

# The University of Adelaide



## 2007 Annual Report

Part Two: Financial Statements







### Statement by the Chancellor and the Vice-Chancellor and President

In our opinion:

- (a) the Financial Statements of The University of Adelaide have been prepared in accordance with the accounts and record of the University and present a true and fair view of the financial position of the University of Adelaide and the results of its operations and cash flows for the year ended 31 December 2007;
- (b) in all material respects, the Financial Statements have been prepared in accordance with Treasurer's Instructions promulgated under the provisions of the Public Finance and Audit Act 1987, the Higher Education Funding Act 1988, the Higher Education Support Act 2003, Australian equivalents to International Financial Reporting Standards and other mandatory professional reporting requirements including Urgent Issues Group Consensus Views;
- (c) at the date of signing this Statement there are reasonable grounds to believe that The University of Adelaide will be able to pay its debts as and when they fall due;
- (d) the amount of Australian Government financial assistance expended during the reporting period was for the purpose for which it was provided;
- (e) The University of Adelaide has complied with applicable legislation, contracts, agreements and programme guidelines in making expenditure of the Australian Government financial assistance; and
- (f) internal controls over financial reporting have been effective throughout the reporting period.

We are not aware, at the date of signing this Statement, of any circumstances which would render any particulars included in the Financial Statements to be misleading or inaccurate.

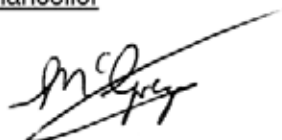
Signed in accordance with a resolution of the Council of The University of Adelaide.



THE HON. JOHN von DOUSSA QC  
Chancellor



PROFESSOR JAMES A. McWha  
Vice-Chancellor and President



MR. SHANE MCGREGOR  
Chief Financial Officer

19 May 2008



## INDEPENDENT AUDITOR'S REPORT



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Auditor-General's Department

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### TO THE CHANCELLOR

As required by section 31 of the *Public Finance and Audit Act 1987* and section 25(2) of the *University of Adelaide Act 1971*, I have audited the accompanying financial report of the University of Adelaide and controlled entities for the financial year ended 31 December 2007. The financial report comprises:

- An Income Statement;
- A Balance Sheet;
- A Statement of Recognised Income and Expense;
- A Cash Flow Statement;
- Notes to the Financial Statements; and
- Certificate by the Chancellor, Vice Chancellor and President and Chief Financial Officer responsible for the financial administration of the entity.

The financial report includes the consolidated financial statements of the consolidated entity, comprising the University of Adelaide and the entities it controlled at the year's end or from time to time during the financial year.

### The Responsibility of the Members of the Council for the Financial Report

The Members of the Council are responsible for the preparation and fair presentation of the financial report in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The Auditing Standards require that the auditor complies with relevant ethical requirements relating to audit engagements and plans and performs the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Members of the Council, as well as the overall presentation of the financial report.

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



**Auditor's Opinion**

In my opinion, the financial report presents fairly, in all material respects, the financial position of the University of Adelaide and the consolidated entity as at 31 December 2007, and their financial performance and their cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, the *Higher Education Funding Act 1988* and Australian Accounting Standards (including the Australian Accounting Interpretations).



**S O'Neill**  
**AUDITOR-GENERAL**  
4 June 2008



## Report by the Members of the Council

The members of the Council present their report on the consolidated entity consisting of the University of Adelaide and the entities it controlled at the end of, or during, the year ended 31 December 2007.

### Members

The following persons were members of the Council during the whole year and up to the date of this report:

The Hon John William von Doussa QC  
 Professor James Alexander McWha  
 Mr Norman Ross Adler AC  
 Mr Charles Bagot  
 Ms Kathryn Castine  
 Mr John Cecchin  
 Dr Rodney James Crewther  
 Professor Robert Hill  
 Mr Ian John Kowalick  
 Ms Pamela June Martin  
 Dr Michael Penniment  
 Dr John Clive Radcliffe AM  
 Mr Stephen Elliott Young

The following persons were appointed/elected as members during 2007 and continue in office at the date of this report.

Member	Date Appointed/Elected
Ms Dianne Davidson	Appointed 06/03/2007
Professor Valerie Margaret Linton	Elected 06/03/2007
Professor Simon Maddocks	Elected 06/07/2007
Ms Kylie Joy Percival	Elected 24/10/2007

The following persons were members from the beginning of the year until his/her term of office ceased or resigned.

Member	Date Resigned/Ceased
Mr Matthew Athanassiadis	Ceased 05/03/2007
Ms Rosslyn Cox	Resigned 26/06/2007
The Hon Gregory Crafter	Ceased 21/03/2007
Ms Jessica Sheila Cronin	Ceased 05/03/2008
Mr Brian John Croser AO	Ceased 05/03/2007
Dr Peter Gill	Ceased 05/03/2007
Mr Aaron Russell	Ceased 05/03/2008
Mr Philip Dalway Swaine	Ceased 05/03/2008

The following persons were ex officio/appointed/elected in 2008 and are members up to the date of this report.

Member	Date Appointed/Elected/Ex Officio
Mr Trent Harron	Elected 06/03/2008
Ms Sophie Plagakis	Elected 06/03/2008
Mr Zhen Ji	Elected 06/03/2008



## Meetings of Members

The numbers of meetings of the University of Adelaide Council and of each board committee of Council held during the year ended 31 December 2007, and the numbers of meetings attended by each member were:

	Council		Academic		Audit, Compliance & Risk		Convenors'		Finance		Personnel		Senior Executive Review		Special Degrees	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Chancellor (The Hon John von Doussa QC)	8	8					4	4					1	1	2	2
Vice-Chancellor and President (Professor James McWha)	8	8	4	8	4	5	4	4	7	9	2	2	1	1	2	2
Mr N R Adler AC	5	8			3	5	3	4	8	9			0	1	2	2
Mr M Athanassiadis	0	1														
Mr C Bagot	6	8			5	5	4	4								
Ms K Castine	8	8									2	2				
Mr J D Cecchin	8	8			2	2										
Ms R Cox	5	5			0	1										
The Hon G J Crafter	1	1														
Dr R J Crewther	8	8														
Ms J Cronin	5	8							1	1						
Mr B Croser AO	1	1														
Ms D Davidson	3	7														
Dr P M Gill	1	1														
Professor R Hill	8	8	7	8			3	4			2	2				
Mr I J Kowalick	7	8					4	4			1	2	1	1		
Professor V M Linton	4	7							6	8						
Professor S Maddocks	3	3														
Ms P J Martin	7	8													0	2
Dr M Penniment	6	8														
Ms K J Percival	2	2														
Dr J C Radcliffe AM	7	8			4	5										
Mr A Russell	6	8							5	8						
Mr P D Swaine	7	7														
Mr S E Young	3	8							5	9						

**A** = Number of meetings attended

**B** = Number of meetings held during the time the member held office or was a member of the committee during the year.



**Principal Activities**

During the year, the principal continuing activities of the consolidated entity consisted of higher education, research, consultancy and other commercial operations supporting or ancillary to University activities.

**Review of Operations**

The University reported a consolidated operating result of \$32.7m for the year (\$38.9m in 2006), which was supported by continued growth in student numbers and strong research performance. A summary of the University's financial performance can be found in Part 1 of the Annual Report.

**Significant Changes in the State of Affairs**

In the opinion of the Members of Council, there were no significant changes in the state of affairs of the consolidated entity during the financial year under review.

**Matters Subsequent to the End of the Financial Year**

There were no events subsequent to the reporting date that have a material effect on the financial statements for the reporting period.

**Likely Developments and Expected Result of Operations**

The consolidated entity will continue to pursue its primary activities of higher education and research while maintaining its financial sustainability. It is currently undertaking a sustainable program of works to enhance the University infrastructure and the student campus experience.

**Environmental Regulation**

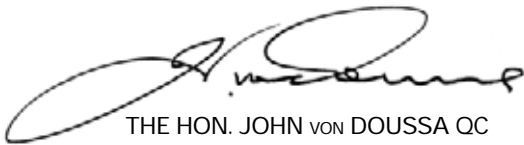
The Group's operations are subject to various environmental regulations under both Commonwealth and State legislation, which sets the minimum requirement the Group entity must meet.

The University has adopted a Sustainability Policy and has various committees that consider compliance with relevant environmental regulations as part of their responsibilities, including the University Health and Safety Committee and Major Projects Steering Committee.

**Insurance of Officers**

The University maintains a comprehensive insurance program, which is reviewed and renewed annually. The insurance program includes Directors' and Officers' Liability insurance for members of Council, members of committees of Council and directors and officers of the University and controlled entities of the University.

This report is made in accordance with a resolution of the members of the Council.



THE HON. JOHN VON DOUSSA QC  
Chancellor

Adelaide  
19 May 2008



## Income Statement for the year ended 31 December 2007

		Consolidated		University	
		2007	2006	2007	2006
	Note	\$000	\$000	\$000	\$000
<b>Revenue from continuing operations</b>					
<b>Received under Higher Education Support Act</b>					
Base operating financial assistance	4	130,495	124,310	130,495	124,310
Other operating financial assistance	4	9,443	7,497	9,443	7,497
Higher Education Contribution Scheme	4	59,707	51,444	59,707	51,444
		<b>199,645</b>	<b>183,251</b>	<b>199,645</b>	<b>183,251</b>
<b>Learning and Teaching</b>					
Student fees	4	87,370	77,010	87,370	77,010
Grants		18,104	24,610	18,104	24,610
		<b>105,474</b>	<b>101,620</b>	<b>105,474</b>	<b>101,620</b>
<b>Research Grants and Fees</b>					
National competitive grants		61,076	63,214	61,076	63,214
Public sector - other		28,830	26,104	25,867	23,916
Industry and other		16,282	15,567	13,497	13,566
		<b>106,188</b>	<b>104,885</b>	<b>100,440</b>	<b>100,696</b>
<b>Research - Other</b>					
Cooperative Research Centre direct funding		6,489	7,575	6,489	7,635
Research infrastructure program		14,771	15,033	14,771	15,033
		<b>21,260</b>	<b>22,608</b>	<b>21,260</b>	<b>22,668</b>
<b>Other</b>					
Investment revenue	4	18,401	30,158	23,337	27,779
Property revenue	4	11,957	10,311	11,970	9,953
Specialist services and trading	4	53,658	43,360	15,494	14,620
Deferred government superannuation contributions		(1,200)	600	(1,200)	600
Other	4	21,551	18,525	20,372	13,198
		<b>104,367</b>	<b>102,954</b>	<b>69,973</b>	<b>66,150</b>
<b>Total operating revenue from continuing operations</b>		<b>536,934</b>	<b>515,318</b>	<b>496,792</b>	<b>474,385</b>
Share of operating results of associates and joint ventures accounted for using the equity method	4	(797)	366	-	-
<b>Total revenue from continuing operations</b>		<b>536,137</b>	<b>515,684</b>	<b>496,792</b>	<b>474,385</b>
<b>Expenses from continuing operations</b>					
Salaries and related expenses	5	277,348	253,807	268,026	245,991
Student services		25,600	23,948	25,600	23,948
Teaching and research	5	49,595	52,381	50,221	52,302
Buildings and grounds	5	33,005	32,134	31,894	30,892
Finance costs	5	466	143	466	143
Administration, communication and travel	5	82,273	78,188	52,511	48,534
Finance and fund administration		2,509	2,831	2,526	2,866
Misc equip, dep'n and net loss on disposal of assets	5	30,589	30,306	29,991	30,925
Deferred Government employee benefits for superannuation		1,684	3,406	1,684	3,406
<b>Total expenses from continuing operations</b>		<b>503,069</b>	<b>477,144</b>	<b>462,919</b>	<b>439,007</b>
<b>Operating result from continuing operations</b>		<b>33,068</b>	<b>38,540</b>	<b>33,873</b>	<b>35,378</b>
Operating result from discontinued operations	6	-	359	-	-
<b>Operating result before minority interests</b>		<b>33,068</b>	<b>38,899</b>	<b>33,873</b>	<b>35,378</b>
Operating result attributable to minority interest		(373)	15	-	-
<b>Net operating result for the year</b>		<b>32,695</b>	<b>38,914</b>	<b>33,873</b>	<b>35,378</b>

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



## Balance Sheet as at 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>Current Assets</b>					
Cash and cash equivalents	7	21,241	120,805	14,825	95,344
Receivables	8	25,663	20,509	21,999	17,288
Other financial assets	9	60,314	2,425	60,314	2,425
Inventories	11	8,056	3,685	1,245	1,383
Other non-financial assets	12	4,604	4,414	4,554	4,300
Available-for-sale financial assets	14	-	1,585	-	-
<b>Total current assets</b>		<b>119,878</b>	<b>153,423</b>	<b>102,937</b>	<b>120,740</b>
<b>Non-current Assets</b>					
Other financial assets	9	120,750	100,617	121,299	100,917
Derivative financial instruments	10	1,637	-	1,637	-
Investments accounted for using the equity method	13	2,672	3,329	573	433
Available-for-sale financial assets	14	-	-	46,710	48,086
Property, plant and equipment	15	715,868	612,681	674,601	575,418
Investment property	16	21,307	18,890	21,307	18,890
Intangible assets	17	379	635	379	635
Other non-financial assets	12	1,172	1,206	1,172	1,206
Deferred government superannuation contribution	27	42,300	43,500	42,300	43,500
<b>Total non-current assets</b>		<b>906,085</b>	<b>780,858</b>	<b>909,978</b>	<b>789,085</b>
<b>Total assets</b>		<b>1,025,963</b>	<b>934,281</b>	<b>1,012,915</b>	<b>909,825</b>
<b>Current Liabilities</b>					
Payables	18	54,116	42,302	38,358	28,394
Borrowings	19	59	1,217	6	1,217
Provisions	20	18,056	17,205	17,506	16,687
Deferred employee benefits for superannuation	27	3,200	3,300	3,200	3,300
Other	21	6,996	6,547	20,947	6,386
<b>Total current liabilities</b>		<b>82,427</b>	<b>70,571</b>	<b>80,017</b>	<b>55,984</b>
<b>Non-current Liabilities</b>					
Payables	18	6,532	5,494	6,516	5,440
Borrowings	19	7	68	62	68
Provisions	20	32,330	30,905	32,141	30,688
Deferred employee benefits for superannuation	27	39,100	40,200	39,100	40,200
<b>Total non-current liabilities</b>		<b>77,969</b>	<b>76,667</b>	<b>77,819</b>	<b>76,396</b>
<b>Total liabilities</b>		<b>160,396</b>	<b>147,238</b>	<b>157,836</b>	<b>132,380</b>
<b>Net assets</b>		<b>865,567</b>	<b>787,043</b>	<b>855,079</b>	<b>777,445</b>
<b>Equity</b>					
Capital reserves	23	511,507	467,817	525,320	483,398
Specific purpose reserves	23	205,155	186,941	205,155	186,941
Retained surplus	23	147,103	130,609	124,604	107,106
<b>Total University interest</b>		<b>863,765</b>	<b>785,367</b>	<b>855,079</b>	<b>777,445</b>
Minority interest		1,802	1,676	-	-
<b>Total equity</b>		<b>865,567</b>	<b>787,043</b>	<b>855,079</b>	<b>777,445</b>

The Balance Sheet should be read in conjunction with the accompanying notes.



## Statement of Recognised Income and Expense for the year ended 31 December 2007

	Note	Consolidated		University	
		2007 \$000	2006 \$000	2007 \$000	2006 \$000
<b>Total equity at the beginning of the financial year</b>		<b>787,043</b>	<b>748,931</b>	<b>777,445</b>	<b>742,016</b>
Minority equity interest distribution paid		(260)	(70)	-	-
Defined benefits fund actuarial gain		212	3,188	212	3,188
Gain on revaluation of land and buildings		43,719	(90)	40,400	-
Gain on revaluation of available-for-sale financial assets		100	(3,938)	1,522	(3,137)
Gain on interest rate swap contracts		1,637	-	1,637	-
Other adjustments recognised directly in equity		48	123	(10)	-
<b>Net income recognised directly in equity</b>		<b>45,456</b>	<b>(787)</b>	<b>43,761</b>	<b>51</b>
Operating result for the year		33,068	38,899	33,873	35,378
<b>Total recognised income and expense for the year</b>		<b>78,524</b>	<b>38,112</b>	<b>77,634</b>	<b>35,429</b>
<b>Total equity at the end of the financial year</b>		<b>865,567</b>	<b>787,043</b>	<b>855,079</b>	<b>777,445</b>
Total recognised income and expense for the year attributable to:					
Members of the University of Adelaide		32,695	38,914	33,873	35,378
Minority interest		373	(15)	-	-
		<b>33,068</b>	<b>38,899</b>	<b>33,873</b>	<b>35,378</b>

The Statement of Recognised Income and Expense should be read in conjunction with the accompanying notes.



