University of Canberra

ANNUAL REPORT

VOLUME TWO

2016

PLEASE RECYCLE

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ACT Audit Office

AUDITOR-GENERAL AN OFFICER OF THE ACT LEGISLATIVE ASSEMBLY

INDEPENDENT AUDIT REPORT

UNIVERSITY OF CANBERRA

To the Members of the ACT Legislative Assembly

Audit opinion

I am providing an **unqualified audit opinion** on the consolidated financial statements (the financial statements) of the University of Canberra (the University) for the year ended 31 December 2016. The financial statements comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and accompanying notes.

In my opinion, the financial statements of the University:

(i) are presented in accordance with the *Financial Management Act 1996* as amended by the *University of Canberra Act 1989*, Australian Accounting Standards and other mandatory financial reporting requirements in Australia; and

(ii) present fairly the financial position of the University and results of its operations and cash flows.

Basis for the audit opinion

The audit was conducted in accordance with the Australian Auditing Standards. I have complied with the requirements of the Accounting Professional and Ethical Standards 110 *Code of Ethics for Professional Accountants*.

I believe that sufficient evidence was obtained during the audit to provide a basis for the audit opinion.

Responsibility for preparing and fairly presenting the financial statements

The Council of the University is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996* as amended by the *University of Canberra Act 1989* and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the University to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

Responsibility for the audit of the financial statements

Under the *Financial Management Act 1996*, the Auditor-General is responsible for issuing an audit report that includes an independent audit opinion on the financial statements of the University.

Level 4, 11 Moore Street Canberra City ACT 2601 PO Box 275 Civic Square ACT 2608
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As required by Australian Auditing Standards, the auditors:

- applied professional judgement and maintained skepticism;
- identified and assessed the risks of material misstatements due to error or fraud and implemented procedures to address these risks so that sufficient evidence was obtained to form an audit opinion. The risk of not detecting material misstatements due to fraud is higher than the risk due to error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls;
- obtained an understanding of internal controls to design audit procedures for forming an audit opinion;
- evaluated accounting policies and estimates used to prepare the financial statements and disclosures made in the financial statements;
- evaluated the overall presentation and content of the financial statements, including whether they present the underlying transactions and events in a manner that achieves fair presentation;
- reported the scope and timing of the audit and any significant deficiencies in internal controls identified during the audit to the University Council; and
- assessed the going concern* basis of accounting used in the preparation of the financial statements.

(*Where the auditor concludes that a material uncertainty exists which cast significant doubt on the appropriateness of using the going concern basis of accounting, the auditor is required to draw attention in the audit report to the relevant disclosures in the financial statements or, if such disclosures are inadequate, the audit opinion is to be modified. The auditor's conclusions on the going concern basis of accounting are based on the audit evidence obtained up to the date of this audit report.)

Limitations on the scope of the audit

An audit provides a high level of assurance about whether the financial statements are free from material misstatements, whether due to fraud or error. However, an audit cannot provide a guarantee that no material misstatements exist due to the use of selective testing, limitations of internal control, persuasive rather than conclusive nature of audit evidence and use of professional judgement in gathering and evaluating evidence.

An audit does not provide assurance on the:

- prudence of decisions made by the University;
- adequacy of controls implemented by the University; or
- integrity of audited financial statements presented electronically or information hyperlinked to or from the financial statements. Assurance can only be provided for the printed copy of the audited financial statements.

M. Cooper

Dr Maxine Cooper
Auditor-General
7 April 2017

UNIVERSITY OF CANBERRA

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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UNIVERSITY OF CANBERRA

UNIVERSITY OF CANBERRA COUNCIL MEMBERS' DECLARATION
FOR THE YEAR ENDED 31 DECEMBER 2016

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

In our opinion, the following financial statements provide a true and fair view of the financial position at 31 December 2016 and the financial performance for the year then ended for the University of Canberra and controlled entities.

The financial statements have 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 of Canberra 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 program guidelines in making expenditure.

The University of Canberra charged Student Services and Amenities Fees strictly in accordance with the Higher Education Support Act 2003 (the Act) and Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

On behalf of the Council

Signed in Canberra this 4th day of April 2017

Professor Tom Calma AO

Chancellor

Professor H. Deep Saini

Vice-Chancellor and President

UNIVERSITY OF CANBERRA

REPORT BY THE MEMBERS OF THE UNIVERSITY OF CANBERRA COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2016

Members of the University Council during 2016 and in 2017 to date

Chancellor of the University

Tom Calma, AO, AssocDipSocialWork *SAIT*, HonDLitt *CDU*, HonDSc *Curtin,* HonDUniv *Flin* – Term of office as a Council member appointed by the Chief Minister commenced 21 October 2008. Term as Chancellor commenced 1 January 2014 and expires 31 December 2019.

Vice-Chancellor and President

H. Deep Saini, BSc (Hons) *India,* MSc (Hons) *India*, PhD (Plant Physiology) *Adelaide* – Appointment commenced 1 September 2016 to 31 August 2021.

Frances Shannon, BSc (Hons) *Ireland*, PhD (Biochemistry) *Ireland* – Appointment 2 July 2016 to 31 August 2016.

Stephen Parker, AO, 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. Resigned 1 July 2016.

Chair, Academic Board

Dharmendra Sharma, BSc, PGradMath, MSc *USP*, PhD *ANU*, FACS, FSPCS, SMIEE, GAICD – Appointment commenced 1 January 2014. Tenure expires 31 December 2019.

Appointed by the ACT Chief Minister

Sarah Ryan, BSc (Agric) (Hons), PhD *WAust*, GradDip Development Studies *Deakin* – Appointed 21 October 2008. Term as Deputy Chancellor commenced 1 January 2014. Tenure expires 20 October 2017.

Prue Power, AM, MPH *ANU* – Appointed 1 January 2010. Tenure expires 29 January 2019.

Dennis Trewin, AO, FASSA, BSc (Hons) *Melbourne*, BEc *ANU*, MSc *London,* HonDUniv *JCU* – Appointed 21 December 2010. Tenure expires 30 June 2017.

Barry Mewett, FCPA, FIPAA – Appointed 20 October 2011. Tenure expires 20 October 2017.

Sue Salthouse, BAgSci *Melb* DipEd *La Trobe* – Appointed 22 May 2012. Tenure expires 21 May 2018.

Tom Karmel, AM, BA (Hons) *Flin* MEc, PhD *ANU* – Appointed 22 May 2012. Tenure expires 21 May 2018.

Chris Faulks, BA *ANU*, HonDUniv *Canberra,* GradDip Education *Canberra,* GradDip Management *AGSM*, MAICD – Appointed 1 January 2014. Tenure expires 30 June 2017.

Joanne Metcalfe, BLArch (Hons) *UNSW,* MBA *La Trobe* – Appointed 22 May 2015. Tenure expires 21 May 2018.

Elected by the Academic Staff

Dale Kleeman, BSc (Hons) *ANU*, GradDip Operations Research *CCAE,* PhD *Canberra* – Term of office commenced 1 January 2016. Tenure expires 31 December 2017.

Elected by the General Staff

Mara Eversons, BEd *Canberra*, MBA *Canberra* – Term of office commenced 1 January 2016. Tenure expires 31 December 2017.

Elected by the Students

Raechael Deighton – Term of office commenced 1 January 2016. Tenure expired 31 December 2016.

Michelle Christopher, BSc Psych (Hons) Canberra – Term of office commenced 1 January 2016. Tenure expired 31 December 2016.

Ian Dudley – Term of office commenced 1 January 2017. Tenure expires 31 December 2017.

Shefali Sehgal, BSc IntLogMgtEng *Bremen* – Term of office commenced 1 January 2017. Tenure expires 31 December 2017.

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 2016 and number of meetings attended by each member were:

			Meetings of Committees															
	Council Meeting		Audit and Risk Management		Finance		Nomination and Senior Appointments		Environment and Works		Legislation		Honorary Degrees		Campus Development Board		Joint Audit and Risk Management and Finance Committee	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Professor Tom Calma	7	7					3	3					2	2				
Dr Chris Faulks	7	7	4	3													2	2
Dr Tom Karmel	7	6	4	4			3	2					2	2			2	2
Mr Barry Mewett	7	7	4	4													2	2
Dr Dale Kleeman	7	7	4	4													2	2
Ms Mara Eversons	7	6									1	1						
Professor Stephen Parker	3	3			2	2	1	1	1	1			1	1	2	2	1	1
Professor Frances Shannon	1	1	3	3	1	1	1	1	1	1					4	3	1	1
Professor H. Deep Saini	3	3	1	1	2	2	1	1	2	2	1	1	1	1	2	2		
Ms Prue Power	7	5			5	5	3	3			1	1	2	2			2	2
Dr Sarah Ryan	7	6					3	3	4	4			2	2	8	6		
Ms Sue Salthouse	7	5							4	3	1	1						
Professor Dharmendra Sharma	7	6					3	3					2	2				
Mr Dennis Trewin	7	6			5	5											2	2
Ms Joanne Metcalfe	7	5													8	8		
Ms Michelle Christopher	7	4			5	3											2	1
Ms Raechael Deighton	7	4							4	2								
Mr Brian Acworth*					1	1									1	-	-	-
Mr David Sturgiss*					4	4									7	7	2	2
Mr Terry Weber**															8	8		

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.
* Brian Acworth was an independent Chair of the Finance Committee - appointed 17 June 2011 to 13 March 2016. Mr David Sturgiss was appointed by Council to replace Mr Acworth effective 13 March 2016.
** Terry Weber was appointed 3 April 2014 as an independent Chair of the Campus Development Board.

UNIVERSITY OF CANBERRA

REPORT BY THE MEMBERS OF THE UNIVERSITY OF CANBERRA COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)

Principal activities

During the year the principal activities of the University and the consolidated entity consisted of:

- provision of education to domestic and international students;
- research and consulting activities;
- hospitality and recreational services; and
- service to the community.

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

Review of operations

Academic matters

Council continued to oversee the work of the Academic Board with regard to all academic matters. Subject to the University of Canberra Act 1989 and Statutes, the Board is responsible to the Council for quality assurance of the University's academic program, including the teaching and learning strategies, curriculum and programs and learning support services, and the University's research and research training strategies and programs.

Recruitment of the Vice-Chancellor and President

Professor H. Deep Saini was appointed by Council as the Vice-Chancellor and President of the University in 2016. Professor Saini was recruited following an extensive international search following the resignation of Professor Stephen Parker AO.

Reappointment of the Chancellor and Chair of Academic Board

The Council reappointed Professor Tom Calma as the Chancellor of the University and Professor Dharmendra Sharma as the Chair of the Academic Board for a further three-year term, commencing 1 January 2017.

Student load

The University continues to grow, with an equivalent full time student load (EFTSL) up five per cent since 2012. In the last five years onshore undergraduate load has grown by nine per cent while postgraduate load has remained steady (note: figures include UCC EFTSL).

Campus development

University of Canberra Public Hospital (UCPH)

The construction of the UCPH commenced in February 2016. The UCPH will provide inpatient, day services and sub-acute services, such as rehabilitation and mental health services. The facility will also house a hydrotherapy pool.

The UCPH, operated by ACT Health, will also provide teaching and research facilities for University students on campus.

The Hospital is due to open to patients in 2018.

Student Accommodation

The University of Canberra's latest student accommodation facility is scheduled for completion in January 2017. Comprising of a mixture of one-bed and multi-share accommodation options, UC Lodge will provide an additional 496 beds for students on campus.

Campus Community

The University signed an agreement with CIC Australia, Peet Limited's in April 2016, to construct a multi-stage development of up to 3,100 residences and supporting community development on campus over a 15 to 20-year period. This project is in Concept Plan Phase with construction anticipated to commence late 2018 / early 2019.

Health Precinct

Late in 2015, the Moran Health Care Group and the University announced the construction of a 150-bed aged-care facility and childcare centre on campus.

The project is currently progressing with the sub-precinct master plan and preliminary designs approved. A Development Application has been prepared and is due to be submitted to ACT Government. Construction is expected to commence in 2017.

Future plans for the Bruce campus include the development of additional medical, sporting, commercial and child care facilities. Proceeds from these developments will be used to support the University's strategic objectives.

Financial performance (consolidated)

Extract from the Statement of Comprehensive Income

	2016 $'000	2015 $'000	Change $'000	Change %
Total income from continuing operations	283,182	287,797	(4,615)	(1.6)
Total expenses from continuing operations	276,257	270,536	5,721	2.1
Net surplus from continuing operations	**6,925**	**17,261**	**(10,336)**	**(59.9)**

The decrease in income is due to a one-off impact of $8.465 million in 2015 of income received from the sale of 51 per cent of the University of Canberra College Pty Ltd. The impact of this was partly offset by an increase in Australian Government grants.

The increase in expenses is mainly due to an increase in payments to the University's academic partners following an increase in student enrolments with these partners offset by reduced commission payments.

Extract from the Statement of Financial Position

	2016 $'000	2015 $'000	Change $'000	Change %
Total current assets	44,443	51,517	(7,074)	(13.7)
Total non-current assets	691,208	568,876	122,332	21.5
Total assets	735,651	620,393	115,258	18.6
Total current liabilities	70,225	76,067	(5,842)	(7.7)
Total non-current liabilities	161,776	118,134	43,642	36.9
Total liabilities	232,001	194,201	37,800	19.5
Net assets	503,650	426,192	77,458	18.2

Total current assets decreased due to a reduction in cash holdings. Excess cash was held at 31 December 2015 due to the timing of receipt of the proceeds from the rent securitisation which occurred just prior to year-end.

Current liabilities decreased mainly due to lower revenue in advance from students and a 2015 overpayment by Department of Education and Training that was not repeated in 2016.

Non-current assets increased due to the construction of UC Lodge and the revaluation of leasehold land.

Non-current liabilities increased overall due to further borrowings to finance the current construction projects, which was offset by the reduction in the financial liabilities related to the NRAS and rent securitisation arrangements.

Excluding the restricted cash, and only taking into account the current liabilities which are expected to be settled within 12 months, the Group's current ratio is as follows:

	2016 $'000	2015 $'000	Change $'000	Change %
Total current assets	40,643	47,817	(7,174)	(15.0)
Total current liabilities	59,397	65,140	(5,743)	(8.8)
Current ratio	0.68	0.73		

The slight decrease in the current ratio is attributed to the lower cash holdings at year end partially offset by the lower revenue in advance from students.

Extract from the Statement of Cash Flows

	2016 $'000	2015 $'000	Change $'000	Change %
Net cash provided by operating activities	18,567	20,927	(2,360)	(11.3)
Net cash used in investing activities	(71,522)	(6,755)	(64,767)	958.8
Net cash provided by / (used in) financing activities	47,302	(7,590)	54,892	(723.2)
Net increase / (decrease) in cash and cash equivalents	(5,653)	6,582	(12,235)	(185.9)
Closing balance	7,994	13,647	(5,653)	(41.4)

The net cash provided by operating activities decreased due to an increase in payments to University academic partners, partly offset by a decrease in interest paid during the year. Payments for investing activities increased due to the construction of UC Lodge, and receipts from financing activities reflect the additional borrowings required to fund this development.

Overall financial results

The revaluation increments of $70.533 million, together with the net surplus from continuing operations in 2016 of $6.925 million reflect the continued strengthening of the University Group's financial position. The development of the Bruce campus and the proceeds from those activities will further assist with the improvement of the University Group's financial position.

Research

Research publications have increased by 29.1 per cent from 707 in 2012 to 913 in 2015 and competitive Category 1 research income increased from $3.365 million in 2012 to $4.021 million in 2015.

The overall number of Higher Degree by Research (HDR) candidates continues to increase each year although the total EFTSL load decreased in 2015, due to an increase in part time study. Completions continue to increase steadily each year and available data indicates that on average full time candidates are completing their PhDs in around four years.

In December 2015 there were 557 higher degree by research candidates at the University, which is comparable to the 2014 figure (538) and represents a 6.5 per cent increase on 2012 numbers (523).

Outcomes for ERA 2015 were released in December 2015, with 65 per cent of the University's research activity receiving ratings of at "world standard" or higher. This represents a significant improvement from ERA 2012 results when 21 per cent of activity was at world standard or higher. The highest performing areas were in areas of environmental sciences receiving the highest possible rating of 5; and genetics, public health, nursing and midwifery and sport and exercise sciences all receiving ratings of 4.

Significant changes in state of affairs

Other than as set out in this report, there are no significant changes in the state of affairs.

Matters subsequent to the end of the financial year

There are no other matters or circumstances that have arisen since the end of the year that have significantly affected or which may significantly affect the University.

