

Independent Auditor's Report



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

CURTIN UNIVERSITY

Report on the Financial Statements

Opinion

I have audited the financial statements of Curtin University which comprises the Statement of Financial Position as at 31 December 2020, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, as well as notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of Curtin University for the year ended 31 December 2020 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006*, relevant Treasurer's Instructions, and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the University in accordance with the *Auditor General Act 2006*, *ACNC Act* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the University Council for the Financial Statements

The University Council is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006*, relevant Treasurer's Instructions, and the *ACNC Act*, and for such internal control as the University Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the University Council is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high

level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of my auditor's report.

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by Curtin University. The controls exercised by the University are those policies and procedures established by the University Council to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by Curtin University are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the year ended 31 December 2020.

The University Council's Responsibilities

The University Council is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, relevant Treasurer's Instructions and other relevant written law.

Auditor General's Responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives, and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives, and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

Independent Auditor's Report (continued)

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

Limitations of Controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the Key Performance Indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of Curtin University for the year ended 31 December 2020. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of Curtin University are relevant and appropriate to assist users to assess the University's performance and fairly represent indicated performance for the year ended 31 December 2020.

The University Council's Responsibility for the Key Performance Indicators

The University Council is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the University Council determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the University Council is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904U *Key Performance Indicators*.

Auditor General's Responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the University's performance, and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904U for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks

of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of Curtin University for the year ended 31 December 2020 included on the University's website. The University's management is responsible for the integrity of the University's website. This audit does not provide assurance on the integrity of the University's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



CAROLINE SPENCER
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
22 March 2021

Financial Report 2020

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CERTIFICATIONS

CERTIFICATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements of Curtin University have been prepared in compliance with the relevant provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 31 December 2020 and the financial position as at 31 December 2020.

At the date of signing, we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



Dr Andrew Crane
Chancellor



Professor John Cordery
Interim Vice-Chancellor



Mr David Menarry
Chief Finance Officer

Dated this 17th day of March 2021

CERTIFICATION OF THE FINANCIAL STATEMENTS REQUIRED BY THE DEPARTMENT OF EDUCATION, SKILLS AND EMPLOYMENT

We declare that the amount of Australian Government financial assistance expended during the financial year ended 31 December 2020 was for the purpose(s) for which it was intended and that Curtin University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure.

Curtin University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the 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.



Dr Andrew Crane
Chancellor



Professor John Cordery
Interim Vice-Chancellor

Dated this 17th day of March 2021

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
Revenue from Continuing Operations			
Australian Government financial assistance:			
Australian Government grants	3.1(g)	366,506	361,280
HELP – Australian Government payments	3.1(b)	203,785	194,866
HECS-HELP – student payments		16,836	18,874
State and Local Government financial assistance	3.2	11,808	17,995
Fees and charges	3.3	195,546	207,285
Royalties	3.4	20,622	21,407
Consultancy and contract research	3.5	38,517	30,949
Other revenue	3.6	38,009	38,500
Investment revenue	4	11,086	78,788
Total Revenue from Continuing Operations		902,715	969,944
Net (loss)/gain on disposal of non-current assets		(176)	(1,015)
Total revenue and income from continuing operations		902,539	968,929
Expenses from Continuing Operations			
Employee related expenses	5	571,747	540,836
Depreciation and amortisation	14	73,867	70,959
Repairs and maintenance	6	12,354	12,842
Borrowing costs	7	3,871	3,175
Impairment of assets		641	367
Deferred superannuation expense	5	292	269
Other expenses	8	240,865	258,427
Total Expenses from Continuing Operations		903,637	886,875
Net Operating Result for the Year		(1,098)	82,054
Total Comprehensive Income		(1,098)	82,054

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

STATEMENT OF FINANCIAL POSITION

as at 31 December 2020

	Note	2020 \$'000	2019 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents:			
Unrestricted	9(a)	48,893	62,316
Restricted	9(b)	8,883	54,338
Receivables	10	37,269	38,477
Inventories		-	56
Other financial assets:			
Unrestricted	11	450	450
Restricted	12	186,060	147,519
Other non-financial assets	13	34,604	29,760
Total Current Assets		316,159	332,916
Non-Current Assets			
Receivables	10	52,019	54,738
Other financial assets – unrestricted	11	394,166	423,185
Other non-financial assets	13	3,701	4,312
Property, plant and equipment	14	1,234,746	1,095,125
Total Non-Current Assets		1,684,632	1,577,360
Total Assets		2,000,791	1,910,276
LIABILITIES			
Current Liabilities			
Trade and other payables	15	32,508	26,105
Financial Liabilities - Service Concessions	16	3,957	119
Borrowings	18	5,497	5,639
Provisions	19	79,385	79,259
Other liabilities	17	237,423	223,522
Total Current Liabilities		358,770	334,644
Non-Current Liabilities			
Trade and other payables	15	16,109	8,591
Financial Liabilities - Service Concessions	16	100,646	38,880
Borrowings	18	30,268	35,695
Provisions	19	96,122	92,492
Total Non-Current Liabilities		243,145	175,658
Total Liabilities		601,915	510,302
Net Assets		1,398,876	1,399,974
EQUITY			
Reserves	20(a)	-	-
Retained earnings	20(b)	1,398,876	1,399,974
Total Equity		1,398,876	1,399,974

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

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2020

	Note	Reserves \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 January 2019		89,530	1,301,286	1,390,816
Effect of adoption of the new Accounting Standards AASB15 and AASB1058	20(b)	-	(62,595)	(62,595)
Transfers to retained earnings	20(a)	(89,530)	89,530	-
Prior period adjustments	20(b)	-	(10,301)	(10,301)
Net operating result for the year	20(b)	-	82,054	82,054
Balance at 31 December 2019		-	1,399,974	1,399,974
Net operating result for the year	20(b)	-	(1,098)	(1,098)
Balance at 31 December 2020		-	1,398,876	1,398,876