## Cash Flow Statement for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>Cash flows from operating activities</b>					
<b>Inflows:</b>					
Australian Government financial assistance	37(g)	290,447	276,943	290,447	276,943
State Government financial assistance		19,191	26,409	18,936	26,236
HECS-HELP student upfront payments		10,236	9,773	10,236	9,773
Fee paying student revenue received		83,209	71,812	83,209	71,812
Fees and charges		16,070	16,447	16,070	16,447
Donations and bequests		7,023	4,707	7,023	4,707
Interest and dividends received		10,253	10,056	7,471	6,824
Consultancy and contract research		48,967	47,946	27,639	29,727
Specialist services and produce trading		16,960	22,994	4,867	5,099
GST Received		20,377	18,801	19,101	17,552
Other		16,335	20,651	16,498	20,670
<b>Total inflows</b>		<b>539,067</b>	<b>526,539</b>	<b>501,496</b>	<b>485,790</b>
<b>Outflows:</b>					
Salaries and related expenses		(269,565)	(250,083)	(260,639)	(240,505)
Student services		(25,659)	(23,925)	(25,612)	(23,863)
Goods and services		(183,253)	(182,171)	(156,464)	(150,615)
Interest and other costs of finance		(466)	(145)	(466)	(143)
GST Paid		(23,456)	(18,430)	(20,363)	(15,825)
<b>Total outflows</b>		<b>(502,399)</b>	<b>(474,754)</b>	<b>(463,544)</b>	<b>(430,951)</b>
<b>Net cash provided by operating activities</b>	24	<b>36,668</b>	<b>51,785</b>	<b>37,952</b>	<b>54,839</b>



## Cash Flow Statement for the year ended 31 December 2007 - continued

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>Cash flows from investing activities</b>					
<b>Inflows:</b>					
Proceeds from sale of property, plant and equipment		807	980	663	808
Proceeds from sale of financial assets		7,019	13,413	7,517	5,413
Proceeds from sale of available for sale financial assets		860	7,718	-	-
Increase in loans		44	31	8	31
Repayment of loans by related parties		103	816	2,503	791
Increase in funds held on deposit		-	-	14,233	-
<b>Total inflows</b>		<b>8,833</b>	<b>22,958</b>	<b>24,924</b>	<b>7,043</b>
<b>Outflows:</b>					
Purchase of shares in subsidiary		-	-	-	(100)
Payments for property, plant and equipment		(65,195)	(33,005)	(63,903)	(31,977)
Payments for intangible assets		-	(38)	-	-
Purchase of investments - held for trading		(19,264)	(7,226)	(18,802)	(6,156)
Purchase of investments - held to maturity		(60,173)	-	(60,173)	-
Decrease in loans		(149)	(6)	(77)	(6)
Increase in loans to related parties		(34)	(25)	(450)	(300)
<b>Total Outflows</b>		<b>(144,815)</b>	<b>(40,300)</b>	<b>(143,405)</b>	<b>(38,539)</b>
<b>Net cash used in investing activities</b>		<b>(135,982)</b>	<b>(17,342)</b>	<b>(118,481)</b>	<b>(31,496)</b>
<b>Cash flows from financing activities</b>					
<b>Inflows:</b>					
Issue of shares to outside equity interests		-	200	-	-
<b>Total outflows</b>		<b>-</b>	<b>200</b>	<b>-</b>	<b>-</b>
<b>Outflows:</b>					
Repayment of borrowings		-	(138)	-	-
Dividends paid to minority interests		(260)	(194)	-	-
<b>Total outflows</b>		<b>(260)</b>	<b>(332)</b>	<b>-</b>	<b>-</b>
<b>Net cash used in financing activities</b>		<b>(260)</b>	<b>(132)</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>(99,574)</b>	<b>34,311</b>	<b>(80,529)</b>	<b>23,343</b>
Cash and cash equivalents at the beginning of reporting period		120,805	86,585	95,344	72,092
Effects of exchange rate changes on cash and cash equivalents		10	(91)	10	(91)
<b>Cash and cash equivalents at end of reporting period</b>	<b>7</b>	<b>21,241</b>	<b>120,805</b>	<b>14,825</b>	<b>95,344</b>

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

During 2007 the University invested its surplus working capital into bank bills. These bank bills have been reported as Financial Assets held-to-maturity within note 9 (\$60.2 million). As a consequence these amounts are not reported within Cash and Cash Equivalents and the movement in these assets are not reported within the Cash Flow Statement. During 2006 the University held its surplus working capital in high interest deposits. These deposits were reported within Cash and Cash Equivalents and reported within the Cash Flow Statement.



## Notes to the Financial Statements

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## Notes to the Financial Statements for the year ended 31 December 2007

### 1. Basis of Preparation

These notes, prepared in conjunction with the financial statements, provide an explanation of significant accounting policies and practices adopted in the preparation of the statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements and notes collectively constitute a general purpose financial report prepared in accordance with Australian Accounting Standards, Australian Accounting Standards Board (AASB) interpretations, the requirements of the Department of Education, Employment and Workplace Relations (DEEWR) and South Australian Treasurer's Instructions and the Accounting Policy Framework issued under the provisions of the Public Finance and Audit Act (except where in conflict with DEEWR requirements).

#### (a) Compliance with IFRSs

The financial statements and notes of the University comply with Australian Accounting Standards, some of which contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements.

#### (b) Critical accounting estimates

Preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the University's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed where applicable, in the relevant notes to the financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and the future periods if the revision affects both current and future periods.

### 2. Scope of Reporting

The financial statements and notes disclose the 2007 operating results and 2006 comparative results of The University of Adelaide as follows:

University - refers to all aspects of operation of The University of Adelaide only.

Consolidated - refers to the financial results of The University of Adelaide together with the financial results of its controlled entities (refer to Note 32). It includes the University's interests in associated entities (Note 33) and its joint venture operations (Note 34), recognised using the equity accounting method.

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

Adelaide Research & Innovation Pty Ltd as trustee for The Adelaide Research & Innovation Investment Trust:

- ACN 008 123 466 Pty Ltd (Formerly Repromed Pty Ltd)
- Reproductive Health Science Pty Ltd (control ceased 28 September 2006)

Lubims Pty Ltd as trustee for the Unihealth Research & Development Trust

Martindale Holdings Pty Ltd as trustee for

- JS Davies Estate
- JAT Mortlock Trust
- The Roseworthy Farm

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

Roseworthy Piggery Pty Ltd



## Notes to the Financial Statements for the year ended 31 December 2007

### 3. Statement of Significant Accounting Policies

#### (a) Basis of Accounting

This general purpose financial report has been prepared on the basis of historical costs and, except where stated, does not take into account changing money values or current valuations of non-current assets.

These accounting policies have been consistently applied by each entity in the Consolidated Entity, and these policies have been consistently applied to all the years presented, unless otherwise stated.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures. Where comparatives have been reclassified, the impact of this reclassification has been disclosed in the relevant note.

#### (b) Principles of Consolidation

The consolidated financial statements of the Consolidated Entity include the financial statements of the University, being the parent entity, and its controlled entities ('the Consolidated Entity'). All entities have a 31 December reporting period. Martindale Holdings Pty Ltd changed its reporting period from 31 March to 31 December during 2007.

Where an entity either began or ceased to be controlled during the year, the results are included only from the date control commenced or up to the date control ceased.

The balances, and effects of transactions, between controlled entities have been eliminated in the consolidated financial statements. Accounting policies of controlled entities have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

Minority interests in the equity and results of the entities that are controlled by the University are shown as a separate item in the consolidated financial statements.

#### (c) Foreign Currency

The University and its controlled entities financial statements are prepared in Australian dollars as their primary activities are conducted within Australia where the functional currency is Australian dollars.

Foreign currency transactions are translated to Australian currency at the rates of exchange ruling at the dates of the transactions and brought to account in the Income Statement. Amounts receivable and payable in foreign currencies at balance date are translated at the rates of exchange ruling on that date.

#### (d) Revenue Recognition

future economic benefits will flow to the University and specific criteria have been met for each of the University's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the transaction have been resolved. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

- **Grant Revenue**

Grant revenue is recognised in the accounting period that the University obtains control of the revenue which is generally when it is received.

- **Student Tuition Fees and Charges**

Student tuition fees and charges are recognised in the accounting period in which the service is provided.

- **Consultancy, Contract and Industry Research**

Consultancy, contract and industry research income is recognised in the accounting period in which the service is provided.

- **Bequests and Donations**

Bequests and donations are recognised as income in the accounting period they are received.

- **Interest and Investment Income**

Interest and income from investments are recognised as they accrue (refer to Note 3(j)).

- **Asset Sales**

The net gain/loss from asset sales is included in the Consolidated Entity Income Statement. The profit or loss on disposal of assets is brought to account at the date the contract of sale becomes unconditional.

#### (e) Goods and Services Tax

Revenues, expenses, assets and liabilities are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Balance Sheet.

Cash flows are included in the Cash Flow Statement 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 classified as operating cash flows.



## Notes to the Financial Statements for the year ended 31 December 2007

### 3. Statement of Significant Accounting Policies – continued

#### (f) Intangible Assets

Research expenditure is expensed in the period in which it is incurred. Where no internally generated asset can be recognised, development expenditure is recognised in the period as incurred.

An intangible assets arising from development (or from the development phase of an internal project) are recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- development.

All computer software other than operating systems is treated as intangible assets.

Intangible assets are stated at cost less accumulated amortisation and impairment, whereby impairment is tested annually. (refer to note 17).

#### (g) Employee Benefits

##### • Wages and Salaries

The employees' entitlements to wages and salaries represent the amount which the Consolidated Entity has a present obligation to pay resulting from employees' services provided up to the balance date. The entitlements have been calculated at the wage and salary rates as at the balance date and have been recognised in payables.

##### • Annual Leave

The employees' entitlements to annual leave expected to be settled within 12 months of the balance date have been calculated at the amounts expected to be paid when the liabilities are settled and recognised in current provisions. Where the employees' entitlements to annual leave are not expected to be settled within 12 months of the balance date, the provision has been discounted to present value using the Australian Government 3 year bond rate and recognised in non-current provisions. The employee on-costs related to annual leave provision are recognised in payables.

##### • Long Service Leave

The liability for employees' entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the balance date.

Liabilities for employees' entitlements, which are not expected to be settled within twelve months, are discounted using the rates attaching to Australian Government securities at balance date, which most closely match the terms of maturity of the related liabilities, and recognised in non-current provisions.

In determining the liability for employees' entitlements, consideration has been given to future increases in wage and salary rates, and the Consolidated Entity's experience with staff departures. Related on-costs have been recognised in payables.

##### • Superannuation

Superannuation schemes exist to provide benefits to University employees and their dependents upon retirement, disability or death. The contributions made to these schemes by the University, and emerging costs from unfunded schemes, are expensed in the Income Statement. For defined benefit plans, the actuarial gains and losses are recognised immediately in the Statement of Changes in Equity in the year in which they occur and the liability in relation to the defined benefit obligation, net of assets, has been recognised in the Balance Sheet. Refer to Note 27 for details relating to the individual schemes.

#### (h) Receivables

The collectability of receivables is assessed at balance date and provision is made for any amounts considered to be doubtful. Any debts considered to be non-collectable have been expensed as bad debts.

#### (i) Cash and Cash Equivalents

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



## Notes to the Financial Statements for the year ended 31 December 2007

### 3. Statement of Significant Accounting Policies – continued

#### (j) Other Financial Assets

The Consolidated Entity classifies its investment into the following categories: financial assets held for trading, financial assets held-to-maturity, available for sale financial assets and loans and receivables. The classification depends on the purpose for which the investments were acquired. The classification of the investments is made at initial recognition and is reviewed at each balance date.

##### • Financial assets held-for-trading

The financial assets are classified in this category if acquired for the purpose of selling in the short-term and the assets are subject to frequent changes in fair value. Financial assets held for trading purposes are recorded at fair value in the Balance Sheet, with any realised and unrealised gains or losses recognised in the Income Statement.

##### *Composite Fund*

The majority of specific purpose endowments received by the University to fund research activities, scholarships, prizes and lectures are included in the Composite Fund. This Fund is invested in cash deposits and longer term investments managed by independent investment managers. It includes a mix of Australian equities, overseas equities, fixed interest securities and property trusts. These securities are traded by the investment managers, however, the composite fund represents a long term investment holding. As a consequence, these investments are reported in non-current financial assets in the Balance Sheet at market values obtained from the investment managers.

##### • Financial assets held-to-maturity

During 2007 the University transferred funds held in deposits at call into bank bills with fixed maturity dates. The bank bills held at balance date had original maturities of between 120 days to 180 days. Financial assets held to maturity are recognised at cost.

##### • Available-for-sale financial assets

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

##### • Loans and receivables

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

Fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes (refer to Note 31). The fair value of financial instruments traded in active markets is based on quoted market prices at the balance date. Financial instruments that are not traded in an active market are recognised at cost. The nominal value less estimated credit adjustments of receivables and payables are assumed to approximate their fair values.

#### (k) Derivative financial instruments

The Consolidated Entity enters into interest rate swaps (Derivative financial instrument) to manage its exposure to movements in interest rates on its future borrowings.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised as an asset or liability as the interest rates swaps are effective hedging instruments.

The fair value of hedging derivatives is classified as a non-current asset or a non-current liability if the remaining maturity of the hedge relationship is more than 12 months and as a current asset or a current liability if the remaining maturity of the hedge relationship is less than 12 months.

##### Hedge accounting

The Consolidated Entity has designated the interest rate swaps as cash flow hedges.

Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship the entity documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Consolidated Entity documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting cash flows of the hedged item.



## Notes to the Financial Statements for the year ended 31 December 2007

### 3. Statement of Significant Accounting Policies – continued

#### (k) Derivative financial instruments - continued

##### Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designed and qualify as cash flow hedges are deferred in equity. The gain or loss relating to the ineffective portion is recognised immediately in the Income Statement. As at 31 December 2007 there are no ineffective hedge instruments.

Amounts deferred in equity are recorded in the Income Statement in the periods when the hedged item is recognised in the Income Statement. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Hedge accounting is discontinued when the Consolidated Entity revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Income Statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in the Income Statement.

#### (l) Investments in Business Undertakings

##### • **Controlled Entities**

Investments in controlled entities are carried in the University's financial statements at fair value. Dividends and distributions are brought to account in the Income Statement when they are declared by the controlled entities.

##### • **Associates**

An associate is an entity, other than a partnership, over which the Consolidated Entity exercises a significant influence and where the investment in that entity has not been acquired with a view to disposal in the near future.

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

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

##### • **Joint Venture Operations**

The University derives income as part of its participation in Cooperative Research Centres, as listed in Note 34 (a)(i). In the ordinary course of events this income, which is recognised in the financial statements of the University, is used to meet operational costs and/or acquire equipment. As a participant, the University will be entitled to a proportionate share of any intellectual property arising, which in time, it would be required to account for under the rules of joint venture accounting. As at the balance date, the University is not aware of any material intellectual property with commercial value. As such no accounting entries have been recorded.

The University's interest in Other Joint Ventures, as described in Note 34 (a)(ii), are accounted for using the equity method of accounting.

##### • **Other Business Undertakings**

The Consolidated Entity holds a number of investments. In the case of publicly listed investments, these have been valued at market value. In the case of non publicly listed investments, these have been valued at lower of cost or net realisable value (refer to Note 3 (j)).

#### (m) Inventories

##### • **Consumable Materials and Trading Stock**

The University has a number of inventory stores at several locations. The inventory is valued at cost based on the weighted average cost method.

##### • **Livestock**

The University breeds animals for teaching and research activities and not for profit. Consequently it does not attribute a value to livestock for recording in the Balance Sheet. Where controlled entities have reported livestock, this is included at the lower of cost or net realisable value.



## Notes to the Financial Statements for the year ended 31 December 2007

### 3. Statement of Significant Accounting Policies – continued

#### (n) Property, Plant and Equipment

##### • Acquisitions

Items of property, plant and equipment are initially recorded at cost in the Balance Sheet (unless otherwise indicated) and depreciated in accordance with Note 3(p).

##### • Revaluations

During 2007 land and buildings were independently valued on a fair value basis in accordance with Australian Accounting Standards.

Increases in the carrying amounts arising on revaluation of each class of assets, being land and buildings, library collection and works of art are credited to capital reserves in equity within the Balance Sheet except to the extent that they reverse previous reductions in the carrying amounts which were charged to the Income Statement. Decreases that reverse previous increases of the same class of asset are first charged against the capital reserves in equity to the extent of the remaining reserve attributable to the class of asset. All other decreases are charged to the Income Statement.

##### • Disposal of Revalued Assets

The gain or loss on disposal of revalued assets is calculated as the difference between the carrying amount of the asset at the time of disposal and the proceeds on disposal and is included in the results in the year of disposal.

##### • Land and Buildings

The University differentiates between "trust" and "other" land and buildings. "Trust" land is land provided to the University by government to be held in trust for the specific purpose of operating the University, or acquired by settlement under a binding trust. Buildings constructed on land classified as "trust" land are classified as "trust" buildings.