Likely developments and expected results of operations

The University has indicated that it has more land than it requires for direct academic purposes and is exploring developments and partnerships to develop this land that will add to its teaching, research and training functions.

The University continues to face an uncertain policy environment. Policy changes could affect the University's finances and the University will consider the possible effects of any policy changes which are legislated.

Environmental regulation

There are no particular and significant environmental regulations affecting the University under Australian Government, State or Territory laws.

Insurance of employees

Members of Council and employees of the University are insured to the limit of $20 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.

Proceedings on behalf of University of Canberra

There are three legal matters pending at 31 December 2016. Two matters are covered by insurance and the third matter is currently pending a decision on insurance cover by UniMutual. No matters are considered to be financially material.

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

On behalf of the Council

Signed in Canberra this 4th day of April 2017

Professor H. Deep Saini
Vice-Chancellor and President

UNIVERSITY OF CANBERRA

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	3(a)(c-f)	110,634	104,375	110,634	104,375
HELP - Australian Government payments	3(b)	63,740	60,508	63,740	60,508
HECS-HELP - student payments		6,112	6,626	6,112	6,626
State and local government financial assistance	4	4,601	4,931	4,601	4,914
Fees and charges	5	65,566	77,860	65,566	77,296
Investment revenue	6	161	616	80	9,142
Consultancies and research contracts	7	4,981	4,341	4,971	4,329
Other revenue	8	1,056	1,308	1,056	1,307
Total revenue from continuing operations		256,851	260,565	256,760	268,497
Gain on disposal / loss of control of subsidiary		–	8,465	–	9,531
Other income	8	26,331	18,767	23,776	19,064
Total income from continuing operations		**283,182**	**287,797**	**280,536**	**297,092**
Expenses from continuing operations					
Employee related expenses	9	157,878	156,375	154,253	149,552
Depreciation and amortisation	10	18,292	20,126	18,099	19,950
Repairs and maintenance		4,956	4,709	4,906	4,645
Finance costs	11	3,546	4,631	3,546	4,631
Impairment losses		638	420	351	682
Other expenses	12	89,900	83,198	91,082	90,119
Share of loss on investments accounted for using the equity method	18	405	285	358	286
Loss on disposal of assets		642	792	635	784
Total expenses from continuing operations		**276,257**	**270,536**	**273,230**	**270,649**
Net result from continuing operations		**6,925**	**17,261**	**7,306**	**26,443**
Income tax expense		–	294	–	–
Net result after income tax for the period		**6,925**	**16,967**	**7,306**	**26,443**
Other comprehensive income					
Items that may be reclassified to profit or loss:					
Revaluation increment of available for sale investments	25	1,829	9,188	1,829	9,188
Items that will not be reclassified to profit or loss:					
Revaluation increment of property, plant and equipment	25	68,704	70,653	68,704	70,653
Total comprehensive income		**77,458**	**96,808**	**77,839**	**106,284**

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

UNIVERSITY OF CANBERRA

STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2016

	Notes	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
ASSETS					
Current assets					
Cash and cash equivalents	13	7,994	13,647	4,269	11,042
Trade and other receivables	14	20,991	21,234	22,308	22,168
Other financial assets	15	597	2,005	497	1,210
Other non-financial assets	16	6,219	6,007	5,878	5,608
Assets held for sale	17	8,642	8,624	8,642	8,624
Total current assets		**44,443**	**51,517**	**41,594**	**48,652**
Non-current assets					
Other financial assets	15	21,764	20,832	21,765	20,433
Investments accounted for using the equity method	18	4,176	4,661	4,176	4,534
Property, plant and equipment	19	657,244	533,653	656,614	532,909
Intangible assets	20	8,024	9,730	8,008	9,707
Total non-current assets		**691,208**	**568,876**	**690,563**	**567,583**
Total assets		**735,651**	**620,393**	**732,157**	**616,235**
LIABILITIES					
Current liabilities					
Trade and other payables	21	23,249	22,002	22,960	21,576
Provisions	23	22,396	24,009	22,202	23,711
Other liabilities	24	24,580	30,056	24,534	29,972
Total current liabilities		**70,225**	**76,067**	**69,696**	**75,259**
Non-current liabilities					
Borrowings	22	81,500	31,000	81,500	31,000
Provisions	23	2,100	1,722	2,093	1,711
Other liabilities	24	78,176	85,412	78,176	85,412
Total non-current liabilities		**161,776**	**118,134**	**161,769**	**118,123**
Total liabilities		**232,001**	**194,201**	**231,465**	**193,382**
NET ASSETS		**503,650**	**426,192**	**500,692**	**422,853**
EQUITY					
Reserves	25	372,665	302,132	372,665	302,132
Retained earnings		130,985	124,060	128,027	120,721
Total equity		**503,650**	**426,192**	**500,692**	**422,853**

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

UNIVERSITY OF CANBERRA

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Reserves $'000	Retained Earnings $'000	Total $'000
Consolidated				
Total equity at 1 January 2015		222,291	107,093	329,384
Revaluation increment of property, plant and equipment	25	70,653	–	70,653
Revaluation increment of available for sale investments	25	9,188	–	9,188
Operating surplus		–	16,967	16,967
Balance at 31 December 2015		**302,132**	**124,060**	**426,192**
Total equity at 1 January 2016		302,132	124,060	426,192
Revaluation increment of property, plant and equipment	25	68,704	–	68,704
Revaluation increment of available for sale investments	25	1,829	–	1,829
Operating surplus		–	6,925	6,925
Balance at 31 December 2016		**372,665**	**130,985**	**503,650**
University				
Total equity at 1 January 2015		222,291	94,278	316,569
Revaluation increment of property, plant and equipment	25	70,653	–	70,653
Revaluation increment of available for sale investments	25	9,188	–	9,188
Operating surplus		–	26,443	26,443
Balance at 31 December 2015		**302,132**	**120,721**	**422,853**
Total equity at 1 January 2016		302,132	120,721	422,853
Revaluation increment of property, plant and equipment	25	68,704	–	68,704
Revaluation increment of available for sale investments	25	1,829	–	1,829
Operating surplus		–	7,306	7,306
Balance at 31 December 2016		**372,665**	**128,027**	**500,692**

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

UNIVERSITY OF CANBERRA

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
Cashflows from operating activities					
Australian Government grants		162,668	157,928	162,668	157,928
Superannuation Supplementation		–	80	–	80
OS-HELP (net)		944	725	944	725
Other Commonwealth grants		5,463	5,290	5,463	5,290
State Government grants		4,601	4,931	4,601	4,914
HECS-HELP student payments		6,112	6,626	6,112	6,626
Receipts from student fees and other customers		94,130	96,932	91,354	86,775
Interest received		137	422	55	115
Total inflows		**274,055**	**272,934**	**271,197**	**262,453**
Payments to suppliers and employees (including GST)		(254,064)	(246,245)	(252,406)	(238,086)
Interest and other costs of finance paid		(1,424)	(5,762)	(1,424)	(5,762)
Total outflows		**(255,488)**	**(252,007)**	**(253,830)**	**(243,848)**
Net cash provided by operating activities	33(b)	**18,567**	**20,927**	**17,367**	**18,605**
Cashflows from investing activities					
Proceeds from sale of property, plant and equipment		101	49	101	49
Payments for property, plant and equipment		(71,631)	(17,912)	(71,551)	(17,595)
Proceeds from the sale of investments		–	5,390	–	5,390
Dividends received		8	263	8	9,013
Term deposits		–	5,455	–	–
Net cash used in investing activities		**(71,522)**	**(6,755)**	**(71,442)**	**(3,143)**
Cashflows from financing activities					
Proceeds from borrowings and securitisation		50,500	43,819	50,500	43,819
Repayments of borrowings and securitisation		(3,198)	(51,409)	(3,198)	(51,409)
Net cash provided by / (used in) financing activities		**47,302**	**(7,590)**	**47,302**	**(7,590)**
Net increase / (decrease) in cash and cash equivalents		**(5,653)**	**6,582**	**(6,773)**	**7,872**
Attributed to sale of subsidiary		–	(486)	–	–
		(5,653)	**6,096**	**(6,773)**	**7,872**
Cash and cash equivalents at the beginning of the year		13,647	7,551	11,042	3,170
Cash and cash equivalents at the end of the year	33(a)	**7,994**	**13,647**	**4,269**	**11,042**

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

Note 1 Summary of significant accounting policies

(a) Statement of compliance

The annual financial statements are general purpose financial statements of the University of Canberra (the University). They have been prepared on an accrual basis and comply with Australian Accounting Standards.

The financial statements have also been prepared in accordance with the following additional statutory requirements:

- Higher Education Support Act 2003 (Financial Statement Guidelines)
- Financial Management Act 1996 (ACT) to the extent applicable under the University of Canberra Act 1989.

(b) Basis of preparation

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

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

(c) Accounting Standards not applied and Accounting Standards yet to be applied

Accounting Standard not applied

AASB 1053 Application of tiers of Australian Accounting Standards (application date 1 July 2014) could be applied to the University as the University falls within the definition of a Tier 2 entity.

However, the Department of Education and Training Financial Statement Guidelines for Australian Higher Education Providers (HEPs) for the 2016 Reporting Period (Guidelines) prescribes the form of the financial statements approved by the Australian Government Minister for Education, or their delegates. The Guidelines specify HEPs are not to apply AASB 1053 Application of Tiers of Australian Accounting Standards. Therefore, the University is not able to apply Tier 2 reduced disclosure requirements in AASB 1053.

Should the Guidelines change in the future so AASB 1053 can be applied, the Group will consider its application. It is noted the application of this Accounting Standard would have no effect on the financial results and would only reduce the disclosures within the financial statements.

Accounting Standards yet to be applied

The following new standards and amendments considered to be applicable to the University, have been issued by the Australian Accounting Standards Board but are only mandatory for future reporting periods. The University has not yet assessed the full impact of these pronouncements on future reporting periods. The application of AASB 15 and AASB 1058 will have an impact on how the University reports grant income.

- AASB 9 Financial instruments (application date 1 January 2018)
- AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (application date 1 January 2018)
- AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) (application date 1 January 2018)
- AASB 15 Revenue from Contracts with Customers (application date 1 January 2019)
- AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 (application date 1 January 2019)
- AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15 (application date 1 January 2018)
- AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (application date 1 January 2017)
- AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities (application date 1 January 2019)
- AASB 16 Leases (application date 1 January 2019)
- AASB 1058 Income of Not-for-Profit Entities (application date 1 January 2019)

Note 1 Summary of significant accounting policies (continued)

(d) Basis of consolidation

Subsidiaries
The consolidated financial statements incorporate the financial statements of the University and entities controlled by the University, being:

- UCU Ltd
- UC Global Pty Ltd
- WJ Weeden Post-Graduate Scholarship Trust Fund (Weeden Trust)
- University of Canberra Royal Institute of Public Administration Research Fund (PADMIN Trust).

Together with the University, these entities are referred to as the Group in the financial statements. Control is achieved where the University has the power to govern the activities of an entity, has exposure or rights to variable returns and the ability to use its powers to affect its returns.

All inter-group transactions, balances, income and expenses are eliminated in full on consolidation. Where necessary, and the adjustment is material, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies into line with those used by other members of the group. Some amounts in the consolidated column may be lower than those in the University column after inter-group transactions are eliminated.

Investment in associates
Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20 per cent and 50 per cent of the voting rights. Investments in associates are accounted for in the University financial statements using the equity method of accounting, after initially being recognised at cost (further details provided below under the heading Equity method of accounting).

Joint arrangements
Under AASB 11 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has both joint operations and joint ventures.

Joint operations:
The University's share of assets, liabilities, revenue and expenses of a joint operation has been incorporated in the financial statements under the appropriate headings. The University's arrangements with Ochre Health (ACT SC) Pty Ltd for the construction of the Health Hub building on the University campus and the operational collaboration in respect of teaching and research related to the delivery of integrated primary care and to support workforce growth in that area and some of the future operational collaborations with Moran Australia (Residential Aged Care) Pty Ltd are considered to be joint operations. Further details of these joint operations are set out Note 1(y) Public Private Partnership (PPP) and joint operations. The joint operations in relation to the ongoing collaborations have no material effect on the results of the Group.

Joint ventures:
The interest in a joint venture entity is accounted for in the financial statements using the equity method and is initially recognised at cost. Further details are provided below under the heading Equity method of accounting.

Following the partial sale by the University of shares in the University of Canberra College Pty Ltd, the University is accounting for the arrangement as a joint venture with a third party.

During the year, the University entered into a joint venture agreement with the Australian National University (ANU) to deliver the milestones agreed under the Health and Hospitals Fund Program Regional Priority Initiative funding agreement with the Commonwealth of Australia. The University also has a joint venture in relation to EpiAxis Therapeutics Pty Ltd. At balance date, these two joint ventures have no material effect on the results of the Group.

UCU Ltd had a joint venture in relation to UC Vikings Ltd which wound up in 2016.

Equity method of accounting
Under the equity method of accounting, investments are initially recognised at cost and adjusted thereafter to recognise the share of the post-acquisition profits or losses of the investee in the Statement of Comprehensive Income, and the share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

The share of the associates' post-acquisition profits or losses is recognised in the statement of comprehensive income, and the share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

When the share of losses in an equity-accounted investment equals or exceeds the interest in the entity, including any other unsecured long-term receivables, no further losses are recognised, unless obligations or payments have been incurred on behalf of the other entity.

Note 1 Summary of significant accounting policies (continued)

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted investments is tested for impairment annually.

Changes in ownership interests
A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

(e) Critical accounting estimates and judgements

The preparation of these financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a high degree of judgement, or areas where assumptions and estimates are significant to the financial statements are disclosed below. These estimates and assumptions have been based on the most current information available.

Trade and student receivables – provision for impairment losses
The University has made a significant judgement in estimating the provision for impaired receivables. The provision is based on objective evidence of each receivable. Where the receivable is assessed as being unlikely to be collected, it is written off or a provision for impairment losses is recognised. Refer Note 1(n) Trade and other receivables for further details.

Fair value of property, plant and equipment
The University has made significant judgements regarding the fair value of its assets. Assets valued at fair value have been recorded at the market value of similar properties or the depreciated replacement cost as determined by an independent valuer. This valuation uses significant judgements and estimates to determine the fair value, including the appropriate indexation figure, useful life and remaining useful life of the assets and amount of assets held.

Property, plant and equipment – depreciation and amortisation
Property, plant and equipment are systematically depreciated or amortised over their estimated useful lives. The estimated useful lives of property, plant and equipment are re-assessed every year and adjusted when conditions and other factors affecting the useful lives warrant an adjustment to useful lives and the depreciation rate. Refer Note 1(j) Depreciation and amortisation for further details.

Fair value of shares
The University has made significant judgements regarding the fair value of shares held. The 10,000 shares held in Education Australia Ltd have been valued at fair value at 31 December 2016 as determined by an independent valuer. The shares held in AARNET Pty Ltd and EpiAxis Therapeutics Pty Ltd are carried at cost on the basis there is no quoted price in an active market and the fair value cannot be reliably measured.

Impairment
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 an impairment loss should be recognised. Refer Note 1(k) Impairment for further details.

Employee benefits
Significant judgements have been applied in estimating the liability for employee benefits. The estimated liability requires a consideration of future wage and salary levels, experience of employee departures and period of service. The estimate also includes an assessment of the probability that employees will meet the minimum service period required to qualify for long service leave, and that on-costs will become payable. Further information is provided in Note 1(v) Employee benefits.

Public Private Partnership (PPP) and joint operation
Significant accounting estimates and judgements have been made in regard to a PPP and joint operations. Refer Note 1(y) Public Private Partnership (PPP) and joint operation for further details.

Meeting current liabilities
The Statement of Financial Position shows the Group's current liabilities exceed current assets. The University considers that it is able to meet its current liabilities expected to mature in the next 12 months as it has debt facilities in place with banks to allow it to manage its working capital requirements. The University has available undrawn debt facilities at balance date of $9.5 million (2015: $40 million) - refer Note 22 Borrowings and is also a recipient of regular fortnightly payments from the Commonwealth for its Commonwealth Supported Place (CSP) students and other university related funding. These two factors enable the University to meet its cash commitments when required.

Note 1 Summary of significant accounting policies (continued)

(f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. The revenue described in this note is revenue relating to the core operating activities of the University.

Government grants
The University recognises operating grants received from Australian Government entities as income in the year of receipt. Government financial assistance is recognised as income when the University obtains the control of the right to receive the grant, it is probable that economic benefits will flow to the University and the amount of receipts can be measured reliably. Refer Note 1(g) Financial assistance income for further details.

HELP (Higher Education Loan Payments) payments
Revenue from HELP is categorised into that received from the Australian Government and that received directly from students. Revenue is recognised and measured in accordance with the revenue recognition disclosure.

