

2011 Part Two | Financial Statements

# Annual Report







**Statement by the Chancellor, Vice-Chancellor & President  
and 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 2011;
- (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 AO  
Vice-Chancellor and President

MR TONY MITCHELL  
Chief Financial Officer

26 March 2012



## INDEPENDENT AUDITOR'S REPORT



Government of South Australia

Auditor-General's Department

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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 2011. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 31 December 2011
- a Statement of Financial Position as at 31 December 2011
- a Statement of Changes in Equity for the year ended 31 December 2011
- a Statement of Cash Flows for the year ended 31 December 2011
- notes comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Chancellor, the Vice-Chancellor and the 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 2011, 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 to the right.

**S O'Neill**  
**AUDITOR-GENERAL**  
28 March 2012

# 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 2011.

## 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 AO	Professor Simon Maddocks
Mr Charles Bagot	Ms Pamela June Martin
Ms Kathryn Castine	Dr John Clive Radcliffe AM
Ms Dianne Davidson	Dr Susan Robinson
Professor Christopher Findlay AM* (Leave of Absence from 2/11/11 to 31/1/12)	Ms Loewn Steel
Mr Ian John Kowalick	Professor Anthony Thomas
The Hon Robert Hill	Mr Stephen Elliott Young

The following persons were newly appointed/elected members during 2011 and continue in office at the date of this report.

Member	Date Appointed/Elected
Mr Gerald Buttfeld	elected 6 March 2011
Associate Professor Felix Patrikeeff	elected 6 March 2011
Ms Geraldine Yam	elected 5 November 2011

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

Member	Date Ceased
Dr Rodney Crewther	5 March 2011
Ms Lavinia Emmett-Grey	5 March 2011
Mr Jeremy Kwan	5 March 2011
Mr Christakis Soteriou	5 March 2011
Mr Xu Ting	5 March 2012
Mr Christopher Wong	5 March 2011

The following persons were new ex officio/elected in 2012 and are members up to the date of this report.

Member	Date Elected/Ex Officio
Mr Luke Arthur	elected 6 March 2012
Mr Casey Briggs	elected 6 March 2012
Mr William Prescott	elected 6 March 2012

The following persons were elected/appointed during 2011 and were members until his/her term of office ceased.

Member	Date Appointed/Elected	Date Ceased
Professor Clement Macintyre*	2 September 2011	31 January 2012
Mr Andrew Shepherd	6 March 2011	5 March 2012
Ms Gloria Sumner	6 March 2011	21 October 2011 (resigned)
Mr Eric Fan Yang	6 March 2011	5 March 2012

\*Professor Clement Macintyre was Acting Chair of the Academic Board whilst Professor Christopher Findlay AM took Leave of Absence; Professor Macintyre returned to his substantive position of Deputy Chair of the Academic Board.

## Meetings of Members

The numbers of meetings of the University of Adelaide Council and of each committee of Council held during the year ended 31 December 2011, 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 Robert Murray Hill, Chancellor	7	8	0	8	0	6	4	4	2	9	0	1	5	5	1	1
Professor James Alexander McWha AO, Vice-Chancellor and President	8	8	4	8	6	6	2	4	7	9	1	1	3	3	1	1
Mr Charles Bagot	7	8			6	6	3	4					5	5		
Mr Gerald Butfield	7	7														
Ms Kathryn Castine	8	8					3	4			1	1				
Dr Rodney Crewther	1	1														
Ms Dianne Davidson	7	8									1	1				
Ms Lavinia Emmett-Grey	1	1														
Professor Christopher Findlay AM	5	8	5	8			3	4	4	9						
Mr Ian John Kowalick	8	8			3	6	3	4	8	9			5	5		
Mr Jeremy Kwan	1	1														
Professor Clement Macintyre	3	3	3	3												
Professor Simon Maddocks	8	8													1	1
Ms Pamela June Martin	5	8					2	4					3	5	0	1
A/Professor Felix Patrikeeff	6	7														
Dr John Clive Radcliffe AM	8	8			6	6										
Dr Susan Robinson	7	8														
Mr Andrew Shepherd	3	7														
Mr Christakis Soteriou	1	1														
Ms Loewn Steel	7	8														
Ms Gloria Sumner	5	5														
Professor Anthony Thomas	8	8														
Mr Xu Ting	8	8														
Mr Christopher Wong	1	1														
Ms Geraldine Yam	2	2														
Mr Eric Fan Yang	4	7														
Mr Stephen Elliott Young	6	8							7	9						

A = Number of meetings attended

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

## Principal Activities

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

## Review of Operations

The University reported a consolidated operating result of \$47.8 million for the year (2010: \$59.9 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  
26 March 2012

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## Statement of Comprehensive Income for the year ended 31 December 2011

		Consolidated		University	
		2011	2010	2011	2010
	Note	\$000	\$000	\$000	\$000
Revenue from continuing operations					
Received under Higher Education Support Act					
Base operating financial assistance	4	170,229	162,525	170,229	162,525
Other operating financial assistance	4	3,425	4,090	3,425	4,090
Higher Education Contribution Scheme	4	89,129	83,734	89,129	83,734
		262,783	250,349	262,783	250,349
Learning and Teaching					
Student fees	4	148,204	135,396	148,204	135,396
Grants		48,084	54,538	46,046	48,877
		196,288	189,934	194,250	184,273
Research Grants and Fees					
National competitive grants		94,888	81,263	94,888	81,263
Public sector - other		54,679	43,134	39,300	33,892
Industry and other		35,345	34,541	23,678	23,265
		184,912	158,938	157,866	138,420
Research - Other					
Cooperative Research Centre direct funding		3,154	2,963	3,154	2,963
Research infrastructure program		15,181	14,158	15,181	14,158
Sustainable Excellence Research Funding		7,136	4,551	7,136	4,551
		25,471	21,672	25,471	21,672
Other					
Investment revenue	4	19,744	12,585	40,654	28,806
Property revenue	4	14,006	14,356	14,189	14,716
Specialist services and trading	4	43,594	49,037	18,981	16,567
Bequests, donations & other revenue	4	39,643	32,219	35,260	26,153
		116,987	108,197	109,084	86,242
Total revenue from continuing operations		786,441	729,090	749,454	680,956
Expenses from continuing operations					
Salaries and related expenses	5	398,238	354,259	386,007	342,828
Student services		36,973	33,277	36,973	33,277
Teaching and research	5	74,744	68,678	74,919	68,983
Buildings and grounds	5	47,203	41,755	46,350	41,005
Finance costs	5	6,888	3,659	7,424	4,079
Administration, communication and travel	5	111,780	108,124	69,171	67,617
Finance and fund administration	5	13,002	2,728	13,002	2,622
Misc equip, dep'n and net loss on disposal of assets	5	49,840	56,664	49,580	56,453
Total expenses from continuing operations		738,668	669,144	683,426	616,864
Net operating result for the year		47,773	59,946	66,028	64,092

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

## Statement of Comprehensive Income for the year ended 31 December 2011 - continued

	Note	Consolidated		University	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000
<b>Operating result for the period</b>		<b>47,773</b>	<b>59,946</b>	<b>66,028</b>	<b>64,092</b>
<b>Other comprehensive income</b>					
Gain / (loss) on revaluation of land and buildings	15	-	73,554	-	73,380
Gain / (loss) on revaluation of works of Art		(33)	-	(33)	-
Gain / (loss) on value of available for sale financial assets, net of tax	14	-	-	(14,892)	(5,730)
Gain / (loss) on revaluation of Library	15	-	(1,810)	-	(1,810)
Gain / (loss) on swap contracts	9	(8,412)	(1,257)	(8,412)	(1,257)
Share of other comprehensive income of associates and joint ventures, net of tax	4	(454)	(136)	-	-
Net actuarial gain / (loss) recognised in respect of Defined Benefit Plans	27	(5,666)	(710)	(5,666)	(710)
Non-controlling equity interest distribution paid		(3,819)	(493)	-	-
Other adjustments recognised directly in equity		33	-	33	-
<b>Total other comprehensive income</b>		<b>(18,351)</b>	<b>69,148</b>	<b>(28,970)</b>	<b>63,873</b>
<b>Total comprehensive income</b>		<b>29,422</b>	<b>129,094</b>	<b>37,058</b>	<b>127,965</b>
Total comprehensive income attributable to non-controlling interest		1,678	109	-	-
<b>Total comprehensive income attributable to the University of Adelaide</b>		<b>31,100</b>	<b>129,203</b>	<b>37,058</b>	<b>127,965</b>

## Statement of Financial Position as at 31 December 2011

		Consolidated		University	
	Note	2011 \$000	2010 \$000	2011 \$000	2010 \$000
<b>Current Assets</b>					
Cash and cash equivalents	6	32,339	31,958	22,835	23,594
Receivables	7	31,351	31,976	27,830	26,188
Other financial assets	8	80,577	57,445	80,632	57,750
Inventories	10	3,763	10,112	1,063	1,139
Other non-financial assets	11	7,478	6,781	7,407	6,750
		155,508	138,272	139,767	115,421
Non-current assets held for sale	12	9,136	29,203	-	-
<b>Total current assets</b>		<b>164,644</b>	<b>167,475</b>	<b>139,767</b>	<b>115,421</b>
<b>Non-current Assets</b>					
Other financial assets	8	118,200	119,856	118,475	120,186
Investments accounted for using the equity method	13	1,675	2,159	683	713
Available-for-sale financial assets	14	-	-	26,831	41,723
Property, plant and equipment	15	1,054,114	991,683	1,043,515	985,183
Investment property	16	18,995	18,685	18,995	18,685
Intangible assets	17	17,239	19,064	17,239	19,064
Other non-financial assets	11	1,227	1,317	1,163	1,317
Deferred government superannuation contribution	27	69,869	57,257	69,869	57,257
<b>Total non-current assets</b>		<b>1,281,319</b>	<b>1,210,021</b>	<b>1,296,770</b>	<b>1,244,128</b>
<b>Total assets</b>		<b>1,445,963</b>	<b>1,377,496</b>	<b>1,436,537</b>	<b>1,359,549</b>
<b>Current Liabilities</b>					
Payables	18	52,191	54,807	38,882	37,363
Borrowings	19	5,006	5,006	5,006	5,006
Provisions	20	31,881	28,204	31,257	27,398
Defined benefit obligation	27	4,200	3,900	4,200	3,900
Other	21	11,624	10,990	17,641	20,447
<b>Total current liabilities</b>		<b>104,902</b>	<b>102,907</b>	<b>96,986</b>	<b>94,114</b>
<b>Non-current Liabilities</b>					
Payables	18	6,810	5,519	6,777	5,487
Borrowings	19	78,037	78,043	78,037	78,043
Provisions	20	58,867	43,826	58,618	43,568
Derivative financial instruments	9	12,220	3,808	12,220	3,808
Defined benefit obligation	27	65,669	53,357	65,669	53,357
<b>Total non-current liabilities</b>		<b>221,603</b>	<b>184,553</b>	<b>221,321</b>	<b>184,263</b>
<b>Total liabilities</b>		<b>326,505</b>	<b>287,460</b>	<b>318,307</b>	<b>278,377</b>
<b>Net assets</b>		<b>1,119,458</b>	<b>1,090,036</b>	<b>1,118,230</b>	<b>1,081,172</b>
<b>Equity</b>					
Capital reserves	23	564,680	585,674	579,412	594,337
Specific purpose reserves	23	374,681	329,597	374,681	329,597
Retained surplus	23	180,099	173,089	164,137	157,238
<b>Total University interest</b>		<b>1,119,460</b>	<b>1,088,360</b>	<b>1,118,230</b>	<b>1,081,172</b>
Non-controlling interest		(2)	1,676	-	-
<b>Total equity</b>		<b>1,119,458</b>	<b>1,090,036</b>	<b>1,118,230</b>	<b>1,081,172</b>

