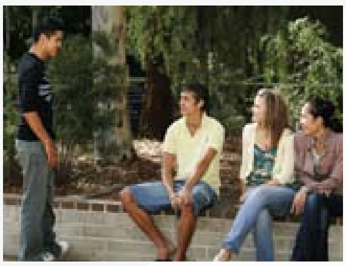
2008 ANNUAL REPORT

UNIVERSITY OF CANBERRA

AUSTRALIA'S CAPITAL UNIVERSITY






ANNUAL REPORT 2008

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FINANCIAL REPORT

ACT AUDITOR-GENERAL'S OFFICE

A08/57

Professor Stephen Parker
Vice-Chancellor
University of Canberra
CANBERRA ACT 2601

Dear Professor Parker

AUDIT REPORT ON THE FINANCIAL REPORT OF THE UNIVERSITY OF CANBERRA FOR THE YEAR ENDED 31 DECEMBER 2008

The Audit Office has completed the audit of the financial report of the University of Canberra for the year ended 31 December 2008.

I am pleased to attach the audited financial report and the **unqualified** audit report.

I have provided a copy of each of these reports to the Minister for Education and Training, Mr Andrew Barr MLA.

Yours sincerely

T. Pham

Tu Pham
Auditor-General
21 April 2009

c.c. Mr Andrew Bailey, Chief Operating Officer
Mr Matt Easdown, Chief Financial Officer
Mr Greg Jones, Director, Audit and Governance
Ms Maria Storti, Chair, Audit and Risk Management Committee

ACT AUDITOR-GENERAL'S OFFICE

INDEPENDENT AUDIT REPORT

UNIVERSITY OF CANBERRA

To the Members of the ACT Legislative Assembly

Audit Opinion

In my opinion, the financial report of the University of Canberra (the University) for the year ended 31 December 2008:

(i) is presented in accordance with the *University of Canberra Act 1989*, Accounting Standards and other mandatory financial reporting requirements in Australia; and

(ii) presents fairly the financial position of the University as at 31 December 2008 and the results of its operations and its cash flows for the year then ended.

This audit opinion should be read in conjunction with the following information.

Responsibility for the Financial Report

The Vice Chancellor of the University is responsible for the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and estimates used in the preparation of the financial report.

Contents of the Financial Report

The financial report is comprised of the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and accompanying notes.

The Auditor's Responsibility

My responsibility is to express an opinion on the financial report as required by the *University of Canberra Act 1989*.

The Audit Scope

My audit was conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement.

Level 4, 11 Moore Street, Canberra City, ACT 2601 | PO Box 275, Civic Square, ACT 2608
Telephone: 02 6207 0833 | Facsimile: 02 6207 0826 | Email: actauditorgeneral@act.gov.au

I formed the audit opinion by performing procedures to assess whether, in all material respects, the financial report presents fairly, in accordance with the *University of Canberra Act 1989*, applicable Accounting Standards and other mandatory financial reporting requirements in Australia, a view that is consistent with my understanding of the financial position and performance of the University.

The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control and, in many cases, the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

My procedures included:

(i) examining, on a test basis, evidence supporting the amounts and other disclosures in the financial report; and

(ii) evaluating accounting policies and significant accounting estimates used in the preparation of the financial report.

I considered the effectiveness of internal controls when determining the nature and extent of my procedures, however, the audit was not designed to provide assurance on internal controls.

My audit was also not designed to evaluate the prudence of decisions made by the University.

Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of this audited financial report should note that this audit does not provide assurance on the integrity of information presented electronically and does not provide an opinion on any other information which may have been hyperlinked to or from this report. If users of the report are concerned with the inherent risks arising from the electronic presentation of information, they are advised to refer to the printed copy of the audited financial report to confirm the accuracy of this electronically presented information.

Independence

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements.

T. Pham

Tu Pham
Auditor-General
21 April 2009

UNIVERSITY OF CANBERRA

REPORT BY THE MEMBERS OF THE UNIVERSITY OF CANBERRA COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2008

In accordance with a resolution of the Council of the University of Canberra, being responsible for the preparation of the annual financial report of the University and the judgements exercised in preparing it, we state that:

In our opinion, the following financial report provides a true and fair view of the financial transactions of the University.

The financial report has been prepared in accordance with the *Financial Management Act 1996* as amended by the *University of Canberra Act 1989*, Australian Accounting Standards and other mandatory professional reporting requirements.

In our opinion, at the time of this report there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due.

The amount of the Australian Government financial assistance expended during the reporting period was for the purpose for which it was intended and the University of Canberra has complied with applicable legislation, contracts, agreements and programme guidelines in making expenditure.

On behalf of the Council

Signed in Canberra this 20th day of April 2009

Professor Ingrid Moses
Chancellor

Professor Stephen Parker
Vice-Chancellor

UNIVERSITY OF CANBERRA

REPORT BY THE MEMBERS OF THE UNIVERSITY OF CANBERRA COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2008

Members of the University Council

Chancellor of the University
Ingrid Moses, DiplSozWirt Erlangen-Nürnberg, GradDipTertEd DDIAE-SQld, MA, PhD Qld., HonDLitt UTS, CSU-S, FACE, FSRHE, FACEL – Appointed by Council 1 January 2006. Reappointed 1 January 2008. Current tenure expires 31 December 2010.

Deputy Chancellor
Bob Prosser, MA Oxon, FICAA, FICAEW, MAICD, SA Fin – Appointed by Council from 2 October 2005 to 22 March 2007. Appointed by Chief Minister from 23 March 2007 to 31 December 2009. Appointed Deputy Chancellor 5 December 2008.

Vice-Chancellor
Stephen Parker, LLB Newcastle UK, PhD Wales, Solicitor of the Supreme Court of England & Wales, Barrister and Solicitor ACT, Barrister-at-Law Qld – Appointment commenced 1 March 2007. Current tenure expires 29 February 2012.

Chair, Academic Board
George Cho, AM, BA (Hons) Malaya, MA Br Col, PhD, LLB ANU, Grad Cert Higher Ed Canberra, Barrister and Solicitor ACT, Barrister NSW & High Court of Australia – Appointed by Council 7 December 2007, term commenced 1 January 2008. Current tenure expires 31 December 2010.

Appointed by the ACT Chief Minister
Michael Bryce, AM, AE B Arch Qld HonD Canberra, FRAIA, LFDIA, FRSA, AADM – Appointed by Council from 1 December 2003 to 22 March 2007. Appointed by the Chief Minister from 23 March 2007 to 31 December 2009. Resigned 30 June 2008.

Tom Calma, AssocDipSocialWork SAIT – Appointed by the Chief Minister 21 October 2008. Tenure expires 20 October 2011.

Ian Davis, BA (Hons) Syd – Appointed by the Chief Minister on 1 December 2003. Reappointed by Chief Minister 23 March 2007. Tenure expired 30 June 2008.

Rosemary Follett, AO, BA Admin Canberra CAE – Appointed by the Chief Minister 21 October 2008. Tenure expires 20 October 2011.

Margaret Gillespie – Appointed by the Chief Minister 21 October 2008. Tenure expires 20 October 2011.

Anne Holmes, BA (Hons) BEc, MMgt (Ind Str) ANU, Dip Ed Monash, PhD ANU - Appointed by the Chief Minister 26 March 2004. Reappointed by Chief Minister 23 March 2007. Resigned 30 April 2008.

Brand Hoff, BA Comp St Canberra CAE, FAICD, MACS – Appointed by the Chief Minister 1 December 2003. Reappointed by Chief Minister 23 March 2007. Tenure expired 30 June 2008.

John Kalokerinos, JP BA LLB (Hons) LLM ANU, Legal Practitioner ACT and NSW, Barrister and Solicitor of the High Court of Australia – Appointed by the Chief Minister on 21 September 2004. Reappointed by Chief Minister 23 March 2007. Tenure expired 30 June 2008.

Marion Reilly, BA Admin Canberra – Appointed by Chief Minister 26 March 2004. Reappointed by Chief Minister 23 March 2007. Current tenure expires 31 December 2009.

Sarah Ryan, BSc (Agric) (Hons), PhD W.Aust. GradDipDevelopmentStudies Deakin – Appointed by the Chief Minister 21 October 2008. Tenure expires 20 October 2011.

Sarah Schoonwater, BA(Econ) W'gong, LLB (Hons) UNE – Appointed by the Chief Minister 21 October 2008. Tenure expires 20 October 2011.

Maria Storti, BEc ANU, MBA Canberra, FCA, GAICD – Appointed by the Chief Minister 21 October 2008. Tenure expires 20 October 2011.

Anne Trimmer, BA, LLB ANU, Barrister & Solicitor ACT, Solicitor NSW – Appointed to Council 7 April 1997; reappointed 12 July 2001. Tenure expired 1 July 2003. Reappointed 26 March 2004. Appointed Deputy Chancellor 12 April 2005. Appointed by the Chief Minister 23 March 2007. Tenure expired 30 June 2008.

Elected by the Academic Staff
Dale Kleeman, BSc (Hons) ANU, GradDip OpRes Canberra CAE – Elected to Council 27 September 2000; re-elected 27 September 2002, 2006 and 2007. Current tenure expires 26 September 2009.

Elected by the General Staff
Stacey Durrell, BA Admin Canberra – Elected to Council 27 September 2005; re-elected 27 September 2007. Current tenure expires 26 September 2009.

UNIVERSITY OF CANBERRA

REPORT BY THE MEMBERS OF THE UNIVERSITY OF CANBERRA COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2008

Members of the University Council (Continued)

Elected by the Students
Elizabeth (Liz) Bennett, Grad Cert Management SA, MBA SA – Elected to Council by undergraduate students on 27 September 2008. Current tenure expires 26 September 2009.

Marc Emerson, BA Comm Grad Dip Public Admin Canberra – Elected by undergraduate students 27 September 2004. Resigned December 2004. Elected by postgraduate students 27 September 2005; re-elected 27 September 2007. Tenure expired 26 September 2008.

Jobu Koshy Jacob – Elected to Council by postgraduate students on 27 September 2008. Resigned 3 December 2008.

Lyndon Mayfield – Elected to Council by undergraduate students on 27 September 2006; re-elected 27 September 2007. Tenure expired 26 September 2008.

UNIVERSITY OF CANBERRA

REPORT BY THE MEMBERS OF THE UNIVERSITY OF CANBERRA COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2008

Meetings of Members

The number of meetings of the members of the University of Canberra Council and of each board or committee meeting held during the year ended 31 December 2008, and the number of meetings attended by each member were:

	Board Meetings		Meetings of Committees											
			Audit and Risk Management		Finance		Nomination and Senior Appointments		Environment and Works		Strategy		Legislation	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Professor Michael Bryce	3	3							2	2				
Ms Liz Bennett	2	2												
Mr Tom Calma	2	1												
Professor George Cho	7	6					2	2						
Mr Ian Davis	3	3			2	2								
Ms Stacey Durrell	7	6							2	1				
Mr Marc Emerson	5	5			3	3							1	1
Ms Rosemary Follett	2	0												
Ms Margaret Gillespie	2	2												
Mr Brand Hoff	3	3					2	1			4	4		
Dr Anne Holmes	2	2	1	1										
Mr Jobu Jacob	1	1												
Mr John Kalokerinos	3	3											1	1
Mr Dale Kleeman	7	7	2	2					2	2	4	4		
Mr Lyndon Mayfield	5	5	2	1	3	3								
Professor Ingrid Moses	7	7			5	3	3	3	2	0	4	3	1	1
Professor Stephen Parker	7	7			5	5	3	2	2	1	4	4	1	1
Mr Bob Prosser	7	7			5	5	3	3						
Ms Marion Reilly	7	6							2	2				
Dr Sarah Ryan	2	1												
Ms Sarah Schoonwater	2	1												
Ms Anne Trimmer	3	3	2	2			2	1			4	3		
Ms Maria Storti	2	0												

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

FINANCIAL REPORT

UNIVERSITY OF CANBERRA

REPORT BY THE MEMBERS OF THE UNIVERSITY OF CANBERRA COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2008

Introduction
The year under review was one of rebuilding and repositioning the University of Canberra to create a sustainable foundation for strategies and development programs which will assure its financial base and prevent a repetition of 2007's financial challenges. The year was the second of the five-year program aimed at re-making the University, and the program has already produced early benefits. The year witnessed a significant and positive turn around in the financial results of the University; with an operating deficit of nearly $15.9 million in 2007 compared to an operating surplus of $0.6 million in 2008. This result was achieved through a number of initiatives, including:

- introduction of new course offerings, including cultural heritage and urban and regional planning, which have attracted new students to the University and represent the first initiatives in restructuring the academic programs of the University;
- more effective marketing of the University's courses and an emphasis on the quality and professional base of University courses;
- initiatives to reduce the operating costs of the University, including a review of procurement policies and practices relating to the provision of goods and services to the University;
- rejuvenation of the University's governance and financial oversight by both the Council and senior executives of the University, and an emphasis on accountability and the introduction of effective and robust business practices, based on identifying, managing and minimising the risk exposure of the University; and
- the University's success in attracting major grants and external budget allocations to augment the operating budget of the University and facilitate the redevelopment of parts of the University campus and courses.

