/(decrement) on land	8	(4,610)	(152)	(4,610)	(152)
Add: revaluation increment/(decrement) on buildings	8	(53,520)	(3,589)	(53,520)	(3,589)
Add: revaluation increment/(decrement) on leasehold improvements	8	-	-	-	-
Add: revaluation increment/(decrement) on works of art	8	-	5	-	5
Balance at end of year		217,100	275,230	217,100	275,230

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

15. EQUITY (continued)

	Notes	Consolidated		Parent Entity	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Statutory funds					
Balance at end of previous year as previously reported		162,297	149,199	108,551	101,793
Reclassifications		-	4,979	-	4,979
Revised opening balances		162,297	154,178	108,551	106,772
Current year movements		11,244	8,119	6,235	1,779
Statutory funds balance		173,541	162,297	114,786	108,551
Retained earnings					
Balance at end of previous year		474,038	471,664	463,420	462,147
Other comprehensive income		(46)	538	(46)	538
Result		58,929	14,934	54,090	7,493
Movement and reclassifications in statutory funds		(11,244)	(13,098)	(6,235)	(6,758)
Total retained surplus		521,677	474,038	511,229	463,420

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.

16. 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:

	Notes	Consolidated		Parent Entity	
		2017 No.	2016 No.	2017 No.	2016 No.
\$15,000 to \$29,999		8	8	8	8
\$30,000 to \$45,999		2	2	2	2
\$60,000 to \$74,999		1	1	1	1
		11	11	11	11
Aggregate remuneration of Council Members					
		\$347,494	\$342,832	\$347,494	\$342,832

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

16. KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

Members of the University Council are: Dr Peter Davis, Mr Rhys Edwards, Mrs Susan Chen, Ms Leanne Topfer, Ms Phillipa Leedham, Mr Corey Peterson, Professor Kwong Lee Dow, Professor Jamie Kirkpatrick, Mr Harvey Gibson, Mr Paul Gregg and Hon. Michael Field.

Remuneration of executive officers

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

Remuneration of executive officers	Consolidated		Parent Entity	
	2017	2016	2017	2016
	No.	No.	No.	No.
180,000 to 194,999	-	1	-	1
225,000 to 239,999	1	-	1	-
360,000 to 374,999	-	2	-	2
375,000 to 389,999	1	1	1	1
450,000 to 464,999	1	-	1	-
465,000 to 479,999	-	1	-	1
525,000 to 539,999	-	1	-	1
540,000 to 554,999	1	1	1	1
555,000 to 569,999	1	-	1	-
585,000 to 599,999	1	-	1	-
945,000 to 959,999	-	1	-	1
975,000 to 989,999	1	-	1	-
	7	8	7	8
Aggregate remuneration of executives	\$3,754,980	\$3,794,264	\$3,754,980	\$3,794,264

Executive officers are defined as members of the Senior Executive which comprises: Professor Peter Rathjen (Vice-Chancellor), Professor Mike Calford (Provost), Professor Brigid Heywood (Deputy Vice-Chancellor (Research)), Professor Monique Skidmore (Deputy Vice-Chancellor (Global)), Professor Janelle Allison (Principal - University of Tasmania College), and Mr David Clerk (Chief Operating Officer). Professor David Sadler (Deputy Vice-Chancellor (Students and Education)) was a member for part of 2017.

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 2017:

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

17. REMUNERATION OF AUDITORS

	Consolidated		Parent Entity	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000

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

Audit of the financial statements				
Tasmanian Audit Office	181	152	154	137
Total remuneration for audit services	181	152	154	137

The fee for the 2017 audit of consolidated financial statements is \$162,500 (2016: \$141,260)

Other audit and assurance services

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

Tasmanian Audit Office	14	26	14	26
Deloitte	520	450	520	450
Assurance Pty Ltd	36	71	36	71
ShineWing	30	8	30	8
Altus Page Kirkland	-	5	-	5
Ausmeat	1	1	1	1
Dept of Agriculture and Water Resources	1	-	1	-
Synectic	1	-	1	-
Total remuneration for other audit and assurance services	603	561	603	561