All land and buildings are recorded at fair value which has been assessed via an independent valuation on the basis of market value for existing use. The valuation of land and buildings has been carried out by Mr N. Satchell, AAPI, B.App.Sc (Val), Mr Greg McCloud, AAPI, B.App.Sc (Val), Mrs Kate Tynan, AAPI, B.Bus Prop (Val) of Rushton Valuers Pty Ltd on 31 December 2007.

##### • Other Collections

The University owns a number of collections of cultural, historical and scientific significance. Many of these collections are unique or extremely rare. The University is not able to reliably measure the value of these collections and therefore has not recognised them as an asset in the Balance Sheet. Furthermore, collections which are irreplaceable (excluding works of art) are not covered by University insurance due to difficulty in determining an insurable value, the costs associated with deriving such a value, and the premium load an insurer would require to carry such a risk.

##### • Library Collection

The Library collection was revalued on 31 December 2007 using an internal valuation based on the annual price movement of books and journals.

##### • Works of Art

Works of art greater than \$2,000, are recorded at fair value on the basis of an independent valuation carried out by Mr J.F.B. Bruce valuer (MSAV) of Ian Bruce Pty Ltd on 31 December 2005. No provision for depreciation is made for works of art.

##### • Leased Plant and Equipment

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

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

#### (o) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the Income Statement for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

#### (p) Depreciation and Amortisation

Depreciation on freehold buildings is calculated on a diminishing value basis. Depreciation is provided on other property, plant and equipment, excluding land, on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life. Leasehold improvements are amortised over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method. The following estimated useful lives are used in the calculation of depreciation/amortisation:



## Notes to the Financial Statements for the year ended 31 December 2007

### 3. Statement of Significant Accounting Policies – continued

#### (p) Depreciation and Amortisation - continued

• Buildings	20 – 160 years
• Leasehold improvements	10 – 50 years
• Library	10 years
• Plant and equipment including motor vehicles	5 – 10 years
• Leased plant and equipment	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

#### (q) Investment Properties

Investment properties are distinct from property, plant and equipment, in that they are held to earn rentals, rather than for use in the production or supply of goods and services.

Investment properties are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the University. Where an investment property is acquired at no cost or for nominal consideration, its cost is deemed to be its fair value, as at the date of acquisition.

Subsequent to initial recognition at cost, investment properties are re-valued to fair value, which is based on active market prices, with changes in the fair value recognised in the income statement in the period that they arise. The properties are not depreciated. Rental revenue from the leasing of investment properties is recognised in the Income Statement in the periods in which it is receivable, as this represents the pattern of service rendered through the provision of the properties.

An independent valuation of investment properties has been carried out by Mr N. Satchell, AAPI, B.App.Sc (Val) of Rushton Valuers Pty Ltd on 31 December 2007.

#### (r) Workers' Compensation

The University is responsible for payments of workers' compensation claims and is registered with Workcover as an exempt employer. Administrative arrangements with the associated entity Unisure Pty Ltd incorporate the management of claims and funds invested.

The provision for workers' compensation claims has been prepared by Mercer Human Resource Consulting Pty Ltd using the Projected Incurred Cost method. Under the Projected Incurred Cost method the development of the case estimated incurred cost (case estimates plus paid to date) is calculated and development factors adopted based on past experience. These development factors are used, together with the adopted payment rates, to project payments and estimates for future payment years.

#### (s) Salaries and Related Expenses

Items attributed to salaries and related expenses include salaries and wages, employee entitlements and other costs incidental to the employment of staff such as professional development costs and fringe benefit tax.

#### (t) Operating Revenue - Other

The classification "Other" contains revenue items which individually are not material due to their nature or size. Such items falling within this classification include sale of assets, income from independent organisations for whom the University provided management services, fund raising and bequests, sundry recoveries and recharges.

#### (u) Borrowings and Finance Costs

All borrowing and finance costs are expensed in the period in which they are incurred.

#### (v) Rounding

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



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>4. Revenue from continuing operations</b>					
<b>Received under Higher Education Support Act</b>					
<b>Base operating financial assistance</b>					
Commonwealth Grants Scheme (Commonwealth supported places)		85,006	78,182	85,006	78,182
Institutional Grants Scheme		16,500	16,371	16,500	16,371
Research Training Scheme		28,989	29,757	28,989	29,757
		<b>130,495</b>	<b>124,310</b>	<b>130,495</b>	<b>124,310</b>
<b>Other operating financial assistance</b>		<b>9,443</b>	<b>7,497</b>	<b>9,443</b>	<b>7,497</b>
<b>Higher Education Contribution Scheme</b>					
HECS-HELP student upfront payments		10,236	9,773	10,236	9,773
Australian Government financial assistance		49,471	41,671	49,471	41,671
		<b>59,707</b>	<b>51,444</b>	<b>59,707</b>	<b>51,444</b>
		<b>199,645</b>	<b>183,251</b>	<b>199,645</b>	<b>183,251</b>
<b>Student fee income includes:</b>					
<b>Fee paying student revenue received</b>					
<b>Award courses</b>					
Australian fee paying undergraduate students		2,680	2,363	2,680	2,363
Australian fee paying postgraduate students		3,258	3,638	3,258	3,638
International fee paying students		67,287	58,644	67,287	58,644
		<b>73,225</b>	<b>64,645</b>	<b>73,225</b>	<b>64,645</b>
<b>Non award courses</b>					
Continuing education		444	473	444	473
Australian fee paying		3,072	1,842	3,072	1,842
Other teaching service fees		4,319	4,073	4,319	4,073
		<b>7,835</b>	<b>6,388</b>	<b>7,835</b>	<b>6,388</b>
		<b>81,060</b>	<b>71,033</b>	<b>81,060</b>	<b>71,033</b>
<b>Australian Government financial assistance</b>					
FEE-HELP		5,378	5,078	5,378	5,078
Overseas postgraduate research scholarship		932	899	932	899
		<b>87,370</b>	<b>77,010</b>	<b>87,370</b>	<b>77,010</b>
<b>Investment revenue</b>					
General fund earnings		9,209	8,244	7,926	6,980
Gross proceeds from sale of financial assets		-	6,049	-	-
Net realised gains on composite fund investments		4,471	3,851	4,471	3,851
General and composite fund investment market valuation adjustment		1,019	8,593	1,019	8,593
Unrealised gains on investment properties		2,324	1,119	2,324	1,119
Royalty, trademarks and licences		1,126	2,049	526	708
Dividends received		252	253	216	107
Distributions from controlled entities		-	-	6,855	6,421
		<b>18,401</b>	<b>30,158</b>	<b>23,337</b>	<b>27,779</b>
<b>Property revenue</b>					
Rental charges/accommodation fees		8,976	8,279	8,989	7,921
Parking fees		978	929	978	929
Building development and maintenance recovery		1,210	542	1,210	542
Other property revenue		793	561	793	561
		<b>11,957</b>	<b>10,311</b>	<b>11,970</b>	<b>9,953</b>



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>4. Revenue from continuing operations - continued</b>					
Other revenue					
Specialist services and trading					
Consultancy fees		21,321	17,556	6,652	4,882
Library charges and fines		936	882	936	882
Sale of services		15,889	13,706	5,704	5,213
Sale of goods		11,534	7,056	892	1,517
Sponsorship and conference income		566	1,426	566	1,426
Other specialist services and trading		3,412	2,734	744	700
		<b>53,658</b>	<b>43,360</b>	<b>15,494</b>	<b>14,620</b>
Bequests and donations received for:					
Research		1,964	956	1,964	956
General operational purposes		5,039	4,097	5,039	4,097
		<b>7,003</b>	<b>5,053</b>	<b>7,003</b>	<b>5,053</b>
Prizes and scholarships		1,314	1,229	1,314	1,229
Net gain from sale of assets and minor equipment		-	2,908	-	-
Recharge of costs to other organisations		218	1,019	218	1,019
Application management and late fee		660	564	660	564
Franchise fees		917	978	917	978
Bad debts recoveries		50	239	50	239
Insurance claim recovery		4,498	-	4,498	-
Salary recharges		1,177	575	1,177	575
AusAid Scholarships & stipends		810	136	810	136
Other revenue		4,904	5,824	3,725	3,405
		<b>21,551</b>	<b>18,525</b>	<b>20,372</b>	<b>13,198</b>
Share of operating results of associates and joint ventures accounted for using the equity method					
Joint venture operations	34	(855)	302	-	-
Associates	33	58	64	-	-
		<b>(797)</b>	<b>366</b>	<b>-</b>	<b>-</b>
Net foreign exchange gain		<b>10</b>	<b>-</b>	<b>10</b>	<b>-</b>



## Notes to the Financial Statements for the year ended 31 December 2007

	Consolidated		University	
	2007	2006	2007	2006
Note	\$000	\$000	\$000	\$000
<b>5. Expenses from continuing operations</b>				
<b>Salaries and related expenses</b>				
<b>Salaries and related expenses - Academic</b>				
Salaries	108,298	101,252	108,298	101,252
Contributions to superannuation schemes:				
Emerging cost	1,604	1,610	1,604	1,610
Funded	14,648	12,891	14,648	12,891
	<b>16,252</b>	<b>14,501</b>	<b>16,252</b>	<b>14,501</b>
Payroll tax	6,314	5,638	6,314	5,638
Annual leave	10,970	9,729	10,970	9,729
Long service leave	3,339	3,128	3,339	3,128
Workers' compensation	506	442	506	442
Other	4,656	4,530	4,656	4,530
Total academic salaries and related expenses	<b>150,335</b>	<b>139,220</b>	<b>150,335</b>	<b>139,220</b>
<b>Salaries and related expenses - Non-academic</b>				
Salaries	94,138	85,233	86,415	78,662
Contributions to superannuation schemes:				
Emerging cost	1,279	1,196	1,279	1,196
Funded	11,728	10,760	10,970	10,099
	<b>13,007</b>	<b>11,956</b>	<b>12,249</b>	<b>11,295</b>
Payroll tax	5,388	4,749	4,895	4,531
Annual leave	8,658	8,623	8,487	8,453
Long service leave	2,534	2,592	2,583	2,581
Workers' compensation	589	516	391	356
Other	5,583	3,724	5,555	3,699
Total non-academic salaries and related expenses	<b>129,897</b>	<b>117,393</b>	<b>120,575</b>	<b>109,577</b>
	<b>280,232</b>	<b>256,613</b>	<b>270,910</b>	<b>248,797</b>
Deferred Government employee benefits for superannuation	(1,200)	600	(1,200)	600
Total salaries and related expenses	<b>279,032</b>	<b>257,213</b>	<b>269,710</b>	<b>249,397</b>
<b>Total salaries and related expenses</b>	<b>279,032</b>	<b>257,213</b>	<b>269,710</b>	<b>249,397</b>
<b>Less:</b>				
Emerging cost	2,884	2,806	2,884	2,806
Deferred Government employee benefits for superannuation	(1,200)	600	(1,200)	600
Salaries and related expenses	<b>277,348</b>	<b>253,807</b>	<b>268,026</b>	<b>245,991</b>
<b>Teaching and research</b>				
Agriculture, animals and cropping	1,011	1,128	1,011	1,128
Books, subscriptions and printed material	4,145	3,120	4,145	3,120
Laboratory expenses	13,519	13,806	13,519	13,718
Research transfer to other institutions	19,448	21,399	19,448	21,399
Other teaching and research	11,472	12,928	12,098	12,937
	<b>49,595</b>	<b>52,381</b>	<b>50,221</b>	<b>52,302</b>
<b>Buildings and grounds</b>				
Cleaning and security	5,319	4,994	5,056	4,654
Property maintenance	10,271	10,931	9,764	10,292
Building leases and rent	11,262	10,041	11,203	9,955
Utilities	6,153	6,168	5,871	5,991
	<b>33,005</b>	<b>32,134</b>	<b>31,894</b>	<b>30,892</b>



## Notes to the Financial Statements for the year ended 31 December 2007

		<b>Consolidated</b>		<b>University</b>	
		<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
	<b>Note</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>5. Expenses from continuing operations - continued</b>					
<b>Finance costs</b>					
Interest		346	1	346	1
Finance charges		120	142	120	142
		<b>466</b>	<b>143</b>	<b>466</b>	<b>143</b>
<b>Administration, communication and travel</b>					
Consultants & specialist services		17,132	14,319	15,002	10,860
Fees & licenses		6,084	6,105	6,053	6,088
Insurance		2,659	2,772	2,431	2,692
Administration & communication		39,338	38,095	12,093	12,231
Publicity and fundraising		3,289	4,531	3,234	4,449
Travel, accommodation & entertainment		13,771	12,366	13,698	12,214
		<b>82,273</b>	<b>78,188</b>	<b>52,511</b>	<b>48,534</b>
<b>Misc equip, dep'n and net loss on disposal of assets includes:</b>					
<b>Amortisation of intangible assets</b>					
Software		194	267	194	267
<b>Amortisation</b>	3(p)				
Leasehold improvements		909	805	909	805
		<b>1,103</b>	<b>1,072</b>	<b>1,103</b>	<b>1,072</b>
<b>Depreciation</b>	3(p)				
Buildings		9,376	8,786	9,268	8,699
Plant, equipment and motor vehicles		6,660	6,657	5,992	5,921
Library collection		4,493	4,244	4,493	4,244
		<b>20,529</b>	<b>19,687</b>	<b>19,753</b>	<b>18,864</b>
		<b>21,632</b>	<b>20,759</b>	<b>20,856</b>	<b>19,936</b>
Non-capitalised equipment		8,690	9,547	8,690	9,494
Net loss on disposal of assets		267	-	445	1,495
		<b>30,589</b>	<b>30,306</b>	<b>29,991</b>	<b>30,925</b>
<b>Bad and doubtful debts</b>					
Student loans		40	20	40	20
Student tuition		222	311	222	311
Other debtors		50	386	72	321
		<b>312</b>	<b>717</b>	<b>334</b>	<b>652</b>
<b>Net foreign exchange loss</b>		<b>-</b>	<b>91</b>	<b>-</b>	<b>91</b>



## Notes to the Financial Statements for the year ended 31 December 2007

		Consolidated		University	
		2007	2006	2007	2006
	Note	\$000	\$000	\$000	\$000
<b>6. Discontinued operations</b>					
<b>(a) Description</b>					
ACN 008 123 466 Pty Ltd (formerly Repromed Pty Ltd) a controlled entity of the University of Adelaide disposed of its reproductive medicine business, effective as at 15 May 2006. This business represented all of that company's operations and the cash assets held as at 15 May 2006 were retained by the company.					
<b>(b) Financial Performance and Cash Flow Information</b>					
The financial performance and cash flow information presented are for the period ending 15 May 2006.					
Revenue		-	4,829	-	-
Expenses		-	(4,470)	-	-
<b>Profit/(loss) from discontinued operations</b>		-	359	-	-
Net cash inflow/(outflow) from operating activities		-	(127)	-	-
Net cash inflow/(outflow) from investing activities		-	(123)	-	-
<b>Net increase/(decrease) in cash generated by the business</b>		-	(250)	-	-
<b>(c) Carrying Amounts of Assets and Liabilities</b>					
The carrying amounts of assets and liabilities as at 15 May 2006.					
Total assets		-	5,301	-	-
Total liabilities		-	(1,073)	-	-
<b>Net assets</b>		-	4,228	-	-
<b>(d) Details of the sale of the reproductive medical services</b>					
Consideration received		-	8,000	-	-
Carrying amount of net assets sold		-	(3,721)	-	-
<b>Gain on sale</b>		-	4,279	-	-
<b>7. Cash and Cash Equivalents</b>	3(i)				
Cash at bank or on hand		12,278	18,501	6,369	11,110
Deposits at call		8,963	102,304	8,456	84,234
		<b>21,241</b>	<b>120,805</b>	<b>14,825</b>	<b>95,344</b>

During 2007 the University invested its surplus working capital into bank bills (\$60.2m). These bank bills have been reported as Financial Assets held-to-maturity in note 9. During 2006 the University held its surplus working capital in high interest deposits and were reported within Cash and Cash Equivalents.



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>8. Receivables</b>	<b>3(h)</b>				
<b>Current</b>					
Student tuition fees		2,006	2,668	2,006	2,668
Less: provision for impaired receivables		(499)	(704)	(499)	(704)
		<b>1,507</b>	<b>1,964</b>	<b>1,507</b>	<b>1,964</b>
 Trade debtors		 16,699	 16,805	 12,931	 13,585
Less: provision for impaired receivables		(759)	(911)	(655)	(882)
		<b>15,940</b>	<b>15,894</b>	<b>12,276</b>	<b>12,703</b>
 Sundry debtors and accrued income		 8,166	 2,585	 8,166	 2,585
Less: provision for impaired receivables		-	-	-	-
		<b>8,166</b>	<b>2,585</b>	<b>8,166</b>	<b>2,585</b>
 Student loans		 203	 239	 203	 239
Less: provision for impaired receivables		(153)	(203)	(153)	(203)
		<b>50</b>	<b>36</b>	<b>50</b>	<b>36</b>
 Other		 -	 30	 -	 -
		<b>25,663</b>	<b>20,509</b>	<b>21,999</b>	<b>17,288</b>

**(a) Impaired receivables**

As at 31 December 2007 current receivables of the group with a nominal value of \$2.476 million (2006: \$2.490 million) were impaired. The amount of the provision was \$1.411 million (2006: \$1.818 million). The individually impaired receivables mainly relate to outstanding trade and student debtors. It was assessed that a portion of these receivables is expected to be recovered.