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



## Statement of Changes in Equity for the year ended 31 December 2011

Consolidated	Capital Reserves \$000	Specific Purpose Reserves \$000	Retained Surplus \$000	Non- controlling Interest \$000	Total \$000
<b>Balance at 1 January 2010</b>	<b>513,980</b>	<b>270,612</b>	<b>174,565</b>	<b>1,785</b>	<b>960,942</b>
<b>Net operating result</b>	<b>(50)</b>	<b>60,952</b>	<b>(1,340)</b>	<b>384</b>	<b>59,946</b>
<b>Other comprehensive income</b>					
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 interest rate 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)
<b>Total other comprehensive income</b>	<b>71,744</b>	<b>(1,967)</b>	<b>(136)</b>	<b>(493)</b>	<b>69,148</b>
<b>Balance at 31 December 2010</b>	<b>585,674</b>	<b>329,597</b>	<b>173,089</b>	<b>1,676</b>	<b>1,090,036</b>
<b>Balance at 1 January 2011</b>	<b>585,674</b>	<b>329,597</b>	<b>173,089</b>	<b>1,676</b>	<b>1,090,036</b>
<b>Net operating result</b>	<b>-</b>	<b>59,162</b>	<b>(13,530)</b>	<b>2,141</b>	<b>47,773</b>
<b>Other comprehensive income</b>					
Gain / (loss) on revaluation of works of Art	(33)	-	-	-	(33)
Gain / (loss) on swap contracts	-	(8,412)	-	-	(8,412)
Share of other comprehensive income of associates and joint ventures, net of tax	-	-	(454)	-	(454)
Net actuarial gain / (loss) recognised in respect of Defined Benefit Plans	-	(5,666)	-	-	(5,666)
Other adjustments recognised directly in equity	-	-	33	-	33
Non-controlling equity interest distribution paid	-	-	-	(3,819)	(3,819)
Transfer to retained surplus	(20,961)	-	20,961	-	-
<b>Total other comprehensive income</b>	<b>(20,994)</b>	<b>(14,078)</b>	<b>20,540</b>	<b>(3,819)</b>	<b>(18,351)</b>
<b>Balance at 31 December 2011</b>	<b>564,680</b>	<b>374,681</b>	<b>180,099</b>	<b>(2)</b>	<b>1,119,458</b>

## Statement of Changes in Equity for the year ended 31 December 2011 - continued

University	Capital Reserves \$000	Specific Purpose Reserves \$000	Retained Surplus \$000	Non- controlling Interest \$000	Total \$000
<b>Balance at 1 January 2010</b>	528,497	270,612	154,098	-	953,207
<b>Net operating result</b>	-	60,952	3,140	-	64,092
<b>Other comprehensive income</b>					
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 interest rate swap contracts	-	(1,257)	-	-	(1,257)
Net actuarial gain / (loss) recognised in respect of Defined Benefit Plans	-	(710)	-	-	(710)
<b>Total other comprehensive income</b>	65,840	(1,967)	-	-	63,873
<b>Balance at 31 December 2010</b>	594,337	329,597	157,238	-	1,081,172
<b>Balance at 1 January 2011</b>	594,337	329,597	157,238	-	1,081,172
<b>Net operating result</b>	-	59,162	6,866	-	66,028
<b>Other comprehensive income</b>					
Gain / (loss) on revaluation of works of Art	(33)	-	-	-	(33)
Gain / (loss) on value of available for sale financial assets, net of tax	(14,892)	-	-	-	(14,892)
Gain / (loss) on swap contracts	-	(8,412)	-	-	(8,412)
Net actuarial gain / (loss) recognised in respect of Defined Benefit Plans	-	(5,666)	-	-	(5,666)
Other adjustments recognised directly in equity	-	-	33	-	33
<b>Total other comprehensive income</b>	(14,925)	(14,078)	33	-	(28,970)
<b>Balance at 31 December 2011</b>	579,412	374,681	164,137	-	1,118,230

## Statement of Cash Flows for the year ended 31 December 2011

		Consolidated		University	
		2011	2010	2011	2010
	Note	\$000	\$000	\$000	\$000
<b>Cash flows from operating activities</b>					
<b>Inflows:</b>					
Australian Government financial assistance	37(h)	430,895	405,243	426,342	399,868
OS-Help (net)	37(h)	(124)	109	(124)	109
Superannuation Supplementation	37(h)	3,589	3,311	3,589	3,311
State Government financial assistance		28,856	24,011	28,515	23,684
HECS-HELP student upfront payments		13,856	13,446	13,856	13,446
Fee paying student revenue received		141,047	127,020	141,047	127,020
Fees and charges		17,077	17,094	17,077	17,094
Donations and bequests		12,118	8,972	12,118	8,972
Interest and dividends received		14,788	9,015	9,296	5,536
Consultancy and contract research		67,645	60,977	34,321	32,962
Specialist services and produce trading		20,626	15,935	4,234	3,691
GST received		26,982	26,526	25,238	24,747
Other		46,480	29,562	62,759	39,479
Total inflows		<b>823,835</b>	<b>741,221</b>	<b>778,268</b>	<b>699,919</b>
<b>Outflows:</b>					
Salaries and related expenses		(382,507)	(350,678)	(370,049)	(339,240)
Student services		(37,039)	(33,310)	(36,986)	(33,261)
Goods and services		(259,842)	(230,565)	(214,709)	(196,112)
Costs of finance		(755)	(859)	(755)	(859)
GST paid		(31,061)	(28,566)	(25,937)	(24,264)
Total outflows		<b>(711,204)</b>	<b>(643,978)</b>	<b>(648,436)</b>	<b>(593,736)</b>
<b>Net cash provided by operating activities</b>	24	<b>112,631</b>	<b>97,243</b>	<b>129,832</b>	<b>106,183</b>



## Statement of Cash Flows for the year ended 31 December 2011 - continued

	Note	Consolidated		University	
		2011	2010	2011	2010
		\$000	\$000	\$000	\$000
<b>Cash flows from investing activities</b>					
<b>Inflows:</b>					
Proceeds from sale of property, plant and equipment		23,037	16,605	137	137
Proceeds from sale of financial assets		4,201	3,270	4,201	2,867
Proceeds from sale of available for sale financial assets		-	-	-	-
Proceeds from joint venture investments		30	-	30	-
Decrease in loans		-	38	-	6
Repayment of loans by related parties		117	117	422	172
Increase in funds held on deposit		-	-	-	1,500
<b>Total inflows</b>		<b>27,385</b>	<b>20,030</b>	<b>4,790</b>	<b>4,682</b>
<b>Outflows:</b>					
Payments for property, plant and equipment		(90,661)	(90,380)	(86,226)	(86,274)
Payments for intangible assets		(5,386)	(7,922)	(5,386)	(7,922)
Purchase of financial assets		(10,459)	(11,859)	(10,459)	(11,859)
Purchase of financial assets held-to-maturity		(23,132)	(17,900)	(23,132)	(17,900)
Decrease in loans		(131)	(16)	(131)	(16)
Increase in loans to related parties		-	-	-	(250)
Decrease in funds held on deposit		-	-	(4,000)	-
<b>Total Outflows</b>		<b>(129,769)</b>	<b>(128,077)</b>	<b>(129,334)</b>	<b>(124,221)</b>
<b>Net cash used in investing activities</b>		<b>(102,384)</b>	<b>(108,047)</b>	<b>(124,544)</b>	<b>(119,539)</b>
<b>Cash flows from financing activities</b>					
<b>Inflows:</b>					
Increase in borrowings		-	24,700	-	24,700
<b>Total inflows</b>		<b>-</b>	<b>24,700</b>	<b>-</b>	<b>24,700</b>
<b>Outflows:</b>					
Borrowings - interest repayments		(6,136)	(3,043)	(6,136)	(3,043)
Dividends paid to minority interests		(3,819)	(493)	-	-
<b>Total outflows</b>		<b>(9,955)</b>	<b>(3,536)</b>	<b>(6,136)</b>	<b>(3,043)</b>
<b>Net cash used in financing activities</b>		<b>(9,955)</b>	<b>21,164</b>	<b>(6,136)</b>	<b>21,657</b>
<b>Net increase in cash and cash equivalents</b>		<b>292</b>	<b>10,360</b>	<b>(848)</b>	<b>8,301</b>
Cash and cash equivalents at the beginning of reporting period		31,958	21,428	23,594	15,123
Effects of exchange rate changes on cash and cash equivalents		89	170	89	170
<b>Cash and cash equivalents at end of reporting period</b>	6	<b>32,339</b>	<b>31,958</b>	<b>22,835</b>	<b>23,594</b>

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 (2011: \$80.4 million, 2010: \$57.3 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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## Notes to the Financial Statements for the year ended 31 December 2011

### 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), the 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 underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

### 2. Scope of Reporting

The financial statements and notes disclose the 2011 operating results and 2010 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 2011

### 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 and charges are recognised in the year 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 2011

### 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

Trade receivables are initially recognised at fair value. 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 at bank or on hand and deposits held at call with financial institutions.

## Notes to the Financial Statements for the year ended 31 December 2011

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

#### (j) Other Financial Assets

The Consolidated Entity classifies its investments into the following categories: financial assets at fair value through profit or loss, 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 at fair value through profit or loss**

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified in this category if acquired for the purpose of selling in the short-term. Financial assets at fair value through profit or loss are classified as current assets 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**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the University's management has the positive intention and ability to hold 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 carried 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 equity, 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**

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. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques such as recent arm's length transactions or discounted cash flow analysis.

#### (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.



## Notes to the Financial Statements for the year ended 31 December 2011

### 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 designated and qualify as cash flow hedges are deferred in the 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 2011 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 but not control over the financial and operating policies, generally accompanying a shareholding of between 20% and 50% of the voting rights.

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 ventures**

Joint ventures are those entities over whose activities the Consolidated Entity has joint control.

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.

# Notes to the Financial Statements for the year ended 31 December 2011

## 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 \$2,000 and greater, are recorded at fair value on the basis of an independent valuation carried out by Mr J.F.B. Bruce valuer (MSAV) of Theodore Bruce Auctions Pty Ltd on 31 December 2011. 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

The Consolidated Entity assesses at balance date whether there is objective evidence that an asset or group of assets is impaired.

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.

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if changes in circumstances indicate they might be impaired. An impairment loss is recognised if the carrying amount of the asset or its related cash-generating-unit (CGU) exceeds its recoverable amount.

## Notes to the Financial Statements for the year ended 31 December 2011

### 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	80 – 100 years
• Leasehold improvements	5 – 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 Lachlan Hogarth, AAPI, B.Bus.Property (Val), Grad Cert App Fin, of Maloney Field Services (Australia) Pty Ltd on 31 December 2011.

#### (s) Workers' Compensation

The University is responsible for payments of workers' compensation claims and is registered with the WorkCover Corporation of South Australia as an exempt employer.

The actuarial assessment of the provision for workers' compensation claims has been prepared by Brett & Watson Pty Ltd using the Case Estimation Methodology. This methodology comprises the assessment of individual independent case estimates of all open claims. A separate allowance for incurred but not reported claims (IBNR), unforeseen escalation of the case estimates and re-opening of finalised claims is then made.