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

STATEMENT OF CASH FLOWS

for the year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Australian Government grants received	3.1(h)	569,927	576,241
State and Local Government financial assistance		21,031	12,781
HECS-HELP – student payments		20,099	18,874
Fees and charges		196,135	197,300
Royalties		20,760	21,750
Consultancy and contract research		40,107	31,980
Interest received		904	2,082
Distributions received		22,059	23,105
Income related to Service Concession Assets		-	3,993
Other		12,362	15,473
GST refunds received		17,695	16,508
Payments			
Payments for employee benefits		(558,406)	(549,256)
Payments to suppliers		(239,206)	(251,708)
Interest and other costs of finance paid		(2,452)	(3,241)
Short-term lease payments		-	(382)
Lease payments for low-value assets		(5,185)	(7,762)
Net cash provided by/(used in) operating activities	9(c)	115,830	107,738
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(132,813)	(117,560)
Proceeds on sale of property, plant and equipment		36	18,482
Payments for investments		(34,196)	(2,917)
Proceeds on redemption of investments		12,790	1,633
Net cash provided by/(used in) investing activities		(154,183)	(100,362)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		(2,290)	(2,145)
Proceeds from borrowings		-	-
Repayment of other financial liabilities - Service Concessions and Lease Liabilities		(3,280)	(3,531)
Net cash provided by/(used in) financing activities		(5,570)	(5,676)
Net increase/(decrease) in cash and cash equivalents		(43,922)	1,700
Movement in money held on trust		(14,956)	(18,452)
Cash and cash equivalents at the beginning of the financial year		116,654	133,406
Cash and cash equivalents at the end of the financial year	9(b)	57,776	116,654

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The principal address of Curtin University is Kent Street, Bentley WA 6102.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the requirements of the Department of Education, Skills and Employment, applicable sections of the *Financial Management Act 2006* and applicable Western Australian government Treasurer's Instructions.

The financial statements and notes thereto comply with Australian Accounting Standards, some of which contain requirements specific to not-for-profit entities that are inconsistent with International Financial Reporting Standards requirements.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

Not-for-profit status

For the purpose of the application of Australian Accounting Standards and Interpretations, the University is considered to be a not-for-profit entity.

Date of authorisation for issue

The financial statements were authorised for issue by the members of the University Council on the 17th day of March 2021.

Historical cost convention

The financial statements have been prepared under the historical cost convention except for certain financial assets which are reported at fair value (refer Note 21(b)).

Accrual basis of accounting

The financial statements, except for cash flow information, are prepared using the accrual basis of accounting.

COVID-19

COVID-19, an infectious respiratory disease, was declared a world-wide pandemic by the World Health Organisation on 11 March 2020.

The University's financial performance in 2020 was affected by two aspects:

- The associated travel restrictions resulted in reduced revenue from international students studying in Australia (included within Fees and Charges in the Statement of Comprehensive Income); and
- The uncertainty around the economic impact of the pandemic has affected global investment markets, with a consequent effect to Curtin's investment valuations (included within Other Financial Assets in the Statement of Financial Position) and associated investment revenues (Investment Revenue in the Statement of Comprehensive Income).

However, the overall impact to the University's financial position has not been significant, with decreased revenues largely offset by reduced expenditure, while prioritising the health and wellbeing of our students and staff.

We anticipate managing the future impact to revenues similarly, and accordingly the financial statements continue to be presented on a going concern basis.

The critical accounting estimates and judgements in Note 1 (b) continue to be relevant and have not been impacted by the pandemic, and no additional accounting estimates or judgements were required in the preparation of these financial statements. Consequently, there is no impact on the measurement of assets and liabilities in the Statement of Financial Position.

The University will continue to monitor the effects of the pandemic on operations and take actions as appropriate to manage the financial and other impacts.

(b) Critical accounting estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

Critical accounting estimates and assumptions

The key assumptions made concerning the future, and other key sources of estimating uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Superannuation benefits and associated assets/liabilities;
- Discount and cost escalation rates used in estimating non-current provisions – discount rates are based on market yields on government bonds;
- Discount rates used in determining the interest expense for Service Concession Financial Liabilities;
- Assessing impairment of assets including receivables, property, plant and equipment and investments;
- Estimating useful lives of non-current assets - the useful life reflects the consumption of the assets' future economic benefits; and
- Estimating the fair value of financial assets (such as unlisted shares) that are not traded on an open market.

Critical judgements in applying the University's accounting policies

The judgements that have been made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial report include:

- Estimating the proportions of Service Concession liabilities that are financial and non-financial;
- Estimating the useful life of key assets;
- Impairment of property, plant and equipment;
- Impairment of receivables; and
- Impairment of other financial assets (including investments).

(c) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The University recognises revenue when the amount of revenue can be reliably measured, it is probable that the future economic benefits will flow to the University and specific criteria have been met, such as meeting contractual performance obligations.

Detailed accounting policies for each revenue category are presented in Note 3.

(d) Joint research activities

The University participates in a number of joint research activities, such as Cooperative Research Centres. The University recognises within its financial statements: the assets that it controls, the liabilities and expenses that it incurs and its share of the income that it earns from the joint research activities.

(e) Foreign currency

Transactions denominated in a foreign currency are translated at the rates in existence at the dates of the transactions. Foreign currency monetary items, which can include cash, receivables and payables, are translated at exchange rates current at the reporting date. Exchange gains and losses are brought to account in the Net Operating Result.

(f) Taxes

Income tax

Curtin University is exempt from income tax as per Subdivision 50-B of the Income Tax Assessment Act 1997.

Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except:

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, then the GST is recognised as part of the cost of acquisition or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

The GST component of cash flows arising from investing activities, which is recoverable from or payable to the taxation authority, is classified as an operating cash flow.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)**Fringe benefits tax**

The University is liable to pay Fringe Benefits Tax and it is included in 'Other Expenses' in the Statement of Comprehensive Income.

Payroll tax

The University is liable to pay Payroll Tax and it is included in 'Employee related expenses' in the Statement of Comprehensive Income.

(g) Comparative figures

Where appropriate, comparative figures have been reclassified so as to be comparable with the figures presented in the current financial year.