As outlined below, numerous exercises were commenced in 2007 to strengthen the University and assure its prospects were implemented during 2008 and the early benefits of these initiatives were evident by the close of the year.

Principal Activities
During the year the principal activities of the University and the consolidated entity (including the University of Canberra College Pty. Ltd. and UCU Ltd.) consisted of the:

- Provision of education to Australian and international students;
- Research and consulting activities;
- Hospitality and recreational services; and
- Service to the community.

There were no significant changes in the nature of the principal activities of the University and the consolidated entity during the year.

Review of Operations
The University commenced or completed the following major processes during 2008:

- The strategic planning exercise of 2007, which led to the adoption by the University Council in December 2007 of a new strategic plan (*The University of Canberra's Thirty-Nine Steps)* moved to an implementation phase and was evident in many of the initiatives introduced through 2008;
- The Review of the University's positioning and marketing strategy during 2007, leading to the adoption of Australia's Capital University' as a statement which encapsulates the University's commitment to Canberra and the surrounding region, underpinned the University's marketing program during 2008, leading to an increase in student demand into 2009;
- The review of the administrative structure, leading to centralised administrative services commencing on 1 January 2008, formed a strong basis for the University to implement standard whole-of-University procurement policies and practices, designed to result in significant savings in operating costs from 2009;
- A review of the structure of the academic calendar was completed during 2008 with a new three-teaching period structure to be implemented from 2010;
- The review of the academic structure during 2007, which led to the replacement on 1 January 2008 of the three academic divisions by eight faculties, led to strengthened accountability and commitment at the local level to the University's academic program and initiatives to review and rejuvenate the program;
- A campus master planning exercise, originally due to be completed in April 2008 and designed to facilitate appropriate, sustained development of the University's campus, continued through 2008 as the University engaged the Hornery Institute to augment the existing review process by Lyons Architects;
- The first part of the audit by the Australian Universities Quality Agency (AUQA) was completed in October 2008. The audit led the University to document, review and revise a wide range of internal policies, procedures and practices, many of which were then subject to external scrutiny, evaluation and report by AUQA. The final report of the audit was released in January 2009;
- The first part of the new student residences project, the renovation of several existing residences, was completed in early 2008 and the first stage of the construction of new residences, comprising 300 of an eventual 520 beds, was completed in late 2008 for occupation from early 2009.

UNIVERSITY OF CANBERRA

REPORT BY THE MEMBERS OF THE UNIVERSITY OF CANBERRA COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2008

Review of Operations (continued)
Also, during the year, as foreshadowed in the 2006 report, stronger collaborative links with the Canberra Institute of Technology were forged and stronger links with the Australian National University were foreshadowed with the signing in December 2008 of a Letter of Intent, establishing a firmer relationship between the University and the Australian National University which will underpin further discussions and collaboration.

Significant Changes in State of Affairs
The University signed a memorandum of understanding with the ACT Government to formalise the already strong relationship between the University and the ACT Government.

Six of the eight members of Council, appointed by the Chief Minister under section 11(1) (d) of the *University of Canberra Act 1989,* resigned due to changes in their personal circumstances or retired at the expiry of their terms of appointment on 30 June 2008. New members were appointed by the Chief Minister from 21 October 2008.

Subsequent Events
At the time of signing the University's financial report there are no significant subsequent events other than those are disclosed in note 34 'Events occurring after the balance sheet date.

Future Developments
The adoption of a new campus masterplan in 2009 will lead to significant development of the University campus, and improvements to teaching and research facilities.

The University expects to make further administrative reforms as the last phase of the initiatives referred to in the Introduction above. These will involve reductions in the number of administrative staff employed by the University.

Environmental Regulation
During the year, the University complied with ACT Government water restrictions. There are no other particular and significant environmental regulations affecting it under the Australian Government, State or Territory law.

Insurance of Employees
Members of Council and employees of the University of Canberra are insured to the limit of $10 million per claim against wrongful acts. For these purposes, such acts include: any actual or alleged breach of duty or trust, neglect, error, misstatement, misleading statement, omission, breach of warranty or authority, or other act done or attempted by, or other matter claimed against, any Council Members or Officers of the University, wherever and whenever while acting in their individual or collective capacities on behalf of the University.

Legal Proceedings
The University had the following legal matters pending as at 31 December 2008.

- A claim by a student to the ACT Discrimination Tribunal. The claim has not been progressed for some time;
- Proceedings for damages for injuries suffered to an infant at the University campus. The proceedings are currently being defended by the University and the claim is covered by the University's insurer, UniMutual;
- A claim by a former client in Pakistan relating to English language (IELTS) testing;
- A claim in the NSW District Court by a former agent relating to fees;
- A possible claim by a former teaching institute partner relating to tuition fees;
- A claim relating to the personal injury of a student due to a fall. The insurers have not assessed the prospects of the claim and proceedings have not been commenced;
- A potential claim relating to the personal injury of an employee in the gymnasium. The insurers have not assessed the prospects of the claim; and
- A threatened claim by a student of the University arising out of her studies.

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

On behalf of the Council

Signed at Canberra this 20th day of April 2009

Professor Stephen Parker
Vice-Chancellor

FINANCIAL REPORT

UNIVERSITY OF CANBERRA

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	3(a), (c-f)	64,207	51,677	64,119	51,677
HECS-HELP- Australian Government receipts	3(b)	26,550	20,235	26,550	20,235
FEE-HELP - Australian Government receipts	3(b)	674	1,895	674	1,895
HECS-HELP - student receipts		6,479	6,197	6,479	6,197
State and Local Government financial assistance	4	2,034	737	2,034	737
Fees and charges	5	24,216	28,599	21,417	26,070
Investment revenue and income	6	872	2,774	812	2,659
Consultancy and contracts	7	4,592	1,981	4,592	1,994
Other revenue	8	549	543	549	543
Other income	8	15,185	14,878	10,882	11,090
Total income from continuing operations		**145,358**	**129,516**	**138,108**	**123,097**
Expenses from continuing operations					
Employee related expenses	9	92,086	89,727	87,780	85,687
Depreciation and amortisation	10	10,139	10,237	9,889	9,961
Repairs and maintenance	11	1,063	1,455	1,062	1,449
Finance costs	12	88	73	88	73
Impairment losses	13	91	2,813	58	2,800
Investment loss	14	237	-	237	-
Other expenses	15	41,343	41,299	38,425	38,968
Total expenses from continuing operations		**145,047**	**145,604**	**137,540**	**138,938**
Operating surplus/(deficit)	27(b)	**311**	**(16,088)**	**569**	**(15,841)**

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

FINANCIAL REPORT

UNIVERSITY OF CANBERRA

BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
ASSETS					
Current assets					
Cash at bank and cash equivalents	16	10,627	1,434	9,015	129
Trade and other receivables	17	10,055	5,552	9,595	5,469
Other financial assets	18	81	59	81	59
Other non-financial assets	19	2,298	2,297	2,297	1,934
Total current assets		**23,061**	**9,342**	**20,988**	**7,591**
Non-current assets					
Investment property	21	7,662	7,899	7,662	7,899
Property, plant and equipment	22	261,379	269,753	260,730	268,907
Investments	20	847	804	847	804
Intangible assets	23	3,628	5,657	3,628	5,657
Total non-current assets		**273,516**	**284,113**	**272,867**	**283,267**
Total assets		**296,577**	**293,455**	**293,855**	**290,858**
LIABILITIES					
Current liabilities					
Trade and other payables	24	4,770	4,295	4,208	3,952
Borrowings	25	389	2,104	389	2,104
Provisions	26	14,287	11,380	13,929	11,063
Other financial liabilities	27	8,782	7,043	8,407	6,771
Total current liabilities		**28,228**	**24,822**	**26,933**	**23,890**
Non-current liabilities					
Borrowings	25	224	327	224	327
Provisions	26	1,643	1,587	1,614	1,577
Other financial liabilities	27	6,667	3,334	6,667	3,334
Total non-current liabilities		**8,534**	**5,248**	**8,504**	**5,238**
Total liabilities		**36,762**	**30,070**	**35,437**	**29,128**
Net assets		**259,815**	**263,385**	**258,417**	**261,730**
EQUITY					
Asset revaluation reserve	28(a)	209,277	213,158	207,445	211,326
Retained surplus	28(b)	50,538	50,227	50,972	50,404
Total Equity		**259,815**	**263,385**	**258,417**	**261,730**

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

UNIVERSITY OF CANBERRA

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
Total equity at the beginning of the year		263,385	279,473	261,730	277,571
Revaluation decrement of library assets	28(a)	(3,881)	-	(3,881)	-
Net income recognised directly in equity		**259,504**	**279,473**	**257,849**	**277,571**
Operating surplus/(deficit)	28(b)	311	(16,088)	569	(15,841)
Total equity at end of the year		**259,815**	**263,385**	**258,417**	**261,730**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

UNIVERSITY OF CANBERRA

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
Cash flows from operating activities					
Australian Government grants		84,459	76,107	84,459	76,107
Other Commonwealth grants		2,455	2,128	2,455	2,128
State Government grants		2,034	737	2,034	737
HECS-HELP student payments		6,479	6,197	6,479	6,197
Receipts from student fees and other customers		45,712	48,000	37,075	41,479
Investment income		829	929	769	814
Total income		**141,968**	**134,098**	**133,271**	**127,462**
Payments to suppliers and employees		(133,113)	(139,253)	(124,785)	(133,016)
Interest and other costs of finance paid		(88)	(73)	(88)	(73)
Total expenses		**(133,201)**	**(139,326)**	**(124,873)**	**(133,089)**
Net cash provided by/(used in) operating activities	35(b)	**8,767**	**(5,228)**	**8,398**	**(5,627)**
Cash flows from investing activities					
Proceeds from sale of property, plant, equipment		83	125	73	125
Payments for property, plant, equipment		(3,674)	(4,775)	(3,603)	(4,417)
Net cash (used in) investing activities		**(3,591)**	**(4,650)**	**(3,530)**	**(4,292)**
Cash flows from financing activities					
Proceeds on borrowings		5,834	5,000	5,835	5,000
Repayments of borrowings		(115)	(1,238)	(115)	(1,164)
Cash and cash equivalent balances received by UCU Ltd from the University of Canberra Union Incorporated		-	688	-	-
Net cash provided by financing activities		**5,719**	**4,450**	**5,720**	**3,836**
Net increase/(decrease) in cash and cash equivalents		**10,895**	**(5,428)**	**10,588**	**(6,083)**
Cash and cash equivalents at the beginning of the year		(555)	4,873	(1,860)	4,223
Cash at bank and cash equivalents at the end of the year	35(a)	**10,340**	**(555)**	**8,728**	**(1,860)**
Financing arrangement - CGS Grant Advance	27(c)	10,834	5,000	10,834	5,000
Financing arrangement - bank overdraft	25(a)	287	1,989	287	1,989
Non-cash financing and investing activities	25(a)	327	442	327	442

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

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 1. Summary of significant accounting policies

(a) Basis of Preparation

The financial report is a general purpose financial report and has been prepared and is presented in accordance with:

1. The *Financial Management Act 1996* as amended by the *University of Canberra Act 1989*;
2. The Financial Statement Guidelines for Australian Higher Education Providers for the 2008 Reporting Period issued by the Australian Government Department of Education, Employment and Workplace Relations (DEEWR);
3. Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group Consensus Views;
4. Historical cost accounting, except for investments and certain property, plant and equipment which have been regularly revalued in accordance with applicable standards as indicated in Note 1(g) property, plant and equipment;
5. The accepted accrual accounting principles; and
6. The University's accounting policies that are consistent with those of the previous year.

