

Annual Report 2010

Part Two | Financial Statements





**Statement by the Chancellor, Vice-Chancellor & President
and Acting Chief Financial Officer**

In our opinion:

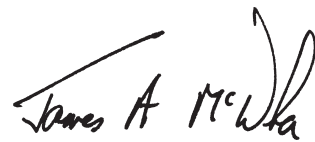
- (a) the Financial Statements of The University of Adelaide have been prepared in accordance with the accounts and record of the University and present a true and fair view of the financial position of the University of Adelaide and the results of its operations and cash flows for the year ended 31 December 2010;
- (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 ROBERT M. HILL
Chancellor



PROFESSOR JAMES A. McWha
Vice-Chancellor and President



MR. ANDRE SCOTT
Acting Chief Financial Officer

28 March 2011



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TO THE CHANCELLOR UNIVERSITY OF ADELAIDE

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 its controlled entities (the consolidated entity) for the financial year ended 31 December 2010. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 31 December 2010
- a Statement of Changes in Equity for the year ended 31 December 2010
- a Statement of Financial Position as at 31 December 2010
- a Statement of Cash Flows for the year ended 31 December 2010
- notes comprising a summary of significant accounting policies and other explanatory information
- a Statement from the Chancellor, Vice Chancellor and the Acting Chief Financial Officer.

The consolidated financial report comprises the University of Adelaide and the entities it controlled at the year's end or from time to time during the financial year.

The Council's Responsibility for the Financial Report

The Members of the Council are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the Members of the Council determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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 comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about 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 control relevant to the entity's preparation of the financial report that gives a true and fair view 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.

Opinion

In my opinion, the financial report gives a true and fair view of the financial position of the University of Adelaide and its controlled entities (the consolidated entity) as at 31 December 2010, 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* and Australian Accounting Standards.

A handwritten signature in black ink, appearing to read 'S O'Neill', with a horizontal line extending from the end of the signature.

S O'Neill
AUDITOR-GENERAL
6 April 2011

Report by the Members of the Council

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 2010.

Members

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

Professor James Alexander McWha	Mr Ian John Kowalick
Mr Charles Bagot	Professor Simon Maddocks
Ms Kathryn Castine	Ms Pamela June Martin
Ms Dianne Davidson	Dr John Clive Radcliffe AM
Professor Christopher Findlay AM	Mr Stephen Elliott Young

The following persons were newly appointed/elected members during 2010 and continue in office at the date of this report.

Member	Date Appointed/Elected
The Hon Robert Murray Hill	26 July 2010
Dr Susan Robinson	6 September 2010
Ms Loewn Steel	1 January 2010
Professor Anthony Thomas	1 August 2010 (re-elected 6 March 2011)
Mr Xu Ting	6 March 2010 (re-elected 6 March 2011)

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

Member	Date Ceased
Ms Carolyn Anderson	5 September 2010
Ms Ai Chen	5 March 2010
Dr Rodney James Crewther	5 March 2011
Mr Sam Kirchner	5 March 2010
Mr Jeremy Kwan	5 March 2011
Ms Sophie Plagakis	5 March 2010
Professor Valerie Linton	29 March 2010 (resigned)
Mr Christakis Soteriou	5 March 2011
The Hon John William von Doussa AO QC	25 July 2010

The following persons were new ex officio/elected in 2011 and are members up to the date of this report.

Member	Date Elected/Ex Officio
Mr Gerald Buttfield	6 March 2011
Mr Andrew Shepherd	6 March 2011
Ms Gloria Sumner	6 March 2011
Mr Fan Yang	6 March 2011

The following persons were elected during 2010 and were members until his/her term of office ceased.

Member	Date Elected	Date Ceased
Ms Lavinia Emmett-Grey	6 March 2010	5 March 2011
Mr Christopher Wong	6 March 2010	5 March 2011

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 2010, and the numbers of meetings attended by each member were:

	Council		Academic Board		Audit, Compliance & Risk C'ttee		Convenors' C'ttee		Finance C'ttee		People and Culture C'ttee		Senior Executive Review C'ttee		Special Degrees C'ttee	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B
The Hon John von Doussa QC, Chancellor	4	4	0	4			1	1					1	1		
The Hon Robert Murray Hill, Chancellor	4	4	0	4			2	2					1	1	1	1
Professor James McWha, Vice-Chancellor and President	8	8	3	8	4	6	3	3	7	7	2	2	2	2	1	1
Ms C. Anderson	3	5													1	1
Mr C. Bagot	7	8			6	6	3	3					2	2		
Ms K. Castine	8	8					3	3			2	2				
Ms A. Chen	0	1														
Dr R.J. Crewther	7	8														
Ms D. Davidson	6	8									2	2				
Ms L. Emmett-Grey	6	8														
Professor C. Findlay AM	8	8	8	8			2	3	2	4						
Mr S. Kirchner	1	1														
Mr I. J. Kowalick	7	8			6	6	2	3	7	7			2	2		
Mr J. Kwan	7	8														
Professor V. M. Linton	2	2							2	2						
Professor S. Maddocks	6	8													1	1
Ms P. J. Martin	8	8					3	3					1	2	1	1
Ms S. Plagakis	0	1														
Dr J. C. Radcliffe AM	7	8			6	6										
Dr S. Robinson	2	3														
Mr C. Soteriou	8	8														
Ms L. Steel	6	8														
Professor A. Thomas	3	4														
Mr X. Ting	7	7														
Mr C. Wong	4	7														
Mr S. E. Young	8	8							5	7						

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 \$60 million for the year (2009: \$68 million), 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 set the minimum requirements the Group entity must meet.

The University's Environmental Management Program includes a comprehensive environmental regulations compliance plan within the guidelines of the University's Legal Compliance Framework. The plan provides information, resources and advice to the University community to build a stronger compliance culture.

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 ROBERT M. HILL
Chancellor

Adelaide
28 March 2011

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Statement of Comprehensive Income for the year ended 31 December 2010

	Note	Consolidated		University	
		2010	2009	2010	2009
		\$000	\$000	\$000	\$000
Revenue from continuing operations					
Received under Higher Education Support Act					
Base operating financial assistance	4	162,525	149,302	162,525	149,302
Other operating financial assistance	4	8,397	12,455	8,397	12,455
Higher Education Contribution Scheme	4	83,734	76,012	83,734	76,012
		254,656	237,769	254,656	237,769
Learning and Teaching					
Student fees	4	135,396	114,202	135,396	114,202
Grants		54,538	36,949	48,877	36,477
		189,934	151,151	184,273	150,679
Research Grants and Fees					
National competitive grants		81,263	74,060	81,263	74,060
Public sector - other		43,134	39,488	33,892	37,045
Industry and other		34,541	27,039	23,265	22,983
		158,938	140,587	138,420	134,088
Research - Other					
Cooperative Research Centre direct funding		2,963	4,854	2,963	4,854
Research infrastructure program		14,158	14,471	14,158	14,471
Sustainable Excellence Research Funding		4,551	-	4,551	-
		21,672	19,325	21,672	19,325
Other					
Investment revenue	4	12,585	25,387	28,806	27,423
Property revenue	4	14,356	12,337	14,716	12,595
Specialist services and trading	4	49,037	60,619	16,567	16,570
Other	4	32,219	22,041	26,153	19,825
		108,197	120,384	86,242	76,413
Total revenue from continuing operations		733,397	669,216	685,263	618,274
Expenses from continuing operations					
Salaries and related expenses	5	357,570	326,304	346,139	314,010
Student services		34,273	30,743	34,273	30,743
Teaching and research	5	68,678	65,840	68,983	66,227
Buildings and grounds	5	41,755	37,852	41,005	36,090
Finance costs	5	3,659	790	4,079	1,121
Administration, communication and travel	5	108,124	98,114	67,617	62,307
Finance and fund administration	5	2,728	5,119	2,622	5,119
Misc equip, dep'n and net loss on disposal of assets	5	56,664	36,455	56,453	35,604
Total expenses from continuing operations		673,451	601,217	621,171	551,221
Net operating result for the year		59,946	67,999	64,092	67,053

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

Statement of Comprehensive Income for the year ended 31 December 2010 – continued

		Consolidated		University	
		2010	2009	2010	2009
	Note	\$000	\$000	\$000	\$000
Operating result for the period		59,946	67,999	64,092	67,053
Other comprehensive income					
Gain / (loss) on revaluation of land and buildings	15	73,554	-	73,380	-
Gain / (loss) on value of available for sale financial assets, net of tax	14	-	-	(5,730)	819
Gain / (loss) on revaluation of Library	15	(1,810)	-	(1,810)	-
Gain / (loss) on swap contracts	9	(1,257)	13,142	(1,257)	13,142
Share of other comprehensive income of associates and joint ventures, net of tax	4	(136)	(248)	-	-
Net actuarial gain / (loss) recognised in respect of Defined Benefit Plans	27	(710)	5,013	(710)	5,013
Non-controlling equity interest distribution paid		(493)	-	-	-
Total other comprehensive income		69,148	17,907	63,873	18,974
Total comprehensive income		129,094	85,906	127,965	86,027
Total comprehensive income attributable to non-controlling interest		109	(128)	-	-
Total comprehensive income attributable to the University of Adelaide		129,203	85,778	127,965	86,027

Statement of Changes in Equity for the year ended 31 December 2010

Consolidated	Capital	Specific	Retained	Minority	Total
	Reserves	Purpose	Surplus	Interest	
	\$000	Reserves	\$000	\$000	\$000
Balance at 1 January 2009	513,980	205,275	154,124	1,657	875,036
Net operating result	-	47,182	20,689	128	67,999
Other comprehensive income					
Gain / (loss) on interest rate swap contracts	-	13,142	-	-	13,142
Share of other comprehensive income of associates and joint ventures, net of tax	-	-	(248)	-	(248)
Net actuarial gain / (loss) recognised in respect of Defined Benefit Plans	-	5,013	-	-	5,013
Total other comprehensive income	-	18,155	(248)	-	17,907
Balance at 31 December 2009	513,980	270,612	174,565	1,785	960,942
Operating result after income tax for the period					
Balance at 1 January 2010	513,980	270,612	174,565	1,785	960,942
Net operating result	(50)	60,952	(1,340)	384	59,946
Other comprehensive income					
Gain / (loss) on revaluation of land and buildings	73,554	-	-	-	73,554
Gain / (loss) on revaluation of Library	(1,810)	-	-	-	(1,810)
Gain / (loss) on swap contracts	-	(1,257)	-	-	(1,257)
Share of other comprehensive income of associates and joint ventures, net of tax	-	-	(136)	-	(136)
Net actuarial gain / (loss) recognised in respect of Defined Benefit Plans	-	(710)	-	-	(710)
Non-controlling equity interest distribution paid	-	-	-	(493)	(493)
Total other comprehensive income	71,744	(1,967)	(136)	(493)	69,148
Balance at 31 December 2010	585,674	329,597	173,089	1,676	1,090,036
Parent	Capital	Specific	Retained	Minority	Total
	Reserves	Purpose	Surplus	Interest	
	\$000	Reserves	\$000	\$000	\$000
Balance at 1 January 2009	527,678	205,275	134,227	-	867,180
Net operating result	-	47,182	19,871		67,053
Other comprehensive income					
Gain / (loss) on value of available for sale financial assets, net of tax	819	-	-	-	819
Gain / (loss) on interest rate swap contracts	-	13,142	-	-	13,142
Net actuarial gain / (loss) recognised in respect of Defined Benefit Plans	-	5,013	-	-	5,013
Total other comprehensive income	819	18,155	-	-	18,974
Balance at 31 December 2009	528,497	270,612	154,098	-	953,207
Operating result after income tax for the period					
Balance at 1 January 2010	528,497	270,612	154,098	-	953,207
Net operating result	-	60,952	3,140	-	64,092
Other comprehensive income					
Gain / (loss) on revaluation of land and buildings	73,380	-	-	-	73,380
Gain / (loss) on value of available for sale financial assets, net of tax	(5,730)	-	-	-	(5,730)
Gain / (loss) on revaluation of Library	(1,810)	-	-	-	(1,810)
Gain / (loss) on swap contracts	-	(1,257)	-	-	(1,257)
Net actuarial gain / (loss) recognised in respect of Defined Benefit Plans	-	(710)	-	-	(710)
Total other comprehensive income	65,840	(1,967)	-	-	63,873
Balance at 31 December 2010	594,337	329,597	157,238	-	1,081,172