(h) New Accounting Standards and Interpretations**(i) Effective for the first time**

The following standards have been issued but are not mandatory for 31 December 2020 reporting periods. The effective date is 1 January 2022 for both standards. The University has elected not to early adopt them. There is no material impact to the University in adopting these standards.

- AASB2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current.
- AASB2020-6: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date.

(i) Adoption of AASB1059

Australian Accounting Standard AASB1059 addresses the accounting for service concession arrangements by a grantor that is a public sector entity. The Standard applies to annual reporting periods beginning on or after 1 January 2020. The University elected to early adopt this standard from 1 January 2019. Refer to note 14 (c) for further details of the accounting policy related to service concession arrangements.

2 DISAGGREGATED INFORMATION

	Revenue		Results ¹		Assets	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Geographical						
Australia	883,525	951,073	(6,209)	77,018	2,000,791	1,910,276
Asia	14,315	14,513	3,205	3,596	-	-
Other	4,875	4,358	1,906	1,440	-	-
Total	902,715	969,944	(1,098)	82,054	2,000,791	1,910,276

¹ Results reflect revenue earned and expenses incurred in the geographical segments. Expenses are incurred in Australia for activities outside Australia and the net results for those activities do not reflect those expenses. Results for 2019 were re-stated due to changes of methodology on expenses allocation.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

3.1 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOAN PROGRAMS (HELP)**ACCOUNTING POLICY****Commonwealth supported student income**

Income for Commonwealth Supported students is recognised when the University provides the service(s) to the student.

Research income

Research grants are recognised as revenue as the University satisfies the performance obligations specified in the research contracts. In general this means that research grant income is recognised over the period of the relevant grant. When the University has not yet met the performance obligations, amounts received are treated as income received in advance as a liability in the Statement of Financial Position.

Other government grants

Other grants from government are recognised as revenues as the University satisfies the performance obligations specified in the contracts. When the University has not yet met the performance obligations, amounts received are treated as income received in advance as a liability in the Statement of Financial Position.

Research Training Program and Research Support Program

Revenue is recognised when the University receives payment and obtains control over the assets.

	Note	2020 \$'000	2019 \$'000
(a) Commonwealth Grants Scheme and Other Grants			
Commonwealth Grants Scheme		257,992	251,308
Indigenous Support Program		1,095	1,039
Disability Support Program		188	198
Partnership and Participation Program		4,259	4,791
Total Commonwealth Grants Scheme and Other Grants	31(a)	263,534	257,336
(b) Higher Education Loan Programs (excl OS-HELP)			
HECS-HELP		175,811	168,206
FEE-HELP		25,776	23,764
SA-HELP		2,198	2,896
Total Higher Education Loan Programs	31(b)	203,785	194,866
(c) Research Training Program			
Research Training Program		27,169	26,301
Commonwealth Education Costs Scholarships		204	239
Total Research Training Program	31(c)	27,373	26,540
(d) Research Support Program			
Research Support Program		20,843	20,355
Total Research Support Program	31(d)	20,843	20,355

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
3.1 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOAN PROGRAMS (HELP) (continued)			
(e) Australian Research Council (ARC)			
(i) Discovery			
Project		11,758	14,798
Fellowships		4,000	3,964
Total Discovery	31(e)	15,758	18,762
(ii) Linkages			
Infrastructure		1,106	55
Projects		3,083	3,412
Total Linkages	31(e)	4,189	3,467
(iii) Centres			
Centres		990	1,277
Others		98	73
Total Centres	31(e)	1,088	1,350
Total ARC		21,035	23,579
(f) Other Australian Government Financial Assistance			
Non-capital			
CRC Cooperative Research Centres Funding		2,636	2,305
CSIRO Flagship Collaborative Research Program		32	34
NHMRC Grants		7,966	7,998
Other Commonwealth Research Income		13,721	12,028
Other Teaching Grants		4,016	852
Other Commonwealth Grants		3,292	8,124
Research Funds from Other organisations		1,266	1,084
		32,929	32,425
Capital			
CRC Cooperative Research Centres Funding		-	40
Other Commonwealth Research Income		456	275
Other Commonwealth Grants		336	-
Research Funds from Other organisations		-	730
		792	1,045
Total Other Australian Government Financial Assistance		33,721	33,470
Total Australian Government Financial Assistance		570,291	556,146

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
3.1 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOANS PROGRAMS (HELP) (continued)			
(g) Reconciliation			
Australian Government grants [a+c+d+e+f]		366,506	361,280
HECS-HELP payments		175,811	168,206
FEE-HELP payments		25,776	23,764
SA-HELP payments		2,198	2,896
		203,785	194,866
Total Australian Government Financial Assistance		570,291	556,146
(h) Australian Government Grants received – Cash Basis			
CGS and Other EDUCATION Grants	31(a)	266,373	257,603
Higher Education Loan Programs	31(b)	198,413	194,763
Research Training Program	31(c)	27,373	26,540
Research Support Program	31(d)	20,843	20,355
ARC grants - Discovery	31(e)	11,364	11,517
ARC grants - Linkages	31(e)	4,271	5,815
ARC grants - Centres	31(e)	1,088	1,350
Other Australian Government Grants		30,295	49,943
Total Australian Government Grants Received – Cash Basis		560,020	567,886
OS-HELP (Net)	31(f)	5,038	2,993
Superannuation Supplementation	31(g)	4,869	5,362
Total Australian Government Funding Received – Cash Basis		569,927	576,241
3.2 STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE			
ACCOUNTING POLICY			
Revenue is recognised as the University fulfils grant conditions or has provided the service. When the University has not yet fulfilled its performance obligations, amounts received are treated as income in advance as a liability in the Statement of Financial Position.			
Non-capital			
State Government		11,634	16,082
Capital			
State Government		174	1,913
Total State and Local Government Financial Assistance		11,808	17,995

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

3.3 FEES AND CHARGES**ACCOUNTING POLICY**

Course fees and charges revenue relates to undergraduate and postgraduate degree programs as well as other non-award programs such as continuing education. Revenue is recognised over time as and when the course is delivered to students.

Amounts paid in advance by students e.g. before starting the academic period are recognised as income received in advance as a liability until the services are delivered.

Non-course fees and charges revenue is recognised over time as and when the service is provided.