(b) Critical Accounting Estimates and Judgements

The preparation of this financial report in conformity with AIFRS; requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in applying the University's accounting policies. The areas involving a high degree of judgement, or areas where assumptions and estimates are significant to the financial report are disclosed below.

The resulting accounting estimates will, by definition, seldom equal the related actual results. These estimates and assumptions have been based on the most current information available.

Significant accounting estimates and judgements are disclosed below:

1. **Trade and student receivable – Allowance for Impairment Losses**
   The University has made a significant judgement in calculating the allowance for bad and doubtful debts. The allowance is based on reviews of overdue receivables balances to determine the probability that the balance will be paid. Where the receivable is assessed as unlikely to be collected, it is then written off or provided for.
2. **Plant and equipment – Depreciation**
   Note 1(g) Property, Plant and equipment discloses that the plant and equipment are systematically depreciated over their estimated useful lives. The estimated useful lives of plant and equipment are re-assessed every year and adjusted when conditions and other factors affecting the useful life warrants an adjustment to depreciation rate.
3. **Impairment**
   Note 1(h) Impairment discloses that the assets are regularly assessed for impairment. If the assessment indicates that an asset is impaired, then an assessment of that asset's recoverable amount is estimated to determine whether impairment loss should be recognised.
4. **Advances**
   Note 1 (s) Advances discloses that the advance funding the University received from the Department of Education, Employment and Workplace Relations (DEEWR) for CGS, HECS-HELP and FEE-HELP for the year 2008 is likely to be adjusted against future DEEWR funding. The adjustment on the future funding will be based on the assessment of actual student enrolments for the year by DEEWR. This assessment takes place after the census date in term 2 of each year.

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 1. Summary of significant accounting policies (continued)

(b) Critical Accounting Estimates and Judgements (continued)

5. **Investments**
Note 1(m) Investments discloses that the investment in National Centre for Social and Economic Modelling (NATSEM) and Centre for Customs and Excise Studies (CCES) are measured at fair value. The estimated fair value of the investment in NATSEM is based on net asset position at 31 December 2007 and for CCES, the fair value is based on the valuation at which the University divested its share holding in 2008.
6. **Contingent Liabilities**
Note 31 Contingencies discloses that the contingent liabilities of the University are based on an estimate. It does not include any insurance recoveries that may be recovered from the University's insurer.

(c) Principles of Consolidation

The consolidated financial report of the economic entity comprise the financial results of the University and two wholly-owned subsidiaries, the University of Canberra College Pty Ltd (the College) and UCU Ltd.

All inter-entity transactions and balances have been eliminated on consolidation. The financial reports for the College and UCU Ltd have been prepared using materially the same accounting policies as applied to the University. Note that some amounts in the consolidated column may be lower than those in the University column after inter-entity transactions are eliminated.

(d) Revenue Recognition

The revenue described in this Note is revenue relating to the core operating activities of the University.

1. Financial assistance is recognised as income when it is probable that the economic benefits associated with the transaction will flow to the University (Refer 1(e) Financial Assistance Income below).
2. Fees and Charges are recognised as income when it is probable that the economic benefits associated with the transaction will flow to the University.
3. Investment revenue and income.

   Interest revenue is recognised on an accrual, time proportionate basis, taking into account the effective yield applicable to the current financial year.
4. Consultancy and Contract revenue.

   Revenue from the rendering of a service, under contract is recognised by reference to the stage of completion, to the extent that there is a right to be compensated, which can be reliably measured.
5. Other revenue and income.

   Revenue from disposal of non-current assets is recognised when control of the asset has passed to the buyer.

   Goods or services received free of charge that is non-reciprocal transfers, are recognised as revenue when and only when a fair value can be reliably determined.

   Revenue from sale of goods and services is recognised upon the delivery of those goods or services to students and customers.

(e) Financial Assistance Income – Australian Government Financial Assistance, Higher Education Contribution Scheme, State Government Financial Assistance and Other Research Financial Assistance and Contracts

Financial assistance from Commonwealth, State and Local Government agencies for the current year is recognised in the income statement as income on receipt. However, the University negotiated special purpose financial assistance received in the current year is treated as advance income and it will be recognised as income when it is probable that the economic benefits associated with the transaction will flow to the University.

To meet the requirements of DEEWR, information regarding the amounts received, accrued and expended pursuant to the *Higher Education Funding Act 1988* is disclosed in Note 40 of this financial report. This treatment is consistent with revenue recognition described in note 1(d) Revenue Recognition above.

Note 1. Summary of significant accounting policies (continued)

(f) Investment Property

Carrying Value
The investment property, held by the University, at Hayden Drive is measured at fair value. Fair value is the amount the asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. The fair value of investment property at Haydon Drive is determined by an independent valuation by the Australian Valuation Office (AVO) every three years. However based on the investment property accounting standard an impairment assessment on the asset is undertaken by the AVO each year until the formal valuation is due. Any changes in the fair value of the investment property are recorded in the income statement. The investment property is not depreciated.

(g) Property, Plant and Equipment

Carrying Value
Motor vehicles, computing equipment and plant and equipment are stated at cost.

Leasehold land, buildings, infrastructure and works of art and library collections are valued at fair value. Leasehold land, buildings including investment property and infrastructure are valued by the AVO. Library collections are valued by an accredited book valuer.

Revaluations of leasehold land, buildings, infrastructure, library collections and works of art are conducted every three years by an external valuer to provide an independent assessment of their fair value.

Property, plant and equipment under construction are classified as work in progress. When assets are commissioned, they are capitalised.

Depreciation and Amortisation
Depreciation is provided on a straight-line basis on all property, plant and equipment and library reference collections other than works of art, land, investment property and the library closed collection, at rates calculated to allocate the cost less estimated residual value at the end of the useful lives against revenue over those estimated useful lives. The estimation of the useful life of an asset is a matter of judgement on the experience of the University with similar assets. However, the estimation of the useful life of buildings and infrastructure was estimated by the AVO and the library reference collections was estimated by an accredited book valuer as at 31 December 2008.

Depreciation rates applying to each class of depreciable assets are based on the following useful lives:

	Years
Buildings	4 to 50
Plant and equipment	4
Motor vehicles	4
Computing equipment	3
Infrastructure	7 to 50
Library collections	10

Amortisation rates applying to the intangible asset is based on the following useful life:

	Years
Software	5

The amortisation and depreciation charges are disclosed in Note 10 Depreciation and amortisation.

Threshold
The threshold to capitalise property, plant and equipment is $5,000 and software is $100,000. For computers and works of art, no threshold applies.

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 1. Summary of significant accounting policies (continued)

(h) Impairment

At each reporting date, the University assesses whether any assets are impaired. If there is an indication of impairment, then an estimate of the recoverable amount will be made. Any resulting impairment loss is recognised immediately in the income statement. However, where assets are carried at fair value the impairment loss is recognised as a decrease to the asset revaluation reserve. Where the impairment loss is greater than the balance in the asset revaluation reserve, the difference is expensed in the income statement. Also, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is the amount by which the carrying amount of an asset (or a cash-generating unit) exceeds its recoverable amount. The recoverable amount is the higher of 'fair value less the costs to sell' and its 'value in use'. For the University an asset's 'value in use' is its depreciated replacement cost.

(i) Provisions

Provisions are recognised when the University has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of obligations.

(j) Employee Benefits

Salaries, Annual Leave and Personal Leave
Liabilities for salaries, including annual leave are recognised in employee benefits in respect of employee's services provided up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

These liabilities are classified as current in the balance sheet when a legal obligation to pay salaries, including annual leave to an employee exists at the reporting date.

No provision has been made for personal leave as the average personal leave taken by employees is less than the annual entitlement for personal leave.

Long Service Leave
The liability for long service leave is recognised for services provided up to the reporting date and is measured at the amounts expected to be paid when the liability is settled.

In 2006, the services of KPMG Actuaries Pty Ltd were used to estimate the present value of long service leave liability. A similar exercise is not due until December 2009. During the intervening years, including 2008, short-hand methodology supplied by the KPMG is used to value the long service liability.

Long service leave liability is classified as current in the balance sheet when a legal obligation to pay long service leave to an employee within twelve months exists at the reporting date; otherwise it is classified as non-current.

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 1. Summary of significant accounting policies (continued)

(k) Superannuation

The University has no liability for superannuation benefits. All superannuation obligations are covered by the external service providers, including all defined benefit options. Further explanation of the University's superannuation arrangements are as follows:

(1) Background.

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

(2) Financial Position.

As at 30 June 2008, the assets of the DBD in aggregate were estimated to be $323 million in excess of vested benefits. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of CPI indexed pensions being provided by the DBD.

As at 30 June 2008, the assets of the DBD in aggregate were estimated to be $1,456 million in excess of accrued benefits. The accrued benefits have been calculated as the present value of expected future benefit payments to members and CPI indexed pensioners which arise from membership of UniSuper up to the reporting date. The vested benefit and accrued benefit liabilities were determined by the Fund's actuary, Russell Employee Benefits, using the actuarial demographic assumptions outlined in their report dated 13 July 2006 on the actuarial investigation of the DBD as at 31 December 2005. 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 long term	3.75 % p.a.	3.75 % p.a.
Inflationary salary increases next one year	5.00 % p.a.	5.00 % p.a.

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

(l) Trust Funds

Funds administered by the University in respect of scholarships and certain research activities are accounted for as trust funds and are reported in Note 37 Assets and liabilities of trusts for which the University of Canberra is a trustee.

(m) Investments

All investments are brought to account at fair value as at 31 December 2008. All investments are in accordance with the powers given to the University under Section 7(2) (n) of the *University of Canberra Act 1989*.

The University's investment in the two corporate bodies National Centre for Social and Economic Modelling (NATSEM) and Centre for Customs and Excise Studies (CCES) was 50% and 25%, respectively. These investments were shown at fair value as at 31 December 2008. Details of these relationships are disclosed in Note 33 Other entities.

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 1. Summary of significant accounting policies (continued)

(n) Insurances

The University has insurance cover in relation to a variety of risk exposures including property loss and damage, public liability, professional indemnity and limited personal accident cover for students.

Workers' compensation, safety and rehabilitation are administered through the Commission for the Safety, Rehabilitation and Compensation of Commonwealth Employees (COMCARE).

(o) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, cash at bank, deposits held at call and money market investments which can be readily converted to cash net of any bank overdraft and are subject to an insignificant risk of changes in value except on bank overdraft.

(p) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any impairment loss. An allowance for impairment losses is made when collection of the full amount is no longer probable.

(q) Payables

Payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not invoiced to the consolidated entity.

(r) Borrowings

All loans are measured at the principal amount. Interest is recognised as an expense as it accrues.

(s) Advances

Any negotiated special purpose payments from the Department of Education, Employment and Workplace Relations (DEEWR) are shown as advances in the balance sheet. These advances are adjusted against funding receivable from DEEWR in subsequent years.

(t) Other Entities

Under separate contractual agreements, the University makes annual contributions to three Cooperative Research Centres (CRCs). The University does not receive any financial benefit from these CRCs hence contributions are treated as expense.

(u) Comparative Figures

The comparatives figures are reclassified to facilitate a comparison with the current year's presentation.

(v) Economic Dependency

The normal operating activities of the University are dependent on appropriation of monies by the Australian Government.

(w) Rounding

Amounts in the financial report and notes have been rounded. The multiple levels of rounding may cause the displayed numbers or summations to be out by one or two units.