Statement of Financial Position for the year ended 31 December 2010

		Consolidated		University	
	Note	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Current Assets					
Cash and cash equivalents	6	31,958	21,428	23,594	15,123
Receivables	7	31,976	28,728	26,188	25,886
Other financial assets	8	57,445	40,003	57,750	39,600
Inventories	10	10,112	8,175	1,139	1,172
Other non-financial assets	11	6,781	7,354	6,750	7,252
		138,272	105,688	115,421	89,033
Non-current assets held for sale	12	29,203	39,297	-	-
Total current assets		167,475	144,985	115,421	89,033
Non-current Assets					
Other financial assets	8	119,856	108,256	120,186	108,643
Investments accounted for using the equity method	13	2,159	2,295	713	713
Available-for-sale financial assets	14	-	-	41,723	47,453
Property, plant and equipment	15	991,683	877,553	985,183	874,696
Investment property	16	18,685	19,252	18,685	19,252
Intangible assets	17	19,064	1,664	19,064	1,664
Other non-financial assets	11	1,317	1,186	1,317	1,186
Deferred government superannuation contribution	27	57,257	51,700	57,257	51,700
Total non-current assets		1,210,021	1,061,906	1,244,128	1,105,307
Total assets		1,377,496	1,206,891	1,359,549	1,194,340
Current Liabilities					
Payables	18	54,360	48,686	37,363	37,324
Borrowings	19	5,006	2,506	5,006	2,506
Provisions	20	28,204	27,037	27,398	26,268
Derivative financial instruments	9	-	64	-	64
Defined benefit obligation	27	3,900	3,500	3,900	3,500
Other	21	10,990	11,454	20,447	19,100
Total current liabilities		102,460	93,247	94,114	88,762
Non-current Liabilities					
Payables	18	5,966	5,338	5,487	5,239
Borrowings	19	78,043	55,849	78,043	55,849
Provisions	20	43,826	40,828	43,568	40,596
Derivative financial instruments	9	3,808	2,487	3,808	2,487
Defined benefit obligation	27	53,357	48,200	53,357	48,200
Total non-current liabilities		185,000	152,702	184,263	152,371
Total liabilities		287,460	245,949	278,377	241,133
Net assets		1,090,036	960,942	1,081,172	953,207
Equity					
Capital reserves	23	585,674	513,980	594,337	528,497
Specific purpose reserves	23	329,597	270,612	329,597	270,612
Retained surplus	23	173,089	174,565	157,238	154,098
Total University interest		1,088,360	959,157	1,081,172	953,207
Non-controlling interest		1,676	1,785	-	-
Total equity		1,090,036	960,942	1,081,172	953,207

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Cash Flows for the year ended 31 December 2010

		Consolidated		University	
		2010	2009	2010	2009
	Note	\$000	\$000	\$000	\$000
Cash flows from operating activities					
Inflows:					
Australian Government financial assistance	37(h)	405,243	351,545	399,868	351,545
OS-Help (net)	37(h)	1,105	450	1,105	450
Superannuation Supplementation	37(h)	3,311	3,086	3,311	3,086
State Government financial assistance		24,011	30,360	23,684	30,049
HECS-HELP student upfront payments		13,446	12,456	13,446	12,456
Fee paying student revenue received		127,020	111,819	127,020	111,819
Fees and charges		17,094	14,589	17,094	14,589
Donations and bequests		8,972	6,256	8,972	6,244
Interest and dividends received		9,015	6,494	5,536	4,317
Consultancy and contract research		60,977	67,862	32,962	38,490
Specialist services and produce trading		15,935	16,240	3,691	4,701
GST received		26,526	29,174	24,747	27,480
Other		29,562	31,481	39,479	23,200
Total inflows		742,217	681,812	700,915	628,426
Outflows:					
Salaries and related expenses		(350,678)	(325,115)	(339,240)	(312,999)
Student services		(34,306)	(30,816)	(34,257)	(30,752)
Goods and services		(230,565)	(219,303)	(196,112)	(179,505)
Interest and other costs of finance		(3,902)	(1,122)	(3,902)	(1,122)
GST paid		(28,566)	(31,733)	(24,264)	(28,190)
Total outflows		(648,017)	(608,089)	(597,775)	(552,568)
Net cash provided by operating activities	24	94,200	73,723	103,140	75,858

Statement of Cash Flows for the year ended 31 December 2010 – continued

	Note	Consolidated		University	
		2010	2009	2010	2009
		\$000	\$000	\$000	\$000
Cash flows from investing activities					
Inflows:					
Proceeds from sale of property, plant and equipment		16,605	360	137	289
Proceeds from sale of financial assets		3,270	83,832	2,867	83,475
Sale of investments - held to maturity		-	572	-	572
Increase in loans		38	496	6	191
Repayment of loans by related parties		172	153	172	172
Increase in funds held on deposit		-	-	1,500	-
Total inflows		20,085	85,413	4,682	84,699
Outflows:					
Payments for property, plant and equipment		(90,380)	(130,253)	(86,274)	(129,455)
Payments for intangible assets		(7,922)	(8,713)	(7,922)	(8,713)
Purchase of financial assets		(11,859)	(85,102)	(11,859)	(84,702)
Purchase of investments - held to maturity		(17,900)	-	(17,900)	-
Decrease in loans		(16)	(142)	(16)	(6)
Increase in loans to related parties		-	-	(250)	-
Decrease in funds held on deposit		-	-	-	(4,500)
Total Outflows		(128,077)	(224,210)	(124,221)	(227,376)
Net cash used in investing activities		(107,992)	(138,797)	(119,539)	(142,677)
Cash flows from financing activities					
Inflows:					
Increase in Borrowings		24,700	58,300	24,700	58,300
Total inflows		24,700	58,300	24,700	58,300
Outflows:					
Repayment of borrowings		(55)	-	-	-
Dividends paid to minority interests		(493)	-	-	-
Total outflows		(548)	-	-	-
Net cash used in financing activities		24,152	58,300	24,700	58,300
Net increase in cash and cash equivalents		10,360	(6,774)	8,301	(8,519)
Cash and cash equivalents at the beginning of reporting period		21,428	28,016	15,123	23,456
Effects of exchange rate changes on cash and cash equivalents		170	186	170	186
Cash and cash equivalents at end of reporting period	6	31,958	21,428	23,594	15,123

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

The University invests its surplus working capital into bank term investments. These bank term investments are reported as Financial Assets held-to-maturity within Note 8 (2010: \$57.3 million, 2009: \$39.4 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 Statement of Cash Flows.

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Acquittal of Australian Government Financial Assistance – Higher Education Loan Programmes
Acquittal of Australian Government Financial Assistance – Learning Scholarships
Acquittal of Australian Government Financial Assistance – DIISR - Research
Acquittal of Australian Government Financial Assistance – Other Capital Funding
Acquittal of Australian Government Financial Assistance – Australian Research Council Grants - Discovery
Acquittal of Australian Government Financial Assistance – Australian Research Council Grants - Linkages
Acquittal of Australian Government Financial Assistance – Australian Research Council Grants - Networks and Centres
State and Local Government Financial Assistance
Fees and Charges
Consultancy and Contract Revenue

Notes to the Financial Statements for the year ended 31 December 2010

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 1987 (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 2010 operating results and 2009 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)

Adelaide Unicare 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 2010

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.

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.

Non-controlling interest 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 Net operating result. Amounts receivable and payable in foreign currencies at balance date are translated at the rates of exchange ruling on that date.

(d) Revenue Recognition

The University recognises revenue when the amount of revenue can be reliably measured, it is probable that the 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 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 Net operating result. 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 Statement of Financial Position.

Notes to the Financial Statements for the year ended 31 December 2010

3. Statement of Significant Accounting Policies – continued

(e) Goods and Services Tax - continued

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(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 as an expense in the period as incurred.

Any 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
- the ability to measure reliably the expenditure attributable to the intangible asset during its 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 Net operating result. For defined benefit plans, the actuarial gains and losses are recognised immediately in Other comprehensive income 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 Statement of Financial Position. 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.

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 Statement of Financial Position, with any realised and unrealised gains or losses recognised in the Net operating result.

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 Statement of Financial Position at market values obtained from the investment managers.

- **Financial assets held-to-maturity**

The University places its surplus operating funds into bank term deposits with fixed maturity dates. The bank term deposits held at balance date had original maturities of 180 days or less. 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 Statement of Financial Position. 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 Net operating result 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 the lower of cost or net realisable value. 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 instruments) to manage its exposure to movements in interest rates on its borrowings.

In addition, the Consolidated Entity enters into foreign currency swaps (Derivative financial instruments) to manage its exposure to movements in exchange rates on its capital expenditure.

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 and foreign currency swaps 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.

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 Statement of Comprehensive Income. The gain or loss relating to the ineffective portion is recognised immediately in the Net operating result. As at 31 December 2010 there are no ineffective hedge instruments.

Amounts deferred in equity are recorded in the Net operating result in the periods when the hedged item is recognised in the Net operating result. 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 Net operating result. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in other comprehensive income is recognised immediately in the Net operating result.

(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 Net operating result 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 Consolidated Other comprehensive income 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 Consolidated Entity'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 Statement of Financial Position. Where controlled entities have reported livestock, this is included at net realisable value.

(n) Property, Plant and Equipment

• **Acquisitions**

Items of property, plant and equipment are initially recorded at cost in the Statement of Financial Position (unless otherwise indicated) and depreciated in accordance with Note 3(q).

• **Revaluations**

During 2010 land and buildings were independently valued on a fair value basis in accordance with Australian Accounting Standards.

3. Statement of Significant Accounting Policies – continued

(n) Property, Plant and Equipment - continued

• Revaluations - continued

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 Statement of Financial Position except to the extent that they reverse previous reductions in the carrying amounts which were charged to the Net operating result. 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 Net operating result.

• 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 Martin Oldfield, AAPI, B.Bus Property (Val), Mr Lachlan Hogarth, AAPI, B.Bus Property (Val), Grad Cert App Fin, Mrs Kate Tynan, AAPI, B.Bus Prop (Val), Dimitri Ekonomopoulos, GAPI, B.Bus Property (Val) of Maloney Field Services (Australia) Pty Ltd on 31 December 2010.

• 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 Statement of Financial Position. 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 2010 using an internal valuation based on the annual price movement of books.

• 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 Bonham's & Goodman on 31 December 2008. The additions to works of art during 2009 and 2010 have been recognised at cost. No provision for depreciation is made for works of art.

• Leased Property, 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 Net operating result on a straight-line basis, over the period of the lease.

(o) Non-current Assets Held for Sale

Non-current assets are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The University intends to dispose of any assets held for sale within the next 12 months after balance date.

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

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

Non-current assets classified as held for sale are presented separately within current assets in the Statement of Financial Position.

(p) 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 Net operating result 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.

3. Statement of Significant Accounting Policies – continued

(q) 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 and works of art, 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:

• 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.

(r) 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 Net operating result in the period that they arise. The properties are not depreciated. Rental revenue from the leasing of investment properties is recognised in the Net operating result 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 L. Hogarth, AAPI, B.Bus.Property (Val), Grad Cert App Fin, of Maloney Field Services (Australia) Pty Ltd on 31 December 2010.

(s) Workers' Compensation

The University is responsible for payments of workers' compensation claims and is registered with Workcover as an exempt employer.

The actuarial assessment of the provision for workers' compensation claims has been prepared by Brett & Watson Pty Ltd using the Incurred Claims Cost Development method. Under the Incurred Claims Cost Development method the development of the case estimated incurred cost (case estimates plus inflation adjusted amounts paid) is calculated and development factors adopted based on past experience. These development factors are used to determine the ultimate incurred claims cost and by deducting the inflation adjusted payments to date, the expected future claim payments, expressed in current values.

(t) Payables

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(u) 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.

(v) 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.

(w) Borrowings Costs

Borrowing costs incurred for the construction of buildings are capitalised during the period of time that is required to complete and prepare the building for its intended use. Other borrowing costs are expensed.