	Note	2020 \$'000	2019 \$'000
Course Fees and Charges			
Fee-paying onshore overseas students		153,318	159,360
Fee-paying offshore overseas students		7,591	6,686
Continuing education		380	746
Fee-paying domestic postgraduate students		6,450	7,571
Fee-paying domestic non-award students		18,081	13,090
Total Course Fees and Charges		185,820	187,453
Other Non-Course Fees and Charges			
Late fees		129	205
Library fines		31	44
Parking fees		4,288	7,179
Registration fees		50	111
Ancillary fees		12	16
Student accommodation		931	5,740
Student Services and Amenities Fees		2,908	3,392
Other fees and charges		1,377	3,145
Total Other Non-Course Fees and Charges		9,726	19,832
Total Fees and Charges		195,546	207,285

3.4 ROYALTIES**ACCOUNTING POLICY**

Revenue is recognised as the University provides the service(s) to the customer through their use of the University's intellectual property.

Royalties - Education Services	20,622	21,407
Total Royalties	20,622	21,407

3.5 CONSULTANCY AND CONTRACT RESEARCH**ACCOUNTING POLICY**

Revenue is recognised as the University provides the service(s) to the customer.

Consultancy	2,817	6,942
Contract research	35,700	24,007
Total Consultancy and Contract Research	38,517	30,949

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

3.6 OTHER REVENUE**ACCOUNTING POLICY**

Donations and gifts are recognised as revenue when the University has the contractual right to receive the assets.

Other revenue is recognised when the University provides the service(s)/delivers the goods to the customer.

	Note	2020 \$'000	2019 \$'000
Trading income		6,080	6,692
Rental income		6,819	7,218
Donations		4,777	3,255
Scholarships and prizes		1,700	2,100
Non-government grants		5,870	10,042
Insurance claims		999	587
Staff salary cost recoveries		779	1,250
Proceeds from sale of minor equipment		17	18
Conference income		120	1,041
Income related to Service Concession Assets		9,101	3,993
Other		1,747	2,304
Total Other Revenue		38,009	38,500

4 INVESTMENT REVENUE AND OTHER INVESTMENT INCOME**ACCOUNTING POLICY**

Investment income is recognised as it is earned, i.e. when the University has the right to receive dividends, distributions and interest. Fair value movements are recognised consistent with the measurement of "Fair Value through Profit and Loss" investments (refer also Notes 11 and 12).

Distributions and dividends - funds under management	17,746	23,138
Dividends - other investments	4,451	1,900
Interest - cash and term deposits	904	2,083
Fair value through profit and loss - funds under management	(21,379)	35,997
Fair value through profit and loss - other investments	9,364	15,670
Total Investment Revenue	11,086	78,788

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

5 EMPLOYEE RELATED EXPENSES**ACCOUNTING POLICY**

Employee related expenses are recognised as an expense as they become payable. Past service costs are recognised in profit or loss immediately (refer also Note 19 for leave and superannuation benefits).

	Note	2020 \$'000	2019 \$'000
Academic			
Salaries		222,707	215,759
Contribution to superannuation and pension schemes			
Contributions to unfunded schemes		157	298
Contributions to funded schemes		33,957	33,442
Long service leave		10,543	6,434
Annual leave		14,363	14,810
Payroll tax		16,236	15,825
Workers' compensation		202	667
Total Academic		298,165	287,235
Non-Academic			
Salaries		203,520	189,149
Contribution to superannuation and pension schemes			
Contributions to unfunded schemes		(22)	131
Contributions to funded schemes		30,536	29,122
Long service leave		10,442	6,234
Annual leave		14,532	14,196
Payroll tax		14,448	14,193
Workers' compensation		126	576
Total Non-Academic		273,582	253,601
Total Employee Related Expenses		571,747	540,836
Deferred superannuation expense	30(b)	292	269
Total Employee Related Expenses including Deferred Government Employee Benefits for Superannuation		572,039	541,105

6 REPAIRS AND MAINTENANCE**ACCOUNTING POLICY**

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the carrying amount of those parts that are replaced is derecognised and the cost of the replacing part is capitalised if asset recognition criteria are met. Other routine operating maintenance, repair and minor renewal costs are also recognised as expense as incurred.

	2020 \$'000	2019 \$'000
Building repairs	6,388	5,625
General infrastructure maintenance	4,377	5,861
Parks and gardens	1,589	1,356
Total Repairs and Maintenance	12,354	12,842

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

7 BORROWING COSTS**ACCOUNTING POLICY**

Borrowing costs are recognised on an accrual basis.

Borrowing costs for qualifying assets are capitalised net of any investment income earned on the unexpended portion of the borrowings. Other borrowing costs are expensed when incurred.

Interest expense on lease liabilities is recognised using the effective interest rate inherent to the lease.

	Note	2020 \$'000	2019 \$'000
Interest on borrowings		1,873	2,020
Interest on lease liabilities		566	503
Service Concession expense - interest on financial liabilities		1,432	652
Total Borrowing Costs		3,871	3,175

8 OTHER EXPENSES**ACCOUNTING POLICY**

Other expenses are recognised as an expense in the Statement of Comprehensive Income as incurred.

	2020 \$'000	2019 \$'000
Advertising, marketing and promotional expenses	7,696	5,986
Agency staff costs	2,657	4,601
Books	5,412	5,441
Computer peripherals and parts	25,484	23,988
Consumables	10,659	11,984
Consultancy fees and expenses	9,877	12,373
Outsourced work	26,157	30,845
Exchange rate (gains)/losses	597	644
Fees and commissions	36,122	30,734
Financial assistance provided/research support	8,159	5,546
Graduations	1,002	853
Hospitality	1,336	2,981
Insurance	4,188	4,120
Inventory used and sold	98	50
Lease and rental	2,446	3,150
Non-capitalised equipment	4,441	4,739
Occupational health, safety and welfare	485	481
Postage and courier	754	1,002
Publications	524	447
Scholarships, grants and prizes	55,006	57,060
Security	920	879
Service Concession expense - operations payments	3,293	3,309
Staff development and training	1,891	4,407
Staff recruitment	868	1,633
Subscriptions	7,889	7,678
Telecommunications	1,252	1,394
Travel	4,557	14,141
Utilities and cleaning	14,585	15,081
Other	2,510	2,880
Total Other Expenses	240,865	258,427