#### (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) 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.

#### (w) 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 2011

		Consolidated		University	
		2011	2010	2011	2010
	Note	\$000	\$000	\$000	\$000
<b>4. Revenue from continuing operations</b>					
<b>Received under Higher Education Support Act</b>					
<b>Base operating financial assistance</b>					
Commonwealth Grants Scheme (Commonwealth supported places)		126,359	119,182	126,359	119,182
Institutional Grants Scheme		15,286	15,271	15,286	15,271
Research Training Scheme		28,584	28,072	28,584	28,072
		<b>170,229</b>	<b>162,525</b>	<b>170,229</b>	<b>162,525</b>
<b>Other operating financial assistance</b>					
Other operating financial assistance		3,425	4,090	3,425	4,090
		<b>3,425</b>	<b>4,090</b>	<b>3,425</b>	<b>4,090</b>
<b>Higher Education Contribution Scheme</b>					
HECS-HELP student upfront payments		13,856	13,446	13,856	13,446
Australian Government financial assistance		75,273	70,288	75,273	70,288
		<b>89,129</b>	<b>83,734</b>	<b>89,129</b>	<b>83,734</b>
		<b>262,783</b>	<b>250,349</b>	<b>262,783</b>	<b>250,349</b>
<b>Student fee income includes:</b>					
<b>Fee paying student revenue received</b>					
<b>Award courses</b>					
Australian fee paying undergraduate students		1,724	1,640	1,724	1,640
Australian fee paying postgraduate students		2,927	2,939	2,927	2,939
International fee paying students		128,820	114,401	128,820	114,401
		<b>133,471</b>	<b>118,980</b>	<b>133,471</b>	<b>118,980</b>
<b>Non award courses</b>					
Continuing education		528	553	528	553
Australian fee paying		3,575	5,510	3,575	5,510
Other teaching service fees		4,274	4,238	4,274	4,238
		<b>8,377</b>	<b>10,301</b>	<b>8,377</b>	<b>10,301</b>
		<b>141,848</b>	<b>129,281</b>	<b>141,848</b>	<b>129,281</b>
<b>Australian Government financial assistance</b>					
FEE-HELP		5,471	5,309	5,471	5,309
Overseas postgraduate research scholarship		885	806	885	806
		<b>148,204</b>	<b>135,396</b>	<b>148,204</b>	<b>135,396</b>
<b>Investment revenue</b>					
General fund earnings		6,949	5,239	6,481	4,792
Net realised gains on composite fund investments		3,899	3,191	3,899	3,191
Unrealised gains on investment properties		267	-	267	-
Royalty, trademarks and licences		5,084	3,203	1,788	619
Dividends received		3,545	952	3,545	952
Distributions from controlled entities		-	-	24,674	19,252
		<b>19,744</b>	<b>12,585</b>	<b>40,654</b>	<b>28,806</b>
<b>Property revenue</b>					
Rental charges/accommodation fees		10,984	11,383	11,007	11,590
Parking fees		1,350	1,203	1,350	1,203
Building development and maintenance recovery		1,142	1,250	1,142	1,250
Other property revenue		530	520	690	673
		<b>14,006</b>	<b>14,356</b>	<b>14,189</b>	<b>14,716</b>

## Notes to the Financial Statements for the year ended 31 December 2011

	Note	Consolidated		University	
		2011	2010	2011	2010
		\$000	\$000	\$000	\$000
<b>4. Revenue from continuing operations - continued</b>					
<b>Specialist services and trading</b>					
Consultancy fees		11,927	15,996	7,870	7,636
Library charges and fines		854	882	854	882
Sale of services		22,253	18,129	6,835	5,047
Sale of goods		4,919	10,677	657	606
Sponsorship and conference income		1,489	1,267	1,489	1,267
Other specialist services and trading		2,152	2,086	1,276	1,129
		<b>43,594</b>	<b>49,037</b>	<b>18,981</b>	<b>16,567</b>
<b>Bequests, donations and other revenue</b>					
Bequests and donations received for:					
Research		8,707	5,598	8,707	5,598
General operational purposes		3,243	3,402	3,243	3,402
		<b>11,950</b>	<b>9,000</b>	<b>11,950</b>	<b>9,000</b>
Prizes and scholarships		1,958	1,646	1,958	1,646
Recharge of costs to other organisations		470	445	470	445
Application management and late fee		922	763	922	763
Franchise fees		1,127	837	1,127	837
Insurance claim recovery		970	15	970	15
Salary recharges		1,593	1,590	1,593	1,590
AusAid Scholarships & stipends		5,298	4,785	5,298	4,785
Net foreign exchange gain		89	170	89	170
Other revenue		15,266	12,968	10,883	6,902
		<b>39,643</b>	<b>32,219</b>	<b>35,260</b>	<b>26,153</b>
<b>Share of operating results of associates and joint ventures accounted for using the equity method</b>					
Joint venture operations	34	(476)	(123)	-	-
Associates	33	22	(13)	-	-
		<b>(454)</b>	<b>(136)</b>	<b>-</b>	<b>-</b>



## Notes to the Financial Statements for the year ended 31 December 2011

	Consolidated		University	
	2011	2010	2011	2010
Note	\$000	\$000	\$000	\$000
<b>5. Expenses from continuing operations</b>				
<b>Salaries and related expenses</b>				
<b>Salaries and related expenses - Academic</b>				
Salaries	156,599	139,554	156,599	139,554
Contributions to superannuation schemes	23,242	20,485	23,242	20,485
Payroll tax	9,252	8,170	9,252	8,170
Annual leave	14,437	12,325	14,437	12,325
Long service leave	8,244	3,724	8,244	3,724
Workers' compensation	798	705	798	705
Other	4,569	4,557	4,569	4,557
Total academic salaries and related expenses	<b>217,141</b>	<b>189,520</b>	<b>217,141</b>	<b>189,520</b>
<b>Salaries and related expenses - Non-academic</b>				
Salaries	132,538	122,514	122,041	112,935
Contributions to superannuation schemes	18,744	16,705	17,685	15,743
Payroll tax	7,719	7,025	7,155	6,514
Annual leave	10,667	10,537	10,568	10,414
Long service leave	5,383	2,961	5,528	2,893
Workers' compensation	752	726	624	563
Other	5,294	4,271	5,265	4,246
Total non-academic salaries and related expenses	<b>181,097</b>	<b>164,739</b>	<b>168,866</b>	<b>153,308</b>
Total salaries and related expenses	<b>398,238</b>	<b>354,259</b>	<b>386,007</b>	<b>342,828</b>
<b>Teaching and research</b>				
Agriculture, animals and cropping	962	829	1,040	900
Books, subscriptions and printed material	6,931	7,647	6,931	7,647
Laboratory expenses	14,839	15,478	14,839	15,478
Research transfer to other institutions	27,746	24,056	27,746	24,056
Other teaching and research	24,266	20,668	24,363	20,902
	<b>74,744</b>	<b>68,678</b>	<b>74,919</b>	<b>68,983</b>
<b>Buildings and grounds</b>				
Cleaning and security	7,818	7,281	7,764	7,222
Property maintenance	15,261	12,225	15,170	12,084
Building leases and rent	13,381	11,282	13,030	11,025
Utilities	10,743	10,967	10,386	10,674
	<b>47,203</b>	<b>41,755</b>	<b>46,350</b>	<b>41,005</b>

## Notes to the Financial Statements for the year ended 31 December 2011

		Consolidated		University	
		2011	2010	2011	2010
	Note	\$000	\$000	\$000	\$000
<b>5. Expenses from continuing operations - continued</b>					
<b>Finance costs</b>					
Interest		6,187	3,056	6,723	3,476
Finance charges		701	603	701	603
		<b>6,888</b>	<b>3,659</b>	<b>7,424</b>	<b>4,079</b>
<b>Administration, communication and travel</b>					
Consultants & specialist services		19,287	17,868	15,788	15,371
Fees & licenses		10,534	11,166	10,516	11,152
Insurance		3,028	3,421	2,835	3,248
Administration & communication		54,180	53,191	15,536	15,589
Publicity and fundraising		5,042	4,198	4,845	4,074
Travel, accommodation & entertainment		19,709	18,280	19,651	18,183
		<b>111,780</b>	<b>108,124</b>	<b>69,171</b>	<b>67,617</b>
<b>Finance and fund administration</b>					
<b>Bad and doubtful debts</b>					
Student loans		(17)	(11)	(17)	(11)
Student tuition		68	151	68	151
Other debtors		23	227	23	121
		<b>74</b>	<b>367</b>	<b>74</b>	<b>261</b>
General and composite fund investment market valuation adjustment		11,652	364	11,652	364
Unrealised losses on investment properties		-	567	-	567
Management and merchant fees		516	539	516	539
Fringe benefit tax payments		685	850	685	850
Other		75	41	75	41
		<b>13,002</b>	<b>2,728</b>	<b>13,002</b>	<b>2,622</b>
<b>Misc equip, dep'n and net loss on disposal of assets includes:</b>					
<b>Amortisation of intangible assets</b>					
Software		<b>4,512</b>	<b>1,388</b>	<b>4,512</b>	<b>1,388</b>
<b>Amortisation</b>	3(q)				
Leasehold improvements		4,027	3,895	4,023	3,891
		<b>8,539</b>	<b>5,283</b>	<b>8,535</b>	<b>5,279</b>
<b>Depreciation</b>	3(q)				
Buildings		19,923	13,506	19,915	13,484
Plant, equipment and motor vehicles		7,948	7,269	7,700	7,084
Library collection		2,717	3,937	2,717	3,937
		<b>30,588</b>	<b>24,712</b>	<b>30,332</b>	<b>24,505</b>
		<b>39,127</b>	<b>29,995</b>	<b>38,867</b>	<b>29,784</b>
Non-capitalised equipment		9,656	12,239	9,656	12,239
Net loss on disposal of assets		1,057	3,301	1,057	3,301
Loss on revaluation of other buildings		-	11,129	-	11,129
		<b>49,840</b>	<b>56,664</b>	<b>49,580</b>	<b>56,453</b>

## Notes to the Financial Statements for the year ended 31 December 2011

	Note	Consolidated		University	
		2011	2010	2011	2010
		\$000	\$000	\$000	\$000
<b>6. Cash and Cash Equivalents</b>	3(i)				
Cash at bank or on hand		19,972	16,568	10,835	8,594
Deposits at call		12,367	15,390	12,000	15,000
		<b>32,339</b>	<b>31,958</b>	<b>22,835</b>	<b>23,594</b>

The University invested its surplus working capital into bank term investments (2011: \$80.4 million, 2010: \$57.3 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.

<b>7. Receivables</b>	3(h)				
<b>Current</b>					
Student tuition fees		3,795	3,543	3,795	3,543
Less: provision for impaired receivables		(372)	(666)	(372)	(666)
		<b>3,423</b>	<b>2,877</b>	<b>3,423</b>	<b>2,877</b>
Trade debtors		25,953	22,080	22,077	15,917
Less: provision for impaired receivables		(833)	(904)	(478)	(529)
		<b>25,120</b>	<b>21,176</b>	<b>21,599</b>	<b>15,388</b>
Sundry debtors and accrued income		2,729	7,826	2,729	7,826
Less: provision for impaired receivables		-	-	-	-
		<b>2,729</b>	<b>7,826</b>	<b>2,729</b>	<b>7,826</b>
Student loans		279	314	279	314
Less: provision for impaired receivables		(200)	(217)	(200)	(217)
		<b>79</b>	<b>97</b>	<b>79</b>	<b>97</b>
		<b>31,351</b>	<b>31,976</b>	<b>27,830</b>	<b>26,188</b>

**(a) Impaired receivables**

As at 31 December 2011 current receivables of the group with a nominal value of \$1.8 million (2010: \$4.3 million) were impaired. The amount of the provision was \$1.4 million (2010: \$1.8 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	71	50	71	50
3 to 6 months	188	708	188	702
Over 6 months	1,539	3,503	1,184	3,134
	<b>1,798</b>	<b>4,261</b>	<b>1,443</b>	<b>3,886</b>

As at 31 December 2011 current receivables of the group of \$30.9 million (2010: \$29.5 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	28,290	25,570	25,746	21,434
3 to 6 months	566	1,570	225	911
Over 6 months	2,102	2,362	1,466	1,369
	<b>30,958</b>	<b>29,502</b>	<b>27,437</b>	<b>23,714</b>

## Notes to the Financial Statements for the year ended 31 December 2011

		Consolidated		University	
		2011	2010	2011	2010
	Note	\$000	\$000	\$000	\$000
<b>7. Receivables - continued</b>					
<b>(a) Impaired receivables - continued</b>					
The movement in the provision for impaired receivables is as follows:					
At 1 January		1,787	1,645	1,412	1,376
Net provision for impairment recognised/(reversed) during the year		93	375	111	247
Receivables written off during the year as uncollectible		(475)	(233)	(473)	(211)
		<b>1,405</b>	<b>1,787</b>	<b>1,050</b>	<b>1,412</b>

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	117	172	422
Held-to-maturity - bank term investments		80,460	57,328	80,460	57,328
		<b>80,577</b>	<b>57,445</b>	<b>80,632</b>	<b>57,750</b>

**Non-current****Fair value through profit or loss (held for trading)****Composite fund at fair value**

3(j)

Australian fixed interest securities		7,080	6,385	7,080	6,385
Overseas fixed interest securities		7,285	6,098	7,285	6,098
Australian equities		46,017	49,505	46,017	49,505
Overseas equities		33,930	34,884	33,930	34,884
Property trusts		8,880	8,720	8,880	8,720
Cash and liquid assets		5,480	4,907	5,480	4,907
Alternative strategies		7,752	7,463	7,752	7,463
		<b>116,424</b>	<b>117,962</b>	<b>116,424</b>	<b>117,962</b>