Student fees and charges
Fees and charges are recognised as revenue in the year of the course to which they relate. Fees and charges invoiced on enrolment which relate to courses to be held in future periods are treated as revenue in advance.

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

Interest revenue
Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable at that time.

Consultancy and contract revenue
Consultancy and contract revenue is recognised as income in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is measured by reference to labour hours incurred to date as a percentage of estimated total labour hours for each contract.

Lease revenue
Lease revenue from operating leases is recognised as revenue on a straight-line basis over the lease term.

Licence revenue
Licence revenue is recognised as revenue on a straight-line basis over the licence term.

Other revenue and income
Revenue from the disposal of non-current assets is recognised when control of the asset has passed to the purchaser.

Goods or services received free of charge - that is non-reciprocal transfers, are recognised as revenue when a fair value of the service can be reliably determined and it is probable that economic benefit will flow to the University.

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

Donations and bequests are recognised when the right to receive the funds has been established.

(g) 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 Statement of Comprehensive Income as revenue when the University obtains control of the contribution or the right to receive the contribution, it is probable that economic benefits of the contribution will flow to the University, and the amount of the contribution can be measured reliably.

(h) Income securitisation

NRAS entitlement
In November 2014 the University sold its National Rental Affordability Scheme (NRAS) entitlements to a third party in exchange for an upfront payment of $42.5 million. As the University has a contractual obligation to deliver the remainder of the NRAS entitlements to the third party over the entitlement period of up to 10 years, this transaction represents a liability to the University.

The University has recognised a financial liability to the value of the initial purchase price consideration less the transaction costs that are directly attributable to the arrangement. Subsequent to initial recognition, the University has measured the financial liability at amortised cost using the effective interest rate method. The University recognises an interest expense in the Statement of Comprehensive Income over the term of the contract.

The University recognises the income in relation to the sale of the NRAS entitlements as the obligations to the third party are fulfilled. This will be recognised on a daily basis over the NRAS entitlement period.

Note 1 Summary of significant accounting policies (continued)

Student accommodation rent receivables
In December 2015 the University entered into an arrangement with a third party for the sale of student accommodation rental receivables for Cooper Lodge and Weeden Lodges for 10 years from 1 January 2016 in exchange for an up-front payment of $44 million.

The University has recognised a financial liability to the value of the initial purchase price consideration less the transaction costs that are directly attributable to the arrangement. Subsequent to initial recognition, the University has measured the financial liability at amortised cost using the effective interest rate method. The University recognises an interest expense in the Statement of Comprehensive Income over the term of the contract.

The University recognises the income in relation to the sale of the rent receivables as the obligations to the third party are fulfilled. This will be recognised on a daily basis over the rent receivables entitlement period.

(i) Superannuation

The Group contributes to various defined contribution and accumulation superannuation plans. Contributions are charged as an expense as incurred. Further explanation of the Group's superannuation arrangements are as follows:

UniSuper
The University, on behalf of most of its employees, contributes to UniSuper. Where the employee has made an election, the contributions are paid to the UniSuper Defined Benefit Division.

The University does not have any obligations under the defined benefit plan apart from the payment of contributions on behalf of participating employees.

Other superannuation funds
A small number of employees of the University are members of the Commonwealth government defined benefit schemes known as CSS and PSS. These schemes are managed by ComSuper and the University has neither control nor responsibility for the schemes. The University's only obligations are the payment of employer contributions.

Other employees of the Group who are not required to be a member of UniSuper are members of other accumulation superannuation plans under choice of superannuation arrangements.

(j) Depreciation and amortisation

Depreciation and amortisation on assets are calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

	2016	2015
Buildings	4 to 80 years	4 to 80 years
Equipment	4 to 10 years	4 to 10 years
Motor vehicles	4 years	4 years
Computer equipment	3 years	3 years
Fixtures and fittings	15 years	15 years
Infrastructure	7 to 80 years	7 to 50 years
Library collection	10 years	10 years
Computer software	5 years	5 years
Strategic initiatives	5 years	5 years

Leasehold land and works of art are assessed as having an indefinite useful life and are not depreciated. Depreciation and amortisation expenses are disclosed in Note 10 Depreciation and amortisation.

(k) Impairment

At each reporting date, the University assesses whether any assets are impaired. Assets are also reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. If there is an indication of impairment, then an estimate of the recoverable amount is made and the carrying amount of the asset is reduced to the asset's recoverable amount. Any resulting impairment loss is recognised immediately in the Statement of Comprehensive Income. 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 exceeds the balance in the asset revaluation reserve, the difference is expensed in the Statement of Comprehensive Income.

(l) 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).

Note 1 Summary of significant accounting policies (continued)

(m) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash net of any bank overdraft. Cash includes cash on hand, cash at bank, deposits held at call and money market investments which can be readily converted to cash and are subject to an insignificant risk of changes in value, net of any bank overdraft. Bank overdrafts are included in cash and cash equivalents in the Statement of Cash Flows but not in the cash and cash equivalents on the Statement of Financial Position.

(n) Trade and other receivables

Trade and other receivables are initially recognised at fair value. Subsequent to initial recognition, receivables are measured at amortised cost less any provision for impairment losses. A provision for impairment losses is made when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset are less than the recorded amount.

In estimating impairment losses, the Group assesses the recoverability of each debtor that is more than 60 days. The impairment losses are determined based on management's judgement of the credit worthiness, age of the receivable and the likelihood of recoverability.

Recognition of student fees and charges
Student fees and charges are recognised as a receivable at the time of enrolment by the student for a unit of study. Where the unit of study relates to a future period, the amount is shown as revenue in advance. Otherwise, the amount is recognised as revenue in the Statement of Comprehensive Income.

(o) Non-current assets held for sale

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

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

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately in the Statement of Financial Position.

(p) Investments and other financial assets

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired.

Financial assets at fair value through profit and loss
Financial assets at fair value through profit or loss include financial assets held for trading. The Group does not currently hold any assets in this category.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period which are classified as non-current assets. Loans and receivables are included in receivables in the Statement of Financial Position.

Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

Available-for-sale financial assets
Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the end of the reporting period.

Regular purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at cost. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are included in the Statement of Comprehensive Income as gains and losses from investment securities.

Note 1 Summary of significant accounting policies (continued)

Available-for-sale financial assets are subsequently carried at fair value unless there is no active market and the fair value cannot be readily measured, in which case the investments are carried at cost.

The fair values of investments and other financial assets are based on quoted prices in an active market. If the market for a financial asset is not active, and for unlisted securities, then the Group establishes fair value by using valuation techniques, that maximise the use of relevant data. These include reference to the estimated price in an orderly transaction that would take place between market participants at the measurement date. Where there is no quoted price in an active market and the fair value cannot be reliably measured, the unlisted security continues to be recorded at cost.

All investments are made in accordance with the powers given to the University under Section 7(2)(l) of the University of Canberra Act 1989.

(q) Property, plant and equipment

All property, plant and equipment is measured at cost less accumulated depreciation and impairment losses, except for leasehold land, buildings, infrastructure, library collection, right to receive accommodation and works of art. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to a working condition for their intended use.

Land, leasehold land, buildings, infrastructure, library collection, works of art and right to receive accommodation are initially recognised at cost and subsequently measured at fair value. Leasehold land was revalued at 31 December 2016. Land, buildings, infrastructure and works of art were revalued at 31 December 2015. The library collection was revalued at 31 December 2013.

Fair value is determined on the basis of an independent valuation in accordance with accounting standards prepared by the external valuer. Revaluations are performed every three years for land, leasehold land, buildings and infrastructure, however leasehold land was revalued at 31 December 2016 due to a change in the lease purpose clause for Bruce Campus land which occurred in early 2016. The library and works of art are revalued every six years. Any revaluation increase is recognised in other comprehensive income and in the asset revaluation reserve except to the extent that it reverses the revaluation decrease for any of the assets previously recognised as an expense in the Statement of Comprehensive Income, in which case the increase is recognised in the Statement of Comprehensive Income to the extent of the decrease previously recognised. A decrease in the carrying amount arising from a revaluation is recognised as an expense in the Statement of Comprehensive Income except to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of those assets, the decrease reduces the asset revaluation reserve and is recognised in other comprehensive income.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Comprehensive Income. Scrapped assets with a net book value of nil, result in a change in the cost and accumulated depreciation balances.

Threshold
The general threshold to capitalise property, plant and equipment is $5,000. For major projects such as the construction of a new building or a major building refurbishment, where the total cost of the project exceeds $1 million, the entire amount is capitalised including property, plant and equipment with a cost of less than $5,000 which is part of the initial fitout. For computers and works of art, no threshold applies, and all items are capitalised.

(r) Intangibles

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Intangible assets comprise computer software and strategic initiatives. Scrapped assets with a net book value of nil, result in a change in the cost and accumulated amortisation balances.

Threshold
The threshold to capitalise intangibles is $50,000. Intangibles under this threshold are expensed as incurred.

(s) Trade and other payables

Trade and other payables are initially recognised at the fair value of the consideration to be paid for the goods and services and subsequently recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received irrespective of invoice receipt.

Note 1 Summary of significant accounting policies (continued)

(t) Borrowings

All loans are initially recognised at fair value and subsequent measurement is at amortised cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the asset. Interest expense is recognised in the Statement of Comprehensive Income using the effective interest rate method.

(u) 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 or it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the obligations.

(v) Employee benefits

Wages and salaries
Liabilities for short-term employee benefits, including wages and salaries and non-monetary benefits due to be settled within 12 months after balance date are measured at the amount expected to be paid when the liability is settled and are recognised in other payables.

Annual and personal leave
The liability for employee benefits includes a provision for annual leave. No provision has been made for personal leave as all personal leave is non-vesting and the average personal leave taken in future years by the employees of the University is estimated to be less than the annual entitlement for personal leave.

The annual leave liability is calculated on the basis of employees' remuneration including on-costs at the estimated salary rates that will apply at the time the leave is taken or paid, including employer superannuation contribution rates to the extent that the leave is likely to be taken or paid during service rather than paid out on termination.

The total annual leave liability is recognised as current in the Statement of Financial Position as there is no unconditional right to defer the settlement of the liability for more than 12 months. The Group does not expect the annual leave obligation to be settled wholly within 12 months from the end of the reporting period.

The annual leave liability expected to be settled within 12 months is measured at nominal value. To the extent the annual leave is not expected to be settled within 12 months, it is measured at the present value of the amount expected to be paid when the liability is settled. This has changed the measurement of the current liability. This has not had a material impact on the value of the current liability as the majority of the leave is still expected to be taken within a short timeframe after the end of the reporting period.

Long service leave
The long service leave liability is measured at the present value of expected future cash outflows to be paid in respect of services rendered by employees up to balance date.

The liability for long service leave has been estimated by an actuary at 31 December 2015. The estimate of the present value of the liability takes into account on-costs, attrition rates and pay increases through promotion and inflation. At the end of each reporting period, the estimated future payments are discounted using market yields of Commonwealth Government Bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

The long service leave liability is classified as current in the Statement of Financial Position where there is no unconditional right to defer settlement for more than 12 months. That is, the current liability comprises the nominal value of the liability for employees who have a vested long service leave entitlement at balance date.

Non-vested long service leave is classified as a non-current liability and measured at the present value of future cash outflows expected to be paid for services rendered by the employees up to balance date.

Bonus arrangements
A liability and an expense are recognised for bonuses based on a formula which takes into consideration the surplus attributable to the Group. A provision is recognised where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

Termination benefits
Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The Group recognises termination benefits either when it can no longer withdraw the offer of those benefits or when it has recognised cost for restructuring within the scope of AASB 137 Provisions, contingent liabilities and contingent assets that involves the payment of termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits not expected to be settled wholly before 12 months after the end of reporting period are discounted to present value.

Note 1 Summary of significant accounting policies (continued)

(w) Fair value measurement

The fair value of assets and liabilities must be measured for recognition and disclosure purposes.

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value of assets or liabilities is determined using a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

The fair value of assets or liabilities traded in an active market is based on quoted market prices for identical assets or liabilities at the end of the reporting period (level 1).

The fair value of assets or liabilities that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments (level 2) are used for long-term debt instruments held.

Other techniques that are not based on observable market data (level 3) such as estimated discounted cash flows are used to determine fair value for the remaining assets and liabilities. The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Fair value measurement of non-financial assets is based on the highest and best use of the asset. The Group considers market participants use of, or purchase price of the asset, to use it in a manner that would be highest and best use.

The carrying value less impairment provision of trade receivable and payables are assumed to approximate their fair values due to their short term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial assets.

(x) Economic dependency

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

(y) Public Private Partnership (PPP) and joint operations

Public Private Partnership – CLV student accommodation
CLV - New accommodation
In 2007, the University entered into a 30-year lease agreement at a peppercorn rental with an unrelated company, Campus Living Villages Management Ltd (CLV), to fully fund, manage and construct a new student accommodation building. The building will revert to the University at the end of the lease. CLV manages the complex and collects rentals during the term of the lease.

CLV will pay the University annuity payments equal to 13.65 per cent of total residence fees (excluding GST) from 1 August 2009 (date of occupancy readiness) throughout the lease term. The University has recorded a finance lease receivable to recognise the discounted value of minimum lease payments (annuity payments) receivable over the lease term.

The University does not have the significant risks and rewards in relation to the newly constructed student accommodation during the 30-year lease period. The University does, however, have a right to receive at no cost the building (significant risks and rewards) at the end of the arrangement. The fair value of the right to receive the building has been included in the University's property, plant and equipment. However, the University will only start to amortise it at the end of the lease term when the building reverts back to the University and is in a state ready for use by the University.

The University estimates the fair value of the student accommodation at the end of the 30-year lease period will be $8.5 million. The fair value was determined by an independent valuation based on rental receipts in perpetuity discounted at the rate of nine per cent per annum.

The University retains all the risks and rewards of ownership to the underlying student accommodation land. Therefore, the lease over the land is treated as an operating lease. The fair value of the land is included in the University's property, plant and equipment.

CLV - Existing accommodation

CLV also operates, maintains and refurbishes the University's student accommodation which existed at 2007 for a period of 30 years from the date of the agreement (2007).

CLV retains the rental revenues earned from the operation of the existing student accommodation and as the University does not provide a minimum revenue guarantee on the residence fees, the risk is fully borne by CLV. The University has transferred the majority of risks and rewards associated with the operation of the existing student accommodation to CLV and as such, the lease of the existing buildings is classified as a finance lease. Therefore, the carrying value of the existing buildings is not recognised as the University's property, plant and equipment.

CLV pays the University annuity payments equal to 13.65 per cent of total residence fees (excluding GST) throughout the lease term. The University has recorded a finance lease receivable to recognise the discounted value of minimum lease payments (annuity payments) receivable over the lease term.

Note 1 Summary of significant accounting policies (continued)

The University has a right to receive the buildings at the end of the lease term at no cost. The fair value of the right to receive the buildings has been included in the University's property, plant and equipment. However, the University will only start to amortise it at the end of the lease term when the buildings revert back to the University and is in a state ready for use by the University.

The University estimates the fair value of the student accommodation at the end of the 30-year lease period will be $7.6 million. The fair value was determined by independent valuation based on rental receipts in perpetuity discounted at the rate of nine per cent per annum.

The land component of the existing student accommodation is deemed to have an infinite economic life as per paragraph 15A of AASB 117 Leases, and if title is not expected to pass to the lessee, the lessee does not receive substantially all the risks and rewards incidental to ownership. As such, the lease of the land component of existing student accommodation is treated as an operating lease by the University and the University continues to account for the land as its own asset.

CLV - Deferred income

The University has recorded deferred income, being the difference between the carrying value of existing accommodation disposed of in exchange for the lease receivable and the fair value of the new and existing accommodation that will revert to the University at the end of the lease term. The deferred income will be recognised in the Statement of Comprehensive Income on a straight line basis over the lease term.

Joint operations

Health Hub

In 2014, the University entered into a joint operation with Ochre Health (ACT SC) Pty Ltd (Ochre) for the construction of the Health Hub building on the University campus. During construction Ochre made contributions to the University for its share of the construction costs. On completion of construction, the University was required to grant a lease over Levels 1 and 2 (excluding common areas) for a period of 20 years, with a further 20-year option, to Ochre. At the termination of the lease, the University is required to pay Ochre an expiry date payment equal to the market value of Levels 1 and 2 (excluding common areas) at that time.

Whilst the University retains legal title to the building (and the underlying land), as the lease to Ochre is for a period likely to be for the major part of the economic life of the asset and Ochre is entitled to receive the expiry date payment, it is treated as a finance lease for accounting purposes. Therefore, the University has only capitalised its share of the building on completion of construction.