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 2. Disaggregated information

The University is located in the Australian Capital Territory and operates primarily in Australia to provide tertiary education at undergraduate and postgraduate levels.

The consolidated financial report states the outcomes of the University that operates primarily in a single industry and two geographic segments, being the provision of higher education services in Australia and Asia.

	Revenue		Results		Assets	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Geographical						
Australia	143,417	127,204	307	(15,801)	298,132	298,728
Asia	1,941	2,312	4	(287)	-	-
	145,358	**129,516**	**311**	**(16,088)**	**298,132**	**298,728**

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 3. Australian Government financial assistance including HECS-HELP and FEE-HELP Government loan programmes

	Notes	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
(a) Commonwealth Grants Scheme and Other Grants	40.1				
Australian Scheme for Higher Education Repositories		255	-	255	-
Better Universities Renewal Funding		4,694	-	4,694	-
Commonwealth Grants Scheme#		42,071	38,705	42,071	38,705
Commercialisation Training Scheme		26	23	26	23
Collaboration and Structural Reform Program		-	127	-	127
Diversity & Sturctural Adjustment Fund		677	-	677	-
Equity Support Programs+		177	151	177	151
Improving the Practical Component of Teacher Education Programme		418	-	418	-
Implementation Assistance Program		72	-	72	-
Indigenous Support Program		311	306	311	306
Learning and Teaching Performance Fund		1,929	1,736	1,929	1,736
Superannuation Program		392	509	392	509
Transitional Cost Program		852	-	852	-
Workplace Reform Program		601	578	601	578
Workplace Productivity Program		1,305	190	1,305	190
Total Commonwealth Grants Scheme and Other Grants		**53,780**	**42,325**	**53,780**	**42,325**
(b) Higher Education Loan Programs	40.2				
HECS-HELP		26,550	20,235	26,550	20,235
FEE-HELP		674	1,895	674	1,895
Total Higher Education Loan Programs		**27,224**	**22,130**	**27,224**	**22,130**
(c) Learning Scholarships	40.3				
Australian Postgraduate Awards		461	506	461	506
Commonwealth Education Costs Scholarships		402	271	402	271
Commonwealth Accommodation Scholarships		683	522	683	522
International Postgraduate Research Scholarships		134	89	134	89
Indigenous Access Scholarship		73	-	73	-
Total Scholarships		**1,753**	**1,388**	**1,753**	**1,388**
(d) Commonwealth Research	40.4				
Institutional Grants Scheme		1,605	1,656	1,605	1,656
Research Infrastructure Block Grant		478	490	478	490
Research Training Scheme		2,575	2,655	2,575	2,655
Total Commonwealth Research Grants		**4,658**	**4,801**	**4,658**	**4,801**
(e) Australian Research Council					
(i) Discovery	40.5(a)				
Project		653	384	653	384
Total Discovery		**653**	**384**	**653**	**384**
(ii) Linkage	40.5(b)				
Projects		819	651	819	651
Total Linkages		**819**	**651**	**819**	**651**
Total Australian Research Council		**1,472**	**1,035**	**1,472**	**1,035**

Includes the basic Commonwealth Grant Scheme grant amount and Commonwealth Grant Scheme-Enabling Loading.

+ Includes amounts for Higher Education Equity Support Programme, Additional Support for Students with Disabilities and Disability Performance Funding.

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 3. Australian Government financial assistance including HECS-HELP and other Australian Government loan programmes (Continued)

	Consolidated		University	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
(f) Other Australian Government financial assistance				
Attorney-General's Department	40	-	40	-
Austrade	88	-	-	-
Australian Academy of Science	-	10	-	10
Australian Agency for International Development	-	124	-	124
Australian Antarctic Division	24	27	24	27
Australian Centre for International Agricultural Research	364	100	364	100
Australian Federal Police	60	-	60	-
Australian Indonesia Governance Research Partnership	-	76	-	76
Australian Institute of Nuclear Science and Engineering	-	8	-	8
Australian Public Service Commission	5	-	5	-
Caring for our Country	36	125	36	125
Centrelink	-	15	-	15
Commonwealth Scientific and Industrial Research Organisation	-	38	-	38
Defence Science and Technology Organisation	96	96	96	96
Department of Agriculture, Fisheries and Forestry	10	-	10	-
Department of Broadband, Communications and the Digital Economy	-	15	-	15
Department of Education, Employment and Workplace Relations	309	399	309	399
Department of Families, Housing, Community Services and Indigenous Affairs	10	47	10	47
Department of Finance and Deregulation	10	10	10	10
Department of Health and Ageing	10	20	10	20
Department of Immigration and Citizenship	-	20	-	20
Department of Innovation, Industry, Science and Research	-	15	-	15
Department of the Treasury	-	20	-	20
Family Court of Australia	10	-	10	-
Land and Water Resources Research and Development Corporation	-	75	-	75
Murray Darling Basin Commission	156	103	156	103
National Archives of Australia	8	-	8	-
National Health and Medical Research Council	854	712	854	712
National Museum of Australia	-	10	-	10
National Water Commission	268	-	268	-
Productivity Commission	185	15	185	15
Rural Industries Research and Development Corporation	-	48	-	48
Total other Australian Government financial assistance	**2,543**	**2,128**	**2,455**	**2,128**
Total Australian Government financial assistance	**91,430**	**73,807**	**91,342**	**73,807**

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 3. Australian Government financial assistance including HECS-HELP and other Australian Government loan programmes (Continued)

	Consolidated		University	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Reconciliation				
Australian Government Grants (a + c + d + e + f)	64,207	51,677	64,119	51,677
HECS -HELP - Australian Government Payments	26,550	20,235	26,550	20,235
FEE-HELP - Australian Government Payments	674	1,895	674	1,895
Total Australian Government financial assistance	**91,431**	**73,807**	**91,343**	**73,807**
(g) Australian Government Grants received				
Commonwealth Grant Scheme and Other Grants	53,779	42,325	53,779	42,325
Higher Education Loan Programmes	27,223	22,130	27,223	22,130
Scholarships	1,755	1,388	1,755	1,388
Commonwealth research	4,658	4,801	4,658	4,801
Australian Research Council Grants - Discovery	653	384	653	384
Australian Research Council Grants - Linkages	819	651	819	651
Other Australian Government Grants	2,543	2,128	2,455	2,128
Total Australian Government Grants received-cash basis	**91,430**	**73,807**	**91,342**	**73,807**
Overseas Study-HELP (Net)	15	(69)	15	(69)
Total Australian Government funding received-cash basis	**91,445**	**73,738**	**91,357**	**73,738**

FINANCIAL REPORT

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 4. State and Local Government financial assistance

	Consolidated		University	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Australian Capital Territory	673	281	673	281
South Australia	10	43	10	43
New South Wales	1,222	350	1,222	350
Queensland	52	57	52	57
Northern Territory	-	6	-	6
Victoria	77	-	77	-
Total State and Local Government financial assistance	**2,034**	**737**	**2,034**	**737**

Note 5. Fees and charges

Course fees and charges

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
Continuing education	3,695	4,261	821	1,685
Fee-paying overseas students	16,802	14,957	16,802	14,957
Fee-paying domestic postgraduate students	175	1,774	175	1,774
Fee-paying domestic undergraduate students	206	-	206	-
Fee-paying domestic non-award students	45	73	45	73
Total course fees and charges	**20,923**	**21,065**	**18,049**	**18,489**

Non-course fees and charges

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
Student accommodation charges	114	5,180	189	5,253
Other	3,179	2,329	3,179	2,328
Total non-course fees and charges	**3,293**	**7,509**	**3,367**	**7,581**
Total fees and charges	**24,216**	**28,574**	**21,417**	**26,070**

Note 6. Investment revenue and income

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
Investment revenue				
Bank account interest	58	81	23	15
Bank bill interest	587	235	561	186
Call account interest	183	95	184	95
Student loan interest	1	5	1	5
Total investment revenue	**829**	**416**	**769**	**302**
Investment income				
Revaluation increment - investment property	-	1,317	-	1,317
Increase in fair value - shares	43	1,041	43	1,041
Total investment income	**43**	**2,358**	**43**	**2,358**
Total investment revenue and income	**872**	**2,774**	**812**	**2,659**

FINANCIAL REPORT

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 7. Consultancy and contracts

	Consolidated		University	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Research				
Contracts	3,282	780	3,282	780
Other				
Consultancy	1,311	1,201	1,311	1,214
Total consultancy and contracts	**4,592**	**1,981**	**4,592**	**1,994**

Note 8. Other revenue and income

	Consolidated		University	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Other revenue				
Donations and bequests	121	272	121	272
Scholarships and prizes	402	234	402	234
Net gain on disposal of property, plant and equipment	26	37	26	37
Total other revenue	**549**	**543**	**549**	**543**
Other income				
Travel and travel related recoveries	194	102	194	102
Administrative charges	879	825	1,226	1,144
Hire of facilities	302	339	92	70
Miscellaneous	1,562	2,367	1,306	2,223
Copying	205	221	205	221
Rent	1,207	1,389	1,216	1,389
Salaries and cost recovery services	3,792	3,197	3,792	3,199
Sales and service income/publications	6,872	5,986	2,679	2,290
Insurance recoveries	172	452	172	452
Total other income	**15,185**	**14,878**	**10,882**	**11,090**
Total other revenue and income	**15,734**	**15,421**	**11,431**	**11,633**

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 9. Employee related expenses

		Consolidated		University	
		2008	2007	2008	2007
		$'000	$'000	$'000	$'000
Academic					
Salaries		37,254	33,284	36,248	32,319
Contributions to superannuation and pension schemes		5,825	4,887	5,728	4,825
Payroll tax		2,923	2,338	2,849	2,266
Workers' compensation		244	194	244	194
Long service leave and annual leave		1,580	343	1,564	331
Total academic		**47,826**	**41,046**	**46,633**	**39,935**
Non-academic					
Salaries		33,942	34,466	31,355	32,119
Contributions to superannuation and pension schemes		4,978	5,438	4,728	5,183
Payroll tax		2,513	2,832	2,468	2,790
Workers' compensation		283	348	205	221
Long service leave and annual leave		1,400	498	1,247	390
Redundancy payments - restructure		1,144	4,781	1,144	4,781
Redundancy payments - other		-	318	-	268
Total non-academic		**44,260**	**48,681**	**41,148**	**45,752**
Total employee and related expenses		**92,086**	**89,727**	**87,780**	**85,687**

Note 10. Depreciation and amortisation

		Consolidated		University	
		2008	2007	2008	2007
Depreciation					
Buildings		4,958	4,629	4,958	4,629
Plant and equipment		1,245	1,463	1,005	1,202
Computers		950	1,722	940	1,707
Motor vehicles		98	136	98	136
Infrastructure		859	847	859	847
Total depreciation	22	**8,110**	**8,797**	**7,860**	**8,521**
Amortisation					
Computer software		2,029	1,440	2,029	1,440
Total amortisation	23	**2,029**	**1,440**	**2,029**	**1,440**
Total depreciation and amortisation		**10,139**	**10,237**	**9,889**	**9,961**

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 11. Repairs and maintenance

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
Repairs and maintenance	1,063	1,455	1,062	1,449
Total repairs and maintenance	**1,063**	**1,455**	**1,062**	**1,449**

Note 12. Finance costs

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
Interest expense	88	73	88	73
Total finance costs	**88**	**73**	**88**	**73**

Note 13. Impairment losses

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
Impaired receivables	91	2,813	58	2,800
Total impairment losses	**91**	**2,813**	**58**	**2,800**

Note 14. Investment loss

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
Investment loss - investment property	237	-	237	-
Total investment losses	**237**	**-**	**237**	**-**