18. CONTINGENCIES

The consolidated entity had the following contingent assets and liabilities at 31 December 2017:

University of Tasmania:

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

- 2017: \$30k (2016: \$30k)

Contract performance guarantee in respect of a lease with the Australian National Maritime Museum (2 Murray Street, Pyrmont)

- 2017: \$175k (2016: \$nil)

AMC Search Ltd:

Bank guarantee to Commonwealth of Australia in relation to the Pacific Patrol Boat training contract from 2013 to 2019

- 2017: \$1m (2016: \$1m)

The consolidated entity has no other material contingent liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

19. COMMITMENTS

	Consolidated		Parent Entity	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Capital expenditure commitments				
Contracted but not provided for and payable not later than one year	74,954	42,295	74,954	42,295
Total capital expenditure commitments	74,954	42,295	74,954	42,295

Capital expenditure commitments include the following significant building works: \$68.3m for "The Hedberg" creative industries and performing arts development and \$3.6m for the IMAS pump station.

Operating lease commitments

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

Within one year	2,070	612	2,070	612
Later than one year but not later than five years	3,881	789	3,881	789
Later than five years	1,698	671	1,698	671
Total lease commitments	7,649	2,072	7,649	2,072

Operating lessor commitments

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

Within one year	719	490	719	490
Later than one year but not later than five years	2,549	1,178	2,549	1,178
Later than five years	3,143	1,034	3,143	1,034
Total lessor commitments	6,411	2,702	6,411	2,702

Accounting policy

Leases of property, plant and equipment where the consolidated entity, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged to the Income Statement on a straight line basis over the period of the lease.

20. 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 21.

(c) Key management personnel

Disclosures relating to Council Members and specified executives are set out in note 16.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

20. RELATED PARTIES (continued)

(d) Transactions with related parties

	Consolidated		Parent Entity	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Sale of goods and services to controlled entities	-	-	3,261	4,095
Purchase of goods and services from controlled entities	-	-	1,809	2,259
Funding provided to controlled entities	-	-	2,001	1,778
Funding received from controlled entities	-	-	1,302	1,770

(e) Loans to/(from) related parties

Beginning of the year	-	-	1,076	1,076
Loans advanced	-	-	3,213	-
Loan repayments received	-	-	(2,632)	-
End of year	-	-	1,657	1,076

(f) Outstanding balances

Current receivables (sale of goods and services)				
Controlled entities	-	-	-	246
Total current receivables	-	-	-	246
Current payables (purchases of goods)				
Controlled entities	-	-	203	280
Total current payables	-	-	203	280

21. CONTROLLED ENTITIES

Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of with the accounting policy described in note 1.2

the following controlled entities in accordance

	Ownership Interest	
	2017	2016
All entities are incorporated in Australia	%	%
University of Tasmania Foundation Inc	100	100
The University Foundation is an Incorporated Association which acts as trustee for the University of Tasmania Foundation Trust. It raises money to endow scholarships, support research and build resources, while developing links between the University, industry and the community.		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

21. CONTROLLED ENTITIES (continued)

	Ownership Interest	
	2017	2016
Controlled entities	%	%
AMC Search Limited	100	100
AMC Search is a company limited by guarantee which provides maritime training and consulting services.		
Tasmania University Union Inc (TUU)	-	-
The TUU is an Incorporated Association established in 1899, and is the body of student representation for tertiary students attending the University of Tasmania. As a result of changes to AASB 10 Consolidated Financial Statements, the University of Tasmania now satisfies the definition of control and has consolidated the TUU since 2014.		
UTAS Holdings Pty Ltd	100	100
UTAS Holdings is a company limited by shares. The company was registered on 15 August 2014 and established to act as a holding company for commercialisation activities of the University of Tasmania.		
Sense-Co Tasmania Pty Ltd	100	100
Sense-Co Tasmania is a company limited by shares. The company was registered on 19 August 2014 and established to focus on the commercialisation opportunities of sensing technology. The company is a 100% owned subsidiary of UTAS Holdings Pty Ltd.		