On termination of the lease with Ochre, the University will recognise the remainder of the building. Therefore, the University has recognised the liability for the expiry date payment and a corresponding asset, being the right to receive the remainder of the building. This liability has initially been calculated on the basis of the depreciated replacement cost at the end of the 40 year lease discounted to the present value. This liability and asset will be adjusted in line with the independent revaluations of the building undertaken every three years in accordance with the University's asset policy.

The University also entered into a collaboration agreement with Ochre which is intended to foster collaboration in relation to both parties' respective functions and activities. These functions and activities include teaching and research related to the delivery of integrated primary health care and to support workforce growth in primary health care.

Some of the activities undertaken in accordance with the collaboration agreement will be considered to be joint operations in accordance with AASB 11 Joint Arrangements. At balance date, the collaboration activities are not considered material.

Aged Care facility

On 18 December 2015 the University entered into a collaboration agreement with a third party as part of a broader arrangement for the construction and operation by the third party of an aged care facility which incorporates a child care facility on the Bruce campus land.

The collaboration agreement is intended to foster collaboration in relation to the University's and the third party's respective functions and activities. These functions and activities include, but are not limited to teaching, learning, clinical training, research and other aspects of health services design, delivery and management.

Some of the activities undertaken in accordance with the collaboration agreement will be considered to be joint operations in accordance with AASB 11 Joint Arrangements. At balance date, no collaboration activities have commenced.

(z) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Statement of Financial Position.

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

Note 1 Summary of significant accounting policies (continued)

(aa) Comparative amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year. Where a material reclassification has occurred, the nature and the reason for the reclassification are provided.

(bb) Rounding

The amounts in the financial statements have been rounded off to the nearest thousand dollars or, in certain cases, the nearest dollar.

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 financial statements disclose the outcomes of the Group 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	
	2016	2015	2016	2015	2016	2015
	$'000	$'000	$'000	$'000	$'000	$'000
Geographical						
Australia	279,892	283,481	6,845	17,002	735,651	620,393
Asia	3,290	4,316	80	259	–	–
Total	**283,182**	**287,797**	**6,925**	**17,261**	**735,651**	**620,393**

Note 3 Australian Government financial assistance including Australian Government loan programs (HELP)

	Notes	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
(a) Commonwealth Grants Scheme and other grants	36(a)				
Commonwealth Grants Scheme *		88,064	81,621	88,064	81,621
Indigenous Support Program		668	512	668	512
Higher Education Participation Program**		1,803	2,753	1,803	2,753
Disability Support Program		57	67	57	67
Promotion of Excellence in Learning and Teaching		10	45	10	45
Australian Maths & Science Partnership Program		487	487	487	487
Superannuation Supplementation		–	80	–	80
Total Commonwealth Grants Scheme and other grants		**91,089**	**85,565**	**91,089**	**85,565**
(b) Higher Education Loan Programs	36(b)				
HECS-HELP		55,894	54,079	55,894	54,079
FEE-HELP		4,965	4,224	4,965	4,224
SA-HELP		2,881	2,205	2,881	2,205
Total Higher Education Loan Programs		**63,740**	**60,508**	**63,740**	**60,508**
(c) Scholarships	36(c)				
Australian Postgraduate Awards Scheme		1,646	1,561	1,646	1,561
Commonwealth Education Costs Scholarships		103	86	103	86
Commonwealth Accommodation Scholarships		91	64	91	64
International Postgraduate Research Scholarship Scheme		137	135	137	135
Indigenous Access Scholarships		113	96	113	96
Total scholarships		**2,090**	**1,942**	**2,090**	**1,942**
(d) Commonwealth research grants	36(d)				
Joint Research Engagement Program		2,367	2,448	2,367	2,448
Research Infrastructure Block Grants		717	572	717	572
Research Training Scheme		3,446	3,310	3,446	3,310
Sustainable Research Excellence		974	831	974	831
Total Commonwealth research grants		**7,504**	**7,161**	**7,504**	**7,161**

* Includes CGS-Enabling Loading, Allocated Places Advance and Non-Designated Courses Advance.

** Includes HE Participation Program, HE Partnership Base Funding, HE Partnership Project Funding and HE Partnership National Priority Pool.

Note 3 Australian Government financial assistance including Australian Government loan programs (HELP) (continued)

	Notes	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
(e) Australian Research Council	36(e)				
Discovery projects		791	1,108	791	1,108
Discovery early researcher award		256	235	256	235
Linkage projects		7	380	7	380
Future fellowship projects		(136)	256	(136)	256
ARC Laureate fellowship		588	489	588	489
Total Australian Research Council		**1,506**	**2,468**	**1,506**	**2,468**
(f) Other Australian Government financial assistance					
Non-capital					
Agriculture		122	25	122	25
Attorney-General's		5	60	5	60
Communications and the Art		5	–	5	–
Defence		258	55	258	55
Education		110	880	110	880
Employment		–	30	–	30
Environment		1,210	623	1,210	623
Foreign Affairs and Trade		2,385	1,449	2,385	1,449
Health		1,359	2,587	1,359	2,587
Immigration and Border Protection		60	27	60	27
Industry		183	245	183	245
Infrastructure and Regional Development		14	26	14	26
Prime Minister and Cabinet		(69)	224	(69)	224
Social Services		407	88	407	88
The Treasury		–	25	–	25
Total non-capital		**6,049**	**6,344**	**6,049**	**6,344**
Capital					
Health		2,396	895	2,396	895
Total other Australian Government financial assistance		**8,445**	**7,239**	**8,445**	**7,239**
Total Australian Government financial assistance		**174,374**	**164,883**	**174,374**	**164,883**
Reconciliation					
Australian Government grants (a+c+d+e+f)		110,634	104,375	110,634	104,375
HECS-HELP payments		55,894	54,079	55,894	54,079
FEE-HELP payments		4,965	4,224	4,965	4,224
SA-HELP payments		2,881	2,205	2,881	2,205
Total Australian Government financial assistance		**174,374**	**164,883**	**174,374**	**164,883**

Note 3 Australian Government financial assistance including Australian Government loan programs (HELP) (continued)

	Notes	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
(g) Australian Government grants received - cash basis					
CGS and other Commonwealth grants		89,234	85,572	89,234	85,572
Higher Education Loan Programs		62,124	60,785	62,124	60,785
Scholarships		2,270	1,942	2,270	1,942
Commonwealth research		7,504	7,161	7,504	7,161
ARC Grants - Discovery		791	1,108	791	1,108
ARC Grants - Discovery early researcher award		256	235	256	235
ARC Grants - Linkages		37	380	37	380
ARC Grants - Future fellowship		(136)	256	(136)	256
ARC Grants - Laureate fellowship		588	489	588	489
Other Australian Government grants		5,463	5,290	5,463	5,290
Total Australian Government grants - cash basis		**168,131**	**163,218**	**168,131**	**163,218**
OS-HELP (net)	36(f)	944	725	944	725
Superannuation Supplementation	36(g)	–	80	–	80
Total Australian Government funding - cash basis		**169,075**	**164,023**	**169,075**	**164,023**

Note 4 State and local government financial assistance

	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
Non-capital				
Australian Capital Territory	2,289	2,015	2,289	1,998
South Australia	137	202	137	202
New South Wales	487	334	487	334
Queensland	145	145	145	145
Northern Territory	1	–	1	–
Tasmania	35	90	35	90
Victoria	430	533	430	533
Western Australia	77	112	77	112
Total non-capital	**3,601**	**3,431**	**3,601**	**3,414**
Capital				
Australian Capital Territory	1,000	1,500	1,000	1,500
Total State and local government financial assistance	**4,601**	**4,931**	**4,601**	**4,914**

Note 5 Fees and charges

		Consolidated		University	
	Notes	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Course fees and charges					
Continuing education		441	761	441	780
Fee-paying onshore overseas students		50,990	55,118	50,990	55,566
Fee-paying offshore overseas students		3,290	4,316	3,290	4,316
Fee-paying domestic postgraduate students		3,813	4,113	3,813	4,113
Total course fees and charges		**58,534**	**64,308**	**58,534**	**64,775**
Non-course fees and charges					
Student accommodation charges		5,288	10,184	5,288	10,184
Student services and amenities fee	36(h)	1,170	1,783	1,170	1,783
Other		574	1,585	574	554
Total non-course fees and charges		**7,032**	**13,552**	**7,032**	**12,521**
Total fees and charges		**65,566**	**77,860**	**65,566**	**77,296**

Note 6 Investment revenue

	2016 Consolidated	2015 Consolidated	2016 University	2015 University
Bank account interest	10	6	10	6
Bank bill interest	79	247	20	53
Call account interest	64	100	42	70
Dividends received	8	263	8	9,013
Total investment revenue	**161**	**616**	**80**	**9,142**

Note 7 Consultancies and research contracts

	2016 Consolidated	2015 Consolidated	2016 University	2015 University
Consultancies	2,044	2,565	2,044	2,553
Research contracts	2,937	1,776	2,927	1,776
Total consultancies and research contracts	**4,981**	**4,341**	**4,971**	**4,329**

Note 8 Other revenue and income

	Consolidated		University	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Other revenue				
Donations and bequests	403	508	403	507
Scholarships and prizes	653	800	653	800
Total other revenue	**1,056**	**1,308**	**1,056**	**1,307**
Other income				
Administrative charges	2,190	1,435	2,190	1,679
Amortisation of deferred income	266	266	266	266
Childcare centre fees	540	558	540	558
Commissions and discounts received	292	368	187	231
Copying	169	186	169	186
Health consulting income	398	349	398	349
Hire of facilities	465	462	11	32
Insurance recoveries	283	352	283	343
Miscellaneous	806	536	724	391
NRAS securitisation income	5,098	4,775	5,098	4,775
Parking	2,143	1,863	2,157	1,881
Rent	2,589	2,300	2,589	2,300
Rental securitisation income	5,045	–	5,045	–
Salaries and cost recovery services	804	492	786	605
Sales and service income / publications	5,243	4,825	2,461	2,054
Support services provided to subsidiaries	–	–	872	3,414
Total other income	**26,331**	**18,767**	**23,776**	**19,064**
Total other revenue and income	**27,387**	**20,075**	**24,832**	**20,371**

Note 9 Employee related expenses

	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
Academic				
Salaries	58,881	60,569	58,881	58,995
Contributions to superannuation and pension schemes	10,088	10,102	10,088	9,914
Payroll tax	5,060	5,169	5,060	5,046
Workers' compensation insurance premium	800	614	800	596
Long service leave	1,392	293	1,392	294
Annual leave	4,475	4,348	4,475	4,264
Redundancy payments	393	177	393	177
Total academic	**81,089**	**81,272**	**81,089**	**79,286**
Non-academic				
Salaries	56,101	55,569	53,006	51,544
Contributions to superannuation and pension schemes	9,248	8,791	8,907	8,416
Payroll tax	4,534	4,346	4,530	4,290
Workers' compensation insurance premium	801	622	701	501
Long service leave	1,305	667	1,294	674
Annual leave	4,046	3,804	3,972	3,587
Redundancy payments	754	1,304	754	1,254
Total non-academic	**76,789**	**75,103**	**73,164**	**70,266**
Total employee related expenses	**157,878**	**156,375**	**154,253**	**149,552**

Note 10 Depreciation and amortisation

	Consolidated		University	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Depreciation				
Buildings	7,726	7,496	7,716	7,486
Infrastructure	1,085	1,898	1,085	1,898
Computer equipment	324	477	319	467
Equipment	3,123	2,944	2,952	2,798
Library	72	72	72	72
Fixtures and fittings	2,462	3,795	2,462	3,794
Total depreciation	**14,792**	**16,682**	**14,606**	**16,515**
Amortisation				
Computer software	2,875	2,960	2,868	2,951
Strategic initiatives	625	484	625	484
Total amortisation	**3,500**	**3,444**	**3,493**	**3,435**
Total depreciation and amortisation	**18,292**	**20,126**	**18,099**	**19,950**

Note 11 Finance costs

Interest expense	4,324	4,631	4,324	4,631
Less: amount capitalised	(778)	–	(778)	–
Total finance costs expensed	**3,546**	**4,631**	**3,546**	**4,631**

Note 12 Other expenses

	Consolidated		University	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Academic partner payments	22,121	15,098	22,121	20,802
Advertising	1,090	1,417	1,085	1,391
Audit	296	272	256	208
Books and publications	561	452	561	450
Commissions	3,413	5,363	3,416	4,790
Conference and facilities hire	723	943	814	972
Consultants fees	4,111	5,295	4,049	5,192
Contract services	4,141	4,265	4,075	4,206
Contracted student and amenities services - subsidiaries	–	–	2,350	2,400
Cost of goods sold	1,360	1,341	–	–
Entertainment	535	482	825	697
Equipment expensed	1,645	1,170	1,534	1,073
Freight and postage	597	473	591	466
Fringe benefits tax	360	310	323	257
General materials	2,295	2,020	2,231	1,987
Grant and research expenses - external entities	1,239	1,160	1,239	1,160
Grant payments to third parties	585	–	585	–
Insurances	748	814	748	814
Legal fees	1,349	1,284	1,347	1,283
Licence fees	4,919	3,940	4,784	3,843
Operating lease charges	1,399	1,332	1,399	1,332
Other	2,427	2,202	2,170	2,549
Other student expenses	4,310	4,181	4,296	3,881
Outsource management fees	7,957	8,068	7,957	8,068
Printing and stationery	1,371	1,282	1,355	1,223
Rates and taxes	1,696	1,324	1,696	1,324
Recruitment and staff development	2,344	2,322	2,330	2,297
Sponsorships	276	316	323	500
Student scholarships	2,667	2,592	2,667	2,587
Subscriptions	3,932	3,533	3,911	3,517
Subsidiary support subsidies	–	–	457	577
Tenancy management fees - subsidiaries	–	–	291	512
Travel	5,290	5,530	5,219	5,401
Utilities	4,143	4,417	4,077	4,360
Total other expenses	**89,900**	**83,198**	**91,082**	**90,119**

Note 13 Cash and cash equivalents

	Consolidated		University	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Cash at bank and on hand	2,485	686	2,498	585
Deposits at call and investments originally maturing within three months	5,509	12,961	1,771	10,457
Total cash and cash equivalents*	**7,994**	**13,647**	**4,269**	**11,042**

* Cash and cash equivalents include restricted cash of $3.7 million (2015: $2.5 million) held within the Weeden and PADMIN trusts is restricted for the objectives outlined in the trust deed and cannot be used to settle the liabilities of the Group.

Note 14 Trade and other receivables

	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
Current				
Trade receivables	21,476	23,882	20,827	23,430
Less: provision for impaired receivables	(5,760)	(5,980)	(5,511)	(5,969)
Sub-total	15,716	17,902	15,316	17,461
Inter-entity accounts - subsidiaries	–	–	1,731	1,626
Other receivables	2,903	2,594	2,889	2,343
Australian Government financial assistance receivable	2,372	738	2,372	738
Total trade and other receivables	**20,991**	**21,234**	**22,308**	**22,168**

As of 31 December 2016, current receivables of the Group with a nominal value of $6,626 (2015: $8,420) were past due but not impaired. The ageing analysis of these receivables is as follows:

	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
Past due but not impaired				
30 to 60 days	774	1,109	718	1,795
60 to 90 days	645	698	630	1,363
Over 90 days	5,207	6,613	5,308	6,539
Total past due but not impaired current receivables	**6,626**	**8,420**	**6,656**	**9,697**

As at 31 December 2016, current receivables of the Group with a nominal value of $5,760 (2015: $5,980) were impaired. The ageing of these receivables is as follows:

	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
Impaired receivables				
30 to 60 days	113	–	–	–
60 to 90 days	–	4	–	4
Over 90 days	5,647	5,976	5,511	5,965
Total current impaired receivables	**5,760**	**5,980**	**5,511**	**5,969**

Reconciliation in the provision for impaired receivables

	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
Allowance at the beginning of the year	5,980	5,339	5,969	5,320
Add: Impairment losses recognised during the year	914	705	626	704
Sub-total	6,894	6,044	6,595	6,024
Less: Impaired receivables written off	(515)	(37)	(465)	(36)
Less: Impaired losses reversed during the year	(619)	(27)	(619)	(19)
Allowance at the end of the year	**5,760**	**5,980**	**5,511**	**5,969**

Note 15 Other financial assets

	Consolidated		University	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Current				
Finance lease receivable*	497	497	497	497
Held-to-maturity investments**	100	1,508	–	713
Total current other financial assets	**597**	**2,005**	**497**	**1,210**
Non-current				
Finance lease receivable*	10,736	11,233	10,736	11,233
Shares - other entities	11,028	9,199	11,029	9,200
Held-to-maturity investments**	–	400	–	–
Total non-current other financial assets	**21,764**	**20,832**	**21,765**	**20,433**
Total other financial assets	**22,361**	**22,837**	**22,262**	**21,643**

* Finance lease receivable - The University leases its student accommodation to CLV under a PPP agreement (see Note 1(y) Public Private Partnership and joint operation).