(x) 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 2010

	Consolidated		University	
	2010	2009	2010	2009
Note	\$000	\$000	\$000	\$000
4. Revenue from continuing operations				
Received under Higher Education Support Act				
Base operating financial assistance				
Commonwealth Grants Scheme (Commonwealth supported places)	119,182	105,749	119,182	105,749
Institutional Grants Scheme	15,271	15,744	15,271	15,744
Research Training Scheme	28,072	27,809	28,072	27,809
	162,525	149,302	162,525	149,302
Other operating financial assistance				
Capital development pool and renewal funding	-	2,246	-	2,246
Other operating financial assistance	8,397	10,209	8,397	10,209
	8,397	12,455	8,397	12,455
Higher Education Contribution Scheme				
HECS-HELP student upfront payments	13,446	12,456	13,446	12,456
Australian Government financial assistance	70,288	63,556	70,288	63,556
	83,734	76,012	83,734	76,012
	254,656	237,769	254,656	237,769
Student fee income includes:				
Fee paying student revenue received				
Award courses				
Australian fee paying undergraduate students	1,640	2,739	1,640	2,739
Australian fee paying postgraduate students	2,939	2,942	2,939	2,942
International fee paying students	114,401	92,017	114,401	92,017
	118,980	97,698	118,980	97,698
Non award courses				
Continuing education	553	609	553	609
Australian fee paying	5,510	5,408	5,510	5,408
Other teaching service fees	4,238	4,317	4,238	4,317
	10,301	10,334	10,301	10,334
	129,281	108,032	129,281	108,032
Australian Government financial assistance				
FEE-HELP	5,309	5,391	5,309	5,391
Overseas postgraduate research scholarship	806	779	806	779
	135,396	114,202	135,396	114,202
Investment revenue				
General fund earnings	5,239	2,127	4,792	2,580
Net realised gains on composite fund investments	3,191	-	3,191	-
General and composite fund investment market valuation adjustment	-	20,335	-	20,335
Royalty, trademarks and licences	3,203	1,701	619	1,422
Dividends received	952	1,224	952	1,224
Distributions from controlled entities	-	-	19,252	1,862
	12,585	25,387	28,806	27,423
Property revenue				
Rental charges/accommodation fees	11,383	10,451	11,590	10,633
Parking fees	1,203	1,004	1,203	1,004
Building development and maintenance recovery	1,250	473	1,250	473
Other property revenue	520	409	673	485
	14,356	12,337	14,716	12,595

Notes to the Financial Statements for the year ended 31 December 2010

	Note	Consolidated		University	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000
4. Revenue from continuing operations - continued					
Other revenue					
Specialist services and trading					
Consultancy fees		15,996	26,883	7,636	8,262
Library charges and fines		882	976	882	976
Sale of services		18,129	20,888	5,047	5,722
Sale of goods		10,677	9,100	606	480
Sponsorship and conference income		1,267	598	1,267	598
Other specialist services and trading		2,086	2,174	1,129	532
		49,037	60,619	16,567	16,570
Bequests and donations received for:					
Research		5,598	3,262	5,598	3,262
General operational purposes		3,402	2,953	3,402	2,953
		9,000	6,215	9,000	6,215
Prizes and scholarships		1,646	1,324	1,646	1,324
Recharge of costs to other organisations		445	377	445	377
Application management and late fee		763	490	763	490
Franchise fees		837	998	837	998
Bad debts recoveries		-	2	-	2
Insurance claim recovery		15	6	15	6
Salary recharges		1,590	913	1,590	913
AusAid Scholarships & stipends		4,785	3,670	4,785	3,670
Net foreign exchange gain		170	186	170	186
Other revenue		12,968	7,860	6,902	5,644
		32,219	22,041	26,153	19,825
Share of operating results of associates and joint ventures accounted for using the equity method					
Joint venture operations	34	(123)	(84)	-	-
Associates	33	(13)	(164)	-	-
		(136)	(248)	-	-

Notes to the Financial Statements for the year ended 31 December 2010

	Note	Consolidated		University	
		2010	2009	2010	2009
		\$000	\$000	\$000	\$000
5. Expenses from continuing operations					
Salaries and related expenses					
Salaries and related expenses - Academic					
Salaries		139,554	129,012	139,554	129,012
Contributions to superannuation schemes		20,585	18,166	20,585	18,166
Payroll tax		8,170	7,214	8,170	7,214
Annual leave		12,325	9,760	12,325	9,760
Long service leave		3,724	2,970	3,724	2,970
Workers' compensation		705	625	705	625
Other		4,557	4,333	4,557	4,333
Total academic salaries and related expenses		189,620	172,080	189,620	172,080
Salaries and related expenses - Non-academic					
Salaries		122,514	113,301	112,935	102,907
Contributions to superannuation schemes		16,781	14,708	15,819	13,688
Payroll tax		7,025	5,850	6,514	5,637
Annual leave		10,537	8,877	10,414	8,530
Long service leave		2,961	2,674	2,893	2,596
Workers' compensation		726	692	563	488
Other		4,271	4,868	4,246	4,830
Total non-academic salaries and related expenses		164,815	150,970	153,384	138,676
		354,435	323,050	343,004	310,756
Deferred Government superannuation expense		3,135	3,254	3,135	3,254
Total salaries and related expenses		357,570	326,304	346,139	314,010
Teaching and research					
Agriculture, animals and cropping		829	618	900	771
Books, subscriptions and printed material		7,647	8,216	7,647	8,216
Laboratory expenses		15,478	14,765	15,478	14,765
Research transfer to other institutions		24,056	23,693	24,056	23,693
Other teaching and research		20,668	18,548	20,902	18,782
		68,678	65,840	68,983	66,227
Buildings and grounds					
Cleaning and security		7,281	6,249	7,222	5,805
Property maintenance		12,225	10,454	12,084	9,474
Building leases and rent		11,282	14,229	11,025	14,160
Utilities		10,967	6,920	10,674	6,651
		41,755	37,852	41,005	36,090

Notes to the Financial Statements for the year ended 31 December 2010

	Note	Consolidated		University	
		2010	2009	2010	2009
		\$000	\$000	\$000	\$000
5. Expenses from continuing operations - continued					
Finance costs					
Interest		3,056	313	3,476	644
Finance charges		603	477	603	477
		3,659	790	4,079	1,121
Administration, communication and travel					
Consultants & specialist services		17,868	20,948	15,371	18,842
Fees & licenses		11,166	9,215	11,152	9,189
Insurance		3,421	1,951	3,248	1,768
Administration & communication		53,191	46,734	15,589	13,627
Publicity and fundraising		4,198	3,764	4,074	3,511
Travel, accommodation & entertainment		18,280	15,502	18,183	15,370
		108,124	98,114	67,617	62,307
Finance and fund administration					
Bad and doubtful debts					
Student loans		(11)	34	(11)	34
Student tuition		151	494	151	494
Other debtors		227	(260)	121	(260)
		367	268	261	268
General and composite fund investment market valuation adjustment		364	-	364	-
Net realised loss on composite fund investments		-	1,698	-	1,698
Unrealised losses on investment properties		567	1,775	567	1,775
Management and merchant fees		539	362	539	362
Fringe benefit tax payments		850	815	850	815
Other		41	201	41	201
		2,728	5,119	2,622	5,119
Misc equip, dep'n and net loss on disposal of assets includes:					
Amortisation of intangible assets					
Software		1,388	401	1,388	401
Amortisation	3(q)				
Leasehold improvements		3,895	3,159	3,891	3,155
		5,283	3,560	5,279	3,556
Depreciation	3(q)				
Buildings		13,506	12,498	13,484	12,367
Plant, equipment and motor vehicles		7,269	7,050	7,084	6,334
Library collection		3,937	3,701	3,937	3,701
		24,712	23,249	24,505	22,402
		29,995	26,809	29,784	25,958
Non-capitalised equipment		12,239	9,232	12,239	9,232
Net loss on disposal of assets		3,301	414	3,301	414
Loss on revaluation of other buildings		11,129	-	11,129	-
		56,664	36,455	56,453	35,604

Notes to the Financial Statements for the year ended 31 December 2010

	Note	Consolidated		University	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000
6. Cash and Cash Equivalents	3(i)				
Cash at bank or on hand		16,568	13,016	8,594	7,123
Deposits at call		15,390	8,412	15,000	8,000
		31,958	21,428	23,594	15,123

The University invested its surplus working capital into bank term investments (2010: \$57.3 million, 2009: \$39.4 million). These bank term investments have been reported as Financial Assets held-to-maturity in Note 8. As a result these funds are not reported within Cash and Cash Equivalents or within the Statement of Cash Flows.

7. Receivables	3(h)				
Current					
Student tuition fees		3,543	1,366	3,543	1,366
Less: provision for impaired receivables		(666)	(629)	(666)	(629)
		2,877	737	2,877	737
Trade debtors		22,080	22,897	15,917	19,786
Less: provision for impaired receivables		(904)	(752)	(529)	(483)
		21,176	22,145	15,388	19,303
Sundry debtors and accrued income		7,826	5,750	7,826	5,750
Less: provision for impaired receivables		-	-	-	-
		7,826	5,750	7,826	5,750
Student loans		314	360	314	360
Less: provision for impaired receivables		(217)	(264)	(217)	(264)
		97	96	97	96
		31,976	28,728	26,188	25,886

(a) Impaired receivables

As at 31 December 2010 current receivables of the group with a nominal value of \$4.3 million (2009: \$2.1 million) were impaired. The amount of the provision was \$1.8 million (2009: \$1.6 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	50	48	50	44
3 to 6 months	708	251	702	251
Over 6 months	3,503	1,767	3,134	1,502
	4,261	2,066	3,886	1,797

As at 31 December 2010 current receivables of the group of \$29.5 million (2009: \$28.3 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	25,570	25,158	21,434	22,668
3 to 6 months	1,570	1,481	911	1,180
Over 6 months	2,362	1,668	1,369	1,617
	29,502	28,307	23,714	25,465

Notes to the Financial Statements for the year ended 31 December 2010

		Consolidated		University	
		2010	2009	2010	2009
	Note	\$000	\$000	\$000	\$000

7. Receivables - continued

(a) Impaired receivables - continued

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

At 1 January		1,645	1,295	1,376	1,234
Net provision for impairment recognised/(reversed) during the year		375	475	247	257
Receivables written off during the year as uncollectible		(233)	(125)	(211)	(115)
		1,787	1,645	1,412	1,376

The creation and release of the provision for impaired receivables has been included in 'Finance and fund administration' in the Statement of Comprehensive Income. 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.

8. Other Financial Assets

Current

Other loans		117	172	422	172
Held-to-maturity - bank term investments		57,328	39,428	57,328	39,428
Term Deposits		-	403	-	-
		57,445	40,003	57,750	39,600

Non-current

Held for trading

Composite fund at fair value

3(j)

Australian fixed interest securities		6,385	5,664	6,385	5,664
Overseas fixed interest securities		6,098	5,064	6,098	5,064
Australian equities		49,505	46,216	49,505	46,216
Overseas equities		34,884	31,070	34,884	31,070
Property trusts		8,720	7,588	8,720	7,588
Cash and liquid assets		4,907	4,265	4,907	4,265
Alternative strategies		7,463	6,623	7,463	6,623
		117,962	106,490	117,962	106,490

Other shares		1,226	1,033	1,226	983
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Total non-current other financial assets held for trading

119,188	107,523	119,188	107,473
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Other loans

668	733	998	1,170
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Total non-current other financial assets

119,856	108,256	120,186	108,643
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Held-to-maturity - bank term investments

The University invests its surplus working capital into bank term investments and these bank term investments have been reported as Financial Assets held-to-maturity. As a result these funds are not reported within Cash and Cash Equivalents in Note 6 or within the Statement of Cash Flows.

Notes to the Financial Statements for the year ended 31 December 2010

		Consolidated		University	
	Note	2010	2009	2010	2009
		\$000	\$000	\$000	\$000

9. Derivative Financial Instruments

Current Liabilities

Foreign currency swap contracts - cash flow hedges	-	64	-	64
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Non-Current Liabilities

Interest rate swap contracts - cash flow hedges	3,808	2,487	3,808	2,487
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Total Derivative Financial Instruments	3,808	2,551	3,808	2,551
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During 2007 the University entered into nine \$10.0 million forward start interest rate swaps (totalling \$90.0 million), to manage its interest rate exposures on planned borrowings for its North Terrace Development Strategy. The swaps commenced in February 2010 and amortise on a straight line basis over twenty years. The University is obligated to pay a fixed interest rate of 6.65%. These interest rate swaps are effective hedges and the fair value of these hedges are recorded as a non-current liability.

During 2009 the University entered into foreign currency swaps totalling \$0.7 million to manage USD foreign currency exposures on capital expenditure. As at 31 December 2009, USD0.4 million remained with maturities out to February 2010 at a weighted average exchange rate of 0.7916. These foreign currency swaps were effective hedges and the fair value of these hedges were recorded as a current liability. During 2010 these swap contracts were executed when due and no further foreign currency swaps were entered into.

10. Inventories

3(m)

Consumable materials and trading stock	8,407	6,237	1,189	1,222
Livestock	1,755	1,988	-	-
Provision for obsolescence	(50)	(50)	(50)	(50)
	10,112	8,175	1,139	1,172

The University has not written down inventories (2009: \$154,000) during the year ended 31 December 2010. The 2009 write down was included in 'Teaching and research' expenses in the Statement of Comprehensive Income.