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 15. Other expenses

	Consolidated		University	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Advertising	1,387	742	1,379	717
Audit	275	163	215	120
Books and publications	808	862	812	862
Commissions	212	436	100	435
Conference and facilities hire	564	463	598	496
Consultants fees	5,575	6,607	5,441	6,555
Contract services	1,886	4,026	1,704	3,855
Copyright charges	256	253	256	253
Equipment expensed	1,166	1,584	1,158	1,501
Freight and postage	294	365	283	360
General materials	711	1,176	718	1,175
Insurances	604	520	569	520
Licence fees	2,092	1,933	2,075	1,925
Printing and stationery	978	1,451	967	1,432
Recruitment and staff development	1,363	578	1,345	578
Rent	49	634	49	633
Student scholarship	1,687	1,290	1,666	1,290
Other student expenses	2,856	2,667	2,858	2,666
Subscriptions	1,988	1,115	2,041	1,072
Travel	2,552	3,030	2,485	2,969
Utilities	3,090	3,285	3,052	3,260
Entertainment	880	733	511	470
Fringe benefits tax	181	161	180	159
Rates and taxes	891	1,172	891	1,172
Legal fees	338	421	338	421
Agency fees	898	622	896	607
Ceremonial expenses	75	105	75	105
Operating lease charges	566	662	566	662
Grant and research expenses - external entities	3,294	712	3,293	712
Contribution to other entities	389	295	389	295
Cost of Goods Sold - UCU Ltd	1,625	1,343	-	-
Other	1,813	1,893	1,514	1,691
Total other expenses	**41,343**	**41,299**	**38,424**	**38,968**

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UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 16. Cash at bank and cash equivalents

	Consolidated		University	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Cash at bank and on hand	10,627	1,434	9,015	129
Total cash at bank and cash equivalents	10,627	1,434	9,015	129

Note 17. Trade and other receivables

Current

Financial assistance to students	45	87	45	87
Trade receivables	8,269	6,816	8,137	6,721
Less : Allowance for impaired receivables	(735)	(1,818)	(715)	(1,818)
Other receivables	1,932	398	1,584	410
OS-HELP receivable from the Australian Government	-	69	-	69
CGS Grant underpayment	544	-	544	-
Total current receivables	**10,055**	**5,552**	**9,595**	**5,469**
Total trade and other receivables	**10,055**	**5,552**	**9,595**	**5,469**

The ageing of trade receivables is as follows:				
Under 30 days	4,120	3,312	4,029	3,266
Over 30 days and under 60 days	1,468	1,096	1,452	1,081
Over 60 days	2,681	2,408	2,656	2,374
	8,269	**6,816**	**8,137**	**6,721**

	Consolidated		University	
Reconciliation of trade receivables	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Carrying amount at the beginning of the year	4,998	6,938	4,903	6,938
Net movement for the year	3,271	(122)	3,234	(217)
Trade receivables (before impairment)	8,269	6,816	8,137	6,721
Less : Allowance for impaired receivables	(735)	(1,818)	(715)	(1,818)
Net carrying amount at the end of the year	**7,534**	**4,998**	**7,422**	**4,903**

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 18. Other financial assets

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
Current				
Advances	81	59	81	59
Total current other financial assets	**81**	**59**	**81**	**59**
Total other financial assets	**81**	**59**	**81**	**59**

Note 19. Other non-financial assets

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
Current				
Prepayments	2,298	2,297	2,297	1,934
Total current other non-financial assets	**2,298**	**2,297**	**2,297**	**1,934**
Total other non-financial assets	**2,298**	**2,297**	**2,297**	**1,934**

Note 20. Investments

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
National Centre for Social and Economic Modelling	585	542	585	542
Centre for Customs and Excise Studies	250	250	250	250
Shares - other entities	12	12	12	12
Total investments	**847**	**804**	**847**	**804**

Interest in controlled entities

Name of entity	**Percentage of equity interest held by the University**		**Investment**	
	2008	**2007**	**2008**	**2007**
University of Canberra College Pty Ltd Country of incorporation - Australia	100%	100%	+	+
UCU Ltd Country of incorporation - Australia	100%	100%	+	+

+ represents amounts less than 500k

Note 21. Investment property

	Consolidated		University	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
At Fair value				
Opening balance at the beginning of the year	7,899	6,503	7,899	6,503
Revaluation (decrement)/increment on - investment property	(237)	1,317	(237)	1,317
Adjustment	-	79	-	79
Closing balance at the end of the year	7,662	7,899	7,662	7,899

Leasing arrangements

The investment property at Haydon Drive is occupied by six tenants. As at 31 December 2008 each tenant had varying rental arrangements with the University. Each tenant entered into a lease/licence type arrangement with the University.

	Consolidated		University	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Rental income	233	254	233	254
	233	254	233	254

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FOR THE YEAR ENDED 31 DECEMBER 2008

Note 22. Property, plant and equipment

	Work in Progress $'000	Leasehold Land $'000	Buildings $'000	Infrastructure $'000	Computer Equipment $'000	Motor Vehicle $'000	Equipment $'000	Library Collection $'000	Works of Art $'000	Total $'000
Consolidated										
As at 1 January 2007										
Cost	14,182	18,550	157,985	3,319	11,980	911	11,166	8,305	1,874	228,332
Valuation	-	4,690	69,587	4,110	-	-	-	-	-	78,387
Accumulated depreciation	-	-	(9,749)	(1,441)	(9,413)	(675)	(9,017)	-	-	(30,295)
Net book amount	14,182	23,240	217,823	5,988	2,567	236	2,149	8,305	1,874	276,364
Year ended 31 December 2007										
Opening net book amount	14,182	23,240	217,823	5,988	2,567	236	2,908	8,305	1,874	277,123
Additions	2,374	-	9,494	42	567	94	1,502	-	145	14,218
Disposals and transfers out	(12,612)	-	(79)	-	(34)	(35)	(31)	-	-	(12,791)
Depreciation	-	-	(4,629)	(847)	(1,722)	(136)	(1,463)	-	-	(8,797)
Closing net book amount	3,944	23,240	222,609	5,183	1,378	159	2,916	8,305	2,019	269,753
As at 31 December 2007										
Cost	3,944	23,240	227,238	6,030	11,273	842	15,837	8,305	2,019	298,728
Accumulated depreciation	-	-	(4,629)	(847)	(9,895)	(683)	(12,921)	-	-	(28,975)
Net book amount	**3,944**	**23,240**	**222,609**	**5,183**	**1,378**	**159**	**2,916**	**8,305**	**2,019**	**269,753**
Year ended 31 December 2008										
Opening net book amount	3,944	23,240	222,609	5,183	1,378	159	2,916	8,305	2,019	269,753
Revaluation decrement	-	-	-	-	-	-	-	(3,880)	-	(3,880)
Additions	1,974	-	3,723	-	400	85	1,217	-	21	7,420
Disposals and transfers out	(3,723)	-	-	-	(62)	-	(18)	-	-	(3,803)
Depreciation	-	-	(4,957)	(859)	(951)	(98)	(1,245)	-	-	(8,110)
Closing net book amount	2,195	23,240	221,375	4,324	765	146	2,870	4,425	2,040	261,379
As at 31 December 2008										
Cost / Valuation	2,195	23,240	230,962	6,030	11,399	927	16,915	4,425	2,040	298,132
Accumulated depreciation	-	-	(9,587)	(1,706)	(10,634)	(781)	(14,045)	-	-	(36,753)
Net book amount	**2,195**	**23,240**	**221,375**	**4,324**	**765**	**146**	**2,870**	**4,425**	**2,040**	**261,379**

UNIVERSITY OF CANBERRA

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FOR THE YEAR ENDED 31 DECEMBER 2008

Note 22. Property, plant and equipment (Continued)

	Work in Progress $'000	Leasehold Land $'000	Buildings $'000	Infrastructure $'000	Computer Equipment $'000	Motor Vehicle $'000	Equipment $'000	Library Collection $'000	Works of Art $'000	Total $'000
University										
As at 1 January 2007										
Cost	14,182	18,550	157,985	3,319	11,882	910	11,159	8,305	1,874	228,166
Valuation	-	4,690	69,587	4,109	-	-	-	-	-	78,386
Accumulated depreciation	-	-	(9,749)	(1,441)	(9,334)	(675)	(9,010)	-	-	(30,209)
Net book amount	14,182	23,240	217,823	5,987	2,548	235	2,149	8,305	1,874	276,343
Year ended 31 December 2007										
Opening net book amount	14,182	23,240	217,823	5,987	2,548	235	2,149	8,305	1,874	276,343
Additions	2,374	-	9,494	43	558	94	1,154	-	145	13,862
Disposals and transfers out	(12,612)	-	(79)	-	(35)	(35)	(16)	-	-	(12,777)
Depreciation charge	-	-	(4,629)	(847)	(1,707)	(136)	(1,202)	-	-	(8,521)
Closing net book amount	3,944	23,240	222,609	5,183	1,364	158	2,085	8,305	2,019	268,907
As at 31 December 2007										
Cost	3,944	23,240	227,238	6,030	11,170	841	11,766	8,305	2,019	294,553
Accumulated depreciation	-	-	(4,629)	(847)	(9,806)	(683)	(9,681)	-	-	(25,646)
Net book amount	3,944	23,240	222,609	5,183	1,364	158	2,085	8,305	2,019	268,907
Year ended 31 December 2008										
Opening net book amount	3,944	23,240	222,609	5,183	1,364	158	2,085	8,305	2,019	268,907
Revaluation decrement	-	-	-	-	-	-	-	(3,880)		(3,880)
Additions	1,974	-	3,723	-	393	85	1,151	-	20	7,346
Disposals and transfers out	(3,723)	-	-	-	(62)	-	-	-	-	(3,785)
Depreciation	-	-	(4,957)	(859)	(940)	(97)	(1,005)	-	-	(7,858)
Closing net book amount	2,195	23,240	221,375	4,324	755	146	2,231	4,425	2,039	260,730
As at 31 December 2008										
Cost / Valuation	2,195	23,240	230,962	6,030	11,289	927	12,813	4,425	2,039	293,920
Accumulated depreciation	-	-	(9,587)	(1,706)	(10,534)	(781)	(10,582)	-	-	(33,190)
Net book amount	**2,195**	**23,240**	**221,375**	**4,324**	**755**	**146**	**2,231**	**4,425**	**2,039**	**260,730**

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UNIVERSITY OF CANBERRA

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FOR THE YEAR ENDED 31 DECEMBER 2008

Note 23. Intangible assets

Computer Software	Consolidated	University
	$'000	$'000
As at 1 January 2007		
Cost	6,723	6,723
Accumulated amortisation	(3,033)	(3,033)
Net book amount	3,690	3,690
Year ended 31 December 2007		
Opening net book amount	3,690	3,690
Additions	3,407	3,407
Amortisation	(1,440)	(1,440)
Closing net book amount	5,657	5,657
As at 31 December 2007		
Cost	10,130	10,130
Accumulated amortisation	(4,473)	(4,473)
Net book amount	5,657	5,657
Year ended 31 December 2008		
Opening net book amount	5,657	5,657
Additions	-	-
Amortisation	(2,029)	(2,029)
Closing net book amount	3,628	3,628
As at 31 December 2008		
Cost	10,130	10,130
Accumulated amortisation	(6,502)	(6,502)
Net book amount	**3,628**	**3,628**

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FOR THE YEAR ENDED 31 DECEMBER 2008

Note 24. Trade and other payables

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
(a) Trade and other payables				
Current				
Payables	2,383	2,870	1,882	2,567
OS-HELP Liability to the Australian Government	15	-	15	-
Accrued expenses	2,372	1,425	2,311	1,385
Total current trade payables	**4,770**	**4,295**	**4,208**	**3,952**
Total trade and other payables	**4,770**	**4,295**	**4,208**	**3,952**

Note 25. Borrowings

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
Current				
Unsecured				
Finance lease+	102	115	102	115
Bank overdraft*	287	1,989	287	1,989
Total current unsecured interest bearing liabilities	**389**	**2,104**	**389**	**2,104**
Non-current				
Unsecured				
Finance lease+	224	327	224	327
Total non-current unsecured interest bearing liabilities	**224**	**327**	**224**	**327**
Total borrowings	**613**	**2,431**	**613**	**2,431**
Finance lease capital repayment	**115**	**60**	**115**	**60**
(a) Financial arrangements				
*Financing arrangement - bank overdraft	287	1,989	287	1,989
+Non-cash financing and investing activities				
Finance lease (current)	102	115	102	115
Finance lease (non-current)	224	327	224	327
Total non-cash financing and investing activities	326	442	326	442