** Investments include restricted investments of $0.1 million (2015: $1.2 million) are restricted and cannot be used to settle the liabilities of the Group. This consists of investments held within the Weeden trust.

Finance lease receivables at balance date are as follows:

	Future minimum lease receipts		Interest		Present value of minimum lease receipts	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Less than one year	1,408	1,408	911	911	497	497
Between one and five years	5,633	5,633	3,602	3,602	2,031	2,031
More than five years	39,972	41,380	31,267	32,188	8,705	9,202
Total	**47,013**	**48,421**	**35,780**	**36,701**	**11,233**	**11,730**

Note 16 Other non-financial assets

	Consolidated		University	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Current				
Prepayments	5,954	5,610	5,878	5,608
Inventories	262	397	–	–
Security deposit	3	–	–	–
Total current other non-financial assets	**6,219**	**6,007**	**5,878**	**5,608**

Note 17 Assets held for sale

Current				
Assets held for sale	8,642	8,624	8,642	8,624
Total assets held for sale	**8,642**	**8,624**	**8,642**	**8,624**

Note 17 Assets held for sale (continued)

Non-financial assets held for sale

Aged Care Facility
On 18 December 2015 the University entered into a series of agreements with a third party in relation to the construction and operation of an aged care facility which incorporates a child care facility on part of the Bruce campus land. The third party is required to carry out estate works under a licence granted by the University and will then be granted a 75-year sublease over the land to enable construction and then operation of the aged care facility. The agreements also provide the third party with the right to propose additional projects on an additional adjacent section of the Bruce campus.

Arscott House
On 17 December 2015 the University entered into an agreement with a third party for the sale of the land and the improvements known as Arscott House. A call option deed was entered into in 2016 providing the purchaser with an option to purchase Arscott House.

If a contract for sale is entered into, settlement is to occur the earlier of 14 days after the purchaser provides written notice to the University requiring completion of the contract, 14 days after the purchaser has been notified the University has procured a right of access to the property or 14 days after the purchaser provides written notice to the University that it waives the University's obligation to obtain the access right.

Due to the above arrangements, the relevant portion of the Bruce campus land attributable to the lease for the aged care facility and the land and building known as Arscott House was reclassified as assets held for sale during 2015 and have been measured at the lower of their carrying amount and the fair value less costs to sell.

Note 18 Investments accounted for using the equity method

Joint Ventures:

Name of entity	Place of business	Ownership interest 2016 %	Ownership interest 2015 %
University of Canberra College Pty Ltd	University Drive Bruce, ACT 2617	49	100 - 49
Centre for Customs and Excise Studies Pty Ltd	Brisbane Avenue ACT 2601	-	25 - 0
EpiAxis Therapeutics Pty Ltd	University Drive Bruce, ACT 2617	31	33
UC Vikings Ltd (held by UCU Ltd)	University Drive Bruce, ACT 2617	30 - 0	30

Note 18 Investments accounted for using the equity method (continued)

	Consolidated		University	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000
(a) Individually material joint ventures				
University of Canberra College Pty Ltd				
Financial position				
Current assets	1,054	1,174	1,054	1,174
Cash and cash equivalents	3,674	2,944	3,674	2,944
Non-current assets	7	13	7	13
Total assets	**4,735**	**4,131**	**4,735**	**4,131**
Current liabilities	4,278	2,934	4,278	2,934
Current financial liabilities (excluding trade payables and provisions)	535	578	535	578
Non-current liabilities	–	135	–	135
Total liabilities	**4,813**	**3,647**	**4,813**	**3,647**
Net assets / (liabilities)	**(78)**	**484**	**(78)**	**484**
Share of joint venture net assets / (liabilities)	**(38)**	**237**	**(38)**	**237**
Reconciliation of carrying amounts:				
Balance at 1 January	4,451	–	4,451	–
Remeasure to fair value	–	4,737	–	4,737
Share of loss for the year	(275)	(286)	(275)	(286)
Balance at 31 December	**4,176**	**4,451**	**4,176**	**4,451**
Financial performance				
Income	11,529	7,748	11,529	7,748
Interest income	17	32	17	32
Expenses	(12,192)	(8,583)	(12,192)	(8,583)
Interest expense	–	(19)	–	(19)
Depreciation and amortisation	(10)	(7)	(10)	(7)
Loss from continuing operations	**(656)**	**(829)**	**(656)**	**(829)**
Income tax income	95	246	95	246
Total comprehensive loss	**(561)**	**(583)**	**(561)**	**(583)**
Share of joint venture loss	**(275)**	**(286)**	**(275)**	**(286)**

(b) Other immaterial equity investments

Aggregate carrying amount of individually immaterial interests in joint ventures accounted for using the equity method:

	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
Aggregate carrying amount of individually immaterial joint ventures	–	210	–	83
Aggregate amounts of the group's share of:				
Profit / (loss) from continuing operations	(130)	1	(83)	–
Total comprehensive income / (loss)	(130)	1	(83)	–

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Note 19 Property, plant and equipment

	Leasehold land	Buildings	Right to receive buildings*	Infrastructure	Library collection	Works of art	Work in progress**	Computer equipment	Motor vehicles	Equipment	Fixtures & fittings	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
			at fair value						at cost			
Consolidated												
At 1 January 2015												
Fair value / cost	41,961	341,210	16,802	22,236	1,206	1,816	7,267	4,991	577	27,238	56,695	521,999
Accumulated depreciation	–	(13,398)	–	(2,948)	(72)	–	–	(4,404)	(577)	(18,114)	(8,192)	(47,705)
Net book amount	**41,961**	**327,812**	**16,802**	**19,288**	**1,134**	**1,816**	**7,267**	**587**	**–**	**9,124**	**48,503**	**474,294**
Year ended 31 December 2015												
Opening net book amount	41,961	327,812	16,802	19,288	1,134	1,816	7,267	587	–	9,124	48,503	474,294
Revaluation increm't / (decrem't)	7,468	57,880	–	6,570	–	(125)	–	–	–	–	–	71,793
Additions	–	20,031	–	236	–	97	16,128	924	–	4,221	1,408	43,045
Disposals and transfers	(2,069)	(7,705)	–	(271)	–	–	(10,115)	(402)	–	(38)	(18,197)	(38,797)
Depreciation	–	(7,496)	–	(1,898)	(72)	–	–	(477)	–	(2,944)	(3,795)	(16,682)
Closing net book amount	**47,360**	**390,522**	**16,802**	**23,925**	**1,062**	**1,788**	**13,280**	**632**	**–**	**10,363**	**27,919**	**533,653**
At 31 December 2015												
Fair value / cost	47,360	588,567	16,802	32,004	1,206	1,788	13,280	3,435	535	27,726	35,749	768,452
Accumulated depreciation	–	(198,045)	–	(8,079)	(144)	–	–	(2,803)	(535)	(17,363)	(7,830)	(234,799)
Net book amount	**47,360**	**390,522**	**16,802**	**23,925**	**1,062**	**1,788**	**13,280**	**632**	**–**	**10,363**	**27,919**	**533,653**
Year ended 31 December 2016												
Opening net book amount	47,360	390,522	16,802	23,925	1,062	1,788	13,280	632	–	10,363	27,919	533,653
Revaluation increm't / (decrem't)***	68,700	–	590	–	–	–	–	–	–	–	–	69,290
Additions	–	5,669	–	3,770	–	110	70,139	285	–	4,195	6,945	91,113
Disposals and transfers	–	(226)	–	–	–	–	(20,596)	(2)	–	(13)	(1,183)	(22,020)
Depreciation	–	(7,726)	–	(1,085)	(72)	–	–	(324)	–	(3,123)	(2,462)	(14,792)
Closing net book amount	**116,060**	**388,239**	**17,392**	**26,610**	**990**	**1,898**	**62,823**	**591**	**–**	**11,422**	**31,219**	**657,244**
At 31 December 2016												
Fair value / cost	116,060	593,870	17,392	35,789	1,206	1,898	62,823	3,655	346	31,669	41,037	905,745
Accumulated depreciation	–	(205,631)	–	(9,179)	(216)	–	–	(3,064)	(346)	(20,247)	(9,818)	(248,501)
Net book amount	**116,060**	**388,239**	**17,392**	**26,610**	**990**	**1,898**	**62,823**	**591**	**–**	**11,422**	**31,219**	**657,244**

* Right to receive buildings includes CLV student accommodation of $16m and Health Hub $1.36m, with an increase of $0.59m in 2016. Refer Note 1(y) Public Private Partnership (PPP) and joint operation for further details.

** Work in progress additions include assets under construction, assets under sale and lease back and assets acquired but not yet capitalised.

*** Revalued during 2016. Refer to Note 1(q) Property, plant and equipment for further information.

Note 19 Property, plant and equipment (continued)

	Leasehold land $'000	Buildings $'000	Right to receive buildings* $'000	Infrastructure $'000	Library collection $'000	Works of art $'000	Work in progress** $'000	Computer equipment $'000	Motor vehicles $'000	Equipment $'000	Fixtures & fittings $'000	Total $'000
			at fair value						at cost			
University												
At 1 January 2015												
Fair value / cost	41,961	341,022	16,802	22,236	1,206	1,816	7,255	4,911	577	26,411	56,694	520,891
Accumulated depreciation	–	(13,257)	–	(2,948)	(72)	–	–	(4,356)	(577)	(17,844)	(8,191)	(47,245)
Net book amount	**41,961**	**327,765**	**16,802**	**19,288**	**1,134**	**1,816**	**7,255**	**555**	–	**8,567**	**48,503**	**473,646**
Year ended 31 December 2015												
Opening net book amount	41,961	327,765	16,802	19,288	1,134	1,816	7,255	555	–	8,567	48,503	473,646
Revaluation increm't / (decrem't)	7,468	57,880	–	6,570	–	(125)	–	–	–	–	–	71,793
Additions	–	20,032	–	236	–	97	16,128	917	–	3,924	1,408	42,742
Disposals and transfers out	(2,069)	(7,696)	–	(271)	–	–	(10,103)	(383)	–	(37)	(18,198)	(38,757)
Depreciation	–	(7,486)	–	(1,898)	(72)	–	–	(467)	–	(2,798)	(3,794)	(16,515)
Closing net book amount	**47,360**	**390,495**	**16,802**	**23,925**	**1,062**	**1,788**	**13,280**	**622**	–	**9,656**	**27,919**	**532,909**
At 31 December 2015												
Fair value / cost	47,360	588,391	16,802	32,004	1,206	1,788	13,280	3,417	535	26,675	35,749	767,207
Accumulated depreciation	–	(197,896)	–	(8,079)	(144)	–	–	(2,795)	(535)	(17,019)	(7,830)	(234,298)
Net book amount	**47,360**	**390,495**	**16,802**	**23,925**	**1,062**	**1,788**	**13,280**	**622**	–	**9,656**	**27,919**	**532,909**
Year ended 31 December 2016												
Opening net book amount	47,360	390,495	16,802	23,925	1,062	1,788	13,280	622	–	9,656	27,919	532,909
Revaluation increm't / (decrem't)***	68,700	–	590	–	–	–	–	–	–	–	–	69,290
Additions	–	5,618	–	3,770	–	110	70,139	283	–	4,168	6,945	91,033
Disposals and transfers out	–	(226)	–	–	–	–	(20,596)	(2)	–	(5)	(1,183)	(22,012)
Depreciation	–	(7,716)	–	(1,085)	(72)	–	–	(319)	–	(2,952)	(2,462)	(14,606)
Closing net book amount	**116,060**	**388,171**	**17,392**	**26,610**	**990**	**1,898**	**62,823**	**584**	–	**10,867**	**31,219**	**656,614**
At 31 December 2016												
Fair value / cost	116,060	593,642	17,392	35,789	1,206	1,898	62,823	3,636	346	30,633	41,037	904,462
Accumulated depreciation	–	(205,471)	–	(9,179)	(216)	–	–	(3,052)	(346)	(19,766)	(9,818)	(247,848)
Net book amount	**116,060**	**388,171**	**17,392**	**26,610**	**990**	**1,898**	**62,823**	**584**	–	**10,867**	**31,219**	**656,614**

* Right to receive buildings includes CLV student accommodation of $16m and Health Hub $1.36m, with an increase of $0.59m in 2016. Refer Note 1(y) Public Private Partnership (PPP) and joint operation for further details.

** Work in progress additions include assets under construction, assets under sale and lease back and assets acquired but not yet capitalised.

*** Revalued during 2016. Refer to Note 1(q) Property, plant and equipment for further information.

Note 20 Intangible assets

	Consolidated		University	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Computer software				
At 1 January				
Cost	25,980	24,173	25,946	24,164
Accumulated amortisation	(18,115)	(15,155)	(18,104)	(15,153)
Net book amount	**7,865**	**9,018**	**7,842**	**9,011**
Year ended 31 December				
Opening net book amount	7,865	9,018	7,842	9,011
Additions	1,778	1,807	1,778	1,782
Amortisation	(2,875)	(2,960)	(2,868)	(2,951)
Closing net book amount	**6,768**	**7,865**	**6,752**	**7,842**
At 31 December				
Cost	27,758	25,980	27,724	25,946
Accumulated amortisation	(20,990)	(18,115)	(20,972)	(18,104)
Net book amount	**6,768**	**7,865**	**6,752**	**7,842**
Strategic initiatives				
At 1 January				
Cost	3,505	1,798	3,505	1,798
Accumulated amortisation	(1,640)	(1,157)	(1,640)	(1,157)
Net book amount	**1,865**	**641**	**1,865**	**641**
Year ended 31 December				
Opening net book amount	1,865	641	1,865	641
Additions	16	1,708	16	1,708
Amortisation	(625)	(484)	(625)	(484)
Closing net book amount	**1,256**	**1,865**	**1,256**	**1,865**
At 31 December				
Cost	3,521	3,505	3,521	3,505
Accumulated amortisation	(2,265)	(1,640)	(2,265)	(1,640)
Net book amount	**1,256**	**1,865**	**1,256**	**1,865**
Total intangible assets	**8,024**	**9,730**	**8,008**	**9,707**

Note 21 Trade and other payables

	Consolidated		University	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Current				
Payables	9,154	11,371	9,059	11,229
Accrued salaries and wages	1,196	686	1,091	540
OS-HELP liability to the Australian Government	2,462	1,518	2,462	1,518
Accrued expenses	10,437	8,427	10,348	8,289
Total current payables	**23,249**	**22,002**	**22,960**	**21,576**

Note 22 Borrowings

	Consolidated		University	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Non-current				
Unsecured				
Cash advance facility - Commonwealth Bank of Australia	60,000	31,000	60,000	31,000
Cash advance facility - Westpac	21,500	–	21,500	–
Total non-current borrowings	**81,500**	**31,000**	**81,500**	**31,000**

Financing arrangements

The University must obtain approvals from the ACT Treasurer prior to entering into borrowings. For borrowings, other than overdraft and credit facilities used for day-to-day operational activities, the ACT Treasurer must approve the borrowing by way of a Disallowable Instrument (DI) and Treasury Instrument (TI) and borrowing limits set by way of a TI.

The relevant TI is TI2015/3. The maximum financing facilities permitted under this TI, excluding bank overdraft, is $134 million.