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

9 CASH AND CASH EQUIVALENTS**ACCOUNTING POLICY**

Cash includes cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

	Note	2020 \$'000	2019 \$'000
(a) Unrestricted			
Cash at bank and on hand ¹		48,893	37,316
Fixed Term Deposits ²		-	25,000
Total Cash and Cash Equivalents – Unrestricted		48,893	62,316
(b) Restricted			
Trust cash at bank ¹		2,800	4,330
Trust Fixed Term Deposit ²		6,083	50,008
Total Cash and Cash Equivalents – Restricted		8,883	54,338
Total Cash and Cash Equivalents		57,776	116,654
¹ Cash on hand is non-interest bearing. Cash at bank is subject to variable interest rates (refer Note 21). ² Deposits are interest bearing at variable interest rates (refer Note 21). These deposits have an average maturity of 156 days (2019: 115 days).			
(c) Reconciliation of net result to net cash provided by operating activities			
Net result for the year		(1,098)	82,054
Depreciation expense		73,867	70,959
Net loss/(gain) on disposal of non-current assets		176	1,015
Impairment of assets		641	367
Fair value loss/(gain) through profit and loss		12,015	(51,668)
In-kind distributions		(348)	(315)
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		3,596	(14,698)
(Increase)/decrease in inventories		56	-
(Increase)/decrease in other current assets		715	1,962
Increase/(decrease) in trade and other payables		(8,151)	11,425
Increase/(decrease) in provisions		3,758	(318)
Increase/(decrease) in other current liabilities		30,603	6,955
Net cash provided by / (used in) operating activities		115,830	107,738
(d) Non-cash investing and financing activities			
Acquisition of right-of-use assets by lease		75	-
Recognition of Service Concession Assets by way of offsetting Service Concession liabilities		66,525	39,031
Total Non-cash investing and financing activities		66,600	39,031

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

10 RECEIVABLES**ACCOUNTING POLICY**

Current accounts receivable are recognised at nominal amounts receivable as they are due for settlement no more than 30 days from the date of recognition. Non-current accounts receivable are recognised at fair value.

	Note	2020 \$'000	2019 \$'000
Current			
Student receivables		8,010	5,670
Less: Provision for impaired receivables		(783)	(591)
		7,227	5,079
General receivables		25,883	29,080
Less: Provision for impaired receivables		(157)	(230)
		25,726	28,850
Deferred government contribution for superannuation	30(b)	4,316	4,548
Total Current		37,269	38,477
Non-Current			
Deferred government contribution for superannuation	30(b)	52,019	54,738
Total Receivables		89,288	93,215
Impaired receivables			
ACCOUNTING POLICY			
For general receivables and student receivables, the University applies a simplified approach in calculating expected credit losses ("ECLs") and recognises a loss allowance based on lifetime ECLs at each reporting date.			
As at 31 December 2020, current receivables for student fees with a nominal value of \$0.783 million (2019: \$0.591 million) were expected to be impaired. The amount of the provision was \$0.783 million (2019: \$0.591 million).			
The ageing of these receivables is as follows:			
Less than 12 months		574	156
Greater than 12 months		209	435
		783	591
As at 31 December 2020, current receivables for student fees of \$1.407 million (2019: \$4.475 million) were past due date but not impaired.			
The ageing of these receivables is as follows:			
Less than 12 months		1,407	4,475
Greater than 12 months		-	-
		1,407	4,475

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
10 RECEIVABLES (continued)			
Movements in the provision for impaired student fees receivables are as follows:			
Balance at start of year		591	322
Provision for impairment recognised during the year		574	269
Receivables written-off during the year as uncollectible		(254)	-
Unused amount reversed		(128)	-
Balance at end of year		783	591
As at 31 December 2020, current general receivables with a nominal value of \$0.157 million (2019: \$0.230 million) were impaired.			
The ageing of these receivables is as follows:			
Less than 12 months		41	68
Greater than 12 months		116	162
		157	230
As at 31 December 2020, current general receivables of \$12.669 million (2019: \$15.363 million) were past due date but not impaired.			
The ageing of these receivables is as follows:			
Less than 12 months		12,640	15,356
Greater than 12 months		29	7
		12,669	15,363
Movements in the provision for impaired general receivables are as follows:			
Balance at start of year		230	119
Receivables written-off during the year as uncollectible		(149)	(15)
Provision for impairment recognised during the year		80	128
Unused amount reversed		(4)	(2)
Balance at end of year		157	230

11 OTHER FINANCIAL ASSETS – UNRESTRICTED**ACCOUNTING POLICY**

Loans receivable are initially recognised at fair value, net of transaction costs incurred. Loans are subsequently measured at amortised cost.

Loans receivable are classified as current assets unless the counterparty has an unconditional right to defer settlement of the asset for at least 12 months after the reporting date, in which case they are classified as non-current.

Financial assets which do not meet the objective of the University's business model for managing financial assets or are not held to collect the contractual cash flows are measured at fair value through profit or loss.

In accordance with AASB9 "Financial Instruments", the University classifies funds under management and other unlisted securities as "Fair Value through Profit and Loss" financial instruments. Gains and losses arising from changes in fair value are recognised directly to profit and loss for the period. No impairment is required.