Other shares		1,225	1,226	1,225	1,226
<b>Total fair value through profit or loss (held for trading)</b>		<b>117,649</b>	<b>119,188</b>	<b>117,649</b>	<b>119,188</b>

**Other loans**

		551	668	826	998
<b>Total non-current other financial assets</b>		<b>118,200</b>	<b>119,856</b>	<b>118,475</b>	<b>120,186</b>

**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 2011

		Consolidated		University	
		2011	2010	2011	2010
	Note	\$'000	\$'000	\$'000	\$'000
<b>9. Derivative Financial Instruments</b>					
<b>Non-Current Liabilities</b>					
Interest rate swap contracts - cash flow hedges		12,220	3,808	12,220	3,808
<b>Total Derivative Financial Instruments</b>		<b>12,220</b>	<b>3,808</b>	<b>12,220</b>	<b>3,808</b>
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.					
<b>10. Inventories</b>					
	3(m)				
Consumable materials and trading stock		2,938	8,407	1,113	1,189
Livestock		875	1,755	-	-
Provision for obsolescence		(50)	(50)	(50)	(50)
		<b>3,763</b>	<b>10,112</b>	<b>1,063</b>	<b>1,139</b>
The University has not written down inventories during the year ended 31 December 2010 or the year ended 31 December 2011.					
<b>11. Other Non-Financial Assets</b>					
<b>Current</b>					
Prepayments		6,517	6,368	6,468	6,337
Accrued income		961	413	939	413
		<b>7,478</b>	<b>6,781</b>	<b>7,407</b>	<b>6,750</b>
<b>Non-current</b>					
Prepayments		1,227	1,317	1,163	1,317
<b>Total Other Non-Financial Assets</b>		<b>8,705</b>	<b>8,098</b>	<b>8,570</b>	<b>8,067</b>
<b>12. Non-current Assets Held for Sale</b>					
	3(o)				
<b>Current</b>					
Controlled Entities		9,136	29,203	-	-
		<b>9,136</b>	<b>29,203</b>	<b>-</b>	<b>-</b>
<b>13. Investments Accounted for Using the Equity Method</b>					
	3(l)				
<b>Investments in associates</b>					
At cost	33	-	-	298	298
Equity accounted		236	214	-	-
<b>Interests in joint ventures</b>					
At cost	34	-	-	385	415
Equity accounted		1,439	1,945	-	-
		<b>1,675</b>	<b>2,159</b>	<b>683</b>	<b>713</b>
<b>14. Available-for-sale Financial Assets</b>					
<b>Non-current</b>					
Investments in controlled entities	32	-	-	26,831	41,723



## Notes to the Financial Statements for the year ended 31 December 2011

## 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
<b>As at 1 January 2010</b>										
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	<b>135,594</b>	<b>51,909</b>	<b>384,511</b>	<b>69,661</b>	<b>149,395</b>	<b>12,526</b>	<b>32,141</b>	<b>7,567</b>	<b>34,249</b>	<b>877,553</b>
<b>Year ended 31 December 2010</b>										
Opening net book amount	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	<b>145,329</b>	<b>72,462</b>	<b>588,282</b>	<b>51,875</b>	<b>44,662</b>	<b>11,285</b>	<b>27,166</b>	<b>7,611</b>	<b>43,011</b>	<b>991,683</b>
<b>As at 31 December 2010</b>										
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	<b>145,329</b>	<b>72,462</b>	<b>588,282</b>	<b>51,875</b>	<b>44,662</b>	<b>11,285</b>	<b>27,166</b>	<b>7,611</b>	<b>43,011</b>	<b>991,683</b>

## Notes to the Financial Statements for the year ended 31 December 2011

## 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
<b>Year ended 31 December 2011</b>										
Opening net book amount as at 1/1/2011	145,329	72,462	588,282	51,875	44,662	11,285	27,166	7,611	43,011	991,683
Revaluation increments/(decrements)	-	-	-	-	-	-	-	(33)	-	(33)
Additions	-	296	-	2,172	83,125	37	2,151	75	13,430	101,286
Disposals	-	-	-	-	-	-	(1,087)	-	(427)	(1,514)
Transfers	-	-	63,759	15,400	(83,994)	2,154	-	-	(12)	(2,693)
Depreciation/amortisation	-	-	(18,134)	(1,789)	-	(4,027)	(2,717)	-	(7,948)	(34,615)
Closing net book amount	<b>145,329</b>	<b>72,758</b>	<b>633,907</b>	<b>67,658</b>	<b>43,793</b>	<b>9,449</b>	<b>25,513</b>	<b>7,653</b>	<b>48,054</b>	<b>1,054,114</b>
<b>As at 31 December 2011</b>										
Cost	4	770	64,050	19,198	43,793	25,720	2,151	-	131,616	287,302
Valuation	145,325	71,988	588,014	50,487	-	-	26,079	7,653	-	889,546
Accumulated depreciation/amortisation	-	-	(18,157)	(2,027)	-	(16,271)	(2,717)	-	(83,562)	(122,734)
Net book amount	<b>145,329</b>	<b>72,758</b>	<b>633,907</b>	<b>67,658</b>	<b>43,793</b>	<b>9,449</b>	<b>25,513</b>	<b>7,653</b>	<b>48,054</b>	<b>1,054,114</b>

## Notes to the Financial Statements for the year ended 31 December 2011

## 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
<b>As at 1 January 2010</b>										
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	<b>135,594</b>	<b>51,012</b>	<b>384,511</b>	<b>68,788</b>	<b>149,251</b>	<b>12,454</b>	<b>32,141</b>	<b>7,567</b>	<b>33,378</b>	<b>874,696</b>
<b>Year ended 31 December 2010</b>										
Opening net book amount	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	<b>145,329</b>	<b>71,493</b>	<b>588,282</b>	<b>50,865</b>	<b>41,338</b>	<b>11,217</b>	<b>27,166</b>	<b>7,611</b>	<b>41,882</b>	<b>985,183</b>
<b>As at 31 December 2010</b>										
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	<b>145,329</b>	<b>71,493</b>	<b>588,282</b>	<b>50,865</b>	<b>41,338</b>	<b>11,217</b>	<b>27,166</b>	<b>7,611</b>	<b>41,882</b>	<b>985,183</b>

## Notes to the Financial Statements for the year ended 31 December 2011

## 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
<b>Year ended 31 December 2011</b>										
Opening net book amount as at 1/1/2011	145,329	71,493	588,282	50,865	41,338	11,217	27,166	7,611	41,882	985,183
Revaluation increments/(decrements)	-	-	-	-	-	-	-	(33)	-	(33)
Additions	-	-	-	-	82,528	-	2,151	75	12,173	96,927
Disposals	-	-	-	-	-	-	(1,087)	-	(427)	(1,514)
Transfers	-	-	63,759	12,091	(80,685)	2,154	-	-	(12)	(2,693)
Depreciation/amortisation	-	-	(18,134)	(1,781)	-	(4,023)	(2,717)	-	(7,700)	(34,355)
Closing net book amount	<b>145,329</b>	<b>71,493</b>	<b>633,907</b>	<b>61,175</b>	<b>43,181</b>	<b>9,348</b>	<b>25,513</b>	<b>7,653</b>	<b>45,916</b>	<b>1,043,515</b>
<b>As at 31 December 2011</b>										
Cost	4	50	64,050	13,717	43,181	25,603	2,151	-	129,598	278,354
Valuation	145,325	71,443	588,014	49,477	-	-	26,079	7,653	-	887,991
Accumulated depreciation/amortisation	-	-	(18,157)	(2,019)	-	(16,255)	(2,717)	-	(83,682)	(122,830)
Net book amount	<b>145,329</b>	<b>71,493</b>	<b>633,907</b>	<b>61,175</b>	<b>43,181</b>	<b>9,348</b>	<b>25,513</b>	<b>7,653</b>	<b>45,916</b>	<b>1,043,515</b>

## Notes to the Financial Statements for the year ended 31 December 2011

	Note	Consolidated		University	
		2011	2010	2011	2010
		\$000	\$000	\$000	\$000
<b>16. Investment Property</b>					
Balance at the beginning of the year		18,685	19,252	18,685	19,252
Transfer from WIP		43	-	43	-
Net gain (loss) from fair value adjustments		267	(567)	267	(567)
Balance at the end of the year		<b>18,995</b>	<b>18,685</b>	<b>18,995</b>	<b>18,685</b>

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

The University has recognised \$1.8 million (2010: \$1.8 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 Lachlan Hogarth, AAPI, B. Bus Property (Val) Grad Cert App Fin of Maloney Field Services on 31 December 2011.

**(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	
	2011	2010	2011	2010
	\$000	\$000	\$000	\$000
Within one year	1,549	1,494	1,549	1,494
Later than one year but not later than 5 years	1,362	2,101	1,362	2,101
Later than 5 years	-	-	-	-
	<b>2,911</b>	<b>3,595</b>	<b>2,911</b>	<b>3,595</b>



## Notes to the Financial Statements for the year ended 31 December 2011

	Note	Consolidated		University	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000
<b>17. Intangible Assets</b>	3(f)				
<b>Non-current</b>					
<b>As at 1 January 2010</b>					
Cost			12,926		12,926
Accumulated amortisation and impairment			(11,262)		(11,262)
Net book amount			<u>1,664</u>		<u>1,664</u>
<b>Year ended 31 December 2010</b>					
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>
<b>As at 1 January 2011</b>					
Cost		31,714		31,714	
Accumulated amortisation and impairment		(12,650)		(12,650)	
Net book amount		<u>19,064</u>		<u>19,064</u>	
<b>Year ended 31 December 2011</b>					
Opening net book amount		19,064		19,064	
Additions		38		38	
Transfer from WIP		2,649		2,649	
Amortisation charge		(4,512)		(4,512)	
Closing net book amount		<u>17,239</u>		<u>17,239</u>	
<b>As at 31 December 2011</b>					
Cost		34,271		34,271	
Accumulated amortisation and impairment		(17,032)		(17,032)	
Net book amount		<u>17,239</u>		<u>17,239</u>	
<b>18. Payables</b>					
<b>Current</b>					
Accounts payable		32,135	37,106	24,574	24,245
Annual and long service leave oncosts		4,599	4,104	4,534	4,043
Accruals		6,976	5,857	1,295	1,339
Salary and wage deductions		8,496	7,631	8,494	7,627
OS-HELP Liability to Australian Government		(15)	109	(15)	109
		<u>52,191</u>	<u>54,807</u>	<u>38,882</u>	<u>37,363</u>
<b>Non-current</b>					
Annual and long service leave oncosts		<u>6,810</u>	<u>5,519</u>	<u>6,777</u>	<u>5,487</u>
<b>Total Payables</b>		<u>59,001</u>	<u>60,326</u>	<u>45,659</u>	<u>42,850</u>
<b>19. Borrowings</b>					
<b>Current</b>					
Other - unsecured		<u>5,006</u>	<u>5,006</u>	<u>5,006</u>	<u>5,006</u>
<b>Non-current</b>					
Other - unsecured		<u>78,037</u>	<u>78,043</u>	<u>78,037</u>	<u>78,043</u>
<b>Total Borrowings</b>		<u>83,043</u>	<u>83,049</u>	<u>83,043</u>	<u>83,049</u>

The University maintains an unsecured \$20 million Mult-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 2011 the standby working capital facility has not been drawn down. As at 31 December 2011 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 2011