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FOR THE YEAR ENDED 31 DECEMBER 2008

Note 26. Provisions

	Consolidated		University	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
(a) Current - due at reporting date				
Accrued salaries and wages	1,985	906	1,950	884
Provision for long service leave	5,947	5,815	5,784	5,663
Provision for annual leave	6,356	4,659	6,195	4,516
Total current provisions	**14,287**	**11,380**	**13,929**	**11,063**
(b) Non-current - not due at reporting date				
Provision for long service leave	1,643	1,587	1,614	1,577
Total non-current provisions	**1,643**	**1,587**	**1,614**	**1,577**
Total provisions	**15,930**	**12,967**	**15,543**	**12,640**

Note 27. Other financial liabilities

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
(a) Current				
CGS Grant overpayment	-	4,429	-	4,429
CGS Grant advance less than 1 year*	4,167	1,666	4,167	1,666
Fees received in advance	4,615	948	4,240	675
Total current other financial liabilities	**8,782**	**7,043**	**8,407**	**6,770**
(b) Non-current				
CGS Grant advance greater than 1 year*	6,667	3,334	6,667	3,334
Total non-current other financial liabilities	**6,667**	**3,334**	**6,667**	**3,334**
Total other financial liabilities	**15,449**	**10,377**	**15,074**	**10,104**
(c) Financial arrangements*				
CGS Grant Advance (current)	4,167	1,666	4,167	1,666
CGS Grant Advance (non-current)	6,667	3,334	6,667	3,334
Total financing arrangements	10,834	5,000	10,834	5,000

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Note 28. Reserves and retained surplus

	Consolidated 2008 $'000	Consolidated 2007 $'000	University 2008 $'000	University 2007 $'000
(a) Reserves				
Asset revaluation reserve at the beginning of the year	213,158	213,158	211,326	211,326
Revaluation decrement on library assets	(3,881)	-	(3,881)	-
Reserves at the end of the year	**209,277**	**213,158**	**207,445**	**211,326**
(b) Retained surplus				
Retained surplus at the beginning of the year	50,227	66,315	50,404	66,245
Operating surplus/(deficit)	311	(16,088)	569	(15,841)
Retained surplus at the end of the year	**50,538**	**50,227**	**50,972**	**50,404**
Total Equity	**259,815**	**263,385**	**258,417**	**261,730**

Note 29. Key management personnel disclosures

(a) Section 9 of the *University of Canberra Act 1989* states that the governing authority of the University is the Council.

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

Member	**Date appointed, or term ended if occurring in 2008**
Professor Ingrid Moses	Reappointed 1 January 2008
Ms Anne Trimmer	Tenure expired 30 June 2008
Mr Bob Prosser	Reappointed 23 March 2007
Professor Stephen Parker	Appointment commenced 1 March 2007
Professor George Cho	Appointed 7 December 2007
Adjunct Professor Michael Bryce	Resigned 30 June 2008
Mr Tom Calma	Appointed 21 October 2008
Mr Ian Davis	Tenure expired 30 June 2008
Ms Rosemary Follett	Appointed 21 October 2008
Ms Margaret Gillespie	Appointed 21 October 2008
Dr Anne Holmes	Resigned 30 April 2008
Mr Brand Hoff	Tenure expired 30 June 2008
Mr John Kalokerinos	Tenure expired 30 June 2008
Ms Marion Reilly	Reappointed 23 March 2007
Ms Sarah Ryan	Appointed 21 October 2008
Ms Sarah Schoonwater	Appointed 21 October 2008
Ms Maria Storti	Appointed 21 October 2008
Mr Dale Kleeman	Elected 27 September 2007
Ms Stacy Durrell	Re-elected 27 September 2007
Ms Elizabeth Bennett	Elected 27 September 2007
Mr Marc Emerson	Tenure expired 26 September 2008
Mr Jobu Koshy Jacob	Elected 27 September 2008, Resigned 3 December 2008
Mr Lyndon Mayfield	Tenure expired 26 September 2008

(b) Apart from full-time members of staff receiving salaries, no members of the University Council received remuneration for services provided to the University during the year other than:

	Consolidated		**University**	
	2008 $'000	**2007 $'000**	**2008 $'000**	**2007 $'000**
Provision of annual maintenance and support for the TRIM administrative software application was provided to the University by Tower Software in which Mr Brand Hoff has an interest.	6	6	6	6
Provision of consultancy services for the proposed student accommodation project and taxation matters was provided to the University by PricewaterhouseCoopers in which Mr Bob Prosser has an interest.	50	203	50	203
Provision of internal audit and consultancy services on taxation matters provided to the University by Ernst & Young in which Ms Maria Storti has an interest.	89	164	89	164

Payments to Tower Software, PricewaterhouseCoopers and Ernst & Young for services rendered in 2008 to the University were on arms length basis.

Note 29. Key management personnel disclosures (Continued)

(c) Fees are payable to some members of Council since January 2008. Employees of the University who serve on Council do not receive remuneration for Council service in addition to their salaries. According to the DEEWR guidelines (based on AASB 124 Related Party Disclosures), key management personnel of Higher Education Providers are persons having authority and responsibility for planning, directing and controlling the activities of the whole of the University. The number of University key management staff whose total remuneration cost to the University falls within the following bands in excess of $100,000 are:

	Consolidated		University	
	2008	2007	2008	2007
$130,000 - $139,999	1	-	1	-
$180,000 - $189,999	-	2	-	2
$190,000 - $199,999	3	1	3	1
$200,000 - $209,999	1	1	1	1
$210,000 - $219,999	-	4	-	4
$220,000 - $229,999	4	-	4	-
$280,000 - $289,999	-	1	-	1
$290,000 - $299,999	1	-	1	-
$350,000 - $359,999	-	1	-	1
$360,000 - $369,999	1	-	1	-
	11	10	11	10
The aggregate of the remuneration for staff included above:	$2,463,712	$2,267,944	$2,463,712	$2,267,944

Note 30. Remuneration of auditor

Amounts paid or payable to the external auditors for auditing the financial report: ACT Auditor - General's Office	175	177	130	132
	175	**177**	**130**	**132**

No other services were provided by the ACT Auditor-General's Office in 2008 or 2007.

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Note 31. Contingencies

Contingent liabilities

(a) The University has eight legal matters pending for action (2007 – seven legal matters). Of these eight legal matters, three are not covered by the University's insurer, hence, the total estimated contingent liabilities for the University is $550,000.

(b) The University has approved credit facilities with the Commonwealth Bank of Australia for corporate credit cards (maximum limit $2,000,000) and an overdraft on the operating account (maximum limit $1,000,000).

Guarantees

The University has guaranteed repayment of a $140,000 Commonwealth Government grant made to the Crèche in 1998. The grant is not repayable by the Crèche if the renovated building continues to be used as a Crèche for 10 years. As at the end of 2008 year the 10 year usage of the building by the Crèche has been completed hence, no repayment of the Commonwealth Government grant is required.

The University has a guarantee of $115,000 to the Department of Immigration and Citizenship as a security deposit for training services provided to Training Centre of China National Audit Office.

The University has undertaken to guarantee the financial obligations of the University of Canberra College Pty Limited. At the date of this report no amounts were expected to be paid under this guarantee.

The University has undertaken to guarantee a maximum of $20 towards meeting the financial obligations of the UCU Ltd, if the UCU Ltd is wound up. At the date of this report, no amounts were expected to be paid under this guarantee.

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 32. Commitments

The University has commitments which have not been provided for in this financial report as they are not liabilities.
These amounts relate to:

	Consolidated		University	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
(a) Capital expenditure commitments				
Commitments payable:				
- within twelve months	918	327	918	327
	918	**327**	**918**	**327**
(b) Other entities' expenditure commitments				
Commitments payable:				
- within twelve months	446	574	446	574
- twelve months or longer and not longer than five years	1,114	1,560	1,114	1,560
	1,560	**2,134**	**1,560**	**2,134**
(c) Other expenditure commitments				
Commitments payable:				
- within twelve months	850	2,055	850	2,055
	850	**2,055**	**850**	**2,055**
(d) Lease commitments				
Operating leases				
Commitments payable:				
- within twelve months	526	701	526	701
- twelve months or longer and not longer than five years	266	727	266	727
	792	**1,428**	**792**	**1,428**
Finance leases				
Commitments payable:				
- within twelve months	131	165	131	165
- twelve months or longer and not longer than five years	249	382	249	382
	380	**547**	**380**	**547**

Note: 33 Other entities

Cooperative Research Centres

CRC - eWater

The CRC eWater (ACN 115 422 903) is a partnership between private and public water businesses and research groups across eastern Australia. The CRC eWater seeks to produce practical products that bring economic, commercial and environmental benefits from the smart management of water.

The CRC eWater builds on the knowledge, end-user networks and business systems of two successful water CRC's: Catchment Hydrology and Freshwater Ecology. The CRC eWater has a strong market-orientation and commercial focus.

The CRC eWater commenced operations on 1 July 2005. The University's cash and in-kind contributions in the form of funds and staff resources will have an approximate value of $1,820,000 over seven years from 1 July 2005. Each year, the University contributes $100,000 in cash and 1.6 full time equivalent staff in kind.

CRC - Invasive Animals

The CRC Invasive Animals (ACN 114 965 276) was funded by the Commonwealth Government in the 2004 CRC selection round and builds on the strong foundation provided by the previous Pest Animal Control CRC. The centre aims to counteract the impact of invasive animals through the development and application of new technologies and by integrating approaches across agencies and jurisdictions. It is the first time that research, industry, environmental, commercial and government agencies will work together to create and apply solutions for invasive animal threats.

The CRC Invasive Animals commenced operations on 1 July 2005. The University's cash and in-kind contributions in the form of funds and staff resources will have an approximate value of $1,300,000 over seven years from 1 July 2005. In each year the University contributes $130,000 in cash and 1.0 full time equivalent staff in kind.

CRC - Sustainable Tourism

The University is a joint participant with Australian Capital Tourism Corporation as members of the CRC for Sustainable Tourism. The CRC for Sustainable Tourism Pty Limited (ACN 007 407 286) is a company incorporated in the Australian Capital Territory. The company has been established for the purposes of advancing and encouraging scientific knowledge and research into economic, social, cultural and ecological sustainability of the travel and tourism industry. The University does not share in the assets and liabilities or operating result of the venture. The University's cash and in-kind contributions in the form of funds and staff resources will have an approximate value of $900,000 over seven years from 2003, that is a cost of about $128,000 per year.

Corporate Bodies

National Centre for Social and Economic Modelling (NATSEM)

The University holds a 50% share interest, with no present ability of control, in National Centre for Social and Economic Modelling Pty Ltd (ACN 095 483 686), trading as NATSEM.

NATSEM operates for the purpose of developing micro-simulation models and in undertaking a wide range of social and economic research.

Centre for Customs and Excise Studies (CCES)

The University holds a 25% share interest, with no present ability of control, in the Centre for Customs and Excise Studies Pty Ltd (ACN 106 153 271). This company was established to deliver training in customs studies and to research and publish customs knowledge.

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Note 34. Events occurring after the balance sheet date

Significant subsequent events
Non-Adjusting Event

(a) As a result of the administrative function review of business units, the University has engaged a company based in Bangalore, India to provide administrative support functions in the following areas:

1. Information Technology;
2. Student administration services; and
3. Accounts processing.

The exact amount of the cost savings from the outsourcing in these areas is unknown as at the date of this report.

(b) The University currently holds 10,000 shares in IDP Education Aust Ltd, a company jointly and in equal portions owned by all 38 Universities in Australia. In November 2008, IDP undertook a business reorganisation through which it disposed of a portion of its business assets and formed itself into a new business called Education Australia Ltd. By way of proceeds from the sale of the assets, the University will receive $1 million in the form of an unfranked dividend. This distribution is expected to be paid to the University by 20 April 2009.

The University now owns the 10,000 shares in the new business, Education Australia Ltd. This new business declared that, it will distribute franked dividends of $132,000 on the 20 July 2009.