11. Other Non-Financial Assets

Current

Prepayments	6,368	6,944	6,337	6,890
Accrued income	413	410	413	362
	6,781	7,354	6,750	7,252

Non-current

Prepayments	1,317	1,186	1,317	1,186
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Total Other Non-Financial Assets	8,098	8,540	8,067	8,438
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12. Non-current Assets Held for Sale

3(o)

Current

Controlled Entities	29,203	39,297	-	-
	29,203	39,297	-	-

13. Investments Accounted for Using the Equity Method

3(l)

Investments in associates

33

At cost	-	-	298	298
Equity accounted	214	227	-	-

Interests in joint ventures

34

At cost	-	-	415	415
Equity accounted	1,945	2,068	-	-
	2,159	2,295	713	713

14. Available-for-sale Financial Assets

Non-current

Investments in controlled entities	32	-	-	41,723	47,453
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15. Property, Plant and Equipment

Consolidated	Trust Land	Other Land	Trust Buildings	Other Buildings	WIP	Leasehold Improvements	Library Collections	Works of Art	Plant and Equipment	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
As at 1 January 2009										
Cost	4	2,512	54,543	27,610	50,859	15,430	2,269	-	113,874	267,101
Valuation	135,590	84,541	334,936	29,383	-	-	34,744	7,534	-	626,728
Accumulated depreciation/amortisation	-	-	(9,155)	(1,787)	-	(5,139)	(3,474)	-	(77,868)	(97,423)
Net book amount	135,594	87,053	380,324	55,206	50,859	10,291	33,539	7,534	36,006	796,406
Year ended 31 December 2009										
Opening net book amount	135,594	87,053	380,324	55,206	50,859	10,291	33,539	7,534	36,006	796,406
Additions	-	367	-	126	137,119	-	2,392	33	7,423	147,460
Disposals	-	-	-	-	-	-	(89)	-	(519)	(608)
Transfers	-	(35,511)	14,674	16,340	(38,583)	5,394	-	-	(1,611)	(39,297)
Depreciation/amortisation	-	-	(10,487)	(2,011)	-	(3,159)	(3,701)	-	(7,050)	(26,408)
Closing net book amount	135,594	51,909	384,511	69,661	149,395	12,526	32,141	7,567	34,249	877,553
As at 31 December 2009										
Cost	4	2,879	69,217	45,616	149,395	20,824	2,303	33	110,656	400,927
Valuation	135,590	49,030	334,936	27,650	-	-	37,013	7,534	-	591,753
Accumulated depreciation/amortisation	-	-	(19,642)	(3,605)	-	(8,298)	(7,175)	-	(76,407)	(115,127)
Net book amount	135,594	51,909	384,511	69,661	149,395	12,526	32,141	7,567	34,249	877,553

15. Property, Plant and Equipment - continued

Consolidated	Trust Land \$000	Other Land \$000	Trust Buildings \$000	Other Buildings \$000	WIP \$000	Leasehold Improvements \$000	Library Collections \$000	Works of Art \$000	Plant and Equipment \$000	Total \$000
Year ended 31 December 2010										
Opening net book amount as at 1/1/2010	135,594	51,909	384,511	69,661	149,395	12,526	32,141	7,567	34,249	877,553
Revaluation increments/(decrements)	9,735	20,496	46,893	(14,699)	-	-	(1,810)	-	-	60,615
Additions	-	57	-	-	91,061	-	2,178	47	10,537	103,880
Disposals	-	-	(2,209)	-	-	(3)	(1,406)	(3)	(340)	(3,961)
Transfers	-	-	170,442	(936)	(195,794)	2,657	-	-	5,834	(17,797)
Depreciation/amortisation	-	-	(11,355)	(2,151)	-	(3,895)	(3,937)	-	(7,269)	(28,607)
Closing net book amount	145,329	72,462	588,282	51,875	44,662	11,285	27,166	7,611	43,011	991,683
As at 31 December 2010										
Cost	4	474	291	1,626	44,662	23,529	-	77	121,907	192,570
Valuation	145,325	71,988	588,014	50,487	-	-	27,166	7,534	-	890,514
Accumulated depreciation/amortisation	-	-	(23)	(238)	-	(12,244)	-	-	(78,896)	(91,401)
Net book amount	145,329	72,462	588,282	51,875	44,662	11,285	27,166	7,611	43,011	991,683

15. Property, Plant and Equipment - continued

University	Trust Land	Other Land	Trust Buildings	Other Buildings	WIP	Leasehold Improvements	Library Collections	Works of Art	Plant and Equipment	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
As at 1 January 2009										
Cost	4	2,512	54,543	27,101	50,859	15,350	2,269	-	105,693	258,331
Valuation	135,590	48,500	334,936	26,730	-	-	34,744	7,534	-	588,034
Accumulated depreciation/amortisation	-	-	(9,155)	(1,678)	-	(5,135)	(3,474)	-	(72,225)	(91,667)
Net book amount	135,594	51,012	380,324	52,153	50,859	10,215	33,539	7,534	33,468	754,698
Year ended 31 December 2009										
Opening net book amount	135,594	51,012	380,324	52,153	50,859	10,215	33,539	7,534	33,468	754,698
Additions	-	-	-	-	136,975	-	2,392	33	6,752	146,152
Disposals	-	-	-	-	-	-	(89)	-	(508)	(597)
Transfers	-	-	14,674	18,515	(38,583)	5,394	-	-	-	-
Depreciation/amortisation	-	-	(10,487)	(1,880)	-	(3,155)	(3,701)	-	(6,334)	(25,557)
Closing net book amount	135,594	51,012	384,511	68,788	149,251	12,454	32,141	7,567	33,378	874,696
As at 31 December 2009										
Cost	4	2,512	69,217	45,616	149,251	20,744	2,303	33	108,947	398,627
Valuation	135,590	48,500	334,936	26,730	-	-	37,013	7,534	-	590,303
Accumulated depreciation/amortisation	-	-	(19,642)	(3,558)	-	(8,290)	(7,175)	-	(75,569)	(114,234)
Net book amount	135,594	51,012	384,511	68,788	149,251	12,454	32,141	7,567	33,378	874,696

15. Property, Plant and Equipment - continued

University	Trust Land \$000	Other Land \$000	Trust Buildings \$000	Other Buildings \$000	WIP \$000	Leasehold Improvements \$000	Library Collections \$000	Works of Art \$000	Plant and Equipment \$000	Total \$000
Year ended 31 December 2010										
Opening net book amount as at 1/1/2010	135,594	51,012	384,511	68,788	149,251	12,454	32,141	7,567	33,378	874,696
Revaluation increments/(decrements)	9,735	20,481	46,893	(14,858)	-	-	(1,810)	-	-	60,441
Additions	-	-	-	-	87,881	-	2,178	47	10,094	100,200
Disposals	-	-	(2,209)	-	-	(3)	(1,406)	(3)	(340)	(3,961)
Transfers	-	-	170,442	(936)	(195,794)	2,657	-	-	5,834	(17,797)
Depreciation/amortisation	-	-	(11,355)	(2,129)	-	(3,891)	(3,937)	-	(7,084)	(28,396)
Closing net book amount	145,329	71,493	588,282	50,865	41,338	11,217	27,166	7,611	41,882	985,183
As at 31 December 2010										
Cost	4	50	291	1,626	41,338	23,449	-	77	119,767	186,602
Valuation	145,325	71,443	588,014	49,477	-	-	27,166	7,534	-	888,959
Accumulated depreciation/amortisation	-	-	(23)	(238)	-	(12,232)	-	-	(77,885)	(90,378)
Net book amount	145,329	71,493	588,282	50,865	41,338	11,217	27,166	7,611	41,882	985,183

Notes to the Financial Statements for the year ended 31 December 2010

	Note	Consolidated		University	
		2010	2009	2010	2009
		\$000	\$000	\$000	\$000
16. Investment Property					
Balance at the beginning of the year		19,252	21,027	19,252	21,027
Net gain (loss) from fair value adjustments		(567)	(1,775)	(567)	(1,775)
Balance at the end of the year		18,685	19,252	18,685	19,252

(a) Amount recognised in income statement for investment property

The University has recognised \$1.8 million (2009: \$1.6 million) of rental income from investment properties within the Statement of Comprehensive Income. Any direct operating expenses from generating rental income are included within the Statement of Comprehensive Income 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 L. Hogarth, AAPI, B. Bus Property (Val) Grad Cert App Fin of Maloney Field Services on 31 December 2010.

(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	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Within one year	1,494	1,387	1,494	1,387
Later than one year but not later than 5 years	2,101	2,858	2,101	2,858
Later than 5 years	-	3	-	3
	3,595	4,248	3,595	4,248

Notes to the Financial Statements for the year ended 31 December 2010

	Note	Consolidated		University	
		2010	2009	2010	2009
		\$000	\$000	\$000	\$000
17. Intangible Assets	3(f)				
Non-current					
As at 1 January 2009					
Cost			12,086		12,086
Accumulated amortisation and impairment			(10,861)		(10,861)
Net book amount			<u>1,225</u>		<u>1,225</u>
Year ended 31 December 2009					
Opening net book amount			1,225		1,225
Additions - Internal development			840		840
Transfer from WIP			-		-
Amortisation charge			(401)		(401)
Closing net book amount			<u>1,664</u>		<u>1,664</u>
As at 1 January 2010					
Cost		12,926		12,926	
Accumulated amortisation and impairment		(11,262)		(11,262)	
Net book amount		<u>1,664</u>		<u>1,664</u>	
Year ended 31 December 2010					
Opening net book amount		1,664		1,664	
Additions - Internal development		991		991	
Transfer from WIP		17,797		17,797	
Amortisation charge		(1,388)		(1,388)	
Closing net book amount		<u>19,064</u>		<u>19,064</u>	
As at 31 December 2010					
Cost		31,714		31,714	
Accumulated amortisation and impairment		(12,650)		(12,650)	
Net book amount		<u>19,064</u>		<u>19,064</u>	
18. Payables					
Current					
Accounts payable		39,621	36,843	24,245	26,466
Annual and long service leave oncosts		4,104	3,725	4,043	3,665
Accruals		2,895	2,064	1,339	1,143
Salary and wage deductions		7,631	5,957	7,627	5,953
OS-HELP Liability to Australian Government		109	97	109	97
		<u>54,360</u>	<u>48,686</u>	<u>37,363</u>	<u>37,324</u>
Non-current					
Accounts payable		447	75	-	-
Annual and long service leave oncosts		5,519	5,263	5,487	5,239
		<u>5,966</u>	<u>5,338</u>	<u>5,487</u>	<u>5,239</u>
Total Payables		<u>60,326</u>	<u>54,024</u>	<u>42,850</u>	<u>42,563</u>
19. Borrowings					
Current					
Other - unsecured		5,006	2,506	5,006	2,506
Non-current					
Other - unsecured		78,043	55,849	78,043	55,849
Total Borrowings		<u>83,049</u>	<u>58,355</u>	<u>83,049</u>	<u>58,355</u>

The University maintains an unsecured \$20 million Multi-Option Facility (as a standby working capital facility) and an unsecured \$100 million Multi-Option Facility (to part fund the North Terrace Development Strategy). As at 31 December 2010 the standby working capital facility has not been drawn down. As at 31 December 2010 the Multi-Option Facility has been drawn down to the value of \$83.0 million to fund the Major Capital Works Program.