	Note	Consolidated		University	
		2011	2010	2011	2010
		\$000	\$000	\$000	\$000
<b>20. Provisions</b>					
<b>Current</b>					
Workers' compensation provision		821	354	821	354
Annual and long service leave		28,303	25,513	27,679	24,707
Insurance provision		2,757	2,337	2,757	2,337
		<b>31,881</b>	<b>28,204</b>	<b>31,257</b>	<b>27,398</b>
<b>Non-current</b>					
Workers' compensation provision		705	527	705	527
Annual and long service leave		49,149	38,975	48,900	38,717
Defined benefit fund net liability	27(c)	9,013	4,324	9,013	4,324
		<b>58,867</b>	<b>43,826</b>	<b>58,618</b>	<b>43,568</b>
<b>Total Provisions</b>		<b>90,748</b>	<b>72,030</b>	<b>89,875</b>	<b>70,966</b>
		Workers' compensation provision	Annual and long service leave	Insurance Provision	Defined benefit fund net liability
		\$000	\$000	\$000	\$000
<b>Movements in provisions</b>					
<b>Consolidated - current</b>					
Carrying amount at start of year		354	25,513	2,337	-
Additional/(reductions in) provisions recognised		467	2,790	420	-
Carrying amount at the end of the year		<b>821</b>	<b>28,303</b>	<b>2,757</b>	-
<b>Consolidated - non-current</b>					
Carrying amount at start of year		527	38,975	-	4,324
Additional/(reductions in) provisions recognised		178	10,174	-	4,689
Carrying amount at the end of the year		<b>705</b>	<b>49,149</b>	-	<b>9,013</b>

**Workers' compensation provision**

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

**Annual and long service 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 2011 that were expected to be paid subsequent to 1 January 2012 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 2011

	Note	Consolidated		University	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000
<b>21. Other Liabilities</b>					
<b>Current</b>					
Outside funded positions		140	98	140	98
Income in advance		1,370	1,092	897	614
Student tuition fees received in advance		8,853	8,677	8,853	8,677
Residential bonds		288	334	288	334
Employee benefits – redundancy		509	182	509	182
Funds held on deposit for controlled entities		-	-	6,495	9,959
Other		464	607	459	583
		<b>11,624</b>	<b>10,990</b>	<b>17,641</b>	<b>20,447</b>

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

In accordance with the requirements of AASB 119 "Employee Benefits", employee on-costs are required to be reported as payables whilst leave liability amounts are reported separately in Note 20. Below is a composite note disclosure showing the total liabilities the Consolidated Entity has as at 31 December 2011 relating to employee benefits:

**Annual Leave**

On-costs included in payables - current	18	3,362	2,898	3,332	2,868
Employee benefits - current	20	18,870	16,315	18,533	15,956
		<b>22,232</b>	<b>19,213</b>	<b>21,865</b>	<b>18,824</b>
On-costs included in payables - non-current	18	1,316	1,150	1,310	1,146
Employee benefits - non-current	20	7,335	6,409	7,285	6,376
		<b>8,651</b>	<b>7,559</b>	<b>8,595</b>	<b>7,522</b>

**Long Service Leave**

On-costs included in payables - current	18	1,237	1,206	1,202	1,175
Employee benefits - current	20	9,433	9,198	9,146	8,751
		<b>10,670</b>	<b>10,404</b>	<b>10,348</b>	<b>9,926</b>
On-costs included in payables - non-current	18	5,494	4,369	5,467	4,341
Employee benefits - non-current	20	41,814	32,565	41,615	32,340
		<b>47,308</b>	<b>36,934</b>	<b>47,082</b>	<b>36,681</b>
		<b>88,861</b>	<b>74,110</b>	<b>87,890</b>	<b>72,953</b>

**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 surplus	281,104	300,695	273,457	273,490
Initial asset recognition reserve	279,124	279,124	279,124	279,124
Available-for-sale investments revaluation reserve	-	1,403	26,831	41,723
	<b>564,680</b>	<b>585,674</b>	<b>579,412</b>	<b>594,337</b>

**Specific purpose reserves**

Special reserve	209,749	181,055	209,749	181,055
Bequests/donations unspent income reserve	36,601	23,071	36,601	23,071
Restricted purpose bequest capital reserve	107,345	96,976	107,345	96,976
Composite fund revaluation reserve	20,986	28,495	20,986	28,495
	<b>374,681</b>	<b>329,597</b>	<b>374,681</b>	<b>329,597</b>

<b>Retained surplus</b>	<b>180,099</b>	<b>173,089</b>	<b>164,137</b>	<b>157,238</b>
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## Notes to the Financial Statements for the year ended 31 December 2011

	Note	Consolidated		University	
		2011	2010	2011	2010
		\$000	\$000	\$000	\$000
<b>23. Reserves - continued</b>					
<b>23(b) Movements in reserves</b>					
<b>Capital reserve</b>					
Opening balance		2,971	2,971	-	-
Current year movement		-	-	-	-
Closing balance		<b>2,971</b>	<b>2,971</b>	-	-
<b>Capital profits reserve</b>					
Opening balance		1,481	1,481	-	-
Current year movement		-	-	-	-
Closing balance		<b>1,481</b>	<b>1,481</b>	-	-
<b>Asset revaluation surplus</b>					
Opening balance		300,695	228,951	273,490	201,920
Add revaluation increment on property, plant and equipment		(33)	71,744	(33)	71,570
Deduct: transfer to retained surplus		(19,558)	-	-	-
Closing balance		<b>281,104</b>	<b>300,695</b>	<b>273,457</b>	<b>273,490</b>
<b>Initial asset recognition reserve</b>					
Opening balance		279,124	279,124	279,124	279,124
Current year movement		-	-	-	-
Closing balance		<b>279,124</b>	<b>279,124</b>	<b>279,124</b>	<b>279,124</b>
<b>Available-for-sale financial assets revaluation reserve</b>					
Opening balance		1,403	1,403	41,723	47,453
Deduct: transfer to retained surplus		(1,403)	-	-	-
Current year movement		-	-	(14,892)	(5,730)
Closing balance		-	<b>1,403</b>	<b>26,831</b>	<b>41,723</b>
<b>Special reserve</b>					
Opening balance		181,055	149,158	181,055	149,158
Transfer from retained surplus		28,694	31,897	28,694	31,897
Closing balance		<b>209,749</b>	<b>181,055</b>	<b>209,749</b>	<b>181,055</b>
<b>Bequests/donations unspent income reserve</b>					
Opening balance		23,071	10,734	23,071	10,734
Transfer (to) / from retained surplus		13,530	12,337	13,530	12,337
Closing balance		<b>36,601</b>	<b>23,071</b>	<b>36,601</b>	<b>23,071</b>
<b>Restricted purpose bequest capital reserve</b>					
Opening balance		96,976	84,935	96,976	84,935
Transfer from retained surplus		10,369	12,041	10,369	12,041
Closing balance		<b>107,345</b>	<b>96,976</b>	<b>107,345</b>	<b>96,976</b>
<b>Composite fund revaluation reserve</b>					
Opening balance		28,495	25,785	28,495	25,785
Transfer (to) / from retained surplus		(7,509)	2,710	(7,509)	2,710
Closing balance		<b>20,986</b>	<b>28,495</b>	<b>20,986</b>	<b>28,495</b>

## Notes to the Financial Statements for the year ended 31 December 2011

	Note	Consolidated		University	
		2011	2010	2011	2010
		\$000	\$000	\$000	\$000
<b>23. Reserves - continued</b>					
<b>23(c) Nature and purpose of reserves</b>					
<b>Capital reserve</b>					
Represents capital accounts held within controlled entities of the University.					
<b>Capital profits reserve</b>					
Represents the accumulation of realised revalued increments of assets sold.					
<b>Asset revaluation surplus</b>					
Is used to record increments and decrements on the revaluation of non-current assets. Refer accounting policy note 3(n).					
<b>Initial asset recognition reserve</b>					
Represents the equity impact arising from the recognition of assets which until the first time the University prepared a set of accrual financial statements, had not previously been recognised.					
<b>Available for sale financial assets revaluation reserve</b>					
Is used to record increments and decrements on the revaluation of available for sale financial assets. Refer accounting policy note 3(j).					
<b>Specific purpose reserves</b>					
Represents a number of reserves generated through a series of specific purpose transactions, that can only be used in accordance with the attributes of the generating transactions. The special reserve is created for surplus funds which will be specifically acquitted in future accounting periods.					
<b>24. Reconciliation of net cash provided by operating activities to net operating result</b>					
<b>Net operating result</b>		<b>47,773</b>	<b>59,946</b>	<b>66,028</b>	<b>64,092</b>
Add/(subtract) non cash items					
Amortisation	5	8,539	5,283	8,535	5,279
Depreciation	5	30,588	24,712	30,332	24,505
Write down / (up) of investments		7,527	(2,155)	7,527	(2,155)
Other revenue/expenses		(4,776)	(563)	(4,811)	(951)
Loss on revaluation of other buildings		-	11,129	-	11,129
Funds held on deposit		-	-	4,000	(1,500)
(Profit)/loss on sale of property, plant and equipment		(1,414)	(6,369)	1,378	(54)
<b>Changes in assets/liabilities</b>					
(Increase)/decrease in inventories		6,349	(1,937)	76	33
(Increase)/decrease in receivables		625	(3,248)	(1,642)	(302)
(Increase)/decrease in other assets		(607)	442	(503)	371
Increase/(decrease) in payables		(1,325)	6,302	2,809	287
Increase/(decrease) in other current liabilities		634	(464)	(2,806)	1,347
Increase/(decrease) in provisions		18,718	4,165	18,909	4,102
<b>Net cash provided by operating activities</b>		<b>112,631</b>	<b>97,243</b>	<b>129,832</b>	<b>106,183</b>



## Notes to the Financial Statements for the year ended 31 December 2011

	Note	Consolidated		University	
		2011	2010	2011	2010
		\$000	\$000	\$000	\$000
<b>25. Commitments</b>					
<b>Operating Expenditure</b>					
Contracted but not provided for and payable:					
Not later than one year		24,098	15,892	23,659	15,350
Later than one year, but not later than five years		12,831	22,168	11,072	20,123
Later than five years		536	724	536	724
		<b>37,465</b>	<b>38,784</b>	<b>35,267</b>	<b>36,197</b>
<b>Capital Expenditure</b>					
<b>Property, plant and equipment</b>					
Contracted but not provided for and payable:					
Not later than one year		69,534	95,887	66,392	94,359
Later than one year, but not later than five years		-	-	-	-
Later than five years		-	-	-	-
		<b>69,534</b>	<b>95,887</b>	<b>66,392</b>	<b>94,359</b>
<b>Operating Lease Commitments</b>					
Future operating base rental not provided for and payable:					
Not later than one year		10,865	10,431	10,865	10,431
Later than one year, but not later than five years		18,135	20,471	18,135	20,471
Later than five years		14	224	14	224
		<b>29,014</b>	<b>31,126</b>	<b>29,014</b>	<b>31,126</b>
Representing:					
Cancellable operating leases		29,014	31,126	29,014	31,126
Non-cancellable operating leases		-	-	-	-
		<b>29,014</b>	<b>31,126</b>	<b>29,014</b>	<b>31,126</b>

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. Currently, the University has provided a \$1.7 million bank guarantee to Workcover. 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.

## Notes to the Financial Statements for the year ended 31 December 2011

### 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 \$2.7 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 2011 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 2011 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 2011

## 27. Superannuation Schemes – continued

## (b) UniSuper Limited Superannuation Schemes - continued

As at 30 June 2011 the assets of the Defined Benefit Division in aggregate were estimated to be \$906.5 million (30 June 2010: \$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 indexed pensions being provided by the Defined Benefit Division.