The ageing of impaired receivables is as follows:

0 to 3 months	324	64	324	64
3 to 6 months	127	255	127	255
Over 6 months	2,025	2,171	1,921	2,142
	<b>2,476</b>	<b>2,490</b>	<b>2,372</b>	<b>2,461</b>

As at 31 December 2007 current receivables of the group of \$24.598 million (2006: \$19.837 million) were not impaired. The majority of these receivables are current and mainly relate to a number of Government agencies and independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

0 to 3 months	22,787	18,693	19,472	15,472
3 to 6 months	894	982	679	982
Over 6 months	917	162	783	162
	<b>24,598</b>	<b>19,837</b>	<b>20,934</b>	<b>16,616</b>

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

At 1 January	1,818	2,179	1,789	2,150
Net provision for impairment recognised/(reversed) during the year	174	(238)	109	(238)
Receivables written off during the year as uncollectible	(581)	(123)	(591)	(123)
	<b>1,411</b>	<b>1,818</b>	<b>1,307</b>	<b>1,789</b>



## Notes to the Financial Statements for the year ended 31 December 2007

		Consolidated		University	
		2007	2006	2007	2006
	Note	\$000	\$000	\$000	\$000
<b>8. Receivables - continued</b>					
<b>(a) Impaired receivables - continued</b>					
The creation and release of the provision for impaired receivables has been included in 'Finance and fund administration' in the income statement. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash. The other amounts within receivables do not contain impaired assets and are not past due. Based on credit history, it is expected that these amounts will be received when due.					
<b>Bad and doubtful debts</b>					
The University has recognised a loss of \$334,000 (2006: \$652,000) in respect of bad and doubtful receivables during the year ended 31 December 2007. The loss has been included in 'Finance and fund administration' expenses in the Income Statement.					
<b>9. Other Financial Assets</b>					
<b>Current</b>					
Loans to controlled entities		-	-	-	2,400
Term deposits		-	2,400	-	-
Other loans		141	25	141	25
Held-to-maturity - bank bills		60,173	-	60,173	-
		<b>60,314</b>	<b>2,425</b>	<b>60,314</b>	<b>2,425</b>
<b>Non-current</b>					
<b>Held for trading</b>					
<b>Composite fund at fair value</b>	3(j)				
Australian fixed interest securities		16,115	14,368	16,115	14,368
Overseas fixed interest securities		8,056	7,143	8,056	7,143
Australian equities		35,174	30,110	35,174	30,110
Overseas equities		31,803	27,237	31,803	27,237
Property trusts		6,982	6,117	6,982	6,117
Cash and liquid assets		3,808	3,667	3,808	3,667
Alternative strategies		1,318	197	1,318	197
Global Listed Infrastructure		2,759	-	2,759	-
Commodities		1,602	-	1,602	-
		<b>107,617</b>	<b>88,839</b>	<b>107,617</b>	<b>88,839</b>
Managed investment held by Unisure Pty Ltd		7,048	7,847	7,048	7,847
Other shares		5,121	2,749	5,121	2,749
<b>Total non-current other financial assets held for trading</b>		<b>119,786</b>	<b>99,435</b>	<b>119,786</b>	<b>99,435</b>
<b>Other loans</b>		<b>964</b>	<b>1,182</b>	<b>1,513</b>	<b>1,482</b>
<b>Total non-current other financial assets</b>		<b>120,750</b>	<b>100,617</b>	<b>121,299</b>	<b>100,917</b>
<b>Held-to-maturity - bank bills</b>					
During 2007 the University invested its surplus working capital into bank bills. These bank bills have been reported as Financial Assets held-to-maturity. During 2006 the University held its surplus working capital in high interest deposits and were reported within Cash and Cash Equivalents in note 7.					
<b>10. Derivative Financial Instruments</b>					
Interest rate swap contracts - cash flow hedges		1,637	-	1,637	-
		<b>1,637</b>	<b>-</b>	<b>1,637</b>	<b>-</b>
During 2007 the University entered into interest rate swaps totalling \$90m, to manage its interest rate exposure on its planned borrowings for its North Terrace Development Strategy. These interest rate swaps are effective hedges and the fair value of these hedges have been recorded as a non-current asset.					



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>11. Inventories</b>	3(m)				
Consumable materials and trading stock		6,012	1,766	1,345	1,533
Livestock		2,144	2,069	-	-
Provision for obsolescence		(100)	(150)	(100)	(150)
		<u>8,056</u>	<u>3,685</u>	<u>1,245</u>	<u>1,383</u>

The University has written down inventories of \$94,000 (2006: \$127,000) during the year ended 31 December 2007. The loss has been included in 'Teaching and research' expenses in the Income Statement.

As noted in the statement of significant accounting policies - principles of consolidation 3(b), Martindale Holdings Pty Ltd has changed its reporting period from 31 March to 31 December during 2007. As a consequence, inventory in the nature of crops has been recognised for the first time on consolidation.

**12. Other Non-Financial Assets****Current**

Prepayments	3,491	3,778	3,476	3,778
Accrued income	1,113	636	1,078	522
	<u>4,604</u>	<u>4,414</u>	<u>4,554</u>	<u>4,300</u>

**Non-current**

Prepayments	<u>1,172</u>	<u>1,206</u>	<u>1,172</u>	<u>1,206</u>
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**13. Investments Accounted for Using the Equity Method** 3(l)

<b>Investments in associates</b>	33				
At cost		-	-	298	298
Equity accounted		564	506	-	-
<b>Interests in joint ventures</b>	34				
At cost		-	-	275	135
Equity accounted		2,108	2,823	-	-
		<u>2,672</u>	<u>3,329</u>	<u>573</u>	<u>433</u>

**14. Available-for-sale Financial Assets****Current**

Listed shares		-	1,585	-	-
		<u>-</u>	<u>1,585</u>	<u>-</u>	<u>-</u>

**Non-current**

Investments in controlled entities	32	<u>-</u>	<u>-</u>	<u>46,710</u>	<u>48,086</u>
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## Notes to the Financial Statements for the year ended 31 December 2007

## 15. Property, Plant and Equipment

Consolidated	Trust Land \$000	Other Land \$000	Trust Buildings \$000	Other Buildings \$000	WIP Buildings \$000	Leasehold Improvements \$000	Library Collections \$000	Works of Art \$000	Plant and Equipment \$000	Total \$000
<b>As at 1 January 2006</b>										
Cost	-	-	784	664	16,195	7,495	2,987	-	103,301	131,426
Valuation	112,135	72,830	286,649	27,194	-	-	39,457	4,996	-	543,261
Accumulated depreciation/amortisation	-	-	(4)	(42)	-	(1,354)	(3,946)	-	(67,663)	(73,009)
Net book amount	112,135	72,830	287,429	27,816	16,195	6,141	38,498	4,996	35,638	601,678
<b>Year ended 31 December 2006</b>										
Opening net book amount	112,135	72,830	287,429	27,816	16,195	6,141	38,498	4,996	35,638	601,678
Revaluation increments/(decrements)	-	-	-	(90)	-	-	-	-	-	(90)
Additions	-	-	361	444	24,916	38	3,721	-	8,153	37,633
Disposals	-	(157)	(32)	-	(352)	(1,199)	(1,231)	-	(2,847)	(5,818)
Transfers	-	-	28,423	2,955	(31,913)	535	-	-	-	-
Depreciation/amortisation	-	-	(7,866)	(920)	-	(873)	(4,244)	-	(6,819)	(20,722)
Closing net book amount	112,135	72,673	308,315	30,205	8,846	4,642	36,744	4,996	34,125	612,681
<b>As at 31 December 2006</b>										
Cost	-	-	29,684	3,861	8,846	6,227	5,476	-	101,787	155,881
Valuation	112,135	72,673	286,501	27,306	-	-	39,458	4,996	-	543,069
Accumulated depreciation/amortisation	-	-	(7,870)	(962)	-	(1,585)	(8,190)	-	(67,662)	(86,269)
Net book amount	112,135	72,673	308,315	30,205	8,846	4,642	36,744	4,996	34,125	612,681



## Notes to the Financial Statements for the year ended 31 December 2007

## 15. Property, Plant and Equipment - continued

Consolidated	Trust Land \$000	Other Land \$000	Trust Buildings \$000	Other Buildings \$000	WIP Buildings \$000	Leasehold Improvements \$000	Library Collections \$000	Works of Art \$000	Plant and Equipment \$000	Total \$000
<b>Year ended 31 December 2007</b>										
Opening net book amount	112,135	72,673	308,315	30,205	8,846	4,642	36,744	4,996	34,125	612,681
Revaluation										
Increments/(decrements)	23,459	12,010	12,780	(4,232)	-	-	(298)	-	-	43,719
Additions	-	2,107	-	4,824	61,610	80	3,019	104	10,383	82,127
Disposals	-	-	(191)	-	-	-	(228)	-	(794)	(1,213)
Transfers	-	313	22,240	6,138	(36,803)	8,112	-	-	-	-
Depreciation/amortisation	-	-	(8,391)	(985)	-	(909)	(4,493)	-	(6,668)	(21,446)
Closing net book amount	<b>135,594</b>	<b>87,103</b>	<b>334,753</b>	<b>35,950</b>	<b>33,653</b>	<b>11,925</b>	<b>34,744</b>	<b>5,100</b>	<b>37,046</b>	<b>715,868</b>
<b>As at 31 December 2007</b>										
Cost	4	2,562	864	6,634	33,653	14,419	-	104	110,215	168,455
Valuation	135,590	84,541	333,921	29,383	-	-	34,744	4,996	-	623,175
Accumulated depreciation/amortisation	-	-	(32)	(67)	-	(2,494)	-	-	(73,169)	(75,762)
Net book amount	<b>135,594</b>	<b>87,103</b>	<b>334,753</b>	<b>35,950</b>	<b>33,653</b>	<b>11,925</b>	<b>34,744</b>	<b>5,100</b>	<b>37,046</b>	<b>715,868</b>



## Notes to the Financial Statements for the year ended 31 December 2007

## 15. Property, Plant and Equipment - continued

University	Trust Land \$000	Other Land \$000	Trust Buildings \$000	Other Buildings \$000	WIP Buildings \$000	Leasehold Improvements \$000	Library Collections \$000	Works of Art \$000	Plant and Equipment \$000	Total \$000
<b>As at 1 January 2006</b>										
Cost	-	-	784	664	16,195	5,659	2,987	-	92,881	119,170
Valuation	112,135	40,309	286,649	24,852	-	-	39,457	4,996	-	508,398
Accumulated depreciation/amortisation	-	-	(4)	(42)	-	(780)	(3,946)	-	(61,260)	(66,032)
Net book amount	112,135	40,309	287,429	25,474	16,195	4,879	38,498	4,996	31,621	561,536
<b>Year ended 31 December 2006</b>										
Opening net book amount	112,135	40,309	287,429	25,474	16,195	4,879	38,498	4,996	31,621	561,536
Revaluation increments/(decrements)	-	-	-	-	-	-	-	-	-	-
Additions	-	-	361	116	24,916	38	3,721	-	7,401	36,553
Disposals	-	(157)	(32)	-	(352)	(5)	(1,231)	-	(1,225)	(3,002)
Transfers	-	-	28,423	2,955	(31,913)	535	-	-	-	-
Depreciation/amortisation	-	-	(7,866)	(833)	-	(805)	(4,244)	-	(5,921)	(19,669)
Closing net book amount	112,135	40,152	308,315	27,712	8,846	4,642	36,744	4,996	31,876	575,418
<b>As at 31 December 2006</b>										
Cost	-	-	29,684	3,623	8,846	6,227	5,476	-	94,676	148,532
Valuation	112,135	40,152	286,501	24,964	-	-	39,458	4,996	-	508,206
Accumulated depreciation/amortisation	-	-	(7,870)	(875)	-	(1,585)	(8,190)	-	(62,800)	(81,320)
Net book amount	112,135	40,152	308,315	27,712	8,846	4,642	36,744	4,996	31,876	575,418



## Notes to the Financial Statements for the year ended 31 December 2007

## 15. Property, Plant and Equipment - continued

University	Trust Land \$000	Other Land \$000	Trust Buildings \$000	Other Buildings \$000	WIP Buildings \$000	Leasehold Improvements \$000	Library Collections \$000	Works of Art \$000	Plant and Equipment \$000	Total \$000
<b>Year ended 31 December 2007</b>										
Opening net book amount	112,135	40,152	308,315	27,712	8,846	4,642	36,744	4,996	31,876	575,418
Revaluation increments/(decrements)	23,459	8,910	12,780	(4,451)	-	-	(298)	-	-	40,400
Additions	-	2,000	-	4,462	61,610	-	3,019	104	9,305	80,500
Disposals	-	-	(191)	-	-	-	(228)	-	(636)	(1,055)
Transfers	-	-	22,240	6,451	(36,803)	8,112	-	-	-	-
Depreciation/amortisation	-	-	(8,391)	(877)	-	(909)	(4,493)	-	(5,992)	(20,662)
Closing net book amount	<b>135,594</b>	<b>51,062</b>	<b>334,753</b>	<b>33,297</b>	<b>33,653</b>	<b>11,845</b>	<b>34,744</b>	<b>5,100</b>	<b>34,553</b>	<b>674,601</b>
<b>As at 31 December 2007</b>										
Cost	4	2,562	864	6,634	33,653	14,339	-	104	102,591	160,751
Valuation	135,590	48,500	333,921	26,730	-	-	34,744	4,996	-	584,481
Accumulated depreciation/amortisation	-	-	(32)	(67)	-	(2,494)	-	-	(68,038)	(70,631)
Net book amount	<b>135,594</b>	<b>51,062</b>	<b>334,753</b>	<b>33,297</b>	<b>33,653</b>	<b>11,845</b>	<b>34,744</b>	<b>5,100</b>	<b>34,553</b>	<b>674,601</b>



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>16. Investment Property</b>					
Balance at the beginning of the year		18,890	17,717	18,890	17,717
Additions from subsequent expenditure		93	54	93	54
Net gain from fair value adjustments		2,324	1,119	2,324	1,119
Balance at the end of the year		<b>21,307</b>	<b>18,890</b>	<b>21,307</b>	<b>18,890</b>

**(a) Amount recognised in income statement for investment property**

The University has recognised \$1.4 million (2006:\$1.4 million) of rental income from investment properties within the Income Statement. Any direct operating expenses from generating rental income are included within the Income Statement and are immaterial.

**(b) Valuation basis**

The basis of valuation of investment properties is fair value being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location, condition and subject to similar leases.

An independent valuation of investment properties has been carried out by Mr N. Satchell, AAPI, B.App.Sc (Val) of Rushton Valuers Pty Ltd on 31 December 2007.

**(c) Non-current assets pledged as security**

No non-current assets have been pledged.

**(d) Contractual obligations**

There are no capital commitments for investment properties.

**(e) Leasing arrangements**

The investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable on investment properties are as follows:

	Consolidated		University	
	2007	2006	2007	2006
	\$000	\$000	\$000	\$000
Within one year	697	807	697	807
Later than one year but not later than 5 years	557	1,010	557	1,010
later than 5 years	78	258	78	258
	<b>1,332</b>	<b>2,075</b>	<b>1,332</b>	<b>2,075</b>



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007 \$000	2006 \$000	2007 \$000	2006 \$000
<b>17. Intangible Assets</b>	3(f)				
<b>Non-current</b>					
<b>As at 1 January 2006</b>					
Cost			11,217		11,217
Accumulated depreciation and impairment			(10,278)		(10,278)
Net book amount			<u>939</u>		<u>939</u>
<b>Year ended 31 December 2006</b>					
Opening net book amount			939		939
Additions			(37)		(37)
Amortisation charge			(267)		(267)
Closing net book amount			<u>635</u>		<u>635</u>
<b>As at 1 January 2007</b>					
Cost		11,180		11,180	
Accumulated depreciation and impairment		(10,545)		(10,545)	
Net book amount		<u>635</u>		<u>635</u>	
<b>Year ended 31 December 2007</b>					
Opening net book amount		635		635	
Disposals		(62)		(62)	
Amortisation charge		(194)		(194)	
Closing net book amount		<u>379</u>		<u>379</u>	
<b>As at 31 December 2007</b>					
Cost		11,118		11,050	
Accumulated depreciation and impairment		(10,739)		(10,671)	
Net book amount		<u>379</u>		<u>379</u>	
<b>18. Payables</b>					
<b>Current</b>					
Accounts payable		41,861	29,586	31,158	22,325
Accruals		5,553	7,144	501	504
Salary and wage deductions		4,673	3,855	4,670	3,848
Unspent Commonwealth financial assistance		29	1,717	29	1,717
Deferred liability		2,000	-	2,000	-
		<u>54,116</u>	<u>42,302</u>	<u>38,358</u>	<u>28,394</u>
<b>Non-current</b>					
Accounts payable		6,532	3,672	6,516	3,618
Deferred liability		-	1,822	-	1,822
		<u>6,532</u>	<u>5,494</u>	<u>6,516</u>	<u>5,440</u>
<b>19. Borrowings</b>					
<b>Current</b>					
Other - unsecured		<u>59</u>	<u>1,217</u>	<u>6</u>	<u>1,217</u>
<b>Non-current</b>					
Other - unsecured		<u>7</u>	<u>68</u>	<u>62</u>	<u>68</u>

The University maintains an unsecured \$20m Bill Acceptance and Discount Facility as a standby working capital facility. As at 31 December 2007, this facility has not been drawn down.