Notes to the Financial Statements for the year ended 31 December 2010

	Note	Consolidated		University	
		2010	2009	2010	2009
		\$000	\$000	\$000	\$000
20. Provisions					
Current					
Workers' compensation provision		354	864	354	864
Annual and long service leave		25,513	24,779	24,707	24,010
Insurance provision		2,337	1,394	2,337	1,394
		28,204	27,037	27,398	26,268
Non-current					
Workers' compensation provision		527	890	527	890
Annual and long service leave		38,975	35,592	38,717	35,360
Defined benefit fund net liability	27(c)	4,324	4,346	4,324	4,346
		43,826	40,828	43,568	40,596
Total Provisions		72,030	67,865	70,966	66,864
		Workers' compensation provision	Annual and long service leave	Insurance Provision	Defined benefit fund net liability
		\$000	\$000	\$000	\$000
Movements in provisions					
Consolidated - current					
Carrying amount at start of year		864	24,779	1,394	-
Additional/(reductions in) provisions recognised		(510)	734	943	-
Carrying amount at the end of the year		354	25,513	2,337	-
Consolidated - non-current					
Carrying amount at start of year		890	35,592	-	4,346
Additional/(reductions in) provisions recognised		(363)	3,383	-	(22)
Carrying amount at the end of the year		527	38,975	-	4,324

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(s) 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 2010 that were expected to be paid subsequent to 1 January 2011 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 2010

	Note	Consolidated		University	
		2010	2009	2010	2009
		\$000	\$000	\$000	\$000
21. Other Liabilities					
Current					
Outside funded positions		98	78	98	78
Income in advance		1,092	424	614	32
Student tuition fees received in advance		8,677	9,835	8,677	9,835
Residential bonds		334	312	334	312
Employee benefits – redundancy		182	216	182	216
Funds held on deposit for controlled entities		-	-	9,959	8,039
Other		607	589	583	588
		10,990	11,454	20,447	19,100

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 in Note 20. Below is a composite note disclosure showing the total liabilities the Consolidated Entity has as at 31 December 2010 relating to employee benefits:

Annual Leave

On-costs included in payables - current	18	2,898	2,854	2,868	2,822
Employee benefits - current	20	16,315	16,143	15,956	15,768
		19,213	18,997	18,824	18,590
On-costs included in payables - non-current	18	1,150	782	1,146	778
Employee benefits - non-current	20	6,409	4,374	6,376	4,345
		7,559	5,156	7,522	5,123

Long Service Leave

On-costs included in payables - current	18	1,206	871	1,175	843
Employee benefits - current	20	9,198	8,636	8,751	8,242
		10,404	9,507	9,926	9,085
On-costs included in payables - non-current	18	4,369	4,481	4,341	4,461
Employee benefits - non-current	20	32,565	31,218	32,340	31,015
		36,934	35,699	36,681	35,476
		74,110	69,359	72,953	68,274

23. Retained Surplus and Reserves

23(a) Summary

Capital reserves

Capital reserve	2,971	2,971	-	-
Capital profits reserve	1,481	1,481	-	-
Asset revaluation reserve	300,695	228,951	273,490	201,920
Initial asset recognition reserve	279,124	279,124	279,124	279,124
Available-for-sale investments revaluation reserve	1,403	1,453	41,723	47,453
	585,674	513,980	594,337	528,497

Specific purpose reserves

Special reserve	181,055	149,158	181,055	149,158
Bequests/donations unspent income reserve	23,071	10,734	23,071	10,734
Restricted purpose bequest capital reserve	96,976	84,935	96,976	84,935
Composite fund revaluation reserve	28,495	25,785	28,495	25,785
	329,597	270,612	329,597	270,612

Retained surplus

	173,089	174,565	157,238	154,098
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Notes to the Financial Statements for the year ended 31 December 2010

	Note	Consolidated		University	
		2010	2009	2010	2009
		\$000	\$000	\$000	\$000
23. Reserves - continued					
23(b) Movements in reserves					
Capital reserve					
Opening balance		2,971	2,971	-	-
Current year movement		-	-	-	-
Closing balance		2,971	2,971	-	-
Capital profits reserve					
Opening balance		1,481	1,481	-	-
Current year movement		-	-	-	-
Closing balance		1,481	1,481	-	-
Asset revaluation reserve					
Opening balance		228,951	228,951	201,920	201,920
Add revaluation increment on property, plant and equipment		71,744	-	71,570	-
Closing balance		300,695	228,951	273,490	201,920
Initial asset recognition reserve					
Opening balance		279,124	279,124	279,124	279,124
Current year movement		-	-	-	-
Closing balance		279,124	279,124	279,124	279,124
Available-for-sale financial assets revaluation reserve					
Opening balance		1,403	1,453	47,453	46,634
Current year movement		-	-	(5,730)	819
Closing balance		1,403	1,453	41,723	47,453
Special reserve					
Opening balance		149,158	107,377	149,158	107,377
Transfer from retained surplus		31,897	41,781	31,897	41,781
Closing balance		181,055	149,158	181,055	149,158
Bequests/donations unspent income reserve					
Opening balance		10,734	13,301	10,734	13,301
Transfer (to) / from retained surplus		12,337	(2,567)	12,337	(2,567)
Closing balance		23,071	10,734	23,071	10,734
Restricted purpose bequest capital reserve					
Opening balance		84,935	77,188	84,935	77,188
Transfer from retained surplus		12,041	7,747	12,041	7,747
Closing balance		96,976	84,935	96,976	84,935
Composite fund revaluation reserve					
Opening balance		25,785	7,409	25,785	7,409
Transfer (to) / from retained surplus		2,710	18,376	2,710	18,376
Closing balance		28,495	25,785	28,495	25,785

Notes to the Financial Statements for the year ended 31 December 2010

		Consolidated		University	
		2010	2009	2010	2009
	Note	\$000	\$000	\$000	\$000
23. Reserves - continued					
23(c) Nature and purpose of reserves					
Capital reserve					
Represents capital accounts held within controlled entities of the University.					
Capital profits reserve					
Represents the accumulation of realised revalued increments of assets sold.					
Asset revaluation reserve					
Is used to record increments and decrements on the revaluation of non-current assets. Refer accounting policy note 3(n).					
Initial asset recognition reserve					
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.					
Available for sale financial assets revaluation reserve					
Is used to record increments and decrements on the revaluation of available for sale financial assets. Refer accounting policy note 3(j).					
Specific purpose reserves					
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.					
24. Reconciliation of net cash provided by operating activities to net operating result					
Net operating result		59,946	67,999	64,092	67,053
Add/(subtract) non cash items					
Amortisation	5	5,283	3,560	5,279	3,556
Depreciation	5	24,712	23,249	24,505	22,402
Write down / (up) of investments		(2,155)	(16,477)	(2,155)	(16,477)
Other revenue/expenses		(3,606)	(4,865)	(3,994)	(4,235)
Loss on revaluation of other buildings		11,129	-	11,129	-
Funds held on deposit		-	-	(1,500)	4,500
(Profit)/loss on sale of property, plant and equipment		(6,369)	240	(54)	308
Changes in assets/liabilities					
(Increase)/decrease in inventories		(1,937)	(957)	33	(40)
(Increase)/decrease in receivables		(3,248)	4,612	(302)	4,014
(Increase)/decrease in other assets		442	(678)	371	(694)
Increase/(decrease) in payables		6,302	(747)	287	1,900
Increase/(decrease) in other current liabilities		(464)	3,373	1,347	(704)
Increase/(decrease) in provisions		4,165	(5,586)	4,102	(5,725)
Net cash provided by operating activities		94,200	73,723	103,140	75,858

Notes to the Financial Statements for the year ended 31 December 2010

	Note	Consolidated		University	
		2010	2009	2010	2009
		\$000	\$000	\$000	\$000
25. Commitments					
Operating Expenditure					
Contracted but not provided for and payable:					
Not later than one year		15,466	16,589	15,350	16,589
Later than one year, but not later than five years		20,513	25,811	20,123	25,811
Later than five years		724	775	724	775
		36,703	43,175	36,197	43,175
Capital Expenditure					
Property, plant and equipment					
Contracted but not provided for and payable:					
Not later than one year		95,887	161,937	94,359	161,937
Later than one year, but not later than five years		-	-	-	-
Later than five years		-	-	-	-
		95,887	161,937	94,359	161,937
Operating Lease Commitments					
Future operating base rental not provided for and payable:					
Not later than one year		10,857	7,844	10,431	7,408
Later than one year, but not later than five years		22,126	12,379	20,471	11,718
Later than five years		224	66	224	66
		33,207	20,289	31,126	19,192
Representing:					
Cancellable operating leases		31,126	19,192	31,126	19,192
Non-cancellable operating leases		2,081	1,097	-	-
		33,207	20,289	31,126	19,192

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

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. In 2009 the original guarantee of \$120,000 was cancelled and a new guarantee for the amount of \$46,000 was issued to reflect the reduction in the outstanding loan balance.

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 \$2.5 million bank guarantee to Workcover which matures on 30 April 2011. The amount of the guarantee was based on an actuarial assessment of the projected workers' compensation claims liabilities. In August 2010 the University was advised by WorkCover Corporation that it had approved a self-insurance renewal for a period of three years from 1 July 2010.

26. Contingencies - 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. 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 become involved in legal disputes. At the date of adoption of these financial statements, some matters remain 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 \$2.3 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 Benefit Plan or Accumulation Super 2 (formerly Investment Choice Plan)
 - Accumulation Super 1 (formerly 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 2010 for employees in either the Defined Benefit Division or Accumulation Super 2 (formerly Investment Choice Plan) was 14% of salaries plus 3% of salaries. The contribution to the Accumulation Super 1 (formerly Award Plus Plan) and for employees only in the Accumulation Super 1 was 9% of salaries.

The operation of Clause 34 of the Trust Deed (as amended in 2006) means that the UniSuper Defined Benefit Division is a defined contribution fund for the purpose of AASB 119, allowing participating employers to treat the UniSuper Defined Benefit Division as a defined contribution fund.

Clause 34 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 2010 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 2010

27. Superannuation Schemes – continued

(b) UniSuper Limited Superannuation Schemes - continued

As at 30 June 2010 the assets of the Defined Benefit Division in aggregate were estimated to be \$1,217 million in deficiency of vested benefits. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of CPI indexed pensions being provided by the Defined Benefit Division.

As at 30 June 2010 the assets of the Defined Benefit Division in aggregate were estimated to be \$312 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 12 June 2009 on the actuarial investigation of the Defined Benefit Division as at 31 December 2008. The financial assumptions used were:

	Vested Benefits	Accrued Benefits
Gross of tax investment return	7.25% p.a.	8.5% p.a.
Net of tax investment return	6.75% p.a.	8.0% p.a.
Consumer Price Index	2.75% p.a.	2.75% p.a.
Inflationary salary increases long term	3.75% p.a.	3.75% p.a.
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		2010 \$000	2009 \$000
Present value of defined benefit obligations at the beginning of the year		15,817	19,622
Add	Current service costs	452	523
	Interest cost	808	680
	Contributions by scheme participants	47	53
	Actuarial (gains) / losses	365	(4,024)
Less	Benefits paid	(708)	(729)
	Taxes, premiums and expenses paid	(316)	(308)
Present value of defined benefit obligations at the end of the year		16,465	15,817

Reconciliation of the fair value of scheme assets		2010 \$000	2009 \$000
Fair value of scheme assets at the beginning of the year		11,471	9,710
Add	Expected return on scheme assets	866	752
	Actuarial gains / (losses)	(345)	989
	Employer contributions	1,126	1,004
	Contributions by scheme participants	47	53
Less	Benefits paid	(708)	(729)
	Taxes, premiums and expenses paid	(316)	(308)
Fair value of scheme assets at the end of the year		12,141	11,471

Notes to the Financial Statements for the year ended 31 December 2010

27. Superannuation Schemes – continued

(c) The University of Adelaide Superannuation Scheme A 1985 - continued

Reconciliation of the Assets and Liabilities recognised in the Statement of Financial Position

	Note	2010 \$000	2009 \$000
Defined benefit obligation including contributions tax provision		16,465	15,817
Less Fair value of scheme assets		(12,141)	(11,471)
Defined benefit fund net liability	20	<u>4,324</u>	<u>4,346</u>

Expense recognised in the Statement of Comprehensive Income

Service cost	452	523
Interest cost	808	680
Expected return on assets	(866)	(752)
Superannuation expense	<u>394</u>	<u>451</u>

Amounts recognised in Total Comprehensive Income

Actuarial (gains) / losses	<u>710</u>	<u>(5,013)</u>
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Cumulative amount recognised in Total Comprehensive Income

Cumulative amount of actuarial (gains) / losses	<u>(1,249)</u>	<u>(1,959)</u>
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Scheme assets

The percentage invested in each asset class at the reporting date:

Australian equity	25%	18%
International equity	27%	33%
Fixed income	25%	28%
Property	10%	9%
Cash	14%	12%

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 and allowing for the correlations of the investment returns between asset classes. The returns used for each asset class are net of investment tax and investment fees. The expected return on assets assumption for pension assets has not been reduced for investment tax, as earnings on the assets supporting the pension liability are tax free.