As at 30 June 2011 the assets of the Defined Benefit Division in aggregate were estimated to be \$426.7 million (30 June 2010: \$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 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 9 November 2011 on the actuarial investigation of the Defined Benefit Division as at 30 June 2011. The financial assumptions used were:

	Vested Benefits	Accrued Benefits
Gross of tax investment return	7.25% p.a.	8.50% p.a.
Net of tax investment return	6.75% p.a.	8.00% p.a.
Consumer Price Index	2.75% p.a.	2.75% p.a.
Inflationary salary increases short term (2 years)	5.00% p.a.	5.00% 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 Trustee and administrator of the Scheme is Tidswell Financial Services Ltd. 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		2011 \$000	2010 \$000
Present value of defined benefit obligations at the beginning of the year		16,465	15,817
Add	Current service costs	423	452
	Interest cost	817	808
	Contributions by scheme participants	50	47
	Actuarial (gains) / losses	4,568	365
Less	Benefits paid	(775)	(708)
	Taxes, premiums and expenses paid	(364)	(316)
Present value of defined benefit obligations at the end of the year		<b>21,184</b>	<b>16,465</b>

Reconciliation of the fair value of scheme assets		2011 \$000	2010 \$000
Fair value of scheme assets at the beginning of the year		12,141	11,471
Add	Expected return on scheme assets	912	866
	Actuarial gains / (losses)	(1,098)	(345)
	Employer contributions	1,305	1,126
	Contributions by scheme participants	50	47
Less	Benefits paid	(775)	(708)
	Taxes, premiums and expenses paid	(364)	(316)
Fair value of scheme assets at the end of the year		<b>12,171</b>	<b>12,141</b>

## Notes to the Financial Statements for the year ended 31 December 2011

## 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	2011 \$000	2010 \$000
Defined benefit obligation including contributions tax provision		21,184	16,465
Less Fair value of scheme assets		(12,171)	(12,141)
Defined benefit fund net liability	20	<u>9,013</u>	<u>4,324</u>

## Expense recognised in the Statement of Comprehensive Income

Service cost	423	452
Interest cost	817	808
Expected return on assets	(912)	(866)
Superannuation expense	<u>328</u>	<u>394</u>

## Amounts recognised in Total Comprehensive Income

Actuarial (gains) / losses	<u>5,666</u>	<u>710</u>
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## Cumulative amount recognised in Total Comprehensive Income

Cumulative amount of actuarial (gains) / losses	<u>4,417</u>	<u>(1,249)</u>
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## Scheme assets

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

Australian equity	30%	25%
International equity	24%	27%
Fixed income	31%	25%
Property	10%	10%
Cash	5%	14%

## 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

(186)      521

## Principal actuarial assumptions at the balance date

Discount rate (active members)	3.30%	5.00%
Discount rate (pensioners)	3.70%	5.50%
Expected rate of return on plan assets (active members)	6.75%	6.75%
Expected rate of return on plan assets (pensioners)	8.00%	8.00%
Expected salary increase rate (for the first year)	7.50%	
Expected salary increase rate (thereafter)	4.50%	4.00%
Expected pension increase rate	2.50%	2.50%

## Historical information

	2011 \$000	2010 \$000	2009 \$000	2008 \$000	2007 \$000
Present value of defined benefit obligation	21,184	16,465	15,817	19,622	15,362
Fair value of scheme assets at the beginning of the year	12,171	12,141	11,471	9,710	12,075
(Surplus) / Deficit in scheme	9,013	4,324	4,346	9,912	3,287
Experience adjustments (gain) / loss - scheme assets	1,098	345	(989)	3,636	(210)
Experience adjustments (gain) / loss - scheme liabilities	(25)	(110)	(25)	1,138	798

## Notes to the Financial Statements for the year ended 31 December 2011

## 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 2012 are \$0.3 million (2011: \$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 2011 were 3% of salaries, and remaining benefits are met on an emerging cost basis.

Super SA estimate that, as at 31 December 2011, using Accounting Standard AASB 119 assumptions there is an unfunded liability of \$69.9 million (2010: \$57.2 million). This represents an increase in liability of \$12.7 million since 31 December 2010. 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 2011 Reporting Period" provided by DEEWR. The accounting treatment employed is also consistent with the approach taken by other Australian Universities. Accordingly, total assets of \$69.9 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	
	2011	2010	2011	2010
	\$000	\$000	\$000	\$000
<b>Deferred Government Superannuation Contribution</b>				
Non-current asset	69,869	57,257	69,869	57,257
<b>Defined Benefit Obligation</b>				
Current liability	4,200	3,900	4,200	3,900
Non-current liability	65,669	53,357	65,669	53,357
	<b>69,869</b>	<b>57,257</b>	<b>69,869</b>	<b>57,257</b>

## (e) Contributions

## The total employer contributions were:

UniSuper Defined Benefit Division (UniSuper Defined Contribution Plan) or Accumulation Super 2 (formerly Investment Choice Plan)	29,634	28,274
Accumulation Super 1 (formerly UniSuper Award Plus Plan)	13,612	12,701
Super SA	88	-
State Government Superannuation Schemes (3%)	7	13
The University of Adelaide Superannuation Scheme A 1985	96	95
Self-managed funds	55	37
	<b>43,492</b>	<b>41,120</b>

## 28. Disaggregation Information

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

## Notes to the Financial Statements for the year ended 31 December 2011

	Note	Consolidated		University	
		2011	2010	2011	2010
		\$000	\$000	\$000	\$000
<b>29. Auditors' Remuneration</b>					
Amounts paid or payable for assurance services were:					
South Australian Auditor-General		253	248	253	248
Other auditors of controlled entities		85	80	-	-
		<u>338</u>	<u>328</u>	<u>253</u>	<u>248</u>
Amounts paid or payable for other services were:					
Other auditors of controlled entities		32	20	-	-
		<u>370</u>	<u>348</u>	<u>253</u>	<u>248</u>

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	Hill, The Hon Robert Murray	
	McWha, Professor James Alexander	
	Findlay AM, Professor Christopher	leave of absence from 2/11/2011
	Macintyre, Professor Clement	commenced 2/11/2011
Co-opted	vacant	
Appointed	Bagot, Mr Charles	
	Castine, Ms Kathryn	
	Davidson, Ms Dianne	
	Kowalick, Mr Ian John	
	Martin, Ms Pamela June	
	Steel, Ms Loewn	
	Young, Mr Stephen Elliott	
Elected Staff	Buttfield, Mr Gerald	commenced 6/3/2011
	Crewther, Dr Rodney	ceased 5/3/2011
	Kwan, Mr Jeremy	ceased 5/3/2011
	Patrikeeff, Associate Professor Felix	commenced 6/3/2011
	Soteriou, Mr Christakis	ceased 5/3/2011
	Sumner, Ms Gloria	commenced 6/3/2011; resigned 21/10/2011
	Thomas, Professor Anthony	
	Yam, Ms Geraldine	commenced 5/11/2011
Elected Graduates	Maddocks, Professor Simon	
	Radcliffe AM, Dr John Clive	
	Robinson, Dr Susan	
Students	Emmett-Grey, Ms Lavinia	ceased 5/3/2011
	Shepherd, Mr Andrew	commenced 6/3/2011
	Ting, Mr Xu	
	Wong, Mr Christopher	ceased 5/3/2011
	Yang, Mr Eric Fan	commenced 6/3/2011

## University Senior Management

McWha, Professor James	
Brooks, Professor Mike	
Duldig, Mr Paul	
McDougall, Professor Fred	ceased 31/5/2011
Beilby, Professor Justin	
Dowd, Professor Peter	
Harvey, Professor Nicholas	
Hill, Professor Robert	
Quester, Professor Pascale	
Lohmann, Professor Birgit	ceased 12/2/2011
Russell AM, Professor Richard	
Taplin, Professor John	
Findlay AM, Professor Christopher	commenced 1/6/2011
Williams, Professor John	commenced 2/9/2011



## Notes to the Financial Statements for the year ended 31 December 2011

			2011 \$000	2010 \$000
<b>30. The University Council Members and Senior Management - continued</b>				
<b>(b) Remuneration of the University Council Members and Senior Management</b>				
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:			<b>4,249</b>	<b>4,034</b>
			<b>Number</b>	<b>Number</b>
\$		\$		
130,000	-	144,999	1	-
220,000	-	234,999	3	4
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
370,000	-	384,999	1	1
385,000	-	399,999	1	-
400,000	-	414,999	1	-
820,000	-	834,999	-	1
880,000	-	894,999	1	-
			<b>12</b>	<b>12</b>

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

Remuneration is based upon the total remuneration package which includes employer and employee (pre tax) superannuation contributions and termination payments, due and receivable, by senior managers from the University while holding a University senior management position. Only senior managers with remuneration in excess of one hundred thousand have been included in salary bands.

## Notes to the Financial Statements for the year ended 31 December 2011

### 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	\$000	\$000
<b>2011</b>										
<b>Financial Assets</b>										
Cash & Cash Equivalents	6	3.67%	31,855	-	-	-	-	-	-	32,339
Receivables	7	0.00%	-	-	-	-	-	-	-	31,351
Financial Assets Held for Trading	8	0.00%	-	-	-	-	-	-	-	117,649
Financial Assets Held to Maturity	8	5.73%	-	80,460	-	-	-	-	-	80,460
Other Financial Assets	8, 13	1.89%	-	117	117	117	104	213	-	2,343
			<b>31,855</b>	<b>80,577</b>	<b>117</b>	<b>117</b>	<b>104</b>	<b>213</b>	<b>-</b>	<b>151,159</b>
										<b>264,142</b>
Weighted Average Interest Rate			<b>3.73%</b>	<b>5.73%</b>	<b>6.38%</b>	<b>6.38%</b>	<b>6.65%</b>	<b>7.00%</b>	<b>0.00%</b>	
<b>Financial Liabilities</b>										
Derivative Financial Instruments	9	0.00%	-	-	-	-	-	-	-	12,220
Payables	18	0.00%	-	-	-	-	-	-	-	59,001
Borrowings	19	5.60%	-	5,000	5,000	5,000	5,000	5,000	58,000	83,043
			<b>-</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>71,264</b>	<b>154,264</b>
Weighted Average Interest Rate			<b>0.00%</b>	<b>5.66%</b>	<b>5.66%</b>	<b>5.66%</b>	<b>5.66%</b>	<b>5.66%</b>	<b>5.66%</b>	

## Notes to the Financial Statements for the year ended 31 December 2011

## 31. Financial Instruments - continued

Note	Weighted Average Effective Rate	Floating Interest Rate	Fixed Maturity Dates					Non- Interest Bearing	Total
			Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years		
	%	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
2010									
Financial Assets									
6	5.79%	31,431	-	-	-	-	-	-	31,958
7	0.00%	-	-	-	-	-	-	-	31,976
8	0.00%	-	-	-	-	-	-	-	119,188
Financial Assets Held for Trading									
8	5.93%	-	57,328	-	-	-	-	-	57,328
8, 13	1.74%	-	117	117	117	117	103	214	2,944
Other Financial Assets									
		31,431	57,445	117	117	117	103	214	153,850
Weighted Average Interest Rate									
		5.88%	5.93%	6.29%	6.29%	6.29%	6.60%	7.00%	
Financial Liabilities									
9	0.00%	-	-	-	-	-	-	-	3,808
18	0.00%	-	-	-	-	-	-	-	60,326
19	5.60%	-	5,000	5,000	5,000	5,000	5,000	58,000	49
		-	5,000	5,000	5,000	5,000	5,000	58,000	64,183
Weighted Average Interest Rate									
		0.00%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%

## Notes to the Financial Statements for the year ended 31 December 2011

**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	
	2011	2010	2011	2010	2011	2010	2011	2010
	%	%	\$000	\$000	\$000	\$000	\$000	\$000
The Adelaide Research & Innovation Investment Trust	100	100	1,556	1,310	-	-	1,714	916
Adelaide Unicare Pty Ltd	100	100	10,032	4,472	-	-	3,681	3,232
Martindale Holdings Pty Ltd as trustee for:								
· JS Davies Estate	83	83	-	17,436	-	-	1,648	1,927
· JAT Mortlock Trust	100	100	12,692	16,493	-	-	667	7,592
· Roseworthy Farm	100	100	1,269	1,211	-	-	211	620
National Wine Centre Pty Ltd	100	100	1,066	463	-	-	603	378
Roseworthy Piggery Pty Ltd	100	100	216	338	100	100	(122)	(27)
			<b>26,831</b>	<b>41,723</b>	<b>100</b>	<b>100</b>	<b>8,402</b>	<b>14,638</b>

All of the above controlled entities are incorporated in Australia.