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>20. Provisions</b>					
<b>Current</b>					
Workers' compensation provision		739	736	739	736
Annual and long service leave		15,892	14,525	15,342	14,007
Insurance provision		1,425	1,944	1,425	1,944
		<b>18,056</b>	<b>17,205</b>	<b>17,506</b>	<b>16,687</b>
<b>Non-current</b>					
Workers' compensation provision		1,903	1,910	1,903	1,910
Annual and long service leave		27,140	24,209	26,951	23,992
Defined benefit fund net liability		3,287	4,786	3,287	4,786
		<b>32,330</b>	<b>30,905</b>	<b>32,141</b>	<b>30,688</b>
		Workers' compensation provision	Annual and long service leave	Insurance Provision	Defined benefit fund net liability
		\$000	\$000	\$000	\$000
<b>Movements in provisions</b>					
<b>Consolidated - current</b>					
Carrying amount at start of year		736	14,525	1,944	-
Additional/(reductions in) provisions recognised		3	1,367	(519)	-
Carrying amount at the end of the year		<b>739</b>	<b>15,892</b>	<b>1,425</b>	<b>-</b>
<b>Consolidated - non-current</b>					
Carrying amount at start of year		1,910	24,209	-	4,786
Additional/(reductions in) provisions recognised		(7)	2,931	-	(1,499)
Carrying amount at the end of the year		<b>1,903</b>	<b>27,140</b>	<b>-</b>	<b>3,287</b>

**Workers' compensation provision**

Provision is made based on an actuarial assessment of workers' compensation estimated claims liability for future years. Refer to policy note 3(r) Workers' Compensation.

**Annual and long services leave**

Provision is made for benefits accruing to employees in respect of annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably. Refer to policy note 3(g) Employee Benefits.

**Insurance provision**

Provision has been made for the actuarial assessment of future liability to the University for losses incurred prior to 31 December 2007 that were expected to be paid subsequent to 1 January 2008 and are below the University deductible in the University insurance policies.

**Defined benefit fund net liability**

Provision is made for the Super Scheme A 1985 defined benefit obligation in accordance with AASB 119 Employee Benefits. Refer to note 3(g) Employee Benefits and note 27(c) The University of Adelaide Super Scheme A 1985.



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>21. Other Liabilities</b>					
<b>Current</b>					
Outside funded positions		2,074	1,510	2,074	1,510
Income in advance		258	161	25	-
Student tuition fees received in advance		3,411	3,591	3,411	3,591
Residential bonds		326	262	326	262
Employee benefits – redundancy		300	383	300	383
Funds held on deposit for controlled entities		-	-	14,233	-
Other		627	640	578	640
		<b>6,996</b>	<b>6,547</b>	<b>20,947</b>	<b>6,386</b>

**22. Employee Benefits and Related On-Cost Liabilities**

In accordance with the requirements of AASB 119 "Employee Benefits", employee on-costs are required to be reported as payables whilst leave liability amounts are reported separately as "Employee Benefits". Below is a composite note disclosure showing the total liabilities the Consolidated Entity has as at 31 December 2007 relating to employee benefits:

**Annual Leave**

On-costs included in payables - current	18	3,326	2,753	3,306	2,733
Employee benefits - current	20	9,454	7,805	9,184	7,593
		12,780	10,558	12,490	10,326
On-costs included in payables - non-current	18	960	832	958	824
Employee benefits - non-current	20	2,690	2,313	2,662	2,290
		3,650	3,145	3,620	3,114

**Long Service Leave**

On-costs included in payables - current	18	1,147	851	1,126	827
Employee benefits - current	20	6,438	6,720	6,158	6,414
		7,585	7,571	7,284	7,241
On-costs included in payables - non-current	18	5,567	2,840	5,557	2,793
Employee benefits - non-current	20	24,450	21,896	24,289	21,702
		30,017	24,736	29,846	24,495
		<b>54,032</b>	<b>46,010</b>	<b>53,240</b>	<b>45,176</b>

**23. Retained Surplus and Reserves****23(a) Summary****Capital reserves**

Capital reserve	2,971	3,020	-	-
Capital profits reserve	1,481	1,249	-	-
Asset revaluation reserve	226,478	182,759	199,486	159,086
Initial asset recognition reserve	279,124	279,124	279,124	279,124
Available-for-sale investments revaluation reserve	1,453	1,665	46,710	45,188
	<b>511,507</b>	<b>467,817</b>	<b>525,320</b>	<b>483,398</b>

**Specific purpose reserves**

Special reserve	80,102	73,716	80,102	73,716
Bequests/donations unspent income reserve	17,199	16,367	17,199	16,367
Restricted purpose bequest capital reserve	71,832	61,246	71,832	61,246
Composite fund revaluation reserve	36,022	35,612	36,022	35,612
	<b>205,155</b>	<b>186,941</b>	<b>205,155</b>	<b>186,941</b>

<b>Retained surplus</b>	<b>147,103</b>	<b>130,609</b>	<b>124,604</b>	<b>107,106</b>
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## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>23(b) Movements in reserves</b>					
<b>Capital reserve</b>					
Opening balance		3,020	3,020	-	-
Current year movement		(49)	-	-	-
Closing balance		<b>2,971</b>	<b>3,020</b>	-	-
<b>Capital profits reserve</b>					
Opening balance		1,249	687	-	-
Current year movement		232	562	-	-
Closing balance		<b>1,481</b>	<b>1,249</b>	-	-
<b>Asset revaluation reserve</b>					
Opening balance		182,759	182,850	159,086	159,087
Add revaluation increment on property, plant and equipment		43,719	(91)	40,400	(1)
Closing balance		<b>226,478</b>	<b>182,759</b>	<b>199,486</b>	<b>159,086</b>
<b>Initial asset recognition reserve</b>					
Opening balance		279,124	279,124	279,124	279,124
Current year movement		-	-	-	-
Closing balance		<b>279,124</b>	<b>279,124</b>	<b>279,124</b>	<b>279,124</b>
<b>Available-for-sale financial assets revaluation reserve</b>					
Opening balance		1,665	6,166	45,188	48,326
Current year movement		(212)	(4,501)	1,522	(3,138)
Closing balance		<b>1,453</b>	<b>1,665</b>	<b>46,710</b>	<b>45,188</b>
<b>Special reserve</b>					
Opening balance		73,716	55,434	73,716	55,434
Transfer (to) / from retained surplus		6,386	18,282	6,386	18,282
Closing balance		<b>80,102</b>	<b>73,716</b>	<b>80,102</b>	<b>73,716</b>
<b>Bequests/donations unspent income reserve</b>					
Opening balance		16,367	13,567	16,367	13,567
Transfer from retained surplus		832	2,800	832	2,800
Closing balance		<b>17,199</b>	<b>16,367</b>	<b>17,199</b>	<b>16,367</b>
<b>Restricted purpose bequest capital reserve</b>					
Opening balance		61,246	56,613	61,246	56,613
Transfer from retained surplus		10,586	4,633	10,586	4,633
Closing balance		<b>71,832</b>	<b>61,246</b>	<b>71,832</b>	<b>61,246</b>
<b>Composite fund revaluation reserve</b>					
Opening balance		35,612	27,261	35,612	27,261
Transfer from retained surplus		410	8,351	410	8,351
Closing balance		<b>36,022</b>	<b>35,612</b>	<b>36,022</b>	<b>35,612</b>



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>23. Reserves - continued</b>					
<b>23(c) Nature and purpose of reserves</b>					
<b>Capital reserve</b>					
Represents capital accounts held within controlled entities of the University.					
<b>Capital profits reserve</b>					
Represents the accumulation of realised revalued increments of assets sold.					
<b>Asset revaluation reserve</b>					
Is used to record increments and decrements on the revaluation of non-current assets. Refer accounting policy note 3(n).					
<b>Initial asset recognition reserve</b>					
Represents the equity impact arising from the recognition of assets which until the first time the University prepared a set of accrual financial statements, had not previously been recognised.					
<b>Available for sale financial assets revaluation reserve</b>					
Is used to record increments and decrements on the revaluation of available for sale financial assets. Refer accounting policy note 3(j).					
<b>Specific purpose reserves</b>					
Represents a number of reserves generated through a series of specific purpose transactions, that can only be used in accordance with the attributes of the generating transactions. The special reserve is created for surplus funds which will be specifically acquitted in future accounting periods.					
<b>24. Reconciliation of net cash provided by operating activities to operating result</b>					
<b>Operating result</b>		<b>33,068</b>	<b>38,899</b>	<b>33,873</b>	<b>35,378</b>
<b>Add/(subtract) non cash items</b>					
Amortisation	5	1,103	1,149	1,103	1,072
Depreciation	5	20,529	19,848	19,753	18,864
Write (up) of investments		(8,641)	(13,359)	(8,641)	(13,359)
Superannuation expense		(1,200)	600	(1,200)	600
Superannuation revenue		1,200	(600)	1,200	(600)
Other revenue/expenses		(15,554)	(10,318)	(17,428)	816
Funds held on deposit		-	-	(14,233)	-
(Profit)/loss on sale of property, plant and equipment		267	183	445	337
<b>Changes in assets/liabilities</b>					
(Increase)/decrease in inventories		(4,371)	583	138	278
(Increase)/decrease in receivables		(5,154)	6,862	(4,711)	6,970
(Increase)/decrease in other assets		(156)	(1,528)	(220)	(1,607)
Increase/(decrease) in payables		12,852	5,939	11,040	2,778
Increase/(decrease) in other current liabilities		449	849	14,561	83
Increase/(decrease) in provisions		2,276	2,678	2,272	3,229
<b>Net cash provided by operating activities</b>		<b>36,668</b>	<b>51,785</b>	<b>37,952</b>	<b>54,839</b>



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>25. Commitments</b>					
<b>Operating Expenditure</b>					
Contracted but not provided for and payable:					
Not later than one year		13,147	14,574	13,147	14,574
Later than one year, but not later than five years		30,213	17,532	30,213	17,532
Later than five years		1,238	185	1,238	185
		<b>44,598</b>	<b>32,291</b>	<b>44,598</b>	<b>32,291</b>
<b>Capital Expenditure</b>					
<b>Property, plant and equipment</b>					
Contracted but not provided for and payable:					
Not later than one year		93,025	16,248	81,876	16,248
Later than one year, but not later than five years		1,734	-	1,734	-
Later than five years		-	-	-	-
		<b>94,759</b>	<b>16,248</b>	<b>83,610</b>	<b>16,248</b>
<b>Operating Lease Commitments</b>					
Future operating base rental not provided for and payable:					
Not later than one year		5,546	5,343	5,546	5,343
Later than one year, but not later than five years		10,912	10,307	10,912	10,307
Later than five years		641	670	641	670
		<b>17,099</b>	<b>16,320</b>	<b>17,099</b>	<b>16,320</b>
Representing:					
Cancellable operating leases		17,099	16,320	17,099	16,320
Non-cancellable operating leases		-	-	-	-
		<b>17,099</b>	<b>16,320</b>	<b>17,099</b>	<b>16,320</b>

The operating lease commitments primarily relate to leases of photocopiers, computers, office equipment and office space.

The increase in capital expenditure commitments in 2007 primarily relate to the major building works program including the wine innovation cluster building, the refurbishment of 10 Pulteney street and the new engineering precinct building.

**26. Contingencies****(a) Guarantees**

The University in 1997 provided a \$120,000 guarantee to the Commonwealth Government, Department of Human Services, for an interest free, 20 year loan of \$126,000 to be used for the construction of the Observatory Child Care Centre.

On July 1 2006 the University ceased to be a Crown exempt employer and was required to register as an exempt employer with Workcover and provide a bank guarantee to cover projected workers' compensation outstanding claims liabilities. The University provided a \$4.3 million bank guarantee to Workcover which matures on 30 April 2008. The amount of the guarantee was based on an actuarial assessment of the projected workers' compensation claims liabilities. In June 2007 the University was advised by WorkCover Corporation that its Self-Insurer Licence will be renewed for a period of three years from 1 July 2007.



## Notes to the Financial Statements for the year ended 31 December 2007

### 26. Contingent Liabilities - continued

#### (b) Superannuation

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

The University has guaranteed that members of this superannuation scheme will receive defined benefits in the event that this closed scheme has insufficient assets to meet the benefits. Employer contributions of 14% of salaries recommenced on actuarial advice as from 1 January 2003 to ensure there are sufficient assets in the scheme to meet expected future liabilities of remaining members. In addition the University has agreed to a contribution program to finance the current deficit where by the University contributes \$0.6 million annually over the next three years. Refer to Note 27(c).

##### (ii) UniSuper Limited Superannuation Schemes

Refer to Note 27(b).

#### (c) Litigation

In the ordinary course of its operations, the University and its controlled entities became involved in legal disputes. At the date of adoption of these financial statements, some matters remained outstanding. On legal advice, the University is of the opinion that no material losses are likely to arise. The University or its controlled entities will make a provision where a material loss is identified. Claims of an insurance nature have been covered by a provision of \$1.4 million under the self insurance component of the University programme. Refer note 20.

### 27. Superannuation Schemes

#### (a) Categories

The University contributes to a range of superannuation schemes, which are divided into the following categories:

- (i) Those operative and open to membership:
  - UniSuper Defined Contribution Plan or Investment Choice Plan
  - UniSuper Award Plus Plan
- (ii) Those operative but closed to future membership:
  - The University of Adelaide Superannuation Scheme A 1985 (Scheme A 1985)
- (iii) State Government Schemes closed to future membership by University employees:
  - State Pension Scheme
  - State Lump Sum Scheme

#### (b) UniSuper Limited Superannuation Schemes

The employees' UniSuper plan is determined by the terms of employment and is administered by UniSuper Management Pty Ltd with UniSuper Ltd as the trustee.

The employer contribution rate during 2007 for employees in either the Defined Benefit Plan or Investment Choice Plan was 14% of salaries plus 3% of salaries contribution to the Award Plus Plan and for employees only in the Award Plus Plan was 9% of salaries. The employee contribution rate throughout 2007 for employees in either the Defined Benefit Plan or Investment Choice Plan was 7% of their gross salaries.

At its 23 November 2006 meeting the Board approved an amendment to Clause 34 of the UniSuper Trust Deed, effective 31 December 2006, altering its classification from a Defined Benefit Plan to a Defined Contribution Plan. Previously under Clause 34 if the UniSuper assets were considered by the Trustee to be insufficient to provide benefits payable under the Deed, the trust could request additional contributions from employers, provided they are given notice that such a request may be made 4 years in advance. If such a request was agreed to by employers then members were required to also make additional contributions equal to one-half of the rate which their employer is prepared to contribution.

Clause 34 now states that where the trustee considers the assets to be insufficient to provide benefits payable under the Deed, the Trustee must reduce the benefits of its members on a fair and equitable basis.

As set out under paragraph 25 of AASB119 a defined contribution plan is a plan where the employer's legal or constructive obligation is limited to the amount it agrees to contribute to the fund and the actuarial risk and investment risk fall on the employee.

As at 30 June 2007 there is no funding surplus or deficit which currently affects, or is expected to affect, the amount of future contributions payable by participating employers to the Defined Contribution Plan.



## Notes to the Financial Statements for the year ended 31 December 2007

**27. Superannuation Schemes – continued****(b) UniSuper Limited Superannuation Schemes - continued**

As at 30 June 2007 the assets of the Defined Benefit Division in aggregate were estimated to be \$1.683 million in excess of vested benefits. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving service of the participating institution) and include the value of CPI indexed pensions being provided by the Defined Benefit Division.

As at 30 June 2007 the assets of the Defined Contribution Plan in aggregate were estimated to be \$2.587 million in excess of accrued benefits. The accrued benefits have been calculated as the present value of expected future benefit payments to members and CPI indexed pensioners which arise from membership of UniSuper up to the reporting date.