Actual return on scheme assets

<u>521</u>	<u>1,741</u>
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Principal actuarial assumptions at the balance date

Discount rate (active members)	5.00%	5.10%
Discount rate (pensioners)	5.50%	5.70%
Expected rate of return on plan assets (active members)	6.75%	7.00%
Expected rate of return on plan assets (pensioners)	8.00%	7.75%
Expected salary increase rate	4.00%	4.00%
Expected pension increase rate	2.50%	2.50%

	2010 \$000	2009 \$000	2008 \$000	2007 \$000	2006 \$000
Historical information					
Present value of defined benefit obligation	16,465	15,817	19,622	15,362	15,366
Fair value of scheme assets at the beginning of the year	12,141	11,471	9,710	12,075	10,580
(Surplus) / Deficit in scheme	4,324	4,346	9,912	3,287	4,786
Experience adjustments (gain) / loss - scheme assets	345	(989)	3,636	(210)	(792)
Experience adjustments (gain) / loss - scheme liabilities	(110)	(25)	1,138	798	(872)

Notes to the Financial Statements for the year ended 31 December 2010

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 2011 are \$0.4 million.

(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 2010 were 3% of salaries, and remaining benefits are met on an emerging cost basis.

Super SA estimate that, as at 31 December 2010, using Accounting Standard AASB 119 assumptions there is an unfunded liability of \$57.2 million (2009: \$51.7 million). This represents an increase in liability of \$5.5 million since 31 December 2009. 2009 was the first year the unfunded liability was calculated using AASB 119 assumptions. Previously the unfunded liability was determined using long term economic assumptions used in the triennial actuarial assessment.

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 2010 Reporting Period" provided by DEEWR. The accounting treatment employed is also consistent with the approach taken by other Australian Universities. Accordingly, total assets of \$57.2 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 "Defined Benefit Obligation".

Summary	Consolidated		University	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Deferred Government Superannuation Contribution				
Non-current asset	57,257	51,700	57,257	51,700
Defined Benefit Obligation				
Current liability	3,900	3,500	3,900	3,500
Non-current liability	53,357	48,200	53,357	48,200
	57,257	51,700	57,257	51,700

(e) Contributions

The total employer contributions were:

UniSuper Defined Benefit Division (UniSuper Defined Contribution Plan) or Accumulation Super 2 (formerly Investment Choice Plan)	28,274	24,945
Accumulation Super 1 (formerly UniSuper Award Plus Plan)	12,701	10,986
State Government Superannuation Schemes (3%)	13	19
The University of Adelaide Superannuation Scheme A 1985	95	103
Self-managed funds	37	37
	41,120	36,090

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 2010

	Note	Consolidated		University	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000
29. Auditors' Remuneration					
Amounts paid or payable for assurance services were:					
South Australian Auditor-General		248	224	248	224
Other auditors of controlled entities		80	85	-	-
		328	309	248	224
Amounts paid or payable for other services were:		20	31	-	-
Other auditors of controlled entities		348	340	248	224

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 Hill, The Hon Robert Murray	ceased 25/7/2010
	McWha, Professor James Alexander	commenced 26/7/2010
	Findlay AM, Professor Christopher	
	vacant	
Co-opted	Bagot, Mr Charles	
	Castine, Ms Kathryn	
	Davidson, Ms Dianne	
	Kowalick, Mr Ian John	
Appointed	Martin, Ms Pamela June	
	Steel, Ms Loewn	commenced 1/1/2010
	Young, Mr Stephen Elliott	
	Crewther, Dr Rodney James	
Elected Staff	Kwan, Mr Jeremy	
	Soteriou, Mr Christakis	
	Thomas, Professor Anthony	commenced 1/8/2010
	Linton, Professor Valerie Margaret	ceased 29/3/2010
Elected Graduates	Anderson, Ms Carolyn Yvette	ceased 5/9/2010
	Maddocks, Professor Simon	
	Radcliffe AM, Dr John Clive	
	Robinson, Dr Susan	commenced 6/9/2010
Student	Chen, Ms Ai	ceased 5/3/2010
	Kirchner, Mr Sam	ceased 5/3/2010
	Plagakis, Ms Sophie	ceased 5/3/2010
	Emmett-Grey, Ms Lavinia	commenced 6/3/2010
	Ting, Mr Xu	commenced 6/3/2010
	Wong, Mr Christopher	commenced 6/3/2010

University Senior Management

McWha, Professor James
 Brooks, Professor Mike
 Duldig, Mr Paul
 McDougall, Professor Fred
 Beilby, Professor Justin
 Dowd, Professor Peter
 Harvey, Professor Nicholas
 Hill, Professor Robert
 Quester, Professor Pascale
 Lohmann, Professor Birgit
 Russell AM, Professor Richard
 Taplin, Professor John

Notes to the Financial Statements for the year ended 31 December 2010

	2010	2009
	\$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:

			4,034	3,945
\$		\$	Number	Number
220,000	-	234,999	4	4
235,000	-	249,999	-	1
265,000	-	279,999	1	1
280,000	-	294,999	2	-
295,000	-	309,999	-	2
325,000	-	339,999	1	-
340,000	-	354,999	-	1
355,000	-	369,999	2	2
370,000	-	384,999	1	-
820,000	-	834,999	1	1
			12	12

The DEEWR Guildlines 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.

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 may 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.

The Consolidated Entity has entered into forward start interest rate swaps to manage its interest rate exposures on borrowings for its North Terrace Development Strategy. Further details are contained in Note 9.

	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
2010											
Financial Assets											
Cash & Cash Equivalents	6	5.79%	31,431	-	-	-	-	-	-	527	31,958
Receivables	7	0.00%	-	-	-	-	-	-	-	31,976	31,976
Financial Assets Held for Trading	8	0.00%	-	-	-	-	-	-	-	119,188	119,188
Financial Assets Held to Maturity	8	5.93%	-	57,328	-	-	-	-	-	-	57,328
Other Financial Assets	8, 13	1.74%	-	117	117	117	117	103	214	2,159	2,944
Derivative Financial Instruments	9	0.00%	-	-	-	-	-	-	-	-	-
			31,431	57,445	117	117	117	103	214	153,850	243,394
Weighted Average Interest Rate			5.88%	5.93%	6.29%	6.29%	6.29%	6.60%	7.00%		
Financial Liabilities											
Derivative Financial Instruments	9	0.00%	-	-	-	-	-	-	-	3,808	3,808
Payables	18	0.00%	-	-	-	-	-	-	-	60,326	60,326
Borrowings	19	5.60%	-	5,000	5,000	5,000	5,000	5,000	58,000	49	83,049
			-	5,000	5,000	5,000	5,000	5,000	58,000	64,183	147,183
Weighted Average Interest Rate			0.00%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	

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	5+ years		
		%	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
2009											
Financial Assets											
Cash & Cash Equivalents	6	3.50%	19,546	-	-	-	-	-	-	1,882	21,428
Receivables	7	0.00%	-	-	-	-	-	-	-	28,728	28,728
Financial Assets Held for Trading	8	0.00%	-	-	-	-	-	-	-	107,523	107,523
Financial Assets Held to Maturity	8	4.60%	-	39,831	-	-	-	-	-	-	39,831
Other Financial Assets	8, 13	1.87%	-	117	117	117	117	117	320	2,295	3,200
Derivative Financial Instruments	9	0.00%	-	-	-	-	-	-	-	-	-
			19,546	39,948	117	117	117	117	320	140,428	200,710
Weighted Average Interest Rate			3.59%	4.66%	6.50%	6.50%	6.50%	6.50%	6.87%		
Financial Liabilities											
Derivative Financial Instruments	9	0.00%	-	-	-	-	-	-	-	2,551	2,551
Payables	18	0.00%	-	-	-	-	-	-	-	54,024	54,024
Borrowings	19	4.45%	-	2,500	5,000	5,000	5,000	5,000	35,800	55	58,355
			-	2,500	5,000	5,000	5,000	5,000	35,800	56,630	114,930
Weighted Average Interest Rate			0.00%	4.45%	4.45%	4.45%	4.45%	4.45%	4.45%		

Notes to the Financial Statements for the year ended 31 December 2010

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 may 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.

The Consolidated Entity has entered into foreign currency swaps to manage foreign currency exposures on capital expenditure. Further details are contained in Note 9.

(c) Credit Risk Exposures

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

(i) On Statement of Financial Position financial instruments

The credit risk on financial assets recognised in the Statement of Financial Position 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 Statement of Financial Position financial instruments

The reporting entity and its controlled entities do not possess or trade any off Statement of Financial Position 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 Statement of Financial Position 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 Statement of Financial Position financial instruments

The reporting entity and its controlled entities do not possess or trade any off Statement of Financial Position 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	
	2010	2009	2010	2009	2010	2009	2010	2009
	%	%	\$000	\$000	\$000	\$000	\$000	\$000
The Adelaide Research & Innovation Investment Trust	100	100	1,310	714	-	-	916	273
Adelaide Unicare Pty Ltd	100	100	4,472	2,486	-	-	3,232	610
Martindale Holdings Pty Ltd as trustee for:								
· JS Davies Estate	83	83	17,436	17,977	-	-	1,927	639
· JAT Mortlock Trust	100	100	16,493	25,221	-	-	7,592	944
· Roseworthy Farm	100	100	1,211	602	-	-	620	17
National Wine Centre Pty Ltd	100	100	463	88	-	-	378	(218)
Roseworthy Piggery Pty Ltd	100	100	338	365	100	100	(27)	415
			41,723	47,453	100	100	14,638	2,680

All of the above controlled entities are incorporated in Australia.

Notes to the Financial Statements for the year ended 31 December 2010

32. Investments in Controlled Entities - continued

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	
		2010	2009	2010	2009	2010	2009
		%	%	\$000	\$000	\$000	\$000
Held by the University							
Ngee Ann Adelaide Education Centre Pte Ltd	Operates a graduate education centre in Singapore.	50	50	205	172	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.	43	43	9	55	-	-
				214	227	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.

	Consolidated		University	
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
(b) Movements in Carrying Amounts of Investments in Associates				
At beginning of financial year	227	391	-	-
Additional investment in associates	-	-	-	-
Share of operating result	(13)	(164)	-	-
	214	227	-	-
(c) Results Attributed to Associates				
Operating result	(13)	(164)	-	-
Additional investment in associates	-	-	-	-
Retained surplus attributable to associates at the beginning of the financial year	227	391	-	-
Retained surplus attributable to associates at the end of the financial year	214	227	-	-

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 Statement of Financial Position financial instruments

Neither the Consolidated Entity, nor any of its associated entities, have any off Statement of Financial Position financial instruments.

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 2010 in accordance with the Australian Accounting Standard AASB 131 Interests in Joint Ventures.

A CRC 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. Direct 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	(I)	(C)	10%
CRC for Molecular Plant Breeding (ceased activities June 2010)	(U)	-	27%
Energy Pipelines CRC	(I)	-	43%
Deep Exploration Technologies CRC	(I)	(C)	10%
CRC for National Plant Biosecurity	(I)	(C)	-
CRC for Beef Genetic Technologies	(I)	(C)	8%
CRC for an Internationally Competitive Pork Industry	(I)	-	24%
eWater CRC	(I)	(C)	2%
Desert Knowledge CRC (ceased activities June 2010)	(U)	(C)	-
Future Farm Industries CRC	(I)	(C)	1%
Australian Seafood CRC	(I)	-	-
(I) Incorporated	(U) Unincorporated	(C) CSIRO is a partner	

Notes to the Financial Statements for the year ended 31 December 2010

34. Interests in Joint Ventures - continued

(a) Groups - continued

(i) Cooperative Research Centres - continued

The University is a supporting participant for the CRC for National Plant Biosecurity and the Australian Seafood CRC. It was 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 five 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, \$0.5 million in cash (2009: \$0.5 million) and \$23.4 million in-kind (2009: \$9.9 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%
Adelaide Proteomics Centre (APC)	Provision of cost effective and high quality proteomic analysis to researchers conducting basic and applied research.	(U)	50%
Adelaide MicroArray Centre	Provision of services for MicroRNA profiling using microarrays.	(U)	50%
Defence Systems Innovation Centre	A centre to conduct contract-based studies and consultancies, post-graduate and under-graduate education programs, and collaborative research projects focussed on the needs of the defence community.	(U)	50%
eResearchSA	To provide expertise, facilities and advice to the South Australian research community for research collaboration, data management, high performance computing and visualisation technologies.	(U)	50%
(I) Incorporated	(U) Unincorporated		

All Joint Ventures have a 31 December reporting period, except for Water Ed Australia Pty Ltd, which has a 30 June reporting period.

The Consolidated Entity's reported interest in the assets employed in the joint ventures totals \$1.9 million (2009: \$2.1 million). These are included in the Consolidated Statement of Financial Position, in accordance with the accounting policy described in note 3(l).