## Notes to the Financial Statements for the year ended 31 December 2011

## 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	
		2011	2010	2011	2010	2011	2010
		%	%	\$000	\$000	\$000	\$000
Held by the University							
Ngee Ann Adelaide Education Centre Pte Ltd	Operates a graduate education centre in Singapore.	50	50	236	205	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.	44	43	-	9	-	-
Muradel Pty Ltd	Developing an approach to using salt water tolerant algae for 'second generation' biofuel production.	28	-	-	-	-	-
SNAP Network Surveillance Pty Ltd	Production of software to simplify operation of large-scale video surveillance.	38	-	-	-	-	-
				236	214	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	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
<b>(b) Movements in Carrying Amounts of Investments in Associates</b>				
At beginning of financial year	214	227	-	-
Additional investment in associates	-	-	-	-
Share of operating result	22	(13)	-	-
	<b>236</b>	<b>214</b>	<b>-</b>	<b>-</b>
<b>(c) Results Attributed to Associates</b>				
Operating result	22	(13)	-	-
Additional investment in associates	-	-	-	-
Retained surplus attributable to associates at the beginning of the financial year	214	227	-	-
Retained surplus attributable to associates at the end of the financial year	<b>236</b>	<b>214</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements for the year ended 31 December 2011

### 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)

CRCs have the characteristics of joint ventures. These operations are not material to the University and there is no separate disclosure for 2011 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)	4%
Energy Pipelines CRC	(I)	-	43%
Deep Exploration Technologies CRC	(I)	(C)	10%
CRC for Beef Genetic Technologies	(I)	(C)	8%
CRC for a Internationally Competitive Pork Industry	(I)	-	23%
eWater CRC	(I)	(C)	3%
Future Farm Industries CRC	(I)	(C)	0%

(I) Incorporated

(U) Unincorporated

(C) CSIRO is a partner



## Notes to the Financial Statements for the year ended 31 December 2011

**34. Interests in Joint Ventures - continued****(a) Groups - continued****(i) Cooperative Research Centres - continued**

The University was a supporting participant for the Australian Seafood CRC and the Poultry CRC.

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, \$1.0 million in cash (2010: \$0.5 million) and \$19.3 million in-kind (2010: \$23.4 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)	25%
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)	33%
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)	33%
(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 \$1.5 million (2010: \$1.9 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 2011

## 34. Interests in Joint Ventures - continued

## (b) Equity and Contribution to Operating Result

Joint Venture Entity			Carrying Amount		Investment at Cost	
	2011 %	2010 %	2011 \$000	2010 \$000	2011 \$000	2010 \$000
<b>Held by the University</b>						
Middleback Field Centre	33%	33%	14	16	-	-
Professional Certificate in Arbitration	50%	50%	23	66	35	65
South Australian Centre for Economic Studies	50%	50%	272	227	-	-
South Australian Tertiary Admissions Centre	25%	25%	498	519	-	-
South Australian Consortium for Information Technology & Telecommunications	33%	33%	59	72	-	-
Ethics Centre of South Australia	25%	33%	16	40	-	-
Water Ed Australia Pty Ltd	20%	20%	372	599	350	350
Adelaide Proteomics Centre (APC)	50%	50%	10	59	-	-
Adelaide MicroArray Centre	50%	50%	71	143	-	-
Defence Systems Innovation Centre	33%	50%	-	-	-	-
eResearch SA	33%	50%	104	204	-	-
			<b>1,439</b>	<b>1,945</b>	<b>385</b>	<b>415</b>
			<b>Consolidated</b>		<b>University</b>	
			<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
			<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>

## (c) Movements in Carrying Amounts of Joint Ventures

At beginning of financial year	1,945	2,068	-	-
Share of operating result	(476)	(123)	-	-
Additional investment in joint ventures	(30)	-	-	-
	<b>1,439</b>	<b>1,945</b>	<b>-</b>	<b>-</b>

## (d) Results Attributed to Joint Ventures

Operating result	(476)	(123)	-	-
Additional investment in joint ventures	(30)	-	-	-
Retained surplus attributable at the beginning of the financial year	1,945	2,068	-	-
Retained surplus attributable at the end of the financial year	<b>1,439</b>	<b>1,945</b>	<b>-</b>	<b>-</b>

## (e) Accounting for Joint Ventures

## (i) Capital and other expenditure commitments

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

## (ii) Contingent liabilities

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

## (iii) Post balance date events

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

## (iv) Assets, liabilities, revenue and expenditure

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

## (v) Off 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.

## Notes to the Financial Statements for the year ended 31 December 2011

**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.

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 2011**

		Consolidated		University	
		2011	2010	2011	2010
	Note	\$000	\$000	\$000	\$000
<b>REVENUE FROM CONTINUING OPERATIONS</b>					
Australian Government financial assistance	37	431,392	404,858	429,354	399,197
State and Local Government financial assistance	39	27,464	26,201	27,123	25,874
HECS-HELP - Student Payments	4	13,856	13,446	13,856	13,446
Fees and charges	40	162,917	149,165	162,940	149,372
Investment income		14,659	9,382	38,866	28,187
Royalties, trademarks and licenses	4	5,084	3,203	1,788	619
Consultancy and contracts	41	65,423	62,566	34,661	34,015
Other revenue		65,646	60,269	40,866	30,246
<b>Total revenue from continuing operations</b>		<b>786,441</b>	<b>729,090</b>	<b>749,454</b>	<b>680,956</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>					
Salaries and related expenses	5	398,238	354,259	386,007	342,828
Depreciation and amortisation	5	39,127	29,995	38,867	29,784
Buildings and grounds	5	47,203	41,755	46,350	41,005
Bad and doubtful debts	5	74	367	74	261
Finance costs	5	6,888	3,659	7,424	4,079
General and composite fund investment market valuation adjustment	5	11,652	364	11,652	364
Scholarships, grants and prizes		34,595	31,309	34,595	31,309
Non-capitalised equipment	5	9,656	12,239	9,656	12,239
Advertising, marketing and promotional expenses		5,042	4,074	4,845	4,074
Net losses on disposal of assets	5	1,057	3,301	1,057	3,301
Other expenses		185,136	187,822	142,899	147,620
<b>Total expenses from continuing operations</b>		<b>738,668</b>	<b>669,144</b>	<b>683,426</b>	<b>616,864</b>
<b>Net operating result for the year</b>		<b>47,773</b>	<b>59,946</b>	<b>66,028</b>	<b>64,092</b>

## Notes to the Financial Statements for the year ended 31 December 2011

	Note	Consolidated		University	
		2011	2010	2011	2010
		\$000	\$000	\$000	\$000
<b>37. Australian Government Financial Assistance</b>					
<b>(a) DEEWR - Commonwealth Grants Scheme and Other DEEWR Grants</b>					
Commonwealth Grants Scheme		126,359	119,182	126,359	119,182
Teaching Hospitals Grant		786	759	786	759
Indigenous Support Program		666	578	666	578
Partnership & Participation Program		1,973	1,168	1,973	1,168
Workplace Productivity Program		-	1,392	-	1,392
Transitional Cost Program		6,374	4,666	6,374	4,666
		<b>136,158</b>	<b>127,745</b>	<b>136,158</b>	<b>127,745</b>
<b>(b) Higher Education Loan Programmes</b>					
HECS-HELP		68,899	65,622	68,899	65,622
FEE-HELP		5,471	5,309	5,471	5,309
		<b>74,370</b>	<b>70,931</b>	<b>74,370</b>	<b>70,931</b>
<b>(c) Learning Scholarships</b>					
Australian Postgraduate Awards		8,807	7,079	8,807	7,079
International Postgraduate Research Scholarships		885	806	885	806
Commonwealth Education Costs Scholarships		2,035	153	2,035	153
Commonwealth Accommodation Scholarships		(57)	120	(57)	120
Indigenous Access Scholarships		210	179	210	179
		<b>11,880</b>	<b>8,337</b>	<b>11,880</b>	<b>8,337</b>
<b>(d) DIISR Research</b>					
Joint Research Engagement Program		15,286	15,271	15,286	15,271
Research Training Scheme		28,584	28,072	28,584	28,072
Research Infrastructure Block Grants		13,231	12,838	13,231	12,838
Sustainable Research Excellence in Universities		7,136	4,551	7,136	4,551
Implementation Assistance Programme		-	97	-	97
Commercialisation Training Scheme		-	123	-	123
		<b>64,237</b>	<b>60,952</b>	<b>64,237</b>	<b>60,952</b>
<b>(e) Other Capital Funding</b>					
Education Investment Fund		6,234	22,935	6,234	22,935
		<b>6,234</b>	<b>22,935</b>	<b>6,234</b>	<b>22,935</b>
<b>(f) Australian Research Council</b>					
<b>(i) Discovery</b>					
Projects		11,007	11,678	11,007	11,678
Fellowships		5,189	2,152	5,189	2,152
Indigenous Researchers Development		54	-	54	-
		<b>16,250</b>	<b>13,830</b>	<b>16,250</b>	<b>13,830</b>
<b>(ii) Linkages</b>					
Infrastructure		1,950	1,320	1,950	1,320
International		-	12	-	12
Projects		6,072	6,194	6,072	6,194
		<b>8,022</b>	<b>7,526</b>	<b>8,022</b>	<b>7,526</b>

## Notes to the Financial Statements for the year ended 31 December 2011

	Note	Consolidated		University	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000
<b>37. Australian Government Financial Assistance - continued</b>					
<b>(f) Australian Research Council - continued</b>					
<b>(iii) Networks and Centres</b>					
Networks		-	-	-	-
Centres		6,396	2,316	6,396	2,316
		<b>6,396</b>	<b>2,316</b>	<b>6,396</b>	<b>2,316</b>
<b>Total ARC</b>		<b>30,668</b>	<b>23,672</b>	<b>30,668</b>	<b>23,672</b>
<b>(g) Other Australian Government financial assistance received:</b>					
AusAID		1,306	580	1,306	580
Australian Centre for International Agricultural Research		1,497	2,023	1,497	2,023
Australian Institute of Health and Welfare		726	827	726	827
Civil Aviation Authority		115	-	115	-
CSIRO		405	1,274	405	1,274
Defence, Science and Technology Organisation		2,774	1,250	2,774	1,250
Department of Agriculture, Fisheries and Forestry		18,112	13,173	18,112	13,173
Department of Climate Change and Energy Efficiency		883	416	883	416
Department of Defence		3,577	761	3,577	761
Department of Education, Employment and Workplace Relations		720	483	720	483
Department of Sustainability, Environment, Water, Population and Communities		965	1,063	965	1,063
Department of Families, Housing, Community Services and Indigenous Affairs		166	37	166	37
Department of Health and Ageing		56,698	58,684	54,660	53,023
Department of Immigration and Citizenship		107	45	107	45
Department of the Prime Minister and Cabinet		172	50	172	50
Department of Innovation, Industry, Science and Research		13,939	9,327	13,939	9,327
Department of Veterans' Affairs		537	219	537	219
Health Workforce Australia		4,678	-	4,678	-
Other		468	74	468	74
		<b>107,845</b>	<b>90,286</b>	<b>105,807</b>	<b>84,625</b>
<b>Reconciliation</b>					
Australian Government grants		357,022	333,927	354,984	328,266
HECS-HELP payments		68,899	65,622	68,899	65,622
FEE-HELP payments		5,471	5,309	5,471	5,309
		<b>431,392</b>	<b>404,858</b>	<b>429,354</b>	<b>399,197</b>
<b>(h) Australian Government grants received - cash basis</b>					
CGS and Other DEEWR grants		124,161	127,788	124,161	127,788
Higher Education Loan Programmes		74,572	71,595	74,572	71,595
Scholarships		11,880	8,337	11,880	8,337
DIISR research		64,237	60,952	64,237	60,952
Other Capital Funding		6,234	22,935	6,234	22,935
ARC Grants - Discovery		15,456	13,858	15,456	13,858
ARC Grants - Linkages		7,740	7,244	7,740	7,244
ARC Grants - Networks and Centres		6,396	2,316	6,396	2,316
Other Australian Government Grants		120,219	90,218	115,666	84,843
		<b>430,895</b>	<b>405,243</b>	<b>426,342</b>	<b>399,868</b>
OS-Help (Net)		(124)	109	(124)	109
Superannuation Supplementation		3,589	3,311	3,589	3,311
		<b>434,360</b>	<b>408,663</b>	<b>429,807</b>	<b>403,288</b>