(c) On 3 April 2009, the University entered into an agreement with AM Education and Training Private Limited, a Singapore incorporated company, to convert an unsecured trade receivable of $1.2 million into a secured and interest bearing loan. The loan will be repaid by a regular payment program and will terminate on 1 December 2010. The first payment under the loan was received on execution of the agreement.

Note 35. Reconciliation of the operating surplus/(deficit) to net cash flows provided by operating activities

(a) Reconciliation of cash
For the purposes of the cash flow statement, cash includes cash on hand, cash at bank and short term deposits which can be readily converted to cash and are subject to an insignificant risk of changes in value net of any bank overdraft. Cash at the end of the reporting period in the cash flow statement is reconciled to the related item in the balance sheet.

	Note	Consolidated		University	
		2008 $'000	2007 $'000	2008 $'000	2007 $'000
Cash at bank and on hand	16	10,627	1,434	9,015	129
Bank overdraft	25	(287)	(1,989)	(287)	(1,989)
Cash at bank and cash equivalents at the end of the year		10,340	(555)	8,728	(1,860)

(b) Reconciliation of the operating surplus/(deficit) to net cash flows provided by operating activities

	Note	Consolidated 2008	Consolidated 2007	University 2008	University 2007
Operating surplus/(deficit)		**311**	**(16,088)**	**569**	**(15,841)**
Add/(deduct) expenses from non-cash transactions					
Revaluation assessment on investment properties		237	(1,316)	237	(1,316)
Depreciation and amortisation	10	10,139	10,237	9,889	9,961
Impairment losses		(1,103)	1,766	(1,103)	1,766
Donated assets		(21)	-	(21)	-
Gain on disposal of assets		(4)	(22)	(12)	(37)
		9,247	**10,665**	**8,989**	**10,374**
Add/(deduct) the effect of accruals					
Increase/(decrease) in annual leave provision		1,688	446	1,678	447
Increase/(decrease) in long service leave provision-current		136	(2,348)	119	(2,410)
Increase/(decrease) in long service leave provision-non current		38	(320)	33	(271)
Increase/(decrease) in accrued salaries and wages		1,079	259	1,064	250
(Increase)/decrease in receivables		(3,011)	1,844	(3,021)	1,569
(Increase)/decrease in other financial assets		49	(20)	(22)	75
(Increase)/decrease in other non-financial assets		(362)	591	(363)	591
(Increase)/decrease in investments		(43)	(785)	(43)	(785)
Increase/(decrease) in payables		377	(2,606)	257	(2,830)
Increase/(decrease) in other financial liabilities		(743)	3,134	(863)	3,204
		(792)	**195**	**(1,161)**	**(160)**
Net cash provided by/(used in) operating activities		**8,767**	**(5,228)**	**8,398**	**(5,627)**

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Note 36. Non-cash investing and financing activities

Finance lease liability - Current	25	103	115	103	115
Finance lease liability - Non-current	25	224	327	224	327
Total Non-cash investing and financing activities		**327**	**442**	**327**	**442**

Note 37. Assets and liabilities of trusts for which the University of Canberra is a Trustee

Endowments are received by the University to fund scholarships, prizes and certain research activities.

The balances of these funds as at 31 December were as follows:

	Consolidated		University	
	2008 $'000	**2007 $'000**	**2008 $'000**	**2007 $'000**
Balance of funds at beginning of the year	**3,618**	**1,354**	**3,618**	**1,354**
Income				
Donations and gifts received	5	2,177	5	2,177
Interest	266	123	266	123
Total income	**271**	**2,300**	**271**	**2,300**
Total funds available	**3,889**	**3,654**	**3,889**	**3,654**
Expenditure				
Scholarships / Prize awards	37	25	37	25
Consultancy Fees	-	11	-	11
Total expenditure	**37**	**36**	**37**	**36**
Transfer: Mulanggarri - Scholarship *	**79**	**-**	**79**	**-**
Balance of funds at end of the year	**3,773**	**3,618**	**3,773**	**3,618**
Comprises :				
WJ Weeden Family Trust - Scholarship	3,674	3,445	3,674	3,445
Public administration - Scholarship	99	97	99	97
Mulanggarri - Scholarship	79	76	79	76
Transfer: Mulanggarri - Scholarship *	(79)	-	(79)	-
	3,773	**3,618**	**3,773**	**3,618**

* The Mulanggarri - Scholarship is no longer managed by the University of Canberra as from 11 August 2008, the Scholarship is currently managed by the Australian National University.

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38. Financial instruments

Carrying amount of each category of financial instruments:

The University presents the total for each category of financial instrument information in the financial instruments note below.

	Consolidated Carrying Amount		University Carrying Amount	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Financial assets				
Loans and receivables financial assets				
Cash & cash equivalents	10,627	1,434	9,015	129
Trade & other receivables	9,465	5,412	9,005	5,329
Receivables from University of Canberra College Pty Ltd	46	140	46	140
CGS Grants underpayment	544	-	544	-
Advances	81	59	81	59
Listed and unlisted equities	847	804	847	804
Carrying amount of financial assets	**21,610**	**7,849**	**19,538**	**6,461**
Financial liabilities				
Payables	2,398	2,870	1,897	2,567
Finance lease	380	547	380	547
CGS Grant advance	10,834	5,000	10,834	5,000
CGS Grant overpayment	-	4,429	-	4,429
Bank overdraft	287	1,989	287	1,989
Advances	4,615	948	4,240	675
Carrying amount of financial liabilities	**18,514**	**15,783**	**17,638**	**15,207**

The carrying values of financial instruments listed above presented in the University's balance sheet approximate their fair value, except for Equity instrument - shares, which have a fair value of $833k ($790k: 2007). Fair values of the equity instruments were obtained by considering the fair value of the underlying net assets of the investment entities.

Details of recognised income and expenses in respect of financial instruments are disclosed in Notes 3 to 14.

Note 39. Financial risk management

The University's activities expose it to a variety of financial risks: liquidity risk, credit risk and market risk. These risks and how they are managed are described below.

A) Credit risk

Credit risk is the risk that a counterparty to a financial asset of the University will fail to discharge an obligation when it falls due, resulting in the University incurring a financial loss.

Financial assets consist of cash and short term investments and receivables (Cash and cash equivalents). The University's maximum exposure to credit risk is limited to the carrying amount of these financial assets, as shown in Note 38.

The University limits its exposure to risks by:

a) In respect of cash and short-term investments, limiting placement to financial institutions with high credit ratings. The cash and short-term investments are currently held with Commonwealth Bank;

b) In respect of non-student debts by undertaking background and credit checks, prior to entering into debtor relationships, and prescribing and applying appropriate debt recovery techniques on debts. The University employs professionally qualified debt collectors to recover long-overdue debts.

B) Liquidity risk

Liquidity risk means that the University will encounter difficulties in meeting its financial obligation as they fall due.

The University's holds sufficient cash on hand to meet its immediate operating requirements. Commonwealth funding received to fund student enrolments and other operational and capital activities are paid on a fortnightly basis throughout the year, and income from other trading activities are invoiced progressively throughout the year to manage cash flow.

The University can increase its overdraft facility with the bank to meet any shortfall, if a need arises.

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Note 39. Financial risk management
C) Maturity Analysis

The following tables set out the University of Canberra 's maturity analysis for the consolidated financial assets and financial liabilities as at 31 December 2008 and 31 December 2007.

As at 31 December 2008

	Maturing within 1 year 2008 $'000	Maturing in 1 to 5 years 2008 $'000	No-Maturing term 2008 $'000	Total 2008 $'000
Financial assets				
Cash and cash equivalents	10,237	-	390	10,627
Trade and other receivables	9,465	-	-	9,465
Receivables from University of Canberra College Pty Ltd	-	-	46	46
Listed and unlisted equities	-	-	847	847
Advances	-	-	81	81
CGS Grants underpayment	-	-	544	544
Total	**19,702**	-	**1,908**	**21,610**

Financial liabilities				
Trade and other payables	2,398	-	-	2,398
CGS Grant advance	4,167	6,667	-	10,834
Finance lease liabilities	131	249	-	380
Advances	-	-	4,615	4,615
Bank overdraft	-	-	287	287
Total	**6,696**	**6,916**	**4,902**	**18,514**

Net financial assets/(liabilities)	**13,006**	**(6,916)**	**(2,994)**	**3,096**

As at 31 December 2007

	Maturing within 1 year 2007 $'000	Maturing in 1 to 5 years 2007 $'000	No-Maturing term 2007 $'000	Total 2007 $'000
Financial assets				
Cash and cash equivalents	1,220	-	214	1,434
Trade and other receivables	5,329	-	-	5,329
Receivables from University of Canberra College Pty Ltd		-	140	140
Listed and unlisted equities	-	-	804	804
Advances	-	-	59	59
Total	**6,549**	-	**1,217**	**7,766**

Financial liabilities				
Trade and other payables	2,870	-	-	2,870
CGS Grant advance	1,666	3,334	-	5,000
CGS Grants overpayment	-	-	4,429	4,429
Finance lease liabilities	165	382	-	547
Advances	-	-	948	948
Bank overdraft	-	-	1,989	1,989
Total	**4,701**	**3,716**	**7,366**	**15,783**

Net financial assets/(liabilities)	**1,848**	**(3,716)**	**(6,149)**	**(8,017)**

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Note 39. Financial risk management
C) Maturity Analysis (continued)

The following tables set out the University of Canberra 's maturity analysis for the financial assets and financial liabilities as at 31 December 2008 and 31 December 2007.

As at 31 December 2008

	Maturing within 1 year 2008 $'000	Maturing in 1 to 5 years 2008 $'000	No-Maturing term 2008 $'000	Total 2008 $'000
Financial assets				
Cash and Cash equivalents	9,006	-	9	9,015
Trade and other receivables	9,005	-	-	9,005
Receivables from University of Canberra College Pty Ltd	-	-	46	46
Listed and unlisted equities	-	-	847	847
Advances	-	-	81	81
CGS Grants underpayment	-	-	544	544
Total	**18,011**	**-**	**1,527**	**19,538**
Financial liabilities				
Trade and other payables	1,897	-	-	1,897
CGS Grant advance	4,167	6,667	-	10,834
Finance lease liabilities	131	249	-	380
Advances	-	-	4,240	4,240
Bank overdraft	-	-	287	287
Total	**6,195**	**6,916**	**4,527**	**17,638**
Net Financial assets/(liabilities)	**11,816**	**(6,916)**	**(3,000)**	**1,900**

As at 31 December 2007

	Maturing within 1 year 2007 $'000	Maturing in 1 to 5 years 2007 $'000	No-Maturing term 2007 $'000	Total 2007 $'000
Financial assets				
Cash and cash equivalents	120	-	9	129
Trade and other receivables	5,329	-	-	5,329
Receivables from University of Canberra College Pty Ltd	-	-	140	140
Listed and unlisted equities	-	-	804	804
Advances	-	-	59	59
Total	**5,449**	**-**	**1,012**	**6,461**
Financial Liabilities				
Trade and other payables	2,567	-	-	2,567
CGS Grant advance	1,666	3,334	-	5,000
CGS Grants overpayment	-	-	4,429	4,429
Finance lease liabilities	165	382	-	547
Advances	-	-	675	675
Bank overdraft	-	-	1,989	1,989
Total	**4,398**	**3,716**	**7,093**	**15,207**
Net Financial assets/(liabilities)	**1,051**	**(3,716)**	**(6,081)**	**(8,746)**

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Note 39. Financial risk management

D) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency rate. The University's exposure to market risk arising from currency risk is immaterial. Currency risks associated with overseas students debts are managed by contracts with foreign currency agents who guarantee the value of the receivable in Australian dollars.

E) Price Risk

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market price. The University does not have any exposure to market risk arising from the price risk as its financial assets are not affected by movements in market price.

F) Interest Rate Risk

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. A significant proportion of the University's financial assets consist of cash and cash equivalents which are held in floating interest rate arrangements. Therefore, the University is exposed to movement in the amount of interest it can earn on cash and cash equivalents.