The vested benefit and accrued benefit liabilities were determined by the Fund's actuary Russell Employee Benefits using the actuarial demographic assumptions outlined in their report dated 13 July 2006 on the actuarial investigation of the Defined Benefit Division as at 31 December 2005. The financial assumptions used were:

	Vested Benefits	Accrued Benefits
Gross of tax investment return	7.0% p.a.	8.3% p.a.
Net of tax investment return	6.5% p.a.	7.8% p.a.
Consumer Price Index	2.5% p.a.	2.5% p.a.
Inflationary salary increases long term	3.5% p.a.	3.5% p.a.
Inflationary salary increases next three years	5.0% p.a.	5.0% p.a.

(additional promotional salary increases are assumed to apply based on past experience)

Assets have been included at their net market value, i.e. allowing for realisation costs.

**(c) The University of Adelaide Superannuation Scheme A 1985**

The University of Adelaide Superannuation Scheme A 1985 (Scheme) is a defined benefit plan in accordance with AASB 119 Employee Benefits that provides superannuation benefits for employees who had not transferred to UniSuper. The Scheme is administered by Tidswell Financial Services Ltd. The trustee is The University of Adelaide Superannuation Scheme A 1985 Inc. The Scheme is governed by a separate trust deed and the general laws relating to trusts and superannuation. The Scheme provides a defined benefit (or accumulated member contributions multiplied by a factor of 2.5 if this amount is greater). The Scheme is closed to new members.

Reconciliation of the present value of the defined benefit obligation		2007 \$000	2006 \$000
Present value of defined benefit obligations at the beginning of the year		15,366	17,780
Add	Current service costs	364	526
	Interest cost	736	715
	Contributions by scheme participants	53	57
	Actuarial (gains)	(2)	(2,396)
Less	Benefits paid	(701)	(873)
	Taxes, premiums and expenses paid	(454)	(443)
Present value of defined benefit obligations at the end of the year		<u>15,362</u>	<u>15,366</u>
Reconciliation of the fair value of scheme assets			
Fair value of scheme assets at the beginning of the year		10,580	9,507
Add	Expected return on scheme assets	716	460
	Actuarial gains	210	792
	Employer contributions	1,671	1,080
	Contributions by scheme participants	53	57
Less	Benefits paid	(701)	(873)
	Taxes, premiums and expenses paid	(454)	(443)
Fair value of scheme assets at the end of the year		<u>12,075</u>	<u>10,580</u>



## Notes to the Financial Statements for the year ended 31 December 2007

**27. Superannuation Schemes – continued****(c) The University of Adelaide Superannuation Scheme A 1985 - continued****Reconciliation of the assets and liabilities recognised in the Balance Sheet**

	<b>Note</b>	<b>2007 \$000</b>	<b>2006 \$000</b>
Defined benefit obligation including contributions tax provision		15,362	15,366
Less Fair value of scheme assets		(12,075)	(10,580)
Defined benefit fund net liability	20	<u>3,287</u>	<u>4,786</u>

**Expense recognised in the Income Statement**

Service cost		364	526
Interest cost		736	715
Expected return on assets		(716)	(460)
Superannuation expense		<u>384</u>	<u>781</u>

**Amounts recognised in the Statement of Recognised Income and Expense**

Actuarial (gains)		<u>(212)</u>	<u>(3,188)</u>
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**Cumulative amount recognised in the Statement of Recognised Income and Expense**

Cumulative amount of actuarial (gains)		<u>(4,618)</u>	<u>(4,406)</u>
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**Scheme assets**

The percentage invested in each asset class at the balance sheet date:

Australian equity	17%	18%
International equity	27%	12%
Fixed income	25%	37%
Property	10%	5%
Cash	21%	28%

**Fair value of scheme assets**

The fair value of scheme assets does not include amounts relating to any of the University's own financial instruments or any property occupied by, or other assets used by the University.

**Expected rate of return on scheme assets**

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each asset class. The returns used for each asset class are net of investment tax and investment fees.

<b>Actual return on scheme assets</b>	<b>926</b>	<b>1,252</b>
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**Principal actuarial assumptions at the balance sheet date**

Discount rate (active members)	5.4%	5.0%
Discount rate (pensioners)	6.3%	5.9%
Expected rate of return on plan assets (active members)	6.8%	6.8%
Expected rate of return on plan assets (pensioners)	7.5%	7.5%
Expected salary increase rate	5.0%	5.0%
Expected pension increase rate	2.5%	2.5%

**Historical information**

Present value of defined benefit obligation	15,362	15,366
Fair value of scheme assets at the beginning of the year	12,075	10,580
Deficit in scheme	3,287	4,786
Experience adjustments (gain) - scheme assets	(210)	(792)
Experience adjustments (gain) - scheme liabilities	(798)	(872)



## Notes to the Financial Statements for the year ended 31 December 2007

**27. Superannuation Schemes – continued****(c) The University of Adelaide Superannuation Scheme A 1985 - continued****Expected contributions**

The expected employer contributions for the year ended 31 December 2008 are \$1 million, which includes the \$0.6 million annual payment detailed below (refer to contribution recommendations).

**Funding arrangements for employer contributions**

The following is a summary of the most recent financial position of the University of Adelaide Superannuation Scheme A 1985 calculated in accordance with AAS 25 "Financial Reporting by Superannuation Plans".

	<b>1 July 2006</b>
	<b>\$000</b>
Accrued benefits	12,335
Net market value of scheme assets	10,044
Net deficit	<u>2,291</u>

**Contribution recommendations**

The current contribution recommendations, as set out in the report of the most recent actuarial valuation of Scheme A 1985 as at 1 July 2006, are 14% of salaries of defined benefit members, plus \$25,000 per month, plus additional contributions in a number of situations. The University, the Trustee and the actuary have also agreed to a contribution programme to finance the current deficit whereby the University contributes \$0.6 million annually over the next three years.

**Funding method**

The method used to determine the employer contribution recommendations at the last actuarial review was the Accrued benefit method. The method adopted affects the timing of the cost to the employer.

Under the accrued benefit method, a "normal cost" is calculated which is the estimated employer contribution rate required to provide benefits in respect of future service after the review date. The "normal cost" is then adjusted to take into account any surplus (or deficiency) of assets over the value of liabilities in respect of service prior to the review date. Any surplus or deficiency can be used to reduce or increase the "normal" employer contribution rate over a suitable period of time.

**Economic assumptions**

The long-term economic assumptions adopted for the last actuarial review of the scheme as at 1 July 2006 were:

Expected rate of return on assets (discount rate)	
active members	6.75% p.a.
pensioners	5.0% p.a.
Expected salary increase rate	7.5% p.a.
Expected pension increase rate	2.5% p.a.

**Nature of asset/liability**

The University has recognised a liability in the balance sheet in respect of its defined benefit superannuation arrangements. The University has covenanted to ensure that the benefits as set down in the Trust Deed will be paid irrespective of the performance of Scheme A 1985.



## Notes to the Financial Statements for the year ended 31 December 2007

**27. Superannuation Schemes – continued****(d) State Government Superannuation Schemes**

In 1991, employees of the City Campus of the South Australian College of Advanced Education and Roseworthy Agricultural College were transferred to the University. Their terms of appointment to the University protected their membership of the State Pension Scheme and State Lump Sum Scheme. The schemes are administered by the South Australia Superannuation Board. The schemes provide defined benefits and are mainly unfunded. The only employer contributions made in 2007 were 3% of salaries, and remaining benefits are met on an emerging cost basis.

The South Australian Department of Treasury and Finance estimate that, as at 31 December 2007, there is an unfunded liability of \$42.3 million (2006 - \$43.5 million). This represents a decrease in liability of \$1.2 million since 31 December 2006. This is recognised as a reduction in revenue in the 2007 Income Statement, with a corresponding adjustment to expenditure.

The Commonwealth Government has agreed to provide assistance under Section 20 of the Higher Education Funding Act to meet the additional costs in respect of State Government emerging cost schemes, where costs are in excess of funding provided for this purpose in the base operating grant. Under the Commonwealth legislation titled "State Grants (General Purposes) Amendment Act 1982", the method of payment of these costs by the Commonwealth to the State Governments was promulgated. Further, the accounting methodology employed in these financial statements is in accordance with "Financial Statement Guidelines for Australian Higher Education Providers for 2007 Reporting Period" provided by DEEWR. The accounting treatment employed is also consistent with the approach taken by other Australian Universities. Accordingly, total assets of \$42.3 million have been recorded as a "Deferred government superannuation contribution" which offsets the current and non-current liability for the State Government Superannuation Schemes recorded as "Deferred Employee Benefits for Superannuation".

Summary	Consolidated		University	
	2007	2006	2007	2006
	\$000	\$000	\$000	\$000
<b>Deferred Government Superannuation Contribution</b>				
Non-current Asset	42,300	43,500	42,300	43,500
<b>Deferred Employee Benefits for Superannuation</b>				
Current Liability	3,200	3,300	3,200	3,300
Non-current Liability	39,100	40,200	39,100	40,200
	<b>42,300</b>	<b>43,500</b>	<b>42,300</b>	<b>43,500</b>

**The total employer contributions were:**

UniSuper Defined Contribution Plan or Investment Choice Plan	20,538	19,013
UniSuper Award Plus Plan	8,913	8,014
State Government Superannuation Schemes (3%)	20	25
The University of Adelaide Superannuation Scheme A 1985	112	112
	<b>29,583</b>	<b>27,164</b>

**28. Disaggregation Information**

The University predominantly operates in the field of higher education in Australia. Its primary activities are teaching and research. Income generated overseas from teaching and research activities is not significant so as to warrant disaggregation information disclosure.



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>29. Auditors' Remuneration</b>					
Amounts paid or payable for assurance services were:					
South Australian Auditor-General		207	207	207	207
Other auditors of controlled entities		115	85	-	-
		322	292	207	207
Amounts paid or payable for other services were:					
Other auditors of controlled entities		24	29	-	-
		346	321	207	207

Amounts paid or payable for advisory services relate to the provision of accounting services.

### 30. The University Council Members and Senior Management

#### (a) Names of the University Council Members and Senior Management

##### University Council Members

Ex officio	von Doussa QC, the Hon John William McWha, Professor James Alexander Hill, Professor Robert Crafter, The Hon Gregory John Adler AC, Mr Norman Ross	commenced 1/01/2007 ceased 21/03/2007
	Bagot, Mr Charles Castine, Ms Kathryn Croser AO, Mr Brian Davidson, Ms Dianne Kowalick, Mr Ian John Martin, Ms Pamela Young, Mr Stephen Elliott	ceased 5/03/2007 commenced 6/03/2007
Co-opted		
Appointed		
Elected Staff	Cecchin, Mr John Cox, Ms Rosslyn Crewther, Dr Rodney James Gill, Dr Peter Maxwell Linton, Professor Valerie Margaret Percival, Ms Kylie Joy	resigned 26/06/2007 ceased 5/03/2007 commenced 6/03/2007 commenced 24/10/2007
	Elected Graduates	commenced 6/07/2007
Student	Maddocks, Professor Simon Penniment, Dr Michael Radcliffe AM, Dr John Athanassiadis, Mr Mathew Cronin, Ms Jessica Russell, Mr Aaron Swaine, Mr Philip Dalway	ceased 5/03/2007 commenced 6/03/2007

##### University Senior Management

McWha, Professor James McDougall, Professor Fred Johnson AM, Professor Alan Taplin, Professor John Duldig, Mr Paul MacIntosh, Ms Susan Bellby, Professor Justin Dowd, Professor Peter Findlay, Professor Christopher Harvey, Professor Nicholas Hill, Professor Robert Innes, Professor Michael Quester, Professor Pascale Stoler, Mr Andrew	ceased 17/08/2007 retired 8/06/2007 ceased 13/07/2007 commenced 30/07/2007 ceased 27/07/2007 commenced 16/07/2007
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## Notes to the Financial Statements for the year ended 31 December 2007

2007

2006

\$000

\$000

30. The University Council Members and Senior Management - continued

(b) Remuneration of the University Council Members and Senior Management

University Council Members

No remuneration was paid to any members of Council, or members of its standing committees for the financial year in their role as councillor or members of those committees. Some members of Council are employees of the University or were contractors of the University, and as such receive remuneration in the course of their employment with the University.

University Senior Management

Amounts paid or payable to University senior management:

3,558

3,460

\$

\$

Number

Number

100,000

-

114,999

2

-

115,000

-

129,999

1

1

130,000

-

144,999

-

1

160,000

-

174,999

-

1

175,000

-

189,999

1

1

205,000

-

219,000

-

1

220,000

-

234,999

1

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235,000

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249,999

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250,000

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264,999

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265,000

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279,999

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280,000

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294,999

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295,000

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309,999

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310,000

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324,999

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340,000

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354,999

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415,000

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429,999

-

1

430,000

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444,999

1

-

640,000

-

654,999

-

1

715,000

-

729,999

1

-

12

12

The DEEWR Guidelines specify that executives are defined as the CEO and/or any person in a senior management position considered to be part of the University's executive group who is directly accountable and responsible for the strategic direction and operational management of the entity.

Remuneration is based upon the total remuneration package which includes employer and employee (pre tax) superannuation contributions and termination payments, due and receivable, by senior managers from the University. Certain senior managers were employed for part of the year.



## Notes to the Financial Statements for the year ended 31 December 2007

## 31. Financial Instruments

## (a) Interest Rate Risk

The Consolidated Entity has placed its investments in a portfolio managed by independent investment managers. The fund managers enter into interest rate swaps, futures contracts, interest rate options and other forms of agreements to manage cash flow risks associated with the interest rates on investments that are floating, or to alter interest rate exposures arising from mismatches in repricing dates between assets and liabilities.

	Note	Weighted Average Effective Rate	Floating Interest Rate	Fixed Maturity Dates						Non- Interest Bearing	Total
				Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5+ years		
		%	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>2007</b>											
<b>Financial Assets</b>											
Cash & Cash Equivalents	7	6.22%	13,379	7,862	-	-	-	-	-	-	21,241
Receivables	8	0.00%	-	-	-	-	-	-	-	25,663	25,663
Financial Assets Held for Trading	9	0.00%	-	-	-	-	-	-	-	119,786	119,786
Financial Assets Held to Maturity	9	7.08%	-	60,173	-	-	-	-	-	-	60,173
Other Financial Assets	9, 13	1.66%	-	86	117	117	117	117	551	2,672	3,777
Available for Sale	14	0.00%	-	-	-	-	-	-	-	-	-
			<b>13,379</b>	<b>68,121</b>	<b>117</b>	<b>117</b>	<b>117</b>	<b>117</b>	<b>551</b>	<b>148,121</b>	<b>230,640</b>
Weighted Average Interest Rate			<b>5.94%</b>	<b>7.03%</b>	<b>6.36%</b>	<b>6.36%</b>	<b>6.36%</b>	<b>6.36%</b>	<b>6.66%</b>		
<b>Financial Liabilities</b>											
Payables	18	0.00%	-	-	-	-	-	-	-	60,648	60,648
Borrowings	19	0.00%	-	-	-	-	-	-	-	66	66
			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,714</b>	<b>60,714</b>
Weighted Average Interest Rate			<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>		



## Notes to the Financial Statements for the year ended 31 December 2007

## 31. Financial Instruments - continued

	Note	Weighted Average Effective Rate	Floating Interest Rate	Fixed Maturity Dates					Non- Interest Bearing	Total
				Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years		
		%	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>2006</b>										
<b>Financial Assets</b>										
Cash & Cash Equivalents	7	5.60%	93,050	27,433	-	-	-	-	322	120,805
Receivables	8	0.00%	-	-	-	-	-	-	20,509	20,509
Financial Assets Held for Trading	9	0.00%	-	-	-	-	-	-	99,435	99,435
Financial Assets Held to Maturity	9	0.00%	-	-	-	-	-	-	-	-
Other Financial Assets	9, 13	2.59%	-	2,425	94	117	117	117	3,406	6,936
Available for Sale	14	0.00%	-	-	-	-	-	-	1,585	1,585
			<b>93,050</b>	<b>29,958</b>	<b>94</b>	<b>117</b>	<b>117</b>	<b>117</b>	<b>125,257</b>	<b>249,270</b>
<b>Weighted Average Interest Rate</b>										
			<b>5.60%</b>	<b>5.54%</b>	<b>6.28%</b>	<b>6.42%</b>	<b>6.42%</b>	<b>6.42%</b>	<b>6.64%</b>	
<b>Financial Liabilities</b>										
Payables	18	0.00%	-	-	-	-	-	-	47,796	47,796
Borrowings	19	5.83%	-	-	1,210	-	-	-	75	1,285
			<b>-</b>	<b>-</b>	<b>1,210</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,871</b>	<b>49,081</b>
<b>Weighted Average Interest Rate</b>										
			<b>0.00%</b>	<b>0.00%</b>	<b>5.83%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	



## Notes to the Financial Statements for the year ended 31 December 2007

**31. Additional Financial Instruments Disclosure - continued****(b) Foreign Exchange Risk**

The Consolidated Entity has placed its investments in a portfolio managed by independent investment managers. The fund managers enter into forward foreign currency exchange contracts to hedge overseas fixed interest securities and a portion of overseas equities. The terms of the hedge contracts are usually less than three months.