22. 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 as follows:

	Consolidated		Parent Entity	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	19,530	14,206	12,822	6,817
Short term deposits and bills	22,459	3,231	20,000	342
	41,989	17,437	32,822	7,159

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

Result	58,929	14,934	54,090	7,493
Capital grants	(27,075)	(17,503)	(27,075)	(17,503)
Depreciation and amortisation	36,033	33,091	35,732	32,859
Non-cash donations	(429)	(5,816)	(429)	(5,816)
(Profit)/loss on sale of property, plant and equipment	(3,063)	(401)	(3,063)	(603)
Impairment of property, plant and equipment	-	10,127	-	10,127
Movement in realised/unrealised (gains)/losses on investments	(18,391)	(4,024)	(15,964)	(3,436)
Net actuarial (gains)/losses in respect of superannuation plans	(46)	538	(46)	538

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

22. NOTES TO THE STATEMENT OF CASH FLOWS (continued)

	Consolidated		Parent Entity	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Change in Assets and Liabilities				
(Increase)/decrease in receivables	(724)	(2,485)	(599)	(1,618)
(Decrease)/increase in provision for impaired receivables	(127)	(1,257)	(127)	(181)
(Increase)/decrease in inventories	112	(79)	112	(79)
(Increase)/decrease in accrued revenue	1,465	1,843	1,592	2,017
(Increase)/decrease in prepayments	(1,032)	1,102	(1,331)	1,370
(Decrease)/increase in payables	7,937	3,783	8,169	3,598
(Decrease)/increase in provisions	2,080	8,525	2,144	8,388
(Decrease)/increase in revenue in advance	1,624	6,517	2,424	5,996
(Decrease)/increase in unspent financial assistance	(8,678)	6,983	(8,678)	6,983
Net cash provided or used by operating activities	48,615	55,878	46,951	50,133

23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

No significant events have occurred.

24. FINANCIAL RISK MANAGEMENT

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

Credit risk

The maximum exposure to credit risk on financial assets of the consolidated entity, excluding investments, relates to receivables which are exposed to the risk of financial loss due to the other party to the contract failing to discharge a financial obligation. The maximum credit risk exposure in relation to receivables is the carrying amount less the provision for impairment. The consolidated entity is not materially exposed to any individual or group. Accounts receivable credit terms are 30 days.

Foreign currency risk

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

Liquidity risk

Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they fall due. The University's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

Interest rate risk

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

24. FINANCIAL RISK MANAGEMENT (continued)

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 2017							
Financial assets							
Cash and cash equivalents	-	19,530	22,459	-	-	41,989	41,989
Receivables	32,608	-	-	-	-	32,608	32,608
Investments	1	330,088	-	89,544	-	419,633	419,633
Total financial assets	32,609	349,618	22,459	89,544	-	494,230	494,230
Financial liabilities							
Payables	34,409	-	-	-	-	34,409	34,409
Borrowings	-	-	-	-	93,600	93,600	93,600
Total financial liabilities	34,409	-	-	-	93,600	128,009	128,009
31 December 2016							
Financial assets							
Cash and cash equivalents	-	14,206	3,231	-	-	17,437	17,437
Receivables	33,208	-	-	-	-	33,208	33,208
Investments	1	223,316	-	65,058	-	288,375	288,375
Total financial assets	33,209	237,522	3,231	65,058	-	339,020	339,020
Financial liabilities							
Payables	31,388	-	-	-	-	31,388	31,388
Borrowings	-	9,500	-	-	93,600	103,100	103,100
Total financial liabilities	31,388	9,500	-	-	93,600	134,488	134,488

Market risk

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 2017 the following benchmarks

applied: Australian equities 22.5% (actual at 31 December 2017: 22.0%); overseas equities 20.0% (23.6%); alternatives 17.5% (19.5%); Australian fixed interest 25.0% (14.7%); overseas fixed interest 7.5% (7.7%) and cash and cash equivalents 7.5% (12.5%).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