Notes to the Financial Statements for the year ended 31 December 2010

34. Interests in Joint Ventures - continued

(b) Equity and Contribution to Operating Result Joint Venture Entity

			Carrying Amount		Investment at Cost	
	2010	2009	2010	2009	2010	2009
	%	%	\$000	\$000	\$000	\$000
Held by the University						
Middleback Field Centre	33%	33%	16	20	-	-
Professional Certificate in Arbitration	50%	50%	66	11	65	65
South Australian Centre for Economic Studies	50%	50%	227	306	-	-
South Australian Tertiary Admissions Centre	25%	25%	519	419	-	-
South Australian Consortium for Information Technology & Telecommunications	33%	33%	72	91	-	-
Ethics Centre of South Australia	33%	33%	40	46	-	-
Water Ed Australia Pty Ltd	20%	20%	599	913	350	350
Adelaide Proteomics Centre (APC)	50%	50%	59	-	-	-
Adelaide MicroArray Centre	50%	-	143	-	-	-
Defence Systems Innovation Centre	50%	50%	-	-	-	-
eResearch SA	50%	50%	204	262	-	-
			1,945	2,068	415	415

Consolidated		University	
2010	2009	2010	2009
\$000	\$000	\$000	\$000

(c) Movements in Carrying Amounts of Joint Ventures

At beginning of financial year	2,068	2,082	-	-
Share of operating result	(123)	(84)	-	-
Additional investment in joint ventures	-	70	-	-
	1,945	2,068	-	-

(d) Results Attributed to Joint Ventures

Operating result	(123)	(84)	-	-
Additional investment in joint ventures	-	70	-	-
Retained surplus attributable at the beginning of the financial year	2,068	2,082	-	-
Retained surplus attributable at the end of the financial year	1,945	2,068	-	-

(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 Statement of Financial Position financial instruments

Neither the reporting entity, nor any of its joint ventures, have any off Statement of Financial Position 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.

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 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 2010

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 2010

		Consolidated		University	
		2010	2009	2010	2009
	Note	\$000	\$000	\$000	\$000
REVENUE FROM CONTINUING OPERATIONS					
Australian Government financial assistance	37	405,950	357,233	400,289	356,761
State and Local Government financial assistance	39	26,201	31,641	25,874	31,330
HECS- HELP - student upfront payments	4	13,446	12,456	13,446	12,456
Fees and charges	40	149,165	125,304	149,372	125,486
Investment income		8,934	23,686	28,187	26,001
Royalties, trademarks and licenses	4	3,651	1,701	619	1,422
Consultancy and contract revenue	41	62,566	62,613	34,015	37,804
Other revenue		63,484	54,582	33,461	27,014
Total revenue from continuing operations		733,397	669,216	685,263	618,274
EXPENSES FROM CONTINUING OPERATIONS					
Salaries and related expenses	5	357,570	326,304	346,139	314,010
Depreciation and amortisation	5	29,995	26,809	29,784	25,958
Buildings and grounds	5	41,755	37,852	41,005	36,090
Bad and doubtful debts	5	367	268	261	268
Finance costs	5	3,659	790	4,079	1,121
General and composite fund investment market valuation adjustment	5	364	-	364	-
Net realised loss on composite fund investments		-	1,698	-	1,698
Scholarships, grants and prizes		31,309	28,036	31,309	28,036
Non-capitalised equipment	5	12,239	9,232	12,239	9,232
Advertising, marketing and promotional expenses		4,074	3,511	4,074	3,511
Net Losses on disposal of assets	5	3,301	414	3,301	414
Other expenses		188,818	166,303	148,616	130,883
Total expenses from continuing operations		673,451	601,217	621,171	551,221
Net operating result for the year		59,946	67,999	64,092	67,053

Notes to the Financial Statements for the year ended 31 December 2010

		Consolidated		University	
		2010	2009	2010	2009
	Note	\$000	\$000	\$000	\$000
37. Australian Government Financial Assistance					
(a) DEEWR - Commonwealth Grants Scheme and Other DEEWR Grants					
Commonwealth Grants Scheme		119,182	105,749	119,182	105,749
Teaching Hospitals Grant		759	694	759	694
Indigenous Support Programme		578	666	578	666
Partnership & Participation Program		1,168	160	1,168	160
Workplace Reform Programme		-	1,194	-	1,194
Learning & Teaching Performance Fund		-	1,853	-	1,853
Capital Development Pool		-	2,246	-	2,246
Diversity and Structural Adjustment Fund		-	320	-	320
Workplace Productivity Programme		1,392	1,296	1,392	1,296
Improving the Practical Component of Teacher Education Initiative		-	18	-	18
Transitional Cost Program		4,666	3,919	4,666	3,919
		127,745	118,115	127,745	118,115
(b) Higher Education Loan Programmes					
HECS-HELP (Australian Government payments only)		65,622	59,637	65,622	59,637
FEE-HELP		5,309	5,391	5,309	5,391
OS-HELP		1,092	444	1,092	444
		72,023	65,472	72,023	65,472
(c) Learning Scholarships					
Australian Postgraduate Awards		7,079	5,143	7,079	5,143
International Postgraduate Research Scholarships		806	779	806	779
Commonwealth Education Costs Scholarships		153	1,236	153	1,236
Commonwealth Accommodation Scholarships		120	1,532	120	1,532
Indigenous Access Scholarships		179	171	179	171
		8,337	8,861	8,337	8,861
(d) DIISR Research					
Joint Research Engagement		15,271	15,744	15,271	15,744
Research Training Scheme		28,072	27,809	28,072	27,809
Research Infrastructure Block Grants		12,838	12,961	12,838	12,961
Sustainable Research Excellence		4,551	-	4,551	-
Implementation Assistance Programme		97	189	97	189
Australian Scheme for Higher Education Repositories		-	289	-	289
Commercialisation Training Scheme		123	232	123	232
		60,952	57,224	60,952	57,224
(e) Other Capital Funding					
Better Universities Renewal Funding		-	-	-	-
Teaching and Learning Capital Fund		-	11,096	-	11,096
Education Investment Fund		22,935	4,164	22,935	4,164
		22,935	15,260	22,935	15,260
(f) Australian Research Council					
(i) Discovery					
Projects		11,678	11,537	11,678	11,537
Fellowships		2,152	1,312	2,152	1,312
Indigenous Researchers Development		-	12	-	12
		13,830	12,861	13,830	12,861
(ii) Linkages					
Infrastructure		1,320	1,510	1,320	1,510
International		12	26	12	26
Projects		6,194	5,046	6,194	5,046
		7,526	6,582	7,526	6,582

Notes to the Financial Statements for the year ended 31 December 2010

	Note	Consolidated		University	
		2010	2009	2010	2009
		\$000	\$000	\$000	\$000
37. Australian Government Financial Assistance - continued					
(f) Australian Research Council - continued					
(iii) Networks and Centres					
Networks		-	331	-	331
Centres		2,316	2,269	2,316	2,269
		2,316	2,600	2,316	2,600
Total ARC		23,672	22,043	23,672	22,043
(g) Other Australian Government financial assistance received:					
AusAID		580	578	580	578
Australian Centre for International Agricultural Research		2,023	1,601	2,023	1,601
Australian Institute of Health and Welfare		827	648	827	648
CSIRO		1,274	1,163	1,274	1,163
Defence, Science and Technology Organisation		1,250	1,828	1,250	1,828
Department of Agriculture, Fisheries and Forestry		13,173	13,955	13,173	13,955
Department of Defence		761	178	761	178
Department of Education, Employment and Workplace Relations		483	680	483	680
Department of Environment, Water, Heritage and the Arts		1,058	1,034	1,058	1,034
Department of Health and Ageing		58,684	44,169	53,023	43,697
Department of Immigration and Citizenship		45	114	45	114
Department of Innovation, Industry, Science and Research		9,327	3,249	9,327	3,249
Department of Veterans' Affairs		219	18	219	18
Other		582	1,043	582	1,043
		90,286	70,258	84,625	69,786
Reconciliation					
Australian Government grants		335,019	292,205	329,358	291,733
HECS-HELP - Australian Government payments		65,622	59,637	65,622	59,637
FEE-HELP		5,309	5,391	5,309	5,391
		405,950	357,233	400,289	356,761
(h) Australian Government grants received - cash basis					
CGS and Other DEEWR grants		127,788	113,153	127,788	113,153
Higher Education Loan Programmes		71,595	63,545	71,595	63,545
Scholarships		8,337	8,861	8,337	8,861
DIISR research		60,952	57,224	60,952	57,224
Other Capital Funding		22,935	15,260	22,935	15,260
ARC Grants - Discovery		13,858	12,918	13,858	12,918
ARC Grants - Linkages		7,244	6,582	7,244	6,582
ARC Grants - Networks and Centres		2,316	2,600	2,316	2,600
Other Australian Government grants		90,218	71,402	84,843	71,402
		405,243	351,545	399,868	351,545
OS-Help (Net)		1,105	450	1,105	450
Superannuation Programme		3,311	3,086	3,311	3,086
		409,659	355,081	404,284	355,081

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 Programme		Partnership & Participation Program	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Financial assistance received in cash during the reporting period	37(a)	118,980	100,782	759	694	578	666	1,168	160
Net accrual adjustments		202	4,967	-	-	-	-	-	-
Revenue for the period		119,182	105,749	759	694	578	666	1,168	160
Surplus/(Deficit) from the previous year		-	-	-	-	-	-	-	-
Total revenue including accrued revenue		119,182	105,749	759	694	578	666	1,168	160
Less expenses including accrued expenses		119,182	105,749	759	694	578	666	317	160
Surplus/(Deficit) for the reporting period		-	-	-	-	-	-	851	-

	Workplace Reform Programme				Learning & Teaching Performance Fund				Capital Development Pool				Diversity and Structural Adjustment Fund			
	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Notes																
Financial assistance received in cash during the reporting period	-	1,194	-	-	-	1,853	-	-	-	2,246	-	-	-	-	-	320
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	-	1,194	-	-	-	1,853	-	-	-	2,246	-	-	-	-	-	320
Surplus/(Deficit) from the previous year	-	-	-	-	-	-	-	-	1,263	13,550	-	-	-	-	-	-
Total revenue including accrued revenue	-	1,194	-	-	-	1,853	-	-	1,263	15,796	-	-	-	-	-	320
Less expenses including accrued expenses	-	1,194	-	-	-	1,853	-	-	1,263	14,533	-	-	-	-	-	320
Surplus/(Deficit) for the reporting period	-	-	-	-	-	-	-	-	-	1,263	-	-	-	-	-	-

37(a)

38. Acquittal of Australian Government Financial Assistance - continued

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

	Notes	Parent Entity (University) Only					
		Workplace Productivity Programme		Improving the Practical Component of Teacher Education Initiative		Transitional Cost Program	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Financial assistance received in cash during the reporting period	37(a)	1,392	1,296	-	18	4,911	3,924
Net accrual adjustments		-	-	-	-	(245)	(5)
Revenue for the period		1,392	1,296	-	18	4,666	3,919
Surplus/(Deficit) from the previous year		-	-	-	-	-	-
Total revenue including accrued revenue		1,392	1,296	-	18	4,666	3,919
Less expenses including accrued expenses		1,392	1,296	-	18	4,666	3,919
Surplus/(Deficit) for the reporting period		-	-	-	-	-	-
						127,788	113,153
						(43)	4,962
						127,745	118,115
						1,263	13,550
						129,008	131,665
						128,157	130,402
						851	1,263

338. Acquittal of Australian Government Financial Assistance - continued

(b) Higher Education Loan Programmes

Parent Entity (University) Only

HECS-HELP (Australian Government payments only)		FEE-HELP						OS-HELP				Total	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$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		65,068	57,395	5,422	5,700			1,105	450			71,595	63,545
		554	2,242	(113)	(309)			(13)	(6)			428	1,927
	37(b)	65,622	59,637	5,309	5,391			1,092	444			72,023	65,472
		-	-	-	-	-			-	-			-
		65,622	59,637	5,309	5,391			1,092	444			72,023	65,472
		65,622	59,637	5,309	5,391			1,092	444			72,023	65,472
		-	-	-	-			-	-			-	-

38. Acquittal of Australian Government Financial Assistance - continued

(c) Learning Scholarships

Parent Entity (University) Only

	Notes	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Costs Scholarships		Commonwealth Accommodation Scholarships		Indigenous Access Scholarships		Total	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Financial assistance received in cash during the reporting period		7,079	5,143	806	779	153	1,236	120	1,532	179	171	8,337	8,861
Net accrual adjustments		-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	37(c)	7,079	5,143	806	779	153	1,236	120	1,532	179	171	8,337	8,861
Surplus/(Deficit) from the previous year		999	878	-	-	862	540	1,186	982	2	14	3,049	2,414
Total revenue including accrued revenue		8,078	6,021	806	779	1,015	1,776	1,306	2,514	181	185	11,386	11,275
Less expenses including accrued expenses		6,881	5,022	806	779	673	914	944	1,328	162	183	9,466	8,226
Surplus/(Deficit) for the reporting period		1,197	999	-	-	342	862	362	1,186	19	2	1,920	3,049