**(c) Credit Risk Exposures**

Credit risk represents the loss that would be recognised if counterparties fail to perform as contracted.

**(i) On Balance Sheet Financial Instruments**

The credit risk on financial assets recognised in the Balance Sheet is the carrying amount of those assets, net of any allowances for losses.

The credit risk relating to Receivables is limited as it consists of a large number of customers across different industries and sectors, including a significant amount owing from Government customers with minimal credit risk. The credit risk relating to Cash Holdings and Investments is limited as the counterparties are banks and investment managers with high credit ratings assigned by international credit-rating agencies.

**(ii) Off Balance Sheet Financial Instruments**

The reporting entity and its controlled entities do not possess or trade any Off Balance Sheet Financial Instruments.

**(d) Liquidity Risk**

Liquidity risk is managed through maintaining a minimum level of readily accessible funds, by continuously monitoring forecast and actual cash flows, in line with the University's Liquidity Risk Management Policy.

**(e) Fair Values of Financial Assets and Financial Liabilities**

Fair values of financial assets and financial liabilities are determined by the Consolidated Entity on the following basis:

**(i) On Balance Sheet Financial Instruments**

The Consolidated Entity has placed its investments in a portfolio managed by independent managers. Listed shares and equities included within these investments are traded in an organised financial market by the fund managers. The Consolidated Entity values these investments at current market value.

Monetary financial assets and financial liabilities not readily traded in an organised financial market are determined by valuing them at amounts due from customers (reduced for expected credit losses) or due to suppliers.

Bank term deposits, accounts receivable, accounts payable and bank loans are carried at nominal value which approximates fair value.

The fair value of investments in unlisted shares in other corporations is determined by reference to the underlying net assets of the respective corporations.

**(ii) Off Balance Sheet Financial Instruments**

The reporting entity and its controlled entities do not possess or trade any Off Balance Sheet Financial Instruments.

**32. Investments in Controlled Entities**

Controlled entities and contribution to operating result before elimination of consolidation items:

Controlled Entity	Holding		Investment at Fair Value		Investment at Cost		Contribution to Operating Result	
	2007	2006	2007	2006	2007	2006	2007	2006
	%	%	\$000	\$000	\$000	\$000	\$000	\$000
The Adelaide Research & Innovation Investment Trust	100	100	1,317	7,063	-	2,898	(2,157)	3,927
Lubims Pty Ltd	100	100	1,047	2,916	-	-	217	438
Martindale Holdings Pty Ltd as trustee for:								
· JS Davies Estate	83	83	18,066	16,514	-	-	2,236	(90)
· JAT Mortlock Trust	100	100	25,258	21,265	-	-	2,734	319
· Roseworthy Farm	100	100	955	322	-	-	633	44
National Wine Centre Pty Ltd	100	100	-	-	-	-	159	142
Roseworthy Piggery Pty Ltd	100	100	67	6	100	100	(139)	(94)
			<b>46,710</b>	<b>48,086</b>	<b>100</b>	<b>2,998</b>	<b>3,683</b>	<b>4,686</b>

All of the above controlled entities are incorporated in Australia.



## Notes to the Financial Statements for the year ended 31 December 2007

**32. Investments in Controlled Entities - continued**

The operating deficit for the Adelaide Research & Innovation Investment Trust in 2007, is a result of a donation by its' controlled entity ACN 008 123 466 Pty Ltd (Formerly Repromed Pty Ltd) to the University out of the residual proceeds from the sale of the reproductive medicine business in 2006.

The operating surplus for JAT Mortlock Trust and JS Davies Estate in 2007, is a result of the first time recognition of inventory in the nature of crops due to their change in reporting date from 31 March to 31 December. Refer to note 11.

**JS Davies Estate**

The University holds a 5/6th interest in a joint venture named JS Davies Estate, the principal activity of which is farming. This venture is managed by Martindale Holdings Pty Ltd and included in the Consolidated Entity. The remaining 1/6th is recognised as an outside equity interest.

**33. Investments in Associates****(a) Equity and Contribution to Operating Result**

Associated Entity	Principal Activity	Holding		Consolidated Carrying Amount		Investment at Cost	
		2007	2006	2007	2006	2007	2006
		%	%	\$000	\$000	\$000	\$000
Held by the University							
Unisure Pty Ltd	Responsible for processing of Tertiary Institution Workers' Compensation Insurance.	33	33	-	-	-	-
Ngee Ann Adelaide Education Centre Pte Ltd	Operates a graduate education centre in Singapore.	50	50	401	374	298	298
Australian Centre for Plant Functional Genomics Pty Ltd	Responsible for the development of world-class capability in plant genomic research & its application for economic & social benefit to Australia.	38	31	26	50	-	-
Reproductive Health Science Pty Ltd	Development of a diagnostic for the reproductive market	23	49	137	82	-	-
				564	506	298	298

Ngee Ann Adelaide Education Centre Pte Ltd is incorporated in Singapore. All other associates are incorporated in Australia.

The University has a 25% interest in an incorporated associate, SABRENet Ltd, which has been established to further the use of advanced data networking, for the conduct of research and education in South Australia. SABRENet Ltd is not accounted for using the equity method as the University does not have access to the residual assets of the entity. During 2007 the University contributed \$58,374 (2006: \$91,000) to the operations of SABRENet Ltd.

	Consolidated		University	
	2007	2006	2007	2006
	\$000	\$000	\$000	\$000
<b>(b) Movements in Carrying Amounts of Investments in Associates</b>				
At beginning of financial year	506	392	-	-
Additional investment in associates	-	50	-	-
Share of operating result	58	64	-	-
	<b>564</b>	<b>506</b>	<b>-</b>	<b>-</b>
<b>(c) Results Attributed to Associates</b>				
Operating result	58	64	-	-
Additional investment in associates	-	50	-	-
Retained surplus attributable to associates at the beginning of the financial year	506	392	-	-
Retained surplus attributable to associates at the end of the financial year	<b>564</b>	<b>506</b>	<b>-</b>	<b>-</b>



## Notes to the Financial Statements for the year ended 31 December 2007

**33. Investments in Associates – continued****(d) Accounting for Associates****(i) Capital and Other Expenditure Commitments**

There are no material capital and other expenditure commitments relating to associated entities

**(ii) Contingent Liabilities**

There are no material contingent liabilities relating to associated entities.

**(iii) Post Balance Date Events**

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

**(iv) Assets, Liabilities, Revenue and Expenditure**

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

**(v) Off Balance Sheet Financial Instruments**

Neither the Consolidated Entity, nor any of its associated entities, have any Off Balance Sheet Financial Instruments.

**(e) Unisure Pty Ltd**

The University of Adelaide is a shareholder along with the University of South Australia and Flinders University in Unisure Pty Ltd, the Associate, which manages workers' compensation claims on behalf of the three institutions. The University's interest (33.3%) in Unisure Pty Ltd is not considered to be material to the University's core activities. Consequently, the investments in the associates has not been accounted for using the equity method as per AASB 128 Investments in Associates.

Unisure Pty Ltd is the trustee of the Unisure Unit trust which holds the University's workers' compensation liabilities and the associated investment funds. As at 31 December 2007 the Unit Trust held net assets of \$4.311 million on behalf of the University of Adelaide (2006: \$5.119 million).

The University has incorporated its share of the financial transactions of the Unisure Unit Trust into the University column of the Financial Statements.

**34. Interests in Joint Ventures****(a) Groups**

The University participates in a number of joint ventures. For reporting purposes these have been segregated into three groups as follows:

**(i) Cooperative Research Centres**

CRCs have the characteristics of joint ventures. These operations are not material to the University and there is no separate disclosure for 2007 in accordance with the Australian Accounting Standard AASB 131 Interests in Joint Ventures.

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

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

			Participation
CRC for Greenhouse Gas Technologies	(U)	(C)	9%
CRC for Molecular Plant Breeding	(U)	-	23%
CRC for Viticulture (Finished June 2007)	(U)	(C)	6%
CRC for Water Quality and Treatment	(U)	(C)	4%
CRC for Australian Weed Management	(U)	(C)	7%
CRC for Plant-Based Management of Dryland Salinity (Finished June 2007)	(U)	(C)	4%
CRC for Landscape Environments and Mineral Exploration	(U)	(C)	8%
CRC for Aquafin	(U)	(C)	-
CRC for NPB Ltd	(I)	(C)	-
Beef CRC Ltd	(I)	(C)	8%
Pork CRC Ltd	(I)	-	27%
eWater Ltd	(I)	(C)	2%
Desert Knowledge	(U)	(C)	-
Future Farm Industries	(I)	(C)	3%
Seafood CRC	(I)	-	-
(I) Incorporated	(U) Unincorporated	(C) CSIRO is a partner	



## Notes to the Financial Statements for the year ended 31 December 2007

### 34. Interests in Joint Ventures - continued

#### (a) Groups - continued

##### (i) Cooperative Research Centres - continued

The University is a supporting participant (but not a signatory) for the CRC for Aquafin, a supporting participant for the CRC for NPB Ltd and Seaford CRC, and is an associate participant for the Desert Knowledge CRC under the terms of an Associate Agreement entered into with Ninti One Limited the CRC management company acting as centre agent.

The University over the next seven years will make both cash and in-kind contributions to support the work of the CRCs. The University has committed to participate in the work of these CRCs, with contributions in constant dollars, of \$1.4 million in cash (2006: \$2.0 million) and \$20.8 million in kind (2006: \$22.6 million).

##### (ii) Joint Ventures Accounted for Using the Equity Method

Name	Principal Activity		Participation
Middleback Field Centre	To provide pastoral-zone courses and range land ecology research programmes. (U)		33%
Professional Certificate in Arbitration (previously - National Course in General Arbitration & Dispute Resolution)	To develop and deliver tertiary courses in arbitration. (U)		50%
South Australian Centre for Economic Studies	To obtain quality research regarding regional economic development with particular application to South Australia. (U)		50%
South Australian Tertiary Admissions Centre	Established as the agent for tertiary institutions in Adelaide for the purpose of receiving and processing applications from intending students. (U)		25%
South Australian Consortium for Information Technology & Telecommunications	Represents the three South Australian Universities by providing a focal point for the State in pursuing & winning major research funding in IT & T. (I)		33%
Ethics Centre of South Australia (ECSA)	ECSA draws on expertise from the three SA Universities to conduct research and provide education and advice on ethical issues. ECSA also aims to provide discussion and understanding of ethical issues in the SA community. (U)		33%
Water Ed Australia Pty Ltd	A centre of leadership and innovation in collaborative water resources management education and training. (I)		20%
Monoclonal Antibodies South Australia (MAbSA)	Responsible for the development of monoclonal antibodies for the research market. (U)		50%
(I) Incorporated	(U) Unincorporated		

All Joint Ventures have a 31 December reporting period, except for South Australian Tertiary Admissions Centre and Water Ed Australia Pty Ltd, which have a 30 June reporting period.

The Consolidated Entity's reported interest in the assets employed in the joint ventures totals \$2.108 million (2006: \$2.823 million). These are included in the consolidated Balance Sheet, in accordance with the accounting policy described in note 3(l).



## Notes to the Financial Statements for the year ended 31 December 2007

**34. Interests in Joint Ventures - continued****(b) Equity and Contribution to Operating Result**

Joint Venture Entity			Carrying Amount		Investment at Cost	
	2007 %	2006 %	2007 \$000	2006 \$000	2007 \$000	2006 \$000
<b>Held by the University</b>						
Middleback Field Centre	33%	33%	27	29	-	-
Professional Certificate in Arbitration	50%	50%	2	69	65	65
South Australian Centre for Economic Studies	50%	50%	87	115	-	-
South Australian Tertiary Admissions Centre	25%	25%	197	291	-	-
South Australian Consortium for Information Technology & Telecommunications	33%	33%	657	969	-	-
Ethics Centre of South Australia	33%	33%	44	36	-	-
Monoclonal Antibodies South Australia (MAbSA)	50%	50%	9	9	-	-
Water Ed Australia Pty Ltd	20%	20%	1,085	1,305	210	70
			<b>2,108</b>	<b>2,823</b>	<b>275</b>	<b>135</b>

	Consolidated		University	
	2007 \$000	2006 \$000	2007 \$000	2006 \$000
<b>(c) Movements in Carrying Amounts of Joint Ventures</b>				
At beginning of financial year	2,823	2,451	-	-
Share of operating result	(855)	302	-	-
Additional investment in joint ventures	140	70	-	-
	<b>2,108</b>	<b>2,823</b>	-	-
<b>(d) Results Attributed to Joint Ventures</b>				
Operating result	(855)	302	-	-
Additional investment in joint ventures	140	70	-	-
Retained surplus attributable at the beginning of the financial year	2,823	2,451	-	-
Retained surplus attributable at the end of the financial year	<b>2,108</b>	<b>2,823</b>	-	-

**(e) Accounting for Joint Ventures****(i) Capital and other expenditure commitments**

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

**(ii) Contingent Liabilities**

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

**(iii) Post Balance Date Events**

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

**(iv) Assets, Liabilities, Revenue and Expenditure**

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

**(v) Off Balance Sheet Financial Instruments**

Neither the reporting entity, nor any of its joint ventures, have any Off Balance Sheet Financial Instruments.

**35. Related Parties****(a) Parent entity**

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

**(b) Controlled entities, joint ventures and associated entities**

Investments in controlled entities are detailed in note 32, investments in associates are detailed in note 33 and interests in joint ventures are detailed in note 34.

**(c) Council members and senior management**

Disclosures relating to the University Council Members and Senior Management are detailed in note 30.



## Notes to the Financial Statements for the year ended 31 December 2007

### 35. Related Parties - continued

#### (d) Councillor Related Transactions

Certain Councillors are members of incorporated and unincorporated associations that are an integral part of the University. Transactions between these bodies, the University and Council members, in respect of services provided to Council members, are trivial and domestic in nature.

Certain Council members hold positions and interests in entities that provide goods and services to the University and its subsidiaries. The provision of these goods and services is on normal trading terms.

#### (e) Property Leases

The University is the lessor of long term leases at peppercorn rents to the CSIRO, Australian Wine Research Institute and SARDI. On this land, these organisations have erected or leased buildings. These buildings become property of the University at the termination of the lease.

The University and the CSIRO are partners in a number of Cooperative Research Centres - refer to Note 34.

#### (f) Fees Paid To Members of Council

No remuneration was paid to any members of Council, or members of its standing committees for the financial year in their role as councillor or members of those committees. Some members of Council are employees of the University or were contractors of the University, and as such receive remuneration in the course of their employment with the University.

#### (g) Students at The University of Adelaide

From time to time, Council members will have members of their immediate family who are students at the University. Unless specifically stated within the financial statements, such students are subject to the normal fee structure and scholarships as any other students. This also applies to members of Council who are enrolled as students.