Fair value measurement of funds under management are based on quoted prices in an active market. If the market for a financial asset is not active (including unlisted securities and unlisted companies which were established to commercialise intellectual property), the University 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. Other valuation techniques used are the cost approach and the income approach based on the characteristics of the asset and the assumptions made by market participants.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

11 OTHER FINANCIAL ASSETS – UNRESTRICTED (continued)

	Note	2020 \$'000	2019 \$'000
Current			
Loans receivable - at amortised cost			
Other loans	25	670	450
Less: Provision for impaired receivables		(220)	-
Total Current Other Financial Assets		450	450
Non-Current			
Fair Value through Profit and Loss			
Funds under management		335,127	373,573
Other investments - Unlisted/listed shares		59,039	49,612
Total Non-Current Other Financial Assets		394,166	423,185
Total Other Financial Assets – Unrestricted		394,616	423,635

12 OTHER FINANCIAL ASSETS – RESTRICTED**Current****Fair Value through Profit and Loss - funds under management**

Research activities		83,805	80,680
Donations and prizes		41,280	41,328
Trusts		14,475	9,511
		139,560	131,519

Fixed Term Deposits

Trusts		46,500	16,000
		46,500	16,000
Total Other Financial Assets - Restricted		186,060	147,519

Restricted funds are either invested as managed funds, term deposits (non-cash) or held as cash (refer note 9(b)).

All Fair Value through Profit and Loss financial assets are denominated in Australian currency. For an analysis of the credit risk and sensitivity of Fair Value through Profit and Loss financial assets to price and interest rate risk, refer to Note 21.

13 OTHER NON-FINANCIAL ASSETS**ACCOUNTING POLICY**

Prepayments are recognised when amounts have been paid in advance and do not yet meet expense recognition requirements.

Accrued income is recognised when the University has yet to receive payment for goods or services provided.

Current

Prepayments		27,439	23,209
Accrued income		7,165	6,551
Total Current Other Non-Financial Assets		34,604	29,760

Non-Current

Prepayments		3,701	4,312
Total Non-Current Other Non-Financial Assets		3,701	4,312
Total Other Non-Financial Assets		38,305	34,072

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

14 PROPERTY, PLANT AND EQUIPMENT

Summary of the University's fixed assets at the end of the current financial year are set out below.

	Owned assets		Right-of-use Assets		Service Concession Assets		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
At 31 December								
- Cost	1,724,847	1,580,388	15,468	15,393	105,556	39,031	1,845,871	1,634,812
- Accumulated depreciation	(602,681)	(535,512)	(7,664)	(3,915)	(780)	(260)	(611,125)	(539,687)
Carrying amount at end of year	1,122,166	1,044,876	7,804	11,478	104,776	38,771	1,234,746	1,095,125
Depreciation expense	69,598	66,784	3,749	3,915	520	260	73,867	70,959

(a) Owned Assets**ACCOUNTING POLICY**

All property, plant and equipment with a cost of greater than \$5,000 (excluding GST) is recorded as a non-current asset at cost, less subsequent depreciation and impairment.

Assets acquired at no cost or for nominal consideration are initially recognised at their fair value at the date of acquisition.

Assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

All non-current assets having a limited useful life are depreciated or amortised over their estimated useful lives, in a manner which reflects the consumption of their future economic benefits.

Depreciation is calculated on a straight-line basis from the time the asset becomes available for use. Estimated useful lives are as follows:

- Land Not depreciated
- Buildings Lower of 50 years or remaining useful life
- Infrastructure Lower of 50 years or remaining useful life
- Leasehold land Lower of 50 years or remaining lease period
- Computing equipment 3 to 5 years
- Other equipment and furniture 8 years
- Motor vehicles 5 years
- Library collection 10 years
- Works of art Not depreciated

Land and works of art controlled by the University are anticipated to have indeterminate useful lives since their service potential is not, in any material sense, consumed. As such, no amount for depreciation is recognised.

14 (a) PROPERTY, PLANT AND EQUIPMENT (continued)

Carrying amounts of property, plant and equipment at the beginning and end of the current financial year are set out below.

	Land \$'000	Buildings \$'000	Infrastructure \$'000	Leasehold land \$'000	Work in progress \$'000	Computing equipment \$'000	Other equipment and furniture \$'000	Motor vehicles \$'000	Library collection \$'000	Works of art \$'000	Total \$'000
At 1 January 2020											
Cost	78,862	1,001,004	163,347	-	78,325	34,397	162,844	1,826	45,996	13,787	1,580,388
Accumulated depreciation	-	(327,935)	(48,059)	-	-	(24,772)	(114,877)	(1,481)	(18,388)	-	(535,512)
Carrying amount at start of year	78,862	673,069	115,288	-	78,325	9,625	47,967	345	27,608	13,787	1,044,876
Year ended 31 December 2020											
Additions	-	150	40	-	132,677	1,720	5,959	25	6,049	482	147,102
Cost of disposals	(1)	(14)	-	-	-	(207)	(2,054)	-	(367)	-	(2,643)
Accumulated depreciation on disposals	-	6	-	-	-	207	1,969	-	247	-	2,429
Transfers in/(out)	-	34,783	11,387	-	(54,838)	1,915	5,930	-	-	823	-
Depreciation and amortisation expense	-	(37,443)	(7,038)	-	-	(4,661)	(15,446)	(165)	(4,845)	-	(69,598)
Carrying amount at end of year	78,861	670,551	119,677	-	156,164	8,599	44,325	205	28,692	15,092	1,122,166
At 31 December 2020											
Cost	78,861	1,035,923	174,774	-	156,164	37,825	172,679	1,851	51,678	15,092	1,724,847
Accumulated depreciation	-	(365,372)	(55,097)	-	-	(29,226)	(128,354)	(1,646)	(22,986)	-	(602,681)
Carrying amount at end of year	78,861	670,551	119,677	-	156,164	8,599	44,325	205	28,692	15,092	1,122,166
At 1 January 2019											
Cost	78,906	947,957	154,091	4,654	65,088	32,895	155,381	1,757	40,684	13,297	1,494,710
Accumulated depreciation	-	(303,009)	(42,007)	(2,009)	-	(20,615)	(101,780)	(1,314)	(14,164)	-	(484,898)
Carrying amount at start of year	78,906	644,948	112,084	2,645	65,088	12,280	53,601	443	26,520	13,297	1,009,812
Year ended 31 December 2019											
Additions	(44)	364	-	-	106,936	1,804	6,329	69	5,392	493	121,343
Cost of disposals	-	(26,955)	(927)	(4,654)	-	(418)	(2,628)	-	(80)	(3)	(35,665)
Accumulated depreciation on disposals	-	11,151	324	2,074	-	368	2,199	-	54	-	16,170
Transfers in/(out)	-	79,638	10,183	-	(93,699)	116	3,762	-	-	-	-
Depreciation and amortisation expense	-	(36,077)	(6,376)	(65)	-	(4,525)	(15,296)	(167)	(4,278)	-	(66,784)
Carrying amount at end of year	78,862	673,069	115,288	-	78,325	9,625	47,967	345	27,608	13,787	1,044,876
At 31 December 2019											
Cost	78,862	1,001,004	163,347	-	78,325	34,397	162,844	1,826	45,996	13,787	1,580,388
Accumulated depreciation	-	(327,935)	(48,059)	-	-	(24,772)	(114,877)	(1,481)	(18,388)	-	(535,512)
Carrying amount at end of year	78,862	673,069	115,288	-	78,325	9,625	47,967	345	27,608	13,787	1,044,876