24. FINANCIAL RISK MANAGEMENT (continued)

Summarised sensitivity analysis

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

	Carrying amount	Interest rate risk				Other price risk			
		-0.5%		1.0%		-10%		+10%	
		Impact on result	Impact on equity	Impact on result	Impact on equity	Impact on result	Impact on equity	Impact on result	Impact on equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
31 December 2017									
Financial assets									
Cash and cash equivalents	41,989	(210)	(210)	420	420	n/a	n/a	n/a	n/a
Receivables	32,608	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Investments	419,633	(248)	(248)	495	495	(37,012)	(37,012)	37,012	37,012
Total financial assets	494,230	(458)	(458)	915	915	(37,012)	(37,012)	37,012	37,012
Financial liabilities									
Payables	34,409	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Borrowings	93,600	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total financial liabilities	128,009	-	-	-	-	-	-	-	-
31 December 2016									
Financial assets									
Cash and cash equivalents	17,437	(87)	(87)	174	174	n/a	n/a	n/a	n/a
Receivables	33,208	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Investments	288,375	(235)	(235)	469	469	(24,146)	(24,146)	24,146	24,146
Total financial assets	339,020	(322)	(322)	644	644	(24,146)	(24,146)	24,146	24,146
Financial liabilities									
Payables	31,388	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Borrowings	103,100	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total financial liabilities	134,488	-	-	-	-	-	-	-	-

Method and underlying assumptions of the sensitivity analysis:

1. The variation in interest rate risk takes into account interest rate movements during 2017 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. \$93.6m loan at fixed interest rates.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

25. 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:

	Note	Carrying amount		Fair value	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and cash equivalents	4	41,989	17,437	41,989	17,437
Receivables	5	32,608	33,208	32,608	33,208
Investments	7	419,633	288,375	419,633	288,375
Total financial assets		494,230	339,020	494,230	339,020
Financial liabilities					
Payables	11	34,409	31,388	34,409	31,388
Borrowings	12	93,600	103,100	93,600	103,100
Total financial liabilities		128,009	134,488	128,009	134,488

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

25. FAIR VALUE MEASUREMENTS (continued)

(b) Fair value hierarchy

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

Level 1 - quoted prices (unadjusted)

in active markets for identical assets or liabilities

Level 2 - inputs other than quoted prices within level 1 that are observable for the asset or liability either directly or indirectly

Level 3 - inputs for the asset or liability

that are not based on observable market data (unobservable inputs)

i) Recognised fair value measurements

Fair value measurements recognised in the balance sheet are categorised into the following levels at 31 December 2017.

Fair value measurements at 31 December 2017	Note		Level 1	Level 2	Level 3
Recurring fair value measurements		2017			
Financial assets		\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss					
Investments	7	419,633	419,633	-	-
Total financial assets		419,633	419,633	-	-

Non-financial assets

Land	8	85,247	-	85,247	-
Buildings and leasehold improvements	8	415,625	-	-	415,625
Works of art	8	9,126	-	9,126	-
Assets classified as held for sale	6	925	-	925	-
Service concession asset	10	143,512	-	-	143,512
Total non-financial assets		654,435	-	95,298	559,137

Fair value measurements at 31 December 2016	Note	2016	Level 1	Level 1	Level 3
Recurring fair value measurements		\$'000	\$'000	\$'000	\$'000
Financial assets					
Financial assets at fair value through profit or loss					
Investments	7	288,375	288,375	-	-
Total financial assets		288,375	288,375	-	-

Non-financial assets					
Land	8	87,426	-	87,426	-
Buildings and leasehold improvements	8	538,334	-	702	537,632
Works of art	8	8,615	-	8,615	-
Assets classified as held for sale	6	925	-	925	-
Total non-financial assets		635,300	-	97,668	537,632

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

The University of Tasmania's policy is to recognise transfers into and transfers out of fair value hierarchy levels as

at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

25. FAIR VALUE MEASUREMENTS (continued)

ii) Disclosed fair values

The University of Tasmania has a number of assets and liabilities which are not measured at fair value, but for which the fair values are disclosed in the notes.