## Notes to the Financial Statements for the year ended 31 December 2007

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

## 36. Income Statement for the Year Ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>REVENUE FROM CONTINUING OPERATIONS</b>					
Australian Government financial assistance	37	293,811	275,724	293,811	275,724
State and Local Government financial assistance	39	17,705	27,042	17,450	26,759
HECS- HELP - student upfront payments	4	10,236	9,773	10,236	9,773
Fees and charges	40	96,902	87,441	96,915	87,083
Investment income		17,813	29,180	22,811	27,071
Royalties, trademarks and licenses	4	1,126	2,049	526	708
Consultancy and contract revenue	41	47,724	45,915	27,409	29,335
Net Gains on disposal of assets		-	2,908	-	-
Other revenue		52,817	34,686	28,834	17,332
Sub-total		<b>538,134</b>	<b>514,718</b>	<b>497,992</b>	<b>473,785</b>
Deferred government superannuation contributions		(1,200)	600	(1,200)	600
<b>Total operating revenue from continuing operations</b>		<b>536,934</b>	<b>515,318</b>	<b>496,792</b>	<b>474,385</b>
Share of operating results of associates and joint ventures accounted for using the equity method		(797)	366	-	-
<b>Total revenue from continuing operations</b>		<b>536,137</b>	<b>515,684</b>	<b>496,792</b>	<b>474,385</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>					
Salaries and related expenses	5	280,232	256,613	270,910	248,797
Depreciation and amortisation	5	21,632	20,759	20,856	19,936
Buildings and grounds	5	33,005	32,134	31,894	30,892
Bad and doubtful debts	5	312	717	334	652
Finance costs	5	466	143	466	143
Scholarships, grants and prizes		23,702	21,622	23,702	21,622
Non-capitalised equipment	5	8,690	9,547	8,690	9,494
Advertising, marketing and promotional expenses		3,254	4,449	3,234	4,449
Net Losses on disposal of assets	5	267	-	445	1,495
Other expenses		132,709	130,560	103,588	100,927
Sub-total		<b>504,269</b>	<b>476,544</b>	<b>464,119</b>	<b>438,407</b>
Deferred Government employee benefits for superannuation		(1,200)	600	(1,200)	600
<b>Total expenses from continuing operations</b>		<b>503,069</b>	<b>477,144</b>	<b>462,919</b>	<b>439,007</b>
<b>Operating result from continuing operations</b>		<b>33,068</b>	<b>38,540</b>	<b>33,873</b>	<b>35,378</b>
Operating result from discontinued operations		-	359	-	-
<b>Net operating result for the year</b>		<b>33,068</b>	<b>38,899</b>	<b>33,873</b>	<b>35,378</b>



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>37. Australian Government Financial Assistance</b>					
<b>(a) DEEWR - Commonwealth Grants Scheme and Other DEEWR Grants</b>					
Commonwealth Grants Scheme		85,006	78,184	85,006	78,184
Teaching Hospitals Grant		617	567	617	567
Indigenous Support Fund		546	472	546	472
Equity Programmes		193	178	193	178
Workplace Reform Programme		1,143	1,075	1,143	1,075
Learning & Teaching Performance Fund		1,342	-	1,342	-
Capital Development Pool		2,000	2,129	2,000	2,129
Superannuation Programme		2,688	2,590	2,688	2,590
Collaboration & Structural Reform Programme		50	20	50	20
Workplace Productivity Programme		209	112	209	112
		<b>93,794</b>	<b>85,327</b>	<b>93,794</b>	<b>85,327</b>
<b>(b) Higher Education Loan Programmes</b>					
HECS-HELP (Australian Government payments only)		49,471	41,671	49,471	41,671
FEE-HELP		5,378	5,078	5,378	5,078
OS-HELP		428	356	428	356
		<b>55,277</b>	<b>47,105</b>	<b>55,277</b>	<b>47,105</b>
<b>(c) Scholarships</b>					
Australian Postgraduate Awards		4,301	4,381	4,301	4,381
International Postgraduate Research Scholarships		932	899	932	899
Commonwealth Education Costs Scholarships		801	543	801	543
Commonwealth Accommodation Scholarships		1,225	886	1,225	886
		<b>7,259</b>	<b>6,709</b>	<b>7,259</b>	<b>6,709</b>
<b>(d) DEEWR Research:</b>					
Institutional Grants Scheme		16,500	16,371	16,500	16,371
Research Training Scheme		28,989	29,757	28,989	29,757
Systemic Infrastructure Initiative		-	-	-	-
Research Infrastructure Block Grants		13,820	14,248	13,820	14,248
Implementation Assistance Programme		82	-	82	-
Australian Scheme for Higher Education Repositories		145	-	145	-
		<b>59,536</b>	<b>60,376</b>	<b>59,536</b>	<b>60,376</b>
<b>(e) Australian Research Council</b>					
<b>(i) Discovery</b>					
Projects		10,724	11,089	10,724	11,089
Fellowships		911	966	911	966
Indigenous Researchers Development		38	-	38	-
		<b>11,673</b>	<b>12,055</b>	<b>11,673</b>	<b>12,055</b>
<b>(ii) Linkages</b>					
Special Research Initiatives		-	57	-	57
Infrastructure		951	785	951	785
International		137	120	137	120
Projects		3,879	4,265	3,879	4,265
		<b>4,967</b>	<b>5,227</b>	<b>4,967</b>	<b>5,227</b>
<b>(iii) Networks and Centres</b>					
Networks		637	624	637	624
Centres		2,071	3,007	2,071	3,007
		<b>2,708</b>	<b>3,631</b>	<b>2,708</b>	<b>3,631</b>



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>37. Australian Government Financial Assistance - continued</b>					
<b>(f) Other Australian Government financial assistance received:</b>					
Australian Centre for International Agricultural Research		522	413	522	413
Australian Institute of Health and Welfare		598	674	598	674
CSIRO		2,276	814	2,276	814
Defence, Science and Technology Organisation		2,137	2,214	2,137	2,214
Department of Agriculture, Fisheries and Forestry		13,583	16,731	13,583	16,731
Department of Communications, IT and the Arts		224	728	224	728
Department of Defence		90	50	90	50
Department of Education, Science and Training		3,163	181	3,163	181
Department of Environment and Heritage		224	272	224	272
Department of Health and Aged Care		35,075	32,510	35,075	32,510
Department of Trade and Economic Development		32	-	32	-
Department of Veterans' Affairs		256	111	256	111
Other		417	596	417	596
		<b>58,597</b>	<b>55,294</b>	<b>58,597</b>	<b>55,294</b>
<b>Reconciliation</b>					
Australian Government grants		238,962	228,975	238,962	228,975
HECS-HELP - Australian Government payments		49,471	41,671	49,471	41,671
Other Australian Government loan programmes		5,378	5,078	5,378	5,078
		<b>293,811</b>	<b>275,724</b>	<b>293,811</b>	<b>275,724</b>
<b>(g) Australian Government grants received - cash basis</b>					
CGS and Other DEEWR grants		93,794	85,327	93,794	85,327
Higher Education Loan Programmes		51,210	50,425	51,210	50,425
Scholarships		7,142	6,709	7,142	6,709
DEEWR research		59,536	60,376	59,536	60,376
ARC Grants - Discovery		11,673	12,162	11,673	12,162
ARC Grants - Linkages		4,967	5,449	4,967	5,449
ARC Grants - Networks and Centres		2,708	3,631	2,708	3,631
Other Australian Government grants		59,417	52,864	59,417	52,864
		<b>290,447</b>	<b>276,943</b>	<b>290,447</b>	<b>276,943</b>
OS-Help (Net)		457	(453)	457	(453)
		<b>290,904</b>	<b>276,490</b>	<b>290,904</b>	<b>276,490</b>



## Notes to the Financial Statements for the year ended 31 December 2007

## 38. Acquittal of Australian Government Financial Assistance

## (a) DEEWR - Commonwealth Grants Scheme and Other DEEWR Grants

Parent Entity (University) Only

	Notes	Commonwealth Grants Scheme				Teaching Hospitals Grant		Indigenous Support Fund		Equity Programmes		Workplace Reform Programme		Learning & Teaching Performance Fund	
		2007		2006		2007		2007		2007		2006		2007	
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the reporting period	37(a)	85,006	78,184	-	-	617	567	546	472	193	178	1,143	1,075	1,342	-
Net accrual adjustments		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period		85,006	78,184	-	-	617	567	546	472	193	178	1,143	1,075	1,342	-
Surplus/(Deficit) from the previous year		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue including accrued revenue		85,006	78,184	-	-	617	567	546	472	193	178	1,143	1,075	1,342	-
Less expenses including accrued expenses		85,006	78,184	-	-	617	567	546	472	193	178	1,143	1,075	1,342	-
Surplus/(Deficit) for the reporting period		-	-	-	-	-	-	-	-	-	-	-	-	-	-



## Notes to the Financial Statements for the year ended 31 December 2007

## 38. Acquittal of Australian Government Financial Assistance - continued

## (a) DEEWR - Commonwealth Grants Scheme and Other DEEWR Grants - continued

Parent Entity (University) Only

	Notes	Capital Development Pool				Superannuation Programme				Collaboration & Structural Reform Programme				Workplace Productivity Programme				Total	
		2007		2006		2007		2006		2007		2006		2007		2006		2007	
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the reporting period																			
Net accrual adjustments		2,000	-	2,129	-	2,688	-	2,590	-	50	-	20	-	209	-	112	-	93,794	85,327
Revenue for the period	37(a)	2,000	-	2,129	-	2,688	-	2,590	-	50	-	20	-	209	-	112	-	93,794	85,327
Surplus/(Deficit) from the previous year		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue including accrued revenue		2,000	-	2,129	-	2,688	-	2,590	-	50	-	20	-	209	-	112	-	93,794	85,327
Less expenses including accrued expenses		2,000	-	2,129	-	2,688	-	2,590	-	50	-	20	-	209	-	112	-	93,794	85,327
Surplus/(Deficit) for the reporting period		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



## Notes to the Financial Statements for the year ended 31 December 2007

## 38. Acquittal of Australian Government Financial Assistance - continued

## (b) Higher Education Loan Programmes

## Parent Entity (University) Only

		HECS-HELP (Australian Government payments only)												FEE-HELP						Total				OS-HELP				Total			
		2007		2006		2007		2006		2007		2006		2007		2006		2007		2006		2007		2006		2007		2006			
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000			
	Notes	46,253	43,613	4,500	6,456	50,753	50,069	457	356	51,210	50,425																				
		3,218	(1,942)	878	(1,378)	4,096	(3,320)	(29)	-	4,067	(3,320)																				
		49,471	41,671	5,378	5,078	54,849	46,749	428	356	55,277	47,105																				
	37(b)																														



## Notes to the Financial Statements for the year ended 31 December 2007

## 38. Acquittal of Australian Government Financial Assistance - continued

## (c) Scholarships

	Notes	Parent Entity (University) Only									
		Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Costs Scholarships		Commonwealth Accommodation Scholarships		Total	
		2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000
Financial assistance received in cash during the reporting period	37(c)	4,301	4,381	815	899	801	543	1,225	886	7,142	6,709
Net accrual adjustments		-	-	117	-	-	-	-	-	117	-
Revenue for the period		4,301	4,381	932	899	801	543	1,225	886	7,259	6,709
Surplus/(Deficit) from the previous year		572	317	-	-	74	12	254	70	900	399
Total revenue including accrued revenue		4,873	4,698	932	899	875	555	1,479	956	8,159	7,108
Less expenses including accrued expenses		3,948	4,126	932	899	875	481	1,479	702	7,234	6,208
Surplus/(Deficit) for the reporting period		925	572	-	-	-	74	-	254	925	900



## Notes to the Financial Statements for the year ended 31 December 2007

## 38. Acquittal of Australian Government Financial Assistance - continued

## (d) DEEWR Research

## Parent Entity (University) Only

	Notes	Institutional Grants Scheme		Research Training Scheme		Systemic Infrastructure Initiative		Research Infrastructure Block Grants		Implementation Assistance Programme	
		2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000
Financial assistance received in cash during the reporting period		16,500	16,371	28,989	29,757	-	-	13,820	14,248	82	-
Net accrual adjustments		-	-	-	-	-	-	-	-	-	-
Revenue for the period	37(d)	16,500	16,371	28,989	29,757	-	-	13,820	14,248	82	-
Surplus/(Deficit) from the previous year		-	-	-	-	-	10	-	-	-	-
Total revenue including accrued revenue		16,500	16,371	28,989	29,757	-	10	13,820	14,248	82	-
Less expenses including accrued expenses		16,500	16,371	28,989	29,757	-	10	13,820	14,248	82	-
Surplus/(Deficit) for the reporting period		-	-	-	-	-	-	-	-	-	-



## Notes to the Financial Statements for the year ended 31 December 2007

## 38. Acquittal of Australian Government Financial Assistance - continued

(d) DEEWR Research Parent Entity (University) Only

	Notes	Australian Scheme for Higher Education Repositories				Total	
		2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000
Financial assistance received in cash during the reporting period		145	-	-	-	59,536	60,376
Net accrual adjustments		-	-	-	-	-	-
Revenue for the period	37(d)	145	-	-	-	59,536	60,376
Surplus/(Deficit) from the previous year		-	-	-	-	-	10
Total revenue including accrued revenue		145	-	-	-	59,536	60,386
Less expenses including accrued expenses		145	-	-	-	59,536	60,386
Surplus/(Deficit) for the reporting period		-	-	-	-	-	-



## Notes to the Financial Statements for the year ended 31 December 2007

## 38. Acquittal of Australian Government Financial Assistance - continued

	Notes	Projects				Fellowships				Indigenous Researchers Development				Total		Parent Entity (University) Only	
		2007		2006		2007		2006		2007		2006		2007		2006	
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the reporting period		10,724		11,189		911		973		38		-		11,673		12,162	
Net accrual adjustments			(100)					(7)		-		-		-		(107)	
Revenue for the period	37(e)	10,724		11,089		911		966		38		-		11,673		12,055	
Surplus/(Deficit) from the previous year		4,603		3,867		503		752		5		6		5,111		4,625	
Total revenue including accrued revenue		15,327		14,956		1,414		1,718		43		6		16,784		16,680	
Less expenses including accrued expenses		10,745		10,353		845		1,215		40		1		11,630		11,569	
Surplus/(Deficit) for the reporting period		4,582		4,603		569		503		3		5		5,154		5,111	



## Notes to the Financial Statements for the year ended 31 December 2007

## 38. Acquittal of Australian Government Financial Assistance - continued

## (f) Australian Research Council Grants - Linkages

Parent Entity (University) Only

Special Research Initiatives														Infrastructure				International		Projects		Total	
	2007		2006		2007		2006		2007		2006		2007		2006		2007		2006				
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000			
Notes																							
Financial assistance received in cash during the reporting period Net accrual adjustments Revenue for the period  Surplus/(Deficit) from the previous year Total revenue including accrued revenue Less expenses including accrued expenses Surplus/(Deficit) for the reporting period		-	57		951	785		137	269	3,879	4,338												
		-	-		-	-			(149)		(73)												
	37(e)	-	57		951	785		137	120	3,879	4,265												
		12	54		613	771		91	292	2,234	1,750												
	12	111		1,564	1,556		228	412		6,113	6,015												
	12	99		1,065	943		114	321		4,429	3,781												
	-	12		499	613		114	91		1,684	2,234												



## Notes to the Financial Statements for the year ended 31 December 2007

## 38. Acquittal of Australian Government Financial Assistance - continued

## (g) Australian Research Council Grants - Networks and Centres

Parent Entity (University) Only

	Notes	Networks		Centres		Total	
		2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000
Financial assistance received in cash during the reporting period	37(e)	637	624	2,071	3,007	2,708	3,631
Net accrual adjustments		-	-	-	-	-	-
Revenue for the period		637	624	2,071	3,007	2,708	3,631
Surplus/(Deficit) from the previous year		618	585	-	355	618	940
Total revenue including accrued revenue		1,255	1,209	2,071	3,362	3,326	4,571
Less expenses including accrued expenses		678	591	2,071	3,362	2,749	3,953
Surplus/(Deficit) for the reporting period		577	618	-	-	577	618



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>39. State and Local Government Financial Assistance</b>					
<b>(a) South Australian Government and Local Government financial assistance</b>					
Arts South Australia		123	54	123	54
Bio Innovation SA		895	2,072	895	2,009
Central Northern Adelaide Health Service		2,543	2,151	2,543	2,151
Department for Environment and Heritage		626	460	626	460
Department for Families and Communities		17	20	17	20
Department of Further Education, Employment, Science and Technology		3,715	2,622	3,715	2,622
Department of Health		1,112	2,262	1,112	2,262
Department of the Premier and Cabinet		289	262	289	262
Department of Primary Industries & Resources		1,528	10,967	1,528	10,967
Department of Education & Children Services		11	11	11	11
Department for Trade and Economic Development		97	30	97	30
Department for Transport, Energy and Infrastructure		607	578	607	578
Department of Water, Land and Biodiversity Conservation		733	710	733	710
Institute of Medical and Veterinary Science		91	36	91	36
Motor Accident Commission		674	595	674	595
Office for the Commissioner for Public Employment		-	5	-	5
Police Department SA		105	150	105	150
Public Trustee Office		26	25	26	25
Repatriation General Hospital		25	6	25	6
Royal Adelaide Hospital		2,413	1,894	2,413	1,894
South Australian Dental Service		126	141	126	141
South Australian Museum		223	234	223	234
Southern Adelaide Health Service		-	89	-	89
Southern York Peninsula Health Commission		255	220	-	-
Children, Youth and Women's Health Service		402	645	402	645
Workcover Corporation		-	14	-	14
Other		714	444	714	444
<b>Total South Australian Government and Local Government financial assistance</b>		<b>17,352</b>	<b>26,697</b>	<b>17,097</b>	<b>26,414</b>
<b>(b) Other State Government and Local Government financial assistance</b>		<b>353</b>	<b>345</b>	<b>353</b>	<b>345</b>
<b>Total State and Local Government financial assistance</b>		<b>17,705</b>	<b>27,042</b>	<b>17,450</b>	<b>26,759</b>



## Notes to the Financial Statements for the year ended 31 December 2007

	Note	Consolidated		University	
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>40. Fees and Charges</b>					
Fees and charges were collected from the following sources during the reporting period:					
Student fee income	4	81,060	71,033	81,060	71,033
Library charges and fines	4	936	882	936	882
Application management and late fees	4	660	564	660	564
Parking fees	4	978	929	978	929
Rental charges/accommodation fees	4	8,976	8,279	8,989	7,921
Recharge of costs to other organisations	4	218	1,019	218	1,019
Franchise fees	4	917	978	917	978
Other		3,157	3,757	3,157	3,757
		<b>96,902</b>	<b>87,441</b>	<b>96,915</b>	<b>87,083</b>
<b>41. Consultancy and Contract Revenue</b>					
Consultancy		20,941	18,001	6,652	4,882
Contract research		26,783	27,914	20,757	24,453
		<b>47,724</b>	<b>45,915</b>	<b>27,409</b>	<b>29,335</b>



Notes:







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