	Consolidated		University	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Financing facilities available				
The Group has the following financing facilities available, noting restrictions imposed:				
Cash advance facility - Westpac	30,000	10,000	30,000	10,000
Cash advance facility - Commonwealth Bank of Australia	60,000	60,000	60,000	60,000
Total facilities available in accordance with TIs	90,000	70,000	90,000	70,000
Bank overdraft - Commonwealth Bank of Australia	1,000	1,000	1,000	1,000
Total financing facilities available	**91,000**	**71,000**	**91,000**	**71,000**
Unused financing facilities at balance date				
Cash advance facility - Westpac	8,500	10,000	8,500	10,000
Cash advance facility - Commonwealth Bank of Australia	–	29,000	–	29,000
Total available unused facilities in accordance with TI	8,500	39,000	8,500	39,000
Bank overdraft - Commonwealth Bank of Australia	1,000	1,000	1,000	1,000
Total unused financing facilities available	**9,500**	**40,000**	**9,500**	**40,000**

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Note 23 Provisions

	Notes	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
Current					
Provision for long service leave		12,628	12,687	12,544	12,590
Provision for annual leave		8,790	8,292	8,691	8,121
Provision for bonuses		811	3,000	800	3,000
Provision for redundancy		167	30	167	–
Total current provisions	(a),(b)	**22,396**	**24,009**	**22,202**	**23,711**
Non-current					
Provision for long service leave		**2,100**	**1,722**	**2,093**	**1,711**
Total provisions		**24,496**	**25,731**	**24,295**	**25,422**
(a) Current provisions expected to be settled within 12 months					
Long service leave		3,763	3,793	3,763	3,777
Annual leave		6,827	6,259	6,754	6,120
Bonuses		811	3,000	800	3,000
Redundancy		167	30	167	–
Subtotal		**11,568**	**13,082**	**11,484**	**12,897**
(b) Current provisions expected to be settled after 12 months					
Long service leave		8,865	8,894	8,781	8,813
Annual leave		1,963	2,033	1,937	2,001
Subtotal		**10,828**	**10,927**	**10,718**	**10,814**
Total current provisions		**22,396**	**24,009**	**22,202**	**23,711**

Note 24 Other liabilities

Current					
Revenue in advance received*		11,029	11,996	10,983	11,989
Revenue in advance receivable*		5,159	8,171	5,159	8,094
Deferred income**		266	266	266	266
Australian Government financial assistance payable		397	2,410	397	2,410
Rent received in advance	(a)	368	408	368	408
Other financial liability - NRAS securitisation	(b)	3,931	3,607	3,931	3,607
Other financial liability - rental securitisation	(b)	3,430	3,198	3,430	3,198
Total current other liabilities		**24,580**	**30,056**	**24,534**	**29,972**
Non-current					
Deferred income**		5,745	6,011	5,745	6,011
Rent received in advance	(a)	5,283	5,483	5,283	5,483
Other financial liability - NRAS securitisation	(b)	28,460	32,390	28,460	32,390
Other financial liability - rental securitisation	(b)	37,328	40,758	37,328	40,758
Lease expiry date payment	(c)	1,360	770	1,360	770
Total non-current other liabilities		**78,176**	**85,412**	**78,176**	**85,412**
Total other liabilities		**102,756**	**115,468**	**102,710**	**115,384**

* Revenue in advance is student fees and charges for future periods and prepaid licence fees.

** Deferred income includes CLV (new and existing) student accommodation. Refer Note 1(y) Public Private Partnership (PPP) and joint operation for further details.

Note 24 Other liabilities (continued)

(a) Rent received in advance

In 2014 the University received rent in advance for lease of part of the Sporting Commons. The term of this lease is 30 years with an option for a further 10 years. The period over which rent is recognised as income is 30 years.

The amount also includes January 2017 rental invoices payable in advance in accordance with lease agreements.

(b) Other financial liability – NRAS and rental securitisation

NRAS

In November 2014 the University sold its utilised NRAS entitlements to a third party in exchange for an upfront payment of $42.5 million. The purchase price was based on the expectation that the University dwellings will achieve the required occupancy over the NRAS entitlement period and will comply with the NRAS Regulations. The University is contractually obligated to deliver the NRAS entitlements to the third party over the entitlement period of 10 years. In the case that the actual entitlements are less than the expected entitlements, the University must compensate the third party for the residual amount. If the actual entitlements are greater than the expected entitlements, the third party must pay the residual amount to the University. Given the University is exposed to the risks and rewards of the NRAS entitlements, this arrangement represents a financial liability to be measured at amortised cost.

This financial liability has been recorded at its fair value, being the purchase price consideration paid, less transaction costs. Subsequent to initial recognition, the University has measured this financial liability at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future NRAS entitlements over the NRAS entitlement period to the value of the upfront payment.

Rental securitisation

In December 2015 the University entered into an arrangement with a third party for the sale of future student accommodation rental receivables for Cooper Lodge and Weeden Lodges for 10 years from 1 January 2016 in exchange for an up-front payment of $44 million.

The University has contractual obligations to the third party under the agreement, including payment of the actual rent collected on a quarterly basis. If the actual rent payment is less than the expected rent for the quarter, then the University will be required to pay a rent adjustment amount.

The University has recognised a financial liability to the value of the initial purchase price consideration less the transaction costs that are directly attributable to the arrangement. Subsequent to initial recognition, the University has measured the financial liability at amortised cost using the effective interest rate method. The University recognises an interest expense in the Statement of Comprehensive Income over the term of the contract.

The University recognises the income in relation to the sale of the future rent receivables as the obligations to the third party are fulfilled. This will be recognised on a daily basis over the rent receivables entitlement period.

(c) Lease expiry date payment

The University entered into a joint operation with Ochre Health (ACT SC) Pty Ltd (Ochre) for the construction of the Health Hub building on the University campus. At completion of construction, the University was required to grant a lease over Levels 1 and 2 (excluding common areas) for a period of 20 years, with a further 20 year option, to Ochre. At the termination of the lease, the University is required to pay Ochre an expiry date payment equal to the market value of Levels 1 and 2 (excluding common areas) at that time.

Whilst the University retains legal title to the building (and the underlying land), as the lease to Ochre is for a period likely to be for the major part of the economic life of the asset and Ochre is entitled to receive the expiry date payment, it is treated as a finance lease for accounting purposes.

Therefore, the University has recognised the liability for the expiry date payment and a corresponding asset, being the right to receive the remainder of the building. This liability has been calculated on basis of the depreciated replacement cost at the end of the 40 year lease discounted to the present value.

Note 25 Reserves

	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
Reserves				
(a) Property, plant and equipment				
Balance at the beginning of the year	292,944	222,291	292,944	222,291
Revaluation increment of property, plant and equipment	68,704	70,653	68,704	70,653
Balance at the end of the year	361,648	292,944	361,648	292,944
(b) Available for sale investments				
Balance at the beginning of the year	9,188	–	9,188	–
Revaluation increment of available for sale investments	1,829	9,188	1,829	9,188
Balance at the end of the year	11,017	9,188	11,017	9,188
Reserves at the end of the year	**372,665**	**302,132**	**372,665**	**302,132**

Note 26 Key management personnel disclosures

(a) Names of responsible persons and executive officers
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.

Member	Date appointed, elected, or term ended if occurring in 2016
Professor Tom Calma AO	Appointed 21 October 2008
Professor H. Deep Saini	Appointed 1 September 2016
Professor Frances Shannon	Acting appointment 2 July to 31 August 2016
Professor Stephen Parker AO	Appointed 1 March 2007, resigned 1 July 2016
Professor Dharmendra Sharma	Appointed 1 January 2014
Dr Sarah Ryan	Appointed 21 October 2008
Ms Prue Power AM	Appointed 1 January 2010
Mr Dennis Trewin AO	Appointed 21 December 2010
Mr Barry Mewett	Appointed 20 October 2011
Ms Sue Salthouse	Appointed 22 May 2012
Dr Tom Karmel AM	Appointed 22 May 2012
Dr Chris Faulks	Appointed 1 January 2014
Ms Joanne Metcalfe	Appointed 22 May 2015
Dr Dale Kleeman	Elected 1 January 2016
Ms Mara Eversons	Elected 1 January 2016
Ms Raechael Deighton	Elected 1 January 2016, term ended 31 December 2016
Ms Michelle Christopher	Elected 1 January 2016, term ended 31 December 2016

The following persons were executive officers of University of Canberra during the year and up to date of this report:

Executive Officer	Position
Professor H. Deep Saini	Vice-Chancellor and President, commenced 1 September 2016
Professor Stephen Parker AO	Vice-Chancellor and President, resigned 1 July 2016
Professor Frances Shannon	Deputy Vice-Chancellor and Vice-President Research and Innovation and acting Vice-Chancellor and President 2 July to 31 August 2016
Professor Nicholas Klomp	Deputy Vice-Chancellor and Vice-President Academic
Mr Rongyu Li	Deputy Vice-Chancellor and Vice-President Students and Partnerships, commenced 22 February 2016

Note 26 Key management personnel disclosures (continued)

Executive Officer	Position
Dr Philip Harvey	Vice-President Operations, ceased in this role 16 November 2016
Ms Vicki Williams	Deputy Vice-Chancellor and Vice-President Finance and Infrastructure, role commenced 17 November 2016
Ms Maria Storti	Vice-President Campus Development, resigned 30 November 2016
Professor Diane Gibson	Acting Deputy Vice-Chancellor Research 2 July to 31 August 2016

(b) Remuneration of Council / Board members and executive officers

Fees are payable to some members of Council. Employees of the University who serve on Council do not receive remuneration for Council service in addition to their salaries. According to the Department of Education and Training 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. Below is a table showing the number and relevant remuneration bands for University and Group key management personnel.

Remuneration of Council / Board members	Consolidated		University	
	2016	2015	2016	2015
Nil to $9,999	6	18	5	14
$10,000 to $19,999	7	–	7	–
$20,000 to $29,999	1	1	1	–
$30,000 to $39,999	1	–	1	–
$40,000 to $49,999	–	1	–	1
The aggregate of the remuneration for Council / Board members included above:	**$209,309**	**$131,961**	**$209,309**	**$102,612**
Remuneration of executive officers				
$20,000 to $29,999	–	1	–	–
$30,000 to $39,999	–	1	–	–
$60,000 to $69,999	1	1	1	–
$70,000 to $79,999	1	2	–	1
$80,000 to $89,999	–	1	–	–
$90,000 to $99,999	2	–	1	–
$190,000 to $199,999	1	–	–	–
$210,000 to $219,999	–	1	–	–
$260,000 to $269,999	–	1	–	1
$270,000 to $279,999	–	1	–	1
$310,000 to $319,000	1	–	1	–
$440,000 to $449,999	1	1	1	1
$450,000 to $459,999	–	1	–	1
$460,000 to $469,999	1	–	1	–
$470,000 to $479,999	1	–	1	–
$490,000 to $499,999	1	–	1	–
$500,000 to $509,999	–	1	–	1
$560,000 to $569,999	1	–	1	–
$800,000 to $809,999	–	1	–	1
$810,000 to $819,999	1	–	1	–
The aggregate of the remuneration for executive officers included above:	**$4,103,175**	**$3,333,556**	**$3,734,180**	**$2,834,846**

Note 26 Key management personnel disclosures (continued)

The remuneration of executive officers for 2016 disclosed above and accompanying remuneration bands is based on remuneration paid or payable. This remuneration includes accrued salaries and wages and other employee benefits such as annual and long service leave, superannuation, redundancy payments, fringe benefits and cash bonuses paid.

As reviews of executive officers are not completed until after the date of these financial statements, the determination of any bonus payable to individual executive officers in respect of performance in 2016 is not included in the above figures for 2016. Bonuses paid to individual executive officers in respect of performance in 2016 will be included in the 2017 financial statements.

The amounts disclosed for 2016 include bonuses paid in 2016 in respect of performance in 2015 of $470,440 and amounts disclosed for 2015 include bonuses of $287,682 paid in 2015 in respect of performance in 2014.

Note 23 Provisions includes an estimate for bonuses of $800,000 (2015: $500,000) in respect of performance in 2016 by senior managers in the University including the executive officers above.

The Vice-Chancellor and President occupies a house on the Bruce campus as a requirement of this position. This residence is also used to hold official University functions throughout the year. The value of this benefit is not included in the remuneration disclosed above. The value of the benefit for Fringe Benefits Tax purposes is $46,300 in 2016 (2015: $46,815).

(c) Key management personnel compensation

	Consolidated		University	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Short-term employee benefits	4,159	3,276	3,791	2,782
Other long-term employee benefits	(56)	58	(57)	53
Total key management personnel compensation	**4,103**	**3,334**	**3,734**	**2,835**

(d) Other transactions with key management personnel

Apart from full-time members of staff receiving salaries, no members of the University Council or Group boards received remuneration other than Council or Board fees for services provided to the University or the Group during the year.

Note 27 Auditor's remuneration

	Consolidated		University	
	2016	2015	2016	2015
	$	$	$	$
Audit of the financial statements				
ACT Audit Office	285,918	229,465	246,223	191,223
	285,918	**229,465**	**246,223**	**191,223**
Other audit services - ACT Audit Office				
Audit of Higher Education Research Data Collected return	**4,249**	**4,145**	**4,249**	**4,145**
Total remuneration of auditors	**290,167**	**233,610**	**250,472**	**195,368**

No other services were provided by the ACT Audit Office.

Note 28 Contingent assets and liabilities

(a) Contingent asset

Sublease for Aged Care facility

On 18 December 2015 the University entered into a series of agreements with a third party in relation to the construction and operation of an aged care facility on part of the Bruce campus land and collaboration arrangements. The third party is required to carry out estate works under a licence granted by the University and will then be granted a 75-year sublease over the land to enable construction and then operation of the aged care facility. The agreements also provide the third party with the right to propose additional projects on an additional adjacent section of the Bruce campus. On the issue of the sublease to the third party, the University will receive $9.5 million, with $6.5 million payable immediately and the remaining $3 million on the earlier of the date the first additional project achieves financial close or the third anniversary of the grant of the aged care facility sublease.

Campus Community

The University signed an agreement with a third party on 21 April 2016, to construct a multi-stage development of up to 3,100 residences and supporting community development on campus over a 15 to 20-year period. Provided the conditions precedent outlined in the agreement are satisfied and the development proceeds, the University will benefit via a share of the proceeds from the ultimate sale of the residences. The University also entered into a collaboration agreement with the third party which is intended to foster collaboration and cooperation between both parties during the term of the project. The agreement includes, but is not limited to promotion of sustainable and creatively built environments in the precinct, enhance research and innovation and student learning.

Given the early stage of the arrangement it is not possible to estimate the value of this contingent asset.

(b) Contingent liabilities

Legal proceedings

There are three legal matters pending at 31 December 2016. Two matters are covered by insurance and the third matter is currently pending a decision on insurance cover. No matters are considered to be financially material. The maximum insurance excess payable is $0.01 million.

Securitised NRAS income

In 2014 the University has sold its NRAS entitlements to a third party in exchange for upfront consideration of $42.5 million. The University is contractually obligated to pay the third party a termination payment in the event of default by the University, including failure to pay the third party, failure to receive the NRAS entitlement, or insolvency. If the University is required to pay a termination payment, then it is equal to the nominal value of the expected future NRAS entitlements at the date of default. At 31 December 2016, the difference between the estimated termination payment and the recorded financial liability is $4.87 million. As the termination payment is to be calculated by the third party on the date of default, there is uncertainty around this amount. The University has estimated this amount based the nominal value of the expected future NRAS entitlements at 31 December 2016. The University is currently not expecting to have to pay the termination payment to the third party as the University dwellings are currently at the required occupancy rate and comply with the NRAS Regulations.

Securitised rental income

In 2015 the University has sold its student accommodation rental income for Cooper Lodge and Weeden Lodges to a third party in exchange for upfront consideration of $44.0 million. The University is contractually obligated to pay the third party a termination payment in the event of default by the University, including failure to pay the third party, or insolvency. If the University is required to pay a termination payment, then it is equal to the nominal value of the expected future rental income at the date of default. At 31 December 2016, the difference between the estimated termination payment and the recorded financial liability is $8.94 million. As the termination payment is to be calculated by the third party on the date of default, there is uncertainty around this amount. The University has estimated this amount based the nominal value of the expected future rental income at 31 December 2016. The University considers there is only a remote possibility a termination event will occur requiring a termination payment.

Guarantees

The University has undertaken to provide financial support to UCU Ltd and to UC Global Pty Ltd should the need arise. At the date of this report, no amounts were expected to be paid under these obligations. There are no other events identified and not brought to account which could be expected to have a material effect on the financial statements in the future.

Note 29 Commitments

The Group has commitments which have not been provided for in the financial statements as they are not liabilities. These amounts relate to:

	Consolidated		University	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
(a) Capital expenditure commitments				
Commitments payable:				
- within twelve months	4,064	7,671	4,064	7,671
- twelve months to five years	302	–	302	–
	4,366	**7,671**	**4,366**	**7,671**
(b) Operating lease commitments				
Commitments payable:				
- within twelve months	1,380	1,119	1,380	1,119
- twelve months to five years	1,470	974	1,470	974
- longer than five years	43	–	43	–
	2,893	**2,093**	**2,893**	**2,093**
Total commitments	**7,259**	**9,764**	**7,259**	**9,764**

Contracted commitment for car park construction

In addition to the above, the University, on 24 December 2013, entered into an agreement with the ACT Government for the construction of the University of Canberra Public Hospital on what was formerly Bruce campus land. As part of this arrangement, subject to agreement on funding, the University is obliged to construct a car parking facility on Bruce campus by mid-2017 or early 2018 for use by staff, patients and visitors to the hospital. At the date of this report, the design and delivery of the car park is progressing with an expected completion date of early 2018. It is not possible to reliably estimate the commitment for the costs of construction. In any event, in accordance with the agreement, the ACT Government will be funding the cost of construction of their required number of car park spaces.