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

Valuation techniques used to derive level 2 fair values

Land, buildings and leasehold improvements are valued independently at regular intervals. With the expected relocation of campuses in Launceston and Burnie an independent valuation

was performed by Gavin Lippelgoes and Matthew Davis from Opteon (Tasmania) Pty Ltd during 2017 for affected property. A desktop valuation of the remaining assets was undertaken by management based on the valuation performed by Messrs Matthew Ward and Daniel Cooke of AssetVal Pty Ltd during 2015. The valuation was performed to determine fair value in accordance with AASB 116 Property, Plant and Equipment. The fair value of land, buildings and leasehold improvements was determined by employing the active and liquid market approach.

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

pieces by the same artist.

Valuation techniques used to derive level 3 fair values

Buildings and leasehold improvements are valued independently at regular intervals. With the expected relocation of campuses in Launceston and Burnie an independent valuation was performed by Gavin Lippelgoes and Matthew Davis from Opteon (Tasmania) Pty Ltd during 2017 for affected property. A desktop valuation of the remaining assets was undertaken by management based on the valuation performed by Messrs Matthew Ward and Daniel Cooke of AssetVal Pty Ltd during 2015. The fair value of buildings and leasehold improvements was determined by employing the depreciated replacement cost approach.

26. SUPERANNUATION

	2017	2016
	\$'000	\$'000
Assets recognised in the Statement of Financial Position		
Current		
Deferred Government contribution for superannuation	643	628
Non-Current		
Deferred Government contribution for superannuation	6,719	7,959
Total superannuation assets	7,362	8,587
Liabilities recognised in the Statement of Financial Position		
Current		
Supplementary Pension Scheme	807	876
Retirement Benefits Fund	643	628
	1,450	1,504
Non-Current		
Supplementary Pension Scheme	5,447	6,091
Retirement Benefits Fund	6,719	7,959
	12,166	14,050
Total superannuation liability	13,616	15,554

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

26. SUPERANNUATION (continued)

(a) Schemes operational and open to membership

i) UniSuper Limited

The majority of University staff are members of schemes and plans administered and managed by UniSuper Limited.

UniSuper offers eligible members the choice of two schemes known as the Defined Benefit Division (DBD) and Accumulation Super.

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

Accumulation Super is a cash accumulation productivity scheme.

(b) Schemes closed to future membership

i) Supplementary Pension

Scheme liability

The University of Tasmania Staff Superannuation and Additional Benefits Scheme was closed on 31 December 1982 and wound up.

One aspect of the scheme remains, the supplementary pension scheme.

Characteristics of scheme

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

is not a regulated superannuation scheme.

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

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

	2017	2016
	\$'000	\$'000
Liabilities recognised in the Statement of Financial Position		
Total liability	6,254	6,967
Current	807	876
Non-current	5,447	6,091
	6,254	6,967
Principal actuarial assumptions		
Discount rate	2.50%	2.50%
Inflation (pensions)	2.50%	2.50%
Reconciliation of change in liabilities		
	\$'000	\$'000
Defined Benefit Obligation at 1 January	6,967	8,289
Service cost	-	-
Interest cost	163	158
Benefits paid	(922)	(942)
Actuarial (gains)/losses arising from changes in assumptions		42
Experience (gain)/loss on liabilities	46	(580)
Defined Benefit Obligation at 31 December	6,254	6,967

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

26. SUPERANNUATION (continued)

Sensitivity analysis

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

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

ii) Retirement Benefits Fund (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 \$7.4m (2016: \$8.6m) is recognised in the Statement of Financial Position and the right to re-imburement 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 2017. 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 increase the cost of providing the defined benefits.
- Pensioner mortality risk - the risk is that Pensioner mortality will be lighter than expected, resulting in pensions being paid for a longer period.
- Inflation risk - the risk that Inflation is higher than anticipated, increasing pension payments, and the associated employer contributions.
- Investment risk - the risk that Investment returns will be lower than assumed and employers will need to increase contributions to offset this shortfall over the long term.
- Salary growth risk - the risk that wages or salaries will rise more rapidly than assumed, increasing defined benefit amounts and the associated employer contributions over the long term.