38. Acquittal of Australian Government Financial Assistance - continued

(d) DIISR Research

Parent Entity (University) Only

	Notes	Joint Research Engagement		Research Training Scheme		Research Infrastructure Block Grants		Sustainable Research Excellence	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Financial assistance received in cash during the reporting period	37(d)	15,271	15,744	28,072	27,809	12,838	12,961	4,551	-
Net accrual adjustments		-	-	-	-	-	-	-	-
Revenue for the period		15,271	15,744	28,072	27,809	12,838	12,961	4,551	-
Surplus/(Deficit) from the previous year		-	-	-	-	-	-	-	-
Total revenue including accrued revenue		15,271	15,744	28,072	27,809	12,838	12,961	4,551	-
Less expenses including accrued expenses		15,271	15,744	28,072	27,809	12,838	12,961	3,636	-
Surplus/(Deficit) for the reporting period		-	-	-	-	-	-	915	-

38. Acquittal of Australian Government Financial Assistance - continued

(d) DIISR Research

Parent Entity (University) Only

	Notes	Australian Scheme for Higher Education Repositories										Total			
		Implementation Assistance Programme		Education Repositories		Commercialisation Training Scheme		Total		Total		Total		Total	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Financial assistance received in cash during the reporting period	37(d)	97	189	-	289	123	232	60,952	57,224	60,952	57,224	60,952	57,224	60,952	57,224
Net accrual adjustments		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period		97	189	-	289	123	232	60,952	57,224	60,952	57,224	60,952	57,224	60,952	57,224
Surplus/(Deficit) from the previous year		-	-	-	-	255	215	255	215	255	215	255	215	255	215
Total revenue including accrued revenue		97	189	-	289	378	447	61,207	57,439	61,207	57,439	61,207	57,439	61,207	57,439
Less expenses including accrued expenses		97	189	-	289	135	192	60,049	57,184	60,049	57,184	60,049	57,184	60,049	57,184
Surplus/(Deficit) for the reporting period		-	-	-	-	243	255	1,158	255	1,158	255	1,158	255	1,158	255

38. Acquittal of Australian Government Financial Assistance - continued

(e) Other Capital Funding

Teaching and Learning Capital											Parent Entity (University) Only	
	Notes	Better Universities Renewal Funding				Learning Capital Fund		Education Investment Fund			Total	
		2010	2009			2010	2009	2009	2008	2010	2009	
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	
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												
		-	-	-	-	-	11,096	22,935	4,164	22,935	-	15,260
		-	-	-	-	-	-	-	-	-	-	-
	37(e)	-	-	-	-	-	11,096	22,935	4,164	22,935	-	15,260
		13,726	15,476		7,303	-	-	1,810	-	22,839	-	15,476
	13,726	15,476		7,303	11,096	24,745	4,164	45,774	30,736			
	13,726	1,750		5,463	3,793	5,228	2,354	24,417	7,897			
	-	13,726		1,840	7,303	19,517	1,810	21,357	22,839			

38. Acquittal of Australian Government Financial Assistance - continued

(f) Australian Research Council Grants - Discovery

Parent Entity (University) Only

	Notes	Projects		Fellowships		Indigenous Researchers Development		Total	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Financial assistance received in cash during the reporting period	37(f)	11,706	11,593	2,152	1,312	-	-	13,858	12,918
Net accrual adjustments		(28)	(56)	-	-	-	(1)	(28)	(57)
Revenue for the period		11,678	11,537	2,152	1,312	-	12	13,830	12,861
Surplus/(Deficit) from the previous year		5,471	5,334	613	-	12	11	6,096	5,345
Total revenue including accrued revenue		17,149	16,871	2,765	1,312	12	23	19,926	18,206
Less expenses including accrued expenses		11,088	11,400	1,382	699	3	11	12,473	12,110
Surplus/(Deficit) for the reporting period		6,061	5,471	1,383	613	9	12	7,453	6,096

38. Acquittal of Australian Government Financial Assistance - continued

Parent Entity (University) Only

(f) Australian Research Council Grants - Linkages

	Notes	Infrastructure		International		Projects		Total	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Financial assistance received in cash during the reporting period	37(f)	1,320	1,510	12	52	5,912	5,020	7,244	6,582
Net accrual adjustments		-	-	-	(26)	282	26	282	-
Revenue for the period		1,320	1,510	12	26	6,194	5,046	7,526	6,582
Surplus/(Deficit) from the previous year		591	-	87	89	2,891	1,988	3,569	2,077
Total revenue including accrued revenue		1,911	1,510	99	115	9,085	7,034	11,095	8,659
Less expenses including accrued expenses		1,911	919	45	28	6,168	4,143	8,124	5,090
Surplus/(Deficit) for the reporting period		-	591	54	87	2,917	2,891	2,971	3,569

38. Acquittal of Australian Government Financial Assistance - continued

(f) Australian Research Council Grants - Networks and Centres Parent Entity (University) Only

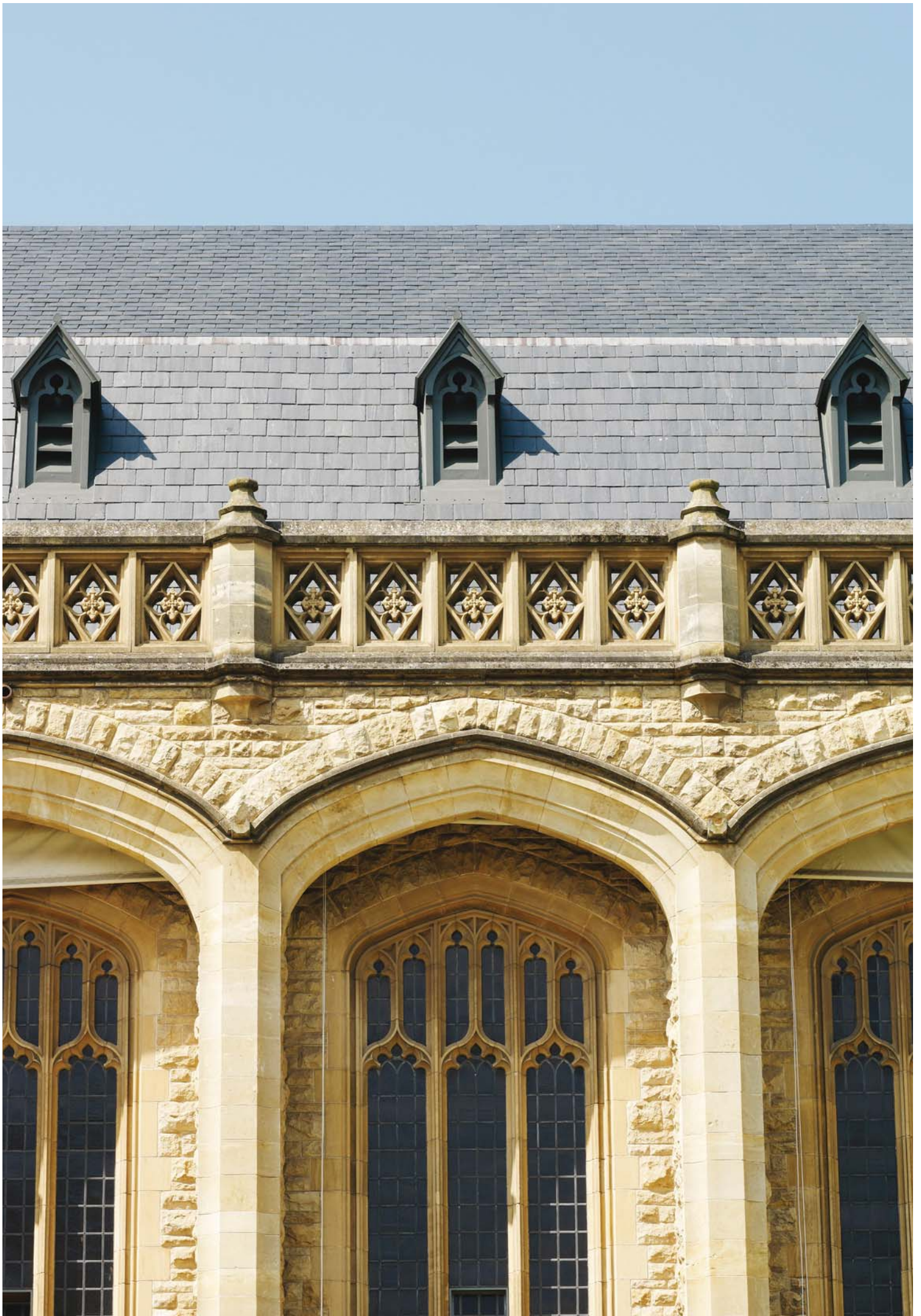
	Notes	Networks		Centres		Total	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Financial assistance received in cash during the reporting period	37(f)	-	331	2,316	2,269	2,316	2,600
Net accrual adjustments		-	-	-	-	-	-
Revenue for the period		-	331	2,316	2,269	2,316	2,600
Surplus/(Deficit) from the previous year		278	445	-	-	278	445
Total revenue including accrued revenue		278	776	2,316	2,269	2,594	3,045
Less expenses including accrued expenses		278	498	2,316	2,269	2,594	2,767
Surplus/(Deficit) for the reporting period		-	278	-	-	-	278

Notes to the Financial Statements for the year ended 31 December 2010

	Note	Consolidated		University	
		2010	2009	2010	2009
		\$000	\$000	\$000	\$000
39. State and Local Government Financial Assistance					
(a) South Australian Government and Local Government financial assistance					
Arts South Australia		28	85	28	85
Bio Innovation SA		1,788	1,884	1,788	1,884
Central Northern Adelaide Health Service		3,438	2,897	3,438	2,897
Children, Youth and Women's Health Service		367	297	367	297
Department for Environment and Heritage		451	509	451	509
Department for Families and Communities		275	432	275	432
Department of Further Education, Employment, Science and Technology		3,490	7,718	3,490	7,718
Department of Health		1,436	1,565	1,436	1,565
Department of the Premier and Cabinet		1,398	1,444	1,398	1,444
Department of Primary Industries & Resources		1,062	4,370	1,062	4,370
Department of Education & Children Services		175	35	175	35
Department for Trade and Economic Development		105	-	105	-
Department for Transport, Energy and Infrastructure		755	664	755	664
Department of Water, Land and Biodiversity Conservation		941	1,166	941	1,166
Institute of Medical and Veterinary Science		39	60	39	60
Motor Accident Commission		515	638	515	638
Police Department SA		223	292	223	292
Public Trustee Office		35	27	35	27
Royal Adelaide Hospital		5,233	5,166	5,233	5,166
SA Murray-Darling Basin NRM Board		322	158	322	158
SafeWork SA		159	79	159	79
South Australian Dental Service		426	501	426	501
South Australian Government Financing Authority		750	-	750	-
South Australian Museum		659	155	659	155
Southern Yorke Peninsula Health Service		327	311	-	-
Workcover Corporation		284	223	284	223
Other		442	627	442	469
Total South Australian Government and Local Government financial assistance		25,123	31,303	24,796	30,834
(b) Other State Government and Local Government financial assistance					
		1,078	496	1,078	496
Total State and Local Government financial assistance		26,201	31,799	25,874	31,330

Notes to the Financial Statements for the year ended 31 December 2010

		Consolidated		University	
		2010	2009	2010	2009
	Note	\$000	\$000	\$000	\$000
40. Fees and Charges					
Fees and charges were collected from the following sources during the reporting period:					
Student fee income	4	129,281	108,032	129,281	108,032
Library charges and fines	4	882	976	882	976
Application management and late fees	4	763	490	763	490
Parking fees	4	1,203	1,004	1,203	1,004
Rental charges/accommodation fees	4	11,383	10,451	11,590	10,633
Recharge of costs to other organisations	4	445	377	445	377
Franchise fees	4	837	998	837	998
Other		4,371	2,976	4,371	2,976
		149,165	125,304	149,372	125,486
41. Consultancy and Contract Revenue					
Consultancy		15,995	26,883	7,636	8,262
Contract research		46,571	35,730	26,379	29,542
		62,566	62,613	34,015	37,804



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