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As noted in Note 1(d) Basis of consolidation the University has entered into a joint venture agreement with the ANU to deliver milestones under the Hospitals Fund Program Regional Priority Initiative funded from the Commonwealth Department of Health. Under this arrangement there is currently a commitment, of approximately $470,000 through the University, for contract services relating to the planning, development and construction of buildings relating to the initiative for the next two years. The associated leases, relating to the land being developed for this initiative, have not commenced so there is currently no lease commitment.

Note 30 Related parties and other entities

(a) Parent entities

The ultimate parent entity of the Group is the University of Canberra.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 31 Subsidiaries.

(c) Other related entities

Interests in other related entities accounted for using the equity method of accounting are set out in Note 18 Investments accounted for using the equity method.

(d) Key management personnel

Disclosures relating to Council Members / Directors and specified executives are set out in Note 26 Key management personnel disclosures.

Note 30 Related parties and other entities (continued)

(e) Transactions with related parties

The University is regarded as an external supplier of services to its subsidiaries and related companies. The provision by the University of infrastructure facilities, utilities and general administrative services are charged to the associated entities based on a service level agreement between the entities and the University. The University has contracted with the University of Canberra College Pty Ltd to provide academic services to University students undertaking English Language and pathways programs. UCU Ltd also provides goods and services to the University and other related entities. This mainly comprises catering and related goods and services.

The following transactions occurred with related parties:

	Consolidated		University	
	2016	2015	2016	2015
	$	$	$	$
Wholly owned subsidiaries:				
Receipts				
Dividends	–	–	–	8,750,000
Promissory note	–	–	–	500,000
Rent	–	–	–	739,397
Sales of goods and services	–	–	24,840	64,107
Services provided to related entities	–	–	872,153	1,174,187
University support services	–	–	–	841,858
Payments				
Contract services – SAF projects	–	–	–	128,247
Contracted services – related parties	–	–	–	6,047,784
Contributions - related parties	–	–	–	250,000
Debt forgiveness UC Global Pty Limited	–	–	62,000	–
Donations / sponsorship	–	–	125,000	109,881
Explicit service subsidy	–	–	437,310	429,996
Interest	–	–	–	27,641
Promissory note	–	–	–	500,000
Purchase of goods and services	–	–	450,802	353,444
Salary and wages	–	–	34,341	47,706
Student services and amenities fee	–	–	2,350,000	2,400,000
Tenancy management fee	–	–	291,318	511,842
Receivable / payable				
Receivables from subsidiaries	–	–	1,731,436	1,625,939

Note 30 Related parties and other entities (continued)

	Consolidated 2016 $	Consolidated 2015 $	University 2016 $	University 2015 $
Other related parties:				
Receipts				
Donations / sponsorship	–	5,000	–	5,000
Joint venture service fee	1,155,141	769,669	1,155,141	769,669
Rent	828,174	575,412	828,174	575,412
Salary and wages	6,539	29,233	6,539	29,233
Sales of goods and services	97,082	49,075	97,082	49,075
University support services	135,201	326,121	135,201	326,121
Payments				
Contracted services – related parties	9,952,854	6,854,550	9,952,854	6,854,550
Purchases of goods and services	34,135	24,100	34,135	24,100
Salary and wages	54,250	46,084	54,250	46,084
Receivable / payable				
Receivables / (payables)	246,407	(1,215,383)	246,407	(1,215,383)

No provision for impairment or expense has been recognised in relation to any outstanding balances due from related parties.

Note 31 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1(d) Basis of consolidation. The investments in subsidiaries are carried at cost in the University's separate financial statements.

Name of entity	Principal place of business	Percentage of equity interest held by the University 2016	2015
University of Canberra College Pty Ltd	University Drive, Bruce, ACT 2617	-	100% - 49%*
UCU Ltd (Membership interest only)	University Drive, Bruce, ACT 2617	100%	100%
UC Global Pty Ltd	University Drive, Bruce, ACT 2617	100%	100%
WJ Weeden Post-Graduate Scholarship Trust Fund	University Drive, Bruce, ACT 2617	100%	100%
University of Canberra Royal Institute of Public Administration Research Fund	University Drive, Bruce, ACT 2617	100%	100%

* The University sold 51 per cent of its interest in the University of Canberra College Pty Ltd (the College) on 29 May 2015. From this time the University has joint control with a third party. Refer to Note 18 Investments accounted for using the equity method.

Note 32 Events occurring after balance date

There are no matters or circumstances which have arisen since the end of the year that have significantly affected or which may significantly affect the Group.

Note 33 Reconciliation of net result from continuing operations 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 Statement of Financial Position.

		Consolidated		University	
		2016	2015	2016	2015
	Notes	$'000	$'000	$'000	$'000
Cash and cash equivalents at the end of the year	13	**7,994**	**13,647**	**4,269**	**11,042**

(b) Reconciliation of the net result for the period to net cash provided by operating activities

	Consolidated 2016 $'000	Consolidated 2015 $'000	University 2016 $'000	University 2015 $'000
Net result for the period	**6,925**	**16,967**	**7,306**	**26,443**
Add / (deduct) income / expenses from non-cash transactions				
NRAS securitisation	(5,098)	(4,775)	(5,098)	(4,775)
Depreciation and amortisation	18,292	20,125	18,099	19,950
Impairment losses	638	764	351	682
Share of loss under equity accounting method	405	286	358	286
Remeasure to fair value on loss of control of subsidiary	–	(4,737)	–	(4,737)
Income tax	–	294	–	–
Loss on disposal of assets	642	232	635	222
	14,879	**12,189**	**14,345**	**11,628**
Add / (deduct) income / expenses from non-operating transactions				
Dividends received	(8)	(263)	(8)	(9,013)
Gain on disposal of investment	–	(3,166)	–	(4,232)
	(8)	**(3,429)**	**(8)**	**(13,245)**
Change in operating assets and liabilities				
(Increase) / decrease in receivables	1,011	(1,557)	(432)	(1,605)
(Increase) / decrease in other financial assets	1,343	(58)	1,210	(58)
Increase in other non-financial assets	(270)	(1,200)	(270)	(933)
Increase / (decrease) in employee benefits	(1,237)	134	(1,127)	255
Increase in accrued salaries and wages	510	306	551	230
Increase in payables	1,911	3,812	2,252	2,908
Decrease in other liabilities	(6,497)	(6,237)	(6,460)	(7,018)
	(3,229)	**(4,800)**	**(4,276)**	**(6,221)**
Net cash provided by operating activities	**18,567**	**20,927**	**17,367**	**18,605**

Note 34 Fair value measurement

(a) Fair value measurement

The fair value of financial assets and financial liabilities are required to be estimated for recognition and measurement or for disclosure purposes.

Due to the short-term nature of current receivables and payables, their carrying value is assumed to approximate their fair value.

The carrying values of other current financial instruments presented in the Statement of Financial Position also approximate their fair values. The fair value of the equity investment which is an unlisted equity has been calculated based on the proportion of the University's interest in the net assets of the investment entity. Refer below for fair value of non-current financial liabilities.

The carrying amounts and aggregate net fair values of financial assets and liabilities at balance date are as follows:

	Consolidated Carrying Amount		University Carrying Amount	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Financial assets				
Cash and cash equivalents	7,994	13,647	4,269	11,042
Trade and other receivables	14,744	11,965	14,330	11,350
Receivables from UCU Ltd	–	–	1,665	1,619
Receivables from UC Global Pty Ltd	–	–	66	7
Finance lease receivables	11,233	11,730	11,233	11,730
Held-to-maturity investments	100	1,908	–	713
Available for sale investments	15,204	13,860	15,205	13,734
Carrying amount of financial assets	**49,275**	**53,110**	**46,768**	**50,195**
Financial liabilities				
At amortised cost				
Trade and other payables	23,221	21,898	22,960	21,576
Cash advance facilitiy - Commonwealth Bank of Australia*	60,000	31,000	60,000	31,000
Cash advance facilitiy - Westpac*	21,500	–	21,500	–
Australian Government financial assistance payable	397	2,410	397	2,410
Other financial liability - NRAS securitisation*	32,391	35,997	32,391	35,997
Other financial liability - rental securitisation*	40,758	43,956	40,758	43,956
Lease expiry date payment	1,360	770	1,360	770
Carrying amount of financial liabilities	**179,627**	**136,031**	**179,366**	**135,709**

** Fair value measurement of non-current financial liabilities*

The fair values of the NRAS securitisation and rent securitisation approximate the carrying values as the liabilities have been measured at amortised cost using the effective interest method.

The fair values of the Commonwealth Bank of Australia and Westpac cash advance facilities approximate the carrying values given the short term and fluctuating nature of these bill facilities which are used to fund working capital requirements.

Note 34 Fair value measurement (continued)

(b) Valuation techniques and assumptions for the purposes of measuring fair value of financial assets

The fair values of financial assets are determined as follows:

(i) the fair values of financial assets, including listed equities, traded on active liquid markets are determined with reference to quoted market prices.

(ii) the fair value of the unlisted equity investment has been calculated based on the proportion of the University's interest in the net assets of the investment entity. The University has assessed the net assets of the investment entity approximate its fair value.

The financial statements include a material holding in unlisted shares which is measured at fair value. Fair value is estimated based on the proportion of the University's interest in the underlying net assets of the investment entities. Refer to Note 35 for further information.

(c) Fair value measurement of non-financial assets

The Group measures and recognises some classes of property, plant and equipment at fair value on a recurring basis (refer to Note 1(q) Property, plant and equipment).

(d) Fair value hierarchy for financial assets

The Group categorises assets measured at fair value into a hierarchy based on the level of inputs used in measurements as follows:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices within level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

The tables on the following pages provide the fair value measurements recognised in the Statement of Financial Position categorised into levels.

Note 34 Fair value measurement (continued)

	Notes	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Consolidated					
At 31 December 2016					
Recurring fair value measurements					
Financial assets					
Available for sale investments	15,18	–	11,027	4,177	15,204
Total financial assets					**15,204**
Non-financial assets					
Land, buildings and infrastructure	19	–	158,810	372,099	530,909
Library collection	19	–	990	–	990
Works of art	19	–	1,898	–	1,898
Total non-financial assets					**533,797**

Reconciliation of Level 3 fair value measurement of financial assets	**Unlisted equities**
Opening balance 1 January 2016	4,662
Total loss in profit or loss	(405)
Transfer of UC Vikings Ltd loan to sponsorship	(80)
Closing balance 31 December 2016	**4,177**

	Notes	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
University					
At 31 December 2016					
Recurring fair value measurements					
Financial assets					
Available for sale investments	15,18	–	11,027	4,178	15,205
Total financial assets					**15,205**
Non-financial assets					
Land, buildings and infrastructure	19	–	158,742	372,099	530,841
Library collection	19	–	990	–	990
Works of art	19	–	1,898	–	1,898
Total non-financial assets					**533,729**

Reconciliation of Level 3 fair value measurement of financial assets	**Unlisted equities**
Opening balance 1 January 2016	4,536
Total loss in profit or loss	(358)
Closing balance 31 December 2016	**4,178**

Note 34 Fair value measurement (continued)

	Notes	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Consolidated					
At 31 December 2015					
Recurring fair value measurements					
Financial assets					
Available for sale investments	15,18	–	9,198	4,662	13,860
Total financial assets					**13,860**
Non-financial assets					
Land, buildings and infrastructure	19	–	87,742	374,065	461,807
Library collection	19	–	1,062	–	1,062
Works of art	19	–	1,788	–	1,788
Total non-financial assets					**464,657**

Reconciliation of Level 3 fair value measurement of financial assets	**Unlisted equities**
Opening balance 1 January 2015	900
Total loss in profit or loss	(285)
Purchases	83
Remeasure to fair value shares - University of Canberra College Pty Ltd	4,737
Sale of Centre for Customs and Excise Studies Pty Ltd	(763)
Transfer out of Level 3	(10)
Closing balance 31 December 2015	**4,662**

	Notes	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
University					
At 31 December 2015					
Recurring fair value measurements					
Financial assets					
Available for sale investments	15,18	–	9,198	4,536	13,734
Total financial assets					**13,734**
Non-financial assets					
Land, buildings and infrastructure	19	–	87,715	374,065	461,780
Library collection	19	–	1,062	–	1,062
Works of art	19	–	1,788	–	1,788
Total non-financial assets					**464,630**

Reconciliation of Level 3 fair value measurement of financial assets	**Unlisted equities**
Opening balance 1 January 2015	775
Total loss in profit or loss	(286)
Purchases	83
Remeasure to fair value shares - University of Canberra College Pty Ltd	4,737
Sale of Centre for Customs and Excise Studies Pty Ltd	(763)
Transfer out of Level 3	(10)
Closing balance 31 December 2015	**4,536**

Note 34 Fair value measurement (continued)

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Description	Fair value at 31 December 2016 $'000	Fair value at 31 December 2015 $'000	Unobservable inputs	Relationship of unobservable inputs to fair value
Investments using the equity method	4,176	4,661	Fair value of underlying net assets / future earnings	An increase or decrease in the fair value of net assets or estimated future earnings would affect the value of the investment.
Unlisted shares	1	1	Fair value of underlying net assets / future earnings	An increase or decrease in the fair value of net assets or estimated future earnings would affect the value of the investment.
Buildings	372,099	374,065	Replacement cost of the assets remaining future economic benefits	The estimated fair value increases (decreases) as the estimated replacement cost increases (decreases).

Note 35 Financial risk management

The University's activities expose it to a variety of financial risks. The University Council through the Finance Committee monitors and manages the financial risks relating to the operations of the University. These risks include credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk).

The University does not enter into or trade in financial instruments for speculative purposes. Compliance with policies and exposure limits in relation to financial instruments is reviewed by the University's internal auditors.

(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. The University's maximum exposure to credit risk is limited to the carrying amount of these financial assets, as shown in Note 34(a) Fair value measurement.

The University limits its exposure to risks by:

(i) placing cash and cash equivalents in regulated and creditworthy financial institutions. This is in accordance with the University's investment policy managed by the University's Treasury section. The cash and short-term investments are currently held with Approved Deposit taking Institutions (ADIs);

(ii) undertaking background credit checks on overseas debtors, prior to entering into debtor relationship. For research related debtors there are no specific controls in place as the majority of the debtors are Government organisations. For student debtors, academic transcripts are withheld until debts are fully settled. The University currently employs a debt management system and recovery techniques to minimise debt impairment. Ageing of past due but not impaired receivables and movement in the provision for impaired receivables are disclosed in the Note 14 Trade and other receivables; and

For finance lease receivables, refer to Note 1(y) Public Private Partnership (PPP) and joint operation in relation to the risk management of this asset.

Note 35 Financial risk management (continued)

(b) Liquidity risk

Liquidity risk is the risk that the University will encounter difficulties in meeting its financial obligations as they fall due. Ultimate responsibility for liquidity risk management rests with the University Council through the University's Finance Committee, which has established an appropriate liquidity risk management framework for the management of the University's short, medium and long-term funding and liquidity management requirements. The University manages liquidity risk by maintaining adequate reserves and banking facilities, and by continuously monitoring forecast and actual cash flows.

The University currently holds sufficient cash on hand to meet its immediate operating requirements. Commonwealth funding received for operational requirements, such as managing student enrolments and capital expenditure activities, are paid to the University on a fortnightly basis throughout the year. Income from other operational activities is invoiced progressively throughout the year to manage cash flow.

The University can use its overdraft and cash advance facilities to meet any shortfall, if a need arises. Note 22 Borrowings sets out details of undrawn facilities that the University has at its disposal to further reduce liquidity risk.