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

An actuarial report was prepared by David Knox of Mercer as at 30 June 2017.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

26. SUPERANNUATION (continued)

	2017	2016
	\$'000	\$'000
Liabilities recognised in the statement of financial position		
Defined benefit obligations	9,107	10,171
Fair value of plan assets	(1,745)	(1,584)
Net liability	7,362	8,587
Current	643	628
Non-current	6,719	7,959
	7,362	8,587
Reconciliation of the fair value of scheme assets		
Fair value of scheme assets at beginning of the year	1,584	1,788
Interest income	40	62
Actual return on scheme assets less interest income	364	(31)
Employer contributions	645	627
Benefits paid	(873)	(845)
Taxes, premiums and expenses paid	(15)	(17)
Fair value of scheme assets at end of the year	1,745	1,584
Reconciliation of the Defined Benefit Obligation		
Present value of Defined Benefit Obligations at beginning of the year	10,171	10,732
Current service cost	15	17
Net interest	263	345
Actuarial (gains)/losses arising from changes in demographic assumptions	(308)	-
Actuarial (gains)/losses arising from changes in financial assumptions	(446)	(163)
Actuarial (gains)/losses arising from liability experience	299	102
Benefits paid	(872)	(845)
Taxes, premiums and expenses paid	(15)	(17)
Present value of Defined Benefit Obligations at end of the year	9,107	10,171

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

26. SUPERANNUATION (continued)

	2017	2016
	\$'000	\$'000
Significant actuarial assumptions		
Assumptions to determine defined benefit cost		
Discount rate (active members)	2.70%	3.70%
Discount rate (pensioners)	2.70%	3.70%
Expected rate of increase of compulsory preserved amounts	4.50%	4.50%
Expected salary increase	3.00%	3.00%
Expected pension increase rate	2.50%	2.50%

Assumptions to determine Defined Benefit Obligation

Discount rate (active members)	3.30%	2.70%
Discount rate (pensioners)	3.30%	2.70%
Expected salary increase	3.00%	3.00%
Expected rate of increase of compulsory preserved amounts	3.00%	4.50%
Expected pension increase rate	2.50%	2.50%

(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 2017 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 -1.0% pa discount rate	Scenario B +1.0% pa discount rate	Scenario C -1.0% pa pension increase rate	Scenario D +1.0% pa pension increase rate
Discount rate	3.30% pa	2.30% pa	4.30% pa	3.30% pa	3.30% pa
Pension increase rate	2.50% pa	2.50% pa	2.50% pa	1.50% pa	3.50% pa
Defined Benefit Obligation (\$'000s)	9,107	9,872	8,441	8,429	9,872

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

26. SUPERANNUATION (continued)

Financial year ending	2018	2017
	\$'000	\$'000
Expected employer contributions	643	628

The weighted average duration of the defined benefit obligation is 7.7 years (2016: 8.6 years)

(c) Amounts recognised in statements

	2017	2016
	\$'000	\$'000

Amounts recognised in the Income Statement

Supplementary Pension Scheme liability

Current service cost	-	-
Interest expense	163	158

Retirement Benefits Fund

Current service cost	15	17
Interest expense	263	345
Interest income	(40)	(62)

Deferred Government contribution

Current service cost	(15)	(17)
Interest expense	(263)	(345)
Interest income	40	62

Total expense recognised in the Income Statement

163	158
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Amount recognised in other comprehensive income

Supplementary Pension Scheme liability

Actuarial gains/(losses) arising from changes in financial assumptions	-	(42)
Actuarial gains/(losses) arising from liability experience	(46)	580

Retirement Benefits Fund

Actuarial gains/(losses) arising from changes in financial assumptions	446	163
Actuarial gains/(losses) arising from liability experience	(299)	(102)