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

14 PROPERTY, PLANT AND EQUIPMENT (continued)**(b) Right-of-use Assets**

In contracts where the University is a lessee, the University recognises a Right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied.

A Right-of-use Asset is initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred in obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Depreciation on Leased Assets is calculated on a straight-line basis from the lease terms. Lease terms are usually as follows:

- Buildings 3 to 20 years
- Computing equipment 3 to 5 years
- Motor vehicles 3 years

The University has elected to measure the leased assets arising under 'concessionary leases' at cost, in accordance with AASB16 paragraphs 23–25, which incorporates the amount of the initial measurement of the lease liability. The impact is immaterial.

Carrying amounts of leased assets at the beginning and end of the current financial year are set out below.

	Buildings		Network equipment		Motor vehicles		Total Right-of-use Assets	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
At 1 January								
Cost	6,138	6,138	8,631	8,631	624	624	15,393	15,393
Accumulated depreciation	(1,119)	-	(2,671)	-	(125)	-	(3,915)	-
Carrying amount at start of year	5,019	6,138	5,960	8,631	499	624	11,478	15,393
Year ended 31 December 2020								
Additions	-	-	-	-	75	-	75	-
Cost of disposals	-	-	-	-	-	-	-	-
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-
Transfers in/(out)	-	-	-	-	-	-	-	-
Depreciation and amortisation expense	(974)	(1,119)	(2,641)	(2,671)	(134)	(125)	(3,749)	(3,915)
Carrying amount at end of year	4,045	5,019	3,319	5,960	440	499	7,804	11,478
At 31 December								
- Cost	6,138	6,138	8,631	8,631	699	624	15,468	15,393
- Accumulated depreciation	(2,093)	(1,119)	(5,312)	(2,671)	(259)	(125)	(7,664)	(3,915)
Carrying amount at end of year	4,045	5,019	3,319	5,960	440	499	7,804	11,478

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

14 PROPERTY, PLANT AND EQUIPMENT (continued)**(c) Service Concession Assets****ACCOUNTING POLICY**

In 2019, Curtin entered into an arrangement with the Live-in Learning Custodians Pty Ltd to operate its existing student accommodation and to construct and operate new student accommodation, self-contained apartments, short stay accommodation and commercial and retail space.

Buildings for the existing student accommodation were reclassified from "Owned Assets" to "Service Concession Assets" and were measured under AASB1059 based on the current replacement cost in accordance with AASB13 Fair Value Measurement. Subsequently, Service Concession Assets would be depreciated over the useful life of the component assets less any impairment.

The new student accommodation and self-contained apartments are recognised as "Service Concession Assets" (Work in Progress) during the period of construction.

Depreciation on Service Concession Assets is calculated on a straight line basis, based on the estimated remaining useful lives of the underlying assets:

- Existing student accommodation 35 years
- New student accommodation 50 years

Carrying amounts of Service Concession Assets at the end of the current financial year are set out below.

	Buildings		Work in progress		Total Service Concession Assets	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
At 1 January						
Cost	18,468	-	20,563	-	39,031	-
Accumulated depreciation	(260)	-	-	-	(260)	-
Carrying amount at start of year	18,208	-	20,563	-	38,771	-
Year ended 31 December 2020						
Additions	-	18,468	66,525	20,563	66,525	39,031
Cost of disposals	-	-	-	-	-	-
Accumulated depreciation on disposals	-	-	-	-	-	-
Transfers in/(out)	-	-	-	-	-	-
Depreciation and amortisation expense	(520)	(260)	-	-	(520)	(260)
Carrying amount at end of year	17,688	18,208	87,088	20,563	104,776	38,771
At 31 December						
- Cost	18,468	18,468	87,088	20,563	105,556	39,031
- Accumulated depreciation	(780)	(260)	-	-	(780)	(260)
Carrying amount at end of year	17,688	18,208	87,088	20,563	104,776	38,771

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

15 TRADE AND OTHER PAYABLES**ACCOUNTING POLICY**

Payables are recognised when the University becomes obliged to make future payments as a result of a purchase of assets or services received. Payables are generally settled within a 30 day term.

	Note	2020 \$'000	2019 \$'000
Current			
Trade and Other Payables		32,508	26,105
Non-Current			
Trade and Other Payables		16,109	8,591
Total Trade and Other Payables		48,617	34,696

16 FINANCIAL LIABILITIES - SERVICE CONCESSIONS**ACCOUNTING POLICY**

The value of Service Concession financial liabilities is calculated based on the net present value of the guaranteed revenue net of operating costs, using the project discount rate. Where the fair value of the asset is greater than the calculated financial liability, the balance is recognised as a non-financial liability. Where the fair value of the asset is lower than the calculated financial liability, the financial liability is capped at the fair value of the asset.

	Note	2020 \$'000	2019 \$'000
Current			
Financial Liabilities - Service Concessions		3,957	119
Non-Current			
Financial Liabilities - Service Concessions		100,646	38,880
Total Financial Liabilities		104,603	38,999

17 OTHER LIABILITIES**ACCOUNTING POLICY**

Accruals (expenses incurred but not yet billed), are recognised when the University becomes obliged to make future payments as a result of a purchase of assets or services received.

Income received in advance is recognised when the University has received amounts that do not yet meet revenue recognition requirements.