Note 35 Financial risk management (continued)

A maturity analysis of the Group's financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period is listed on the following two pages:

	Average interest rate	Average interest rate	Variable interest rate	Variable interest rate	Fixed interest Maturing within 1 year	Maturing within 1 year	Maturing in 1 to 5 years	Maturing in 1 to 5 years	Maturing in 5 + years	Maturing in 5 + years	Non-interest bearing	Non-interest bearing	Total	Total
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	%	%	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Consolidated														
Financial assets														
Cash and cash equivalents	1.39	2.24	7,994	13,647	–	–	–	–	–	–	–	–	7,994	13,647
Trade and other receivables	–	–	–	–	–	–	–	–	–	–	14,744	11,965	14,744	11,965
Available for sale investments	–	–	–	–	–	–	–	–	–	–	15,204	13,860	15,204	13,860
Finance lease receivables	9.00	9.00	–	–	1,408	1,408	5,633	5,633	39,972	41,380	–	–	47,013	48,421
Held-to-maturity investments	5.35	3.32	100	400	–	1,508	–	–	–	–	–	–	100	1,908
Total financial assets			**8,094**	**14,047**	**1,408**	**2,916**	**5,633**	**5,633**	**39,972**	**41,380**	**29,948**	**25,825**	**85,055**	**89,801**
Financial liabilities														
Trade and other payables	–	–	–	–	–	–	–	–	–	–	23,221	21,898	23,221	21,898
Australian Government financial assistance payable	–	–	–	–	–	–	–	–	–	–	397	2,410	397	2,410
NRAS securitisation	4.25	4.25	–	–	5,198	5,031	22,671	21,908	9,387	15,348	–	–	37,256	42,287
Rental securitisation	4.30	4.30	–	–	5,136	5,045	21,485	21,105	23,074	28,590	–	–	49,695	54,740
Lease expiry date payment	2.00	2.00	–	–	–	–	–	–	2,830	1,670	–	–	2,830	1,670
Cash advance facility - Commonwealth Bank of Australia*	2.77	3.37	60,000	31,000	–	–	–	–	–	–	–	–	60,000	31,000
Cash advance facility - Westpac**	2.74	–	21,500	–	–	–	–	–	–	–	–	–	21,500	–
Total financial liabilities			**81,500**	**31,000**	**10,334**	**10,076**	**44,156**	**43,013**	**35,291**	**45,608**	**23,618**	**24,308**	**194,899**	**154,005**

* Facility expires 20 December 2017

** Facility expires 30 June 2020

Note 35 Financial risk management (continued)

	Average interest rate	Average interest rate	Variable interest rate	Variable interest rate	Fixed interest Maturing within 1 year	Maturing within 1 year	Maturing in 1 to 5 years	Maturing in 1 to 5 years	Maturing in 5 + years	Maturing in 5 + years	Non-interest bearing	Non-interest bearing	Total	Total
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	%	%	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
University														
Financial assets														
Cash and cash equivalents	1.52	2.05	4,269	11,042	–	–	–	–	–	–	–	–	4,269	11,042
Trade and other receivables	–	–	–	–	–	–	–	–	–	–	14,330	11,350	14,330	11,350
Receivables from subsidiaries	–	–	–	–	–	–	–	–	–	–	1,731	1,626	1,731	1,626
Available for sale investments	–	–	–	–	–	–	–	–	–	–	15,205	13,734	15,205	13,734
Finance lease receivables	9.00	9.00	–	–	1,408	1,408	5,633	5,633	39,972	41,380	–	–	47,013	48,421
Held-to-maturity investments	–	3.11	–	–	–	713	–	–	–	–	–	–	–	713
Total financial assets			**4,269**	**11,042**	**1,408**	**2,121**	**5,633**	**5,633**	**39,972**	**41,380**	**31,266**	**26,710**	**82,548**	**86,886**
Financial liabilities														
Trade and other payables	–	–	–	–	–	–	–	–	–	–	22,960	21,576	22,960	21,576
Australian Government financial assistance payable	–	–	–	–	–	–	–	–	–	–	397	2,410	397	2,410
NRAS securitisation	4.25	4.25	–	–	5,198	5,031	22,671	21,908	9,387	15,348	–	–	37,256	42,287
Rental securitisation	4.30	4.30	–	–	5,136	5,045	21,485	21,105	23,074	28,590	–	–	49,695	54,740
Lease expiry date payment	2.00	2.00	–	–	–	–	–	–	2,830	1,670	–	–	2,830	1,670
Cash advance facility - Commonwealth Bank of Australia*	2.77	3.37	60,000	31,000	–	–	–	–	–	–	–	–	60,000	31,000
Cash advance facility - Westpac**	2.74	–	21,500	–	–	–	–	–	–	–	–	–	21,500	–
Total financial liabilities			**81,500**	**31,000**	**10,334**	**10,076**	**44,156**	**43,013**	**35,291**	**45,608**	**23,357**	**23,986**	**194,638**	**153,683**

* Facility expires 20 December 2017

** Facility expires 30 June 2020

Note 35 Financial risk management (continued)

(c) Currency risk

Currency risk is the risk that the fair value or 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 issuing invoices in Australian dollars.

(d) Other price risk

The University is exposed to equity price risks arising from equity investments, consisting of unlisted securities.

Education Australia unlisted shares, as a financial asset available for sale, have been revalued with the increase in value taken to reserves.

All other unlisted securities are immaterial in nature, hence any price movement will not have any impact on surplus or equity.

(e) Capital risk management

The University manages its capital to ensure that it will be able to continue as a going concern through the optimisation bank facilities and Commonwealth funding. The Group's overall strategy remains unchanged from 2015.

The capital structure of the University consists of net debt.

The University's Finance Committee oversees the capital risk management of the University.

(f) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The University has floating rate financial assets including bank accounts and call accounts, and floating rate financial liabilities in the form of cash advance facilities. The University currently has net financial liabilities so is exposed to a risk of a rise in interest rates. The University will continue to monitor this risk and consider taking steps to mitigate it, such as replacing floating rate debt with fixed rate debt or using hedging instruments.

Note 35 Financial risk management (continued)

The following table summarises the sensitivity of the Group's financial assets and liabilities to interest rate risk.

Consolidated		**Interest rate risk**			
	Carrying	**-0.5%**		**0.5%**	
At December 2016	**Amount**	**Result**	**Equity**	**Result**	**Equity**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Financial assets					
Cash and cash equivalents	7,995	(40)	(40)	40	40
Held-to-maturity investments	100	(1)	(1)	1	1
Financial liabilities					
Cash advance facility - Commonwealth Bank of Australia	60,000	300	300	(300)	(300)
Cash advance facility - Westpac	21,500	108	108	(108)	(108)
Total increase / (decrease)		**367**	**367**	**(367)**	**(367)**
At December 2015					
Financial assets					
Cash and cash equivalents	13,647	(68)	(68)	68	68
Held-to-maturity investments	1,908	(10)	(10)	10	10
Financial liabilities					
Cash advance facility - Commonwealth Bank of Australia	31,000	155	155	(155)	(155)
Total increase / (decrease)		**77**	**77**	**(77)**	**(77)**

University		**Interest rate risk**			
	Carrying	**-0.5%**		**0.5%**	
At December 2016	**Amount**	**Result**	**Equity**	**Result**	**Equity**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Financial assets					
Cash and cash equivalents	4,269	(21)	(21)	21	21
Financial liabilities					
Cash advance facility - Commonwealth Bank of Australia	60,000	300	300	(300)	(300)
Cash advance facility - Westpac	21,500	108	108	(108)	(108)
Total increase / (decrease)		**387**	**387**	**(387)**	**(387)**
At December 2015					
Financial assets					
Cash and cash equivalents	11,042	(55)	(55)	55	55
Held-to-maturity investments	713	(4)	(4)	4	4
Financial liabilities					
Cash advance facility - Commonwealth Bank of Australia	31,000	155	155	(155)	(155)
Total increase / (decrease)		**96**	**96**	**(96)**	**(96)**

UNIVERSITY OF CANBERRA

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Note 36 Acquittal of Australian Government financial assistance

The following information is provided to meet the Department of Education and Training guidelines. As only relevant to the University, no consolidated figures are provided.

(a) Education - Commonwealth Grants Scheme and other education grants

	Notes	Commonwealth Grants Scheme ** 2016 $'000	Commonwealth Grants Scheme ** 2015 $'000	Indigenous Support Program 2016 $'000	Indigenous Support Program 2015 $'000	Higher Education Participation Program *** 2016 $'000	Higher Education Participation Program *** 2015 $'000	Disability Support Program 2016 $'000	Disability Support Program 2015 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		86,209	81,708	668	512	1,803	2,753	57	67
Net accrual adjustment		1,855	(87)	–	–	–	–	–	–
Revenue for the period	3(a)	**88,064**	**81,621**	**668**	**512**	**1,803**	**2,753**	**57**	**67**
Surplus from the previous year		–	–	113	–	72	389	–	–
Cost centre adjustment		–	–	–	–	–	2	–	–
Total revenue including accrued revenue		**88,064**	**81,621**	**781**	**512**	**1,875**	**3,144**	**57**	**67**
Less expenses including accrued expenses		(88,064)	(81,621)	(802)	(399)	(1,523)	(3,072)	(57)	(67)
Surplus / (deficit) for reporting period*		**–**	**–**	**(21)**	**113**	**352**	**72**	**–**	**–**

	Notes	Prom of Excellence in Learning and Teaching 2016 $'000	Prom of Excellence in Learning and Teaching 2015 $'000	Australian Maths & Science Partnership Program 2016 $'000	Australian Maths & Science Partnership Program 2015 $'000	Superannuation Supplementation 2016 $'000	Superannuation Supplementation 2015 $'000	Total 2016 $'000	Total 2015 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		10	45	487	487	–	80	89,234	85,652
Net accrual adjustment		–	–	–	–	–	–	1,855	(87)
Revenue for the period	3(a)	**10**	**45**	**487**	**487**	**–**	**80**	**91,089**	**85,565**
Surplus from the previous year		40	–	188	373	–	–	413	762
Cost centre adjustment		–	–	–	–	–	–	–	2
Total revenue including accrued revenue		**50**	**45**	**675**	**860**	**–**	**80**	**91,502**	**86,329**
Less expenses including accrued expenses		(26)	(5)	(536)	(672)	–	(80)	(91,008)	(85,916)
Surplus for reporting period*		**24**	**40**	**139**	**188**	**–**	**–**	**494**	**413**

* The reported 2016 surpluses are expected to be rolled over for future use by the University.
** Includes CGS-enabling loading, Allocated Places Advance and Non Designated Courses Advance .
*** Includes HE Participation Program, HE Partnership Base Funding, HE Partnership Project Funding and HE Partnership National Priority Pool.

Note 36 Acquittal of Australian Government financial assistance (continued)

(b) Higher Education Loan Programs (excl OS-HELP)

	Notes	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000
		HECS-HELP (Australian Government payments only)		FEE-HELP		SA-HELP		Total	
Cash payable / (receivable) at beginning of year		821	904	91	(120)	182	33	1,094	817
Financial assistance received in cash during the reporting period		55,574	53,996	4,702	4,435	1,848	2,354	62,124	60,785
Cash available for period		**56,395**	**54,900**	**4,793**	**4,315**	**2,030**	**2,387**	**63,218**	**61,602**
Net Accrual adjustment		(126)	–	–	–	–	–	(126)	–
Less Revenue earned	3(b)	55,894	54,079	4,965	4,224	2,881	2,205	63,740	60,508
Cash payable / (receivable) at end of year		**375**	**821**	**(172)**	**91**	**(851)**	**182**	**(648)**	**1,094**

Note 36 Acquittal of Australian Government financial assistance (continued)

(c) Scholarships

	Notes	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000
		Australian Postgraduate Awards Scheme		International Postgraduate Research Scholarship Scheme		Commonwealth Education Cost Scholarships		Commonwealth Accommodation Scholarships	
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		1,646	1,561	137	135	192	86	177	64
Net accrual adjustment		–	–	–	–	(89)	–	(86)	–
Revenue for the period	3(c)	**1,646**	**1,561**	**137**	**135**	**103**	**86**	**91**	**64**
Surplus from the previous year		688	371	–	–	–	–	–	–
Total revenue including accrued revenue		2,334	1,932	137	135	103	86	91	64
Less expenses including accrued expenses		(1,492)	(1,244)	(104)	(135)	(103)	(86)	(91)	(64)
Surplus for reporting period*		**842**	**688**	**33**	**–**	**–**	**–**	**–**	**–**

	Notes	2016 $'000	2015 $'000	2016 $'000	2015 $'000
		Indigenous Access Scholarships		Total	
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		118	96	2,270	1,942
Net accrual adjustment		(5)	–	(180)	–
Revenue for the period	3(c)	**113**	**96**	**2,090**	**1,942**
Surplus from the previous year		–	–	688	371
Total revenue including accrued revenue		113	**96**	2,778	2,313
Less expenses including accrued expenses		(113)	(96)	(1,903)	(1,625)
Surplus for reporting period*		**–**	**–**	**875**	**688**

* The reported 2016 surpluses are expected to be rolled over for future use by the University.

Note 36 Acquittal of Australian Government financial assistance (continued)

(d) Education Research

	Notes	Joint Research Engagement Scheme 2016 $'000	Joint Research Engagement Scheme 2015 $'000	Research Training Scheme 2016 $'000	Research Training Scheme 2015 $'000	Research Infrastructure Block Grants 2016 $'000	Research Infrastructure Block Grants 2015 $'000	Sustainable Research Excellence 2016 $'000	Sustainable Research Excellence 2015 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		2,367	2,448	3,446	3,310	717	572	974	831
Net accrual adjustment		–	–	–	–	–	–	–	–
Revenue for the period	3(d)	**2,367**	**2,448**	**3,446**	**3,310**	**717**	**572**	**974**	**831**
Surplus from the previous year		–	–	–	–	–	–	–	–
Total revenue including accrued revenue		2,367	2,448	3,446	3,310	717	572	974	831
Less expenses including accrued expenses		(2,367)	(2,448)	(3,446)	(3,310)	(717)	(572)	(974)	(831)
Surplus for reporting period*		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

	Notes	Total 2016 $'000	Total 2015 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		7,504	7,161
Net accrual adjustment		–	–
Revenue for the period	3(d)	**7,504**	**7,161**
Surplus from the previous year		–	–
Total revenue including accrued revenue		7,504	7,161
Less expenses including accrued expenses		(7,504)	(7,161)
Surplus for reporting period*		**–**	**–**

* The reported 2016 surpluses are expected to be rolled over for future use by the University.

Note 36 Acquittal of Australian Government financial assistance (continued)

(e) Australian Research Council Grants

	Notes	Discovery Projects 2016 $'000	Discovery Projects 2015 $'000	Discovery Early Researcher Award 2016 $'000	Discovery Early Researcher Award 2015 $'000	Linkage Projects 2016 $'000	Linkage Projects 2015 $'000	Future Fellowship Projects 2016 $'000	Future Fellowship Projects 2015 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program		791	1,108	256	235	37	380	(136)	256
Net accrual adjustment		–	–	–	–	(30)	–	–	–
Revenue for the period	3(e)	**791**	**1,108**	**256**	**235**	**7**	**380**	**(136)**	**256**
Surplus from the previous year		892	1,650	32	46	492	578	495	779
Total revenue including accrued revenue		1,683	2,758	288	281	499	958	359	1,035
Less expenses including accrued expenses		(1,038)	(1,866)	(220)	(249)	(242)	(466)	(270)	(540)
Surplus for reporting period*		**645**	**892**	**68**	**32**	**257**	**492**	**89**	**495**

	Notes	ARC Laureate Fellowship 2016 $'000	ARC Laureate Fellowship 2015 $'000	Total 2016 $'000	Total 2015 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		588	489	1,536	2,468
Net accrual adjustment		–	–	(30)	–
Revenue for the period	3(e)	**588**	**489**	**1,506**	**2,468**
Surplus from the previous year		346	186	2,257	3,239
Total revenue including accrued revenue		934	675	3,763	5,707
Less expenses including accrued expenses		(590)	(329)	(2,360)	(3,450)
Surplus for reporting period*		**344**	**346**	**1,403**	**2,257**

* The reported 2016 surpluses are expected to be rolled over for future use by the University.

Note 36 Acquittal of Australian Government financial assistance (continued)

	Notes	University 2016 $'000	University 2015 $'000
(f) OS-HELP			
Cash received during the reporting period		3,235	2,665
Cash spent during the reporting period		(2,291)	(1,940)
Net cash received	3(g)	**944**	**725**
Cash surplus from the previous period		1,513	788
Net accrual adjustment		5	–
Cash surplus for reporting period		**2,462**	**1,513**
(g) Higher Education Superannuation Program			
Cash received during the reporting period	3(g)	–	80
University contribution in respect of current employees		156	190
Cash available for current period		156	270
Contributions to specified defined benefits funds		(156)	(270)
Cash surplus this period		**–**	**–**
(h) Student Services and Amenities Fee			
Unspent / (overspent) revenue from previous period		182	(33)
SA-HELP revenue earned	3(b)	2,881	2,205
Student Services and Amenities Fees direct from students	5	1,170	1,783
Total revenue expendable in period		4,233	3,955
Student services expenses during period		(3,382)	(3,773)
Unspent student services revenue		**851**	**182**

END OF CONSOLIDATED FINANCIAL STATEMENTS

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