Deferred Government contribution

Actuarial (gains)/losses arising from changes in financial assumptions	(446)	(163)
Actuarial (gains)/losses arising from liability experience	299	102

Total amount recognised in other comprehensive income

(46)	538
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

27. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE Parent Entity only

	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

27.1 EDUCATION – CGS and other education grants

	Commonwealth Grant Scheme		Indigenous Support Success Program		Access and Participation Program		Disability Performance Funding		National Institutes		Promotion of Excellence in Learning and Teaching	
Financial assistance received in cash during reporting period	201,714	209,081	2,091	1,601	6,701	7,131	186	175	7,564	7,452	30	279
Net accrual adjustments	4,546	(2,596)	(259)	-	-	-	-	-	-	-	-	-
Revenue for the period	206,260	206,485	1,832	1,601	6,701	7,131	186	175	7,564	7,452	30	279
Surplus/(deficit) from the previous year	-	-	334	233	-	-	(17)	26	-	-	345	761
Funds available for the period	206,260	206,485	2,166	1,834	6,701	7,131	169	201	7,564	7,452	375	1,040
Less expenses including accrued expenses	(206,260)	(206,485)	(2,166)	(1,500)	(6,701)	(7,131)	(228)	(218)	(7,564)	(7,452)	(169)	(695)
Surplus/(deficit) for the reporting period	-	-	-	334	-	-	(59)	(17)	-	-	206	345

	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
	Australian Maths & Science Partnership Program		Total	
Financial assistance received in cash during reporting period	-	940	218,286	226,659
Net accrual adjustments	-	-	4,287	(2,596)
Revenue for the period	-	940	222,573	224,063
Surplus/(deficit) from the previous year	1,493	1,227	2,155	2,247
Funds available for the period	1,493	2,167	224,728	226,310
Less expenses including accrued expenses	(427)	(674)	(223,515)	(224,155)
Surplus/(deficit) for the reporting period	1,066	1,493	1,213	2,155

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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

27.2 Higher Education Loan Programs (excluding OS-HELP)

	2017	2016	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	HECS-HELP		FEE-HELP		SA-HELP		Total	
Cash payable/(receivable) at beginning of year	16,448	8,498	(13)	3,318	-	-	16,435	11,816
Financial assistance received in cash during the reporting period	63,782	72,830	3,061	(253)	1,288	1,147	68,131	73,724
Cash available for the period	80,230	81,328	3,048	3,065	1,288	1,147	84,566	85,540
Revenue earned	(68,192)	(64,880)	(2,917)	(3,078)	(1,259)	(1,147)	(72,368)	(69,105)
Cash payable/(receivable) at end of year	12,038	16,448	131	(13)	29	-	12,198	16,435

27.3 Department of Education and Training Research

	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Research Training Program		Research Support Program		Total	
Financial assistance received in cash during reporting period	24,251	24,147	22,203	19,022	46,454	43,169
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	24,251	24,147	22,203	19,022	46,454	43,169
Surplus/(deficit) from the previous year	140	206	475	318	615	524
Funds available for the period	24,391	24,353	22,678	19,340	47,069	43,693
Less expenses including accrued expenses	(24,391)	(24,213)	(22,678)	(18,865)	(47,069)	(43,078)
Surplus/(deficit) for the reporting period	-	140	-	475	-	615

27.4 Other Capital Funding

	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Education Investment Fund		Linkage Infrastructure, Equipment and Facilities Grant		Total	
Financial assistance received in cash during reporting period	10,000	7,500	-	600	10,000	8,100
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	10,000	7,500	-	600	10,000	8,100
Surplus/(deficit) from the previous year	15,285	11,373	(280)	(269)	15,005	11,104
Funds available for the period	25,285	18,873	(280)	331	25,005	19,204
Less expenses including accrued expenses	(10,833)	(3,588)	(200)	(611)	(11,033)	(4,199)
Surplus/(deficit) for the reporting period	14,452	15,285	(480)	(280)	13,972	15,005