## Notes to the Financial Statements for the year ended 31 December 2011

## 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 Program		Partnership & Participation Program	
		2011	2010	2011	2010	2011	2010	2011	2010
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the reporting period	37(a)	114,458	118,980	786	759	666	578	1,973	1,168
Net accrual adjustments		11,901	202	-	-	-	-	-	-
Revenue for the period		126,359	119,182	786	759	666	578	1,973	1,168
Surplus/(Deficit) from the previous year		-	-	-	-	-	-	851	-
Total revenue including accrued revenue		126,359	119,182	786	759	666	578	2,824	1,168
Less expenses including accrued expenses		126,359	119,182	786	759	666	578	1,275	317
Surplus/(Deficit) for the reporting period		-	-	-	-	-	-	1,549	851

## Notes to the Financial Statements for the year ended 31 December 2011

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

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

Parent Entity (University) Only

	Notes	Workplace Productivity Program				Capital Development Pool		Transitional Cost Program			Total	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000
Financial assistance received in cash during the reporting period		-	1,392	-	-	-	-	-	-	-	-	-
Net accrual adjustments		-	-	-	-	-	-	6,278	4,911	124,161	127,788	(43)
Revenue for the period	37(a)	-	1,392	-	-	-	-	6,374	4,666	136,158	127,745	
Surplus/(Deficit) from the previous year		-	-	-	-	-	1,263	-	-	851	1,263	
Total revenue including accrued revenue		-	1,392	-	-	-	1,263	6,374	4,666	137,009	129,008	
Less expenses including accrued expenses		-	1,392	-	-	-	1,263	6,374	4,666	135,460	128,157	
Surplus/(Deficit) for the reporting period		-	-	-	-	-	-	-	-	1,549	851	



## Notes to the Financial Statements for the year ended 31 December 2011

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

## (b) Higher Education Loan Programmes

Parent Entity (University) Only

	Notes	HECS-HELP		FEE-HELP		Total	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000
Financial assistance received in cash during the reporting period		69,261	65,068	5,311	5,422	74,572	70,490
Net accrual adjustments		(362)	554	160	(113)	(202)	441
Revenue for the period	37(b)	68,899	65,622	5,471	5,309	74,370	70,931
Surplus/(Deficit) from the previous year		-	-	-	-	-	-
Total revenue including accrued revenue		68,899	65,622	5,471	5,309	74,370	70,931
Less expenses including accrued expenses		68,899	65,622	5,471	5,309	74,370	70,931
Surplus/(Deficit) for the reporting period		-	-	-	-	-	-

## Notes to the Financial Statements for the year ended 31 December 2011

## 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			
		2011		2010		2011		2010		2011		2010		2011		2010		2011		2010		2011		2010	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period		8,807	7,079	885	806	2,035	153	(57)	120	210	179	11,880	8,337												
Net accrual adjustments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	37(c)	8,807	7,079	885	806	2,035	153	(57)	120	210	179	11,880	8,337												
Surplus/(Deficit) from the previous year		1,197	999	-	-	342	862	362	1,186	19	2	1,920	3,049												
Total revenue including accrued revenue		10,004	8,078	885	806	2,377	1,015	305	1,306	229	181	13,800	11,386												
Less expenses including accrued expenses		9,109	6,881	885	806	430	673	595	944	225	162	11,244	9,466												
Surplus/(Deficit) for the reporting period		895	1,197	-	-	1,947	342	(290)	362	4	19	2,556	1,920												

## Notes to the Financial Statements for the year ended 31 December 2011

## 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	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000
Financial assistance received in cash during the reporting period	37(d)	15,286	15,271	28,584	28,072	13,231	12,838	7,136	4,551
Net accrual adjustments		-	-	-	-	-	-	-	-
Revenue for the period		15,286	15,271	28,584	28,072	13,231	12,838	7,136	4,551
Surplus/(Deficit) from the previous year		-	-	-	-	-	-	915	-
Total revenue including accrued revenue		15,286	15,271	28,584	28,072	13,231	12,838	8,051	4,551
Less expenses including accrued expenses		15,286	15,271	28,584	28,072	13,231	12,838	8,051	3,636
Surplus/(Deficit) for the reporting period		-	-	-	-	-	-	-	915

## Notes to the Financial Statements for the year ended 31 December 2011

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

(d) DIISR Research Parent Entity (University) Only

	Notes	Implementation Assistance Programme						Commercialisation Training Scheme				Total	
		2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the reporting period	37(d)	-	97	-	-	-	123	-	-	64,237	60,952	-	-
Net accrual adjustments		-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period		-	97	-	-	-	123	-	-	64,237	60,952	-	-
Surplus/(Deficit) from the previous year		-	-	-	-	-	255	243	255	1,158	255	-	-
Total revenue including accrued revenue		-	97	-	-	-	378	243	378	65,395	61,207	-	-
Less expenses including accrued expenses		-	97	-	-	-	135	112	135	65,264	60,049	-	-
Surplus/(Deficit) for the reporting period		-	-	-	-	-	243	131	243	131	1,158	-	-

## Notes to the Financial Statements for the year ended 31 December 2011

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

## (e) Other Capital Funding

	Notes	Better Universities Renewal Funding				Teaching and Learning Capital Fund		Education Investment Fund		Parent Entity (University) Only	
		2011		2010		2011		2011		2010	
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the reporting period	37(e)	-	-	-	-	-	-	-	-	22,935	22,935
Net accrual adjustments		-	-	-	-	-	-	-	-	-	-
Revenue for the period		-	-	-	-	-	-	6,234	6,234	6,234	6,234
Surplus/(Deficit) from the previous year		-	13,726	-	-	1,840	7,303	19,517	1,810	21,357	22,839
Total revenue including accrued revenue		-	13,726	-	-	1,840	7,303	25,751	24,745	27,591	45,774
Less expenses including accrued expenses		-	13,726	-	-	1,493	5,463	23,631	5,228	25,124	24,417
Surplus/(Deficit) for the reporting period		-	-	-	-	347	1,840	2,120	19,517	2,467	21,357

## Notes to the Financial Statements for the year ended 31 December 2011

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

	Notes	Parent Entity (University) Only					
		Projects		Fellowships		Indigenous Researchers Development	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000
Financial assistance received in cash during the reporting period		11,076	11,706	4,326	2,152	54	-
Net accrual adjustments		(69)	(28)	863	-	-	-
Revenue for the period	37(f)	11,007	11,678	5,189	2,152	54	-
Surplus/(Deficit) from the previous year		6,061	5,471	1,383	613	9	12
Total revenue including accrued revenue		17,068	17,149	6,572	2,765	63	12
Less expenses including accrued expenses		10,791	11,088	3,234	1,382	7	3
Surplus/(Deficit) for the reporting period		6,277	6,061	3,338	1,383	56	9
						15,456	13,858
						794	(28)
						16,250	13,830
						7,453	6,096
						23,703	19,926
						14,032	12,473
						9,671	7,453

## Notes to the Financial Statements for the year ended 31 December 2011

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

## (f) Australian Research Council Grants - Linkages

Parent Entity (University) Only

	Notes	Infrastructure		International		Projects		Total	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000
Financial assistance received in cash during the reporting period	37(f)	1,950	1,320	-	12	5,790	5,912	7,740	7,244
Net accrual adjustments		-	-	-	-	282	282	282	282
Revenue for the period		1,950	1,320	-	12	6,072	6,194	8,022	7,526
Surplus/(Deficit) from the previous year		-	591	54	87	2,917	2,891	2,971	3,569
Total revenue including accrued revenue		1,950	1,911	54	99	8,989	9,085	10,993	11,095
Less expenses including accrued expenses		1,455	1,911	29	45	5,323	6,168	6,807	8,124
Surplus/(Deficit) for the reporting period		495	-	25	54	3,666	2,917	4,186	2,971



## Notes to the Financial Statements for the year ended 31 December 2011

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

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

	Notes	Networks		Centres		Total	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000
Financial assistance received in cash during the reporting period		-	-	6,396	2,316	6,396	2,316
Net accrual adjustments		-	-	-	-	-	-
Revenue for the period	37(f)	-	-	6,396	2,316	6,396	2,316
Surplus/(Deficit) from the previous year		-	278	-	-	-	278
Total revenue including accrued revenue		-	278	6,396	2,316	6,396	2,594
Less expenses including accrued expenses		-	278	2,270	2,316	2,270	2,594
Surplus/(Deficit) for the reporting period		-	-	4,126	-	4,126	-

## Notes to the Financial Statements for the year ended 31 December 2011

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

(g) OS HELP and Superannuation Supplementation	Notes	Parent Entity (University) Only			
		OS-HELP		Superannuation Supplementation	
		2011 \$000	2010 \$000	2011 \$000	2010 \$000
Financial assistance received in cash during the reporting period	37(h)	879	1,105	3,589	3,311
Net accrual adjustments		-	-	-	-
Revenue for the period		879	1,105	3,589	3,311
Surplus/(Deficit) from the previous year		109	-	176	-
Total revenue including accrued revenue		988	1,105	3,765	3,311
Less expenses including accrued expenses		1,003	996	3,498	3,135
Contributions to Specified Defined Benefit Funds					
Surplus/(Deficit) for the reporting period		(15)	109	267	176

## Notes to the Financial Statements for the year ended 31 December 2011

	Note	Consolidated		University	
		2011	2010	2011	2010
		\$000	\$000	\$000	\$000
<b>39. State and Local Government Financial Assistance</b>					
<b>(a) South Australian Government and Local Government financial assistance</b>					
Arts South Australia		28	28	28	28
Bio Innovation SA		1,868	1,788	1,868	1,788
Central Northern Adelaide Health Service		3,043	3,438	3,043	3,438
Children, Youth and Women's Health Service		300	367	300	367
Defence SA		164	-	164	-
Department for Environment and Natural Resources		839	451	839	451
Department for Families and Communities		393	275	393	275
Department of Further Education, Employment, Science and Technology		5,463	3,490	5,463	3,490
Department of Health		2,263	1,436	2,263	1,436
Department of the Premier and Cabinet		379	1,398	379	1,398
Department of Primary Industries & Resources		791	1,062	791	1,062
Department of Education & Children Services		181	175	181	175
Department for Trade and Economic Development		495	105	495	105
Department for Planning, Transport and Infrastructure		667	755	667	755
Department for Water		615	941	615	941
Institute of Medical and Veterinary Science		17	39	17	39
Motor Accident Commission		667	515	667	515
Police Department SA		-	223	-	223
Public Trustee Office		-	35	-	35
Royal Adelaide Hospital		5,288	5,233	5,288	5,233
SA Murray-Darling Basin NRM Board		45	322	45	322
SafeWork SA		283	159	283	159
South Australian Dental Service		240	426	240	426
South Australian Government Financing Authority		30	750	30	750
South Australian Museum		364	659	364	659
Southern Adelaide Health Service		341	327	-	-
Workcover Corporation		83	284	83	284
Other		1,070	442	1,070	442
<b>Total South Australian Government and Local Government financial assistance</b>		<b>25,917</b>	<b>25,123</b>	<b>25,576</b>	<b>24,796</b>
<b>(b) Other State Government and Local Government financial assistance</b>		<b>1,547</b>	<b>1,078</b>	<b>1,547</b>	<b>1,078</b>
<b>Total State and Local Government financial assistance</b>		<b>27,464</b>	<b>26,201</b>	<b>27,123</b>	<b>25,874</b>

## Notes to the Financial Statements for the year ended 31 December 2011

	Note	Consolidated		University	
		2011	2010	2011	2010
		\$000	\$000	\$000	\$000
<b>40. Fees and Charges</b>					
Fees and charges were collected from the following sources during the reporting period:					
Student fee income	4	141,848	129,281	141,848	129,281
Library charges and fines	4	854	882	854	882
Application management and late fees	4	922	763	922	763
Parking fees	4	1,350	1,203	1,350	1,203
Rental charges/accommodation fees	4	10,984	11,383	11,007	11,590
Recharge of costs to other organisations	4	470	445	470	445
Franchise fees	4	1,127	837	1,127	837
Other		5,362	4,371	5,362	4,371
		<b>162,917</b>	<b>149,165</b>	<b>162,940</b>	<b>149,372</b>
<b>41. Consultancy and Contract Revenue</b>					
Consultancy		11,927	15,995	7,870	7,636
Contract research		53,496	46,571	26,791	26,379
		<b>65,423</b>	<b>62,566</b>	<b>34,661</b>	<b>34,015</b>





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