The University holds the following interest-bearing financial assets and financial liabilities. The interest rate risk analysis below depicts interest rate risk on the University's financial assets and financial liabilities. However, an interest rate risk analysis for the consolidated entity has not been performed as the financial assets and financial liabilities of the two subsidiaries exposed to interest rate risk are not material.

As at 31 December 2008

	Weighted Average Interest Rate	Variable Rate Financial Instruments 2008 $'000	Fixed Rate Financial Instruments 2008 $'000
Financial assets			
Cash and cash equivalents	6.14%	9,015	-
Total		9,015	-
Financial liabilities			
Finance lease liabilities	10.77%	-	380
Bank overdraft	10.34%	287	-
Total		(287)	(380)
Net financial assets/(liabilities)		8,728	(380)

As at 31 December 2007

	Weighted Average Interest Rate	Variable Rate Financial Instruments 2008 $'000	Fixed Rate Financial Instruments 2008 $'000
Financial assets			
Cash and cash equivalents	5.79%	129	-
Total		129	-
Financial liabilities			
Finance lease liabilities	10.77%	-	547
Bank overdraft	12.10%	1,989	-
Total		(1,989)	(547)
Net financial assets/(liabilities)		(1,860)	(547)

The University holds variable rate instruments but has no policy to hedge against falls in market interest rates. If interest rates had differed for the entire reporting period by the amounts illustrated in the table below, with all other variables remaining constant, profit and equity would have been affected as follows:

As at 31 December 2008

	Variable Rate Financial Instruments 2008 $'000	Impact on Profit 2008 $'000	Impact on Equity 2008 $'000
2 basis point decline	8,728	(176)	(176)

As at 31 December 2007

	Variable Rate Financial Instruments 2007 $'000	Impact on Profit 2007 $'000	Impact on Equity 2007 $'000
1 basis point increase	(1,860)	(19)	(19)

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Note 40. Acquittal of Australian Government financial assistance

As indicated in Note 1(e) to the financial report, the following information is provided to meet the Department of Education, Employment and Workplace Relations (DEEWR) disclosure requirements. As the information is only relevant to the University, no consolidated figures are provided.

40.1 DEEWR - Commonwealth Grant Schemes and Other DEEWR Grants

	Note	Commonwealth Grants Scheme 2008 $'000	Commonwealth Grants Scheme 2007 $'000	Indigenous Support Fund 2008 $'000	Indigenous Support Fund 2007 $'000	Learning and Teaching Performance Fund 2008 $'000	Learning and Teaching Performance Fund 2007 $'000	Commercialisation Training Scheme 2008 $'000	Commercialisation Training Scheme 2007 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government	3(a)	41,443	39,333	311	306	1,929	1,736	26	23
Contribution for other institutions		-	-	-	-	-	-	-	-
Net accrual adjustment		629	(629)	-	-	-	-	-	-
Revenue for the period		**42,072**	**38,704**	**311**	**306**	**1,929**	**1,736**	**26**	**23**
Surplus / (deficit) from the previous year		-	-	-	-	1,401	-	-	-
Cost centre adjustment		-	-	-	-	-	-	-	-
Total revenue including accrued revenue		**42,072**	**38,704**	**311**	**306**	**3,330**	**1,736**	**26**	**23**
Less expenses including accrued expenses		(42,072)	(38,704)	(311)	(306)	(3,330)	(335)	(9)	(23)
Surplus / (deficit)		**-**	**-**	**-**	**-**	**-**	**1,401**	**17**	**-**

	Note	Capital Development Pool 2008 $'000	Capital Development Pool 2007 $'000	Equity Support Programme 2008 $'000	Equity Support Programme 2007 $'000	Better Universities Renewal Funding 2008 $'000	Better Universities Renewal Funding 2007 $'000	Workplace Reform Programme 2008 $'000	Workplace Reform Programme 2007 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government	3(a)	-	-	177	151	4,694	-	601	578
Contribution for other institutions		-	-	-	-	-	-	-	-
Net accrual adjustment		-	-	-	-	-	-	-	-
Revenue for the period		**-**	**-**	**177**	**151**	**4,694**	**-**	**601**	**578**
Surplus / (deficit) from the previous year		170	170	-	-	-	-	-	-
Cost centre adjustment		-	-	-	-	-	-	-	-
Total revenue including accrued revenue		**170**	**170**	**177**	**151**	**4,694**	**-**	**601**	**578**
Less expenses including accrued expenses		(170)	-	(93)	(151)	(345)	-	(601)	(578)
Surplus / (deficit)		**-**	**170**	**84**	**-**	**4,349**	**-**	**-**	**-**

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Note 40. Acquittal of Australian Government financial assistance (Continued)

As indicated in Note 1(e) to the financial report, the following information is provided to meet the Department of Education, Employment and Workplace Relations (DEEWR) disclosure requirements. As the information is only relevant to the University, no consolidated figures are provided.

40.1 DEEWR - Commonwealth Grant Schemes and Other DEEWR Grants

		Improving the Practical Component of Teacher Education Programme		Diversity & Structural Adjustment Funds		Australian Scheme for Higher Education Repositories		Implementation Assistance Programme	
		2008 $'000	2007 $'000	2008 $'000	2007 $'000	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government	3(a)	418	-	677	-	255	-	72	-
Contribution for other institutions		-	-	-	-	-	-	-	-
Net accrual adjustment		-	-	-	-		-	-	-
Revenue for the period		418	-	677	-	255	-	72	-
Surplus / (deficit) from the previous year		-	-	-	-	-	-	-	-
Cost centre adjustment		-	-	-	-	-		31	
Total revenue including accrued revenue		418	-	677	-	255	-	103	-
Less expenses including accrued expenses		(55)	-	-	-	(81)	-	-	-
Surplus / (deficit)		363	-	677	-	174	-	103	-

		Transitional Costs Programme		Superannuation Programme		Collaboration and Structural Reform Programme		Workplace Productivity Programme	
		2008 $'000	2007 $'000	2008 $'000	2007 $'000	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government	3(a)	852	-	392	509	-	127	1,480	190
Contribution for other institutions		-	-	-	-	-	-	(175)	-
Net accrual adjustment		-	-	-	-	-	-	-	-
Revenue for the period		852	-	392	509	-	127	1,305	190
Surplus / (deficit) from the previous year		-	-	-	-	-	-	-	-
Cost centre adjustment		-	-	-	-	-	-	-	-
Total revenue including accrued revenue		852	-	392	509	-	127	1,305	190
Less expenses including accrued expenses		(852)	-	(392)	(509)	-	(127)	(1,305)	(190)
Surplus / (deficit)		-	-	-	-	-	-	-	-

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Note 40. Acquittal of Australian Government financial assistance (Continued)

40.1 DEEWR - Commonwealth Grant Schemes and Other DEEWR Grants (Continued)

	Note	Total 2008 $'000	Total 2007 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government	3(a)	53,328	42,953
Contribution for other institutions		(175)	-
Net accrual adjustment		629	(629)
Revenue for the period		**53,781**	**42,324**
Surplus / (deficit) from the previous year		1,571	170
Cost centre adjustment		31	-
Total revenue including accrued revenue		**55,383**	**42,494**
Less expenses including accrued expenses		(49,617)	(40,923)
Surplus / (deficit)		**5,765**	**1,571**

40.2 Higher Education Loan Programmes

	Note	HECS-HELP (Australian Government payments Only) 2008 $'000	HECS-HELP 2007 $'000	FEE-HELP 2008 $'000	FEE-HELP 2007 $'000	Total 2008 $'000	Total 2007 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government	3(b)	24,505	21,737	(1,625)	4,282	22,880	26,019
Net accrual adjustment		2,046	(1,502)	2,298	(2,387)	4,344	(3,889)
Revenue for the period		**26,551**	**20,235**	**673**	**1,895**	**27,224**	**22,130**
Surplus / (deficit) from the previous year		-	-	-	-	-	-
Total revenue including accrued revenue		**26,551**	**20,235**	**673**	**1,895**	**27,224**	**22,130**
Less expenses including accrued expenses		(26,551)	(20,235)	(673)	(1,895)	(27,224)	(22,130)
Surplus / (deficit)		-	-	-	-	-	-

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Note 40. Acquittal of Australian Government financial assistance (Continued)

40.3 Learning Scholarships

	Note	Australian Postgraduate Awards 2008 $'000	Australian Postgraduate Awards 2007 $'000	International Postgraduate Research Scholarships 2008 $'000	International Postgraduate Research Scholarships 2007 $'000	Indigenous Access Scholarships 2008 $'000	Indigenous Access Scholarships 2007 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government	3(c)	461	506	134	89	73	-
Net accrual adjustment		-	-	-	-	-	-
Revenue for the period		**461**	**506**	**134**	**89**	**73**	**-**
Surplus / (deficit) from the previous year		142	121	6	99	-	-
Total revenue including accrued revenue		**603**	**627**	**140**	**188**	**73**	**-**
Less expenses including accrued expenses		(525)	(485)	(103)	(182)	(59)	-
Surplus / (deficit)		**78**	**142**	**37**	**6**	**14**	**-**

	Note	Commonwealth Education Costs Scholarships 2008 $'000	Commonwealth Education Costs Scholarships 2007 $'000	Commonwealth Accommodation Scholarships 2008 $'000	Commonwealth Accommodation Scholarships 2007 $'000	Total 2008 $'000	Total 2007 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government	3 (c)	402	271	683	522	1,755	1,388
Net accrual adjustment		-	-	-	-	-	-
Revenue for the period		**402**	**271**	**683**	**522**	**1,755**	**1,388**
Surplus / (deficit) from the previous year		129	58	340	171	617	229
Total revenue including accrued revenue		**531**	**329**	**1,023**	**693**	**2,372**	**1,617**
Less expenses including accrued expenses		(396)	(200)	(638)	(353)	(1,721)	(773)
Surplus / (deficit)		**135**	**129**	**385**	**340**	**651**	**844**

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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Note 40. Acquittal of Australian Government financial assistance (Continued)

40.4 Commonwealth Research

	Note	Institutional Grants Scheme 2008 $'000	Institutional Grants Scheme 2007 $'000	Research Training Scheme 2008 $'000	Research Training Scheme 2007 $'000	Research Infrastructure Block Grant 2008 $'000	Research Infrastructure Block Grant 2007 $'000	Total 2008 $'000	Total 2007 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government	3(d)	1,605	1,656	2,575	2,655	478	490	4,658	4,801
Net accrual adjustment		-	-	-	-	-	-	-	-
Revenue for the period		**1,605**	**1,656**	**2,575**	**2,655**	**478**	**490**	**4,658**	**4,801**
Surplus / (deficit) from the previous year		-	-	-	-	331	373	331	373
Total revenue including accrued revenue		**1,605**	**1,656**	**2,575**	**2,655**	**809**	**863**	**4,989**	**5,174**
Less expenses including accrued expenses		(777)	(1,656)	(2,575)	(2,655)	(304)	(532)	(3,656)	(4,843)
Surplus / (deficit)		**828**	**-**	**-**	**-**	**505**	**331**	**1,333**	**331**

40.5 Australian Research Council Grants

	Note	(a) Discovery Projects 2008 $'000	(a) Discovery Projects 2007 $'000	(b) Linkage Projects 2008 $'000	(b) Linkage Projects 2007 $'000	(c) Networks and Centres 2008 $'000	(c) Networks and Centres 2007 $'000	Total 2008 $'000	Total 2007 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government	3(e)	653	384	818	651	-	-	1,472	1,035
Contribution for other Institutions		104	-	164	-	-	-	268	
Net accrual adjustment		-	-	-	-	-	-	-	-
Revenue for the period		**549**	**384**	**654**	**651**	-	-	**1,204**	**1,035**
Surplus / (deficit) from the previous year		260	643	428	750	-	55	688	1,448
Total revenue including accrued revenue		**809**	**1,027**	**1,082**	**1,401**	**-**	**55**	**1,892**	**2,483**
Less expenses including accrued expenses		(489)	(767)	(440)	(973)	-	(55)	(929)	(1,795)
Surplus / (deficit)		**320**	**260**	**642**	**428**	**-**	**-**	**963**	**688**

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