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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

	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

27.5 Australian Research Council Grants

(a) Discovery	Discovery		Linkages		Networks and Centres		Special Research Initiatives		Total	
Financial assistance received in cash during reporting period	8,228	7,765	4,369	8,245	53	-	8,406	8,282	21,056	24,292
Net accrual adjustments		-	-	-	-	-	-	-	-	-
Revenue for the period	8,228	7,765	4,369	8,245	53	-	8,406	8,282	21,056	24,292

Surplus/(deficit) from the previous year	4,682	6,212	8,143	10,034	(8)	(8)	5,642	2,562	18,459	18,800
Funds available for the period	12,910	13,977	12,512	18,279	45	(8)	14,048	10,844	39,515	43,092
Less expenses including accrued expenses	(9,371)	(9,295)	(11,922)	(10,136)	(45)	-	(4,775)	(5,202)	(26,113)	(24,633)
Surplus/(deficit) for the reporting period	3,539	4,682	590	8,143	-	(8)	9,273	5,642	13,402	18,459

	2017	2016
	\$'000	\$'000
27.6 Other Australian Government Financial Assistance		
Cash received during the reporting period	55,370	51,014
Cash spent during the reporting period	(55,370)	(51,014)
Net cash received	-	-
Cash surplus/(deficit) from the previous year		
Cash surplus/(deficit) for the reporting period	-	-

27.7 OS-HELP

Cash received during the reporting period	1,349	1,017
Cash spent during the reporting period	(1,271)	(1,013)
Net cash received	78	4
Cash surplus/(deficit) from the previous year	(7)	(11)
Cash surplus/(deficit) for the reporting period	71	(7)

27.8 Higher Education Superannuation

Cash received during the reporting period	649	521
Cash available	649	521
Cash surplus/(deficit) from the previous year	(95)	(10)
Cash available for the reporting period	554	511
Contributions to specified defined benefit funds	(639)	(606)
Cash surplus/(deficit) for the reporting period	(85)	(95)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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

	2017	2016
	\$'000	\$'000
27.9 Student Services and Amenities Fee		
Unspent/(overspent) revenue from previous period	(100)	782
SA-HELP revenue earned	1,259	1,147
Student services fees direct from students	2,898	3,567
Total revenue expendable in period	4,057	5,496
Student services expenses during period	(4,821)	(5,596)
Unspent/(overspent) student services revenue	(764)	(100)



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 2017 and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the declaration by the Members of the Council (the Council).

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

- a) giving a true and fair view of the Group's financial position as at 31 December 2017 and of its consolidated financial performance and its cash flows for the year then ended
- b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

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I confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, was provided to Council on the same date as this auditor's report.

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

Responsibilities of the Council for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *University of Tasmania Act 1992* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as they determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either 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

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related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the Group. 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.

I also provide Council with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



Rod Whitehead
Auditor-General

Tasmanian Audit Office

15 February 2018
Hobart

MANAGEMENT CERTIFICATE

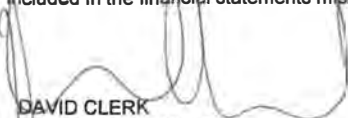
MANAGEMENT CERTIFICATE FOR THE YEAR ENDED 31 DECEMBER 2017

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 2017 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 2017 Reporting Period (issued by the Department of Education and Training);
- (b) at the time of signing the statements there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due;
- (c) the amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended, and the University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure; and
- (d) the University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

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



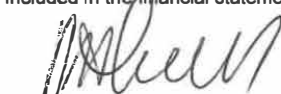
DAVID CLERK
Chief Operating Officer
09 February 2018

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 2017 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 2017 Reporting Period (issued by the Department of Education and Training);
- b) at the time of signing the statements there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due;
- c) the amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended, and the University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure; and
- d) the University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

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



HON. MICHAEL FIELD AC
Chancellor
09 February 2018



Mike Calford
Acting Vice-Chancellor
09 February 2018

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