	Note	2020 \$'000	2019 \$'000
Current			
Income received in advance		138,423	122,802
Accrued expenses		29,142	20,871
Monies held on trust		69,858	79,849
Total Current Other Liabilities		237,423	223,522

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

18 BORROWINGS**ACCOUNTING POLICY**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the University has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, in which case they are classified as non-current.

A lease liability is initially measured at the present value of unpaid lease payments at the commencement date of the lease. To calculate the present value, the unpaid lease payments are discounted using the interest rate implicit in the lease if the rate is readily determinable. If the interest rate implicit in the lease cannot be readily determined, the incremental borrowing rate at the commencement date of the lease is used.

	Note	2020 \$'000	2019 \$'000
Current			
Interest bearing Treasury loans		2,446	2,290
Lease liabilities		3,051	3,349
		5,497	5,639
Non-Current			
Interest bearing Treasury loans		24,855	27,301
Lease liabilities		5,413	8,394
		30,268	35,695
Total Treasury Loans		27,301	29,591
Total Lease Liabilities		8,464	11,743
Total Borrowings		35,765	41,334

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

18 BORROWINGS (continued)**(a) Treasury Loans**

The University has the following loans with the WA Treasury Corporation:

	Average Interest rate	Maturity date	Principal outstanding	
			2020 \$'000	2019 \$'000
Chemistry Centre of WA building				
– monthly principal and fixed rate interest repayments	6.77%	01.07.2029	24,574	26,618
– monthly principal and fixed rate interest repayments	5.11%	01.07.2029	2,727	2,973
Total Treasury Loans			27,301	29,591

Financing facilities available

At reporting date, the following financing facilities had been negotiated and were available:

Total facilities:

– Treasury Loans 27,301 29,591

Facilities used at reporting date:

– Treasury Loans 27,301 29,591

Facilities unused at reporting date:

– Treasury Loans - -

Assets pledged as security

The University has not pledged any assets as security against the borrowings. The loans are secured by a State Government Treasurer's Guarantee.

Fair value

The carrying amounts and fair values of borrowings at balance date are:

	2020		2019	
	Carrying Amount \$'000	Fair Value \$'000	Carrying Amount \$'000	Fair Value \$'000
Chemistry Centre of WA building				
– monthly principal and fixed rate interest repayments	24,574	31,373	26,618	33,424
– monthly principal and fixed rate interest repayments	2,727	3,267	2,973	3,481
Total Treasury Loans	27,301	34,640	29,591	36,905

The fair value of the loans have been prepared assuming hypothetical settlement dates of 31 December 2020 and 31 December 2019.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

18 BORROWINGS (continued)**(b) Lease Liabilities**

Maturity analysis on lease liabilities is disclosed as follows:

	2020 \$'000	2019 \$'000
Maturity analysis – undiscounted contractual cash flows		
Less than one year	3,491	3,914
One to five years	4,883	8,071
More than 5 years	1,417	1,697
Total undiscounted contractual cash flows	9,791	13,682

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

19 PROVISIONS**ACCOUNTING POLICY****Annual leave**

This benefit is recognised at the reporting date in respect of employees' service up to that date and is measured at the amounts expected to be paid when the liabilities are settled, including anniversary increments and anticipated salary increases. Annual leave that is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'. The provision for annual leave is classified as a current liability as the University does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Long service leave

Long service leave is not expected to be settled wholly within 12 months after the end of the reporting period. When assessing expected future payments, consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Unconditional long service leave provisions are classified as current liabilities as the University does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

The liability for conditional long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits as a non-current liability and is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Superannuation

The University contributes to a number of superannuation schemes including both defined contribution and defined benefit schemes.

Payments to defined contribution schemes are charged as an expense as they fall due. The University's obligation is limited to these contributions.

Defined benefit schemes provide a defined lump sum benefit to scheme members based on years of service and final average salary. A defined benefit liability is included in the Statement of Financial Position equal to the present value of the defined benefit obligation at the reporting date (less any past service costs not yet recognised) less the fair value of Scheme assets at the reporting date.

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out on an annual basis. Actuarial gains and losses are recognised in other comprehensive income. Where appropriate the University has adopted the multi employer provisions of AASB119 "Employee Benefits". This is currently relevant to the Unisuper Defined Benefit scheme.

Unfunded superannuation

An arrangement exists between the Commonwealth Government and the University to meet the unfunded liability for the University's beneficiaries of the State Superannuation Schemes on an emerging cost basis. The unfunded liabilities have been recognised in the Statement of Financial Position under Provisions, with a corresponding asset recognised under Receivables. The recognition of both the asset and the liability concurrently does not affect the year end net asset position of the University. The liability and equivalent receivable are measured actuarially on an annual basis.

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 University recognises termination benefits either when it can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring within the scope of AASB137 "Provisions, Contingent Liabilities and Contingent Assets" when it is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

Note	2020 \$'000	2019 \$'000
19 PROVISIONS (continued)		
Employee benefits provisions		
Current provisions expected to be settled within 12 months		
Annual leave	17,304	19,248
Long service leave	20,087	19,288
Employment on-costs	6,634	7,250
Other General Provision ¹	498	1,690
Redundancy costs	6,837	4,875
Defined benefit obligation		
Deferred employee benefits for unfunded superannuation	4,316	4,548
Other University pension liabilities	90	88
	55,766	56,987
Current provisions expected to be settled after more than 12 months		
Annual leave	1,922	2,139
Long service leave	21,118	19,207
Employment on-costs	453	507
Redundancy costs	126	419
	23,619	22,272
Total Current Provisions	79,385	79,259
Non-Current		
Employee benefits provisions		
Long service leave	40,755	34,857
Employment on-costs	2,853	2,440
Defined benefit obligation		
Deferred employee benefits for unfunded superannuation	52,019	54,738
Other University pension liabilities	495	457
Total Non-Current Provisions	96,122	92,492
Total Provisions	175,507	171,751
¹ Represents long service leave payable to former employees		
Movements in Other Provisions		
Movements in each class of provision during the financial year, other than employee benefits, are set out below:		
<i>Employment on-costs provision</i>		
Balance at beginning of year	10,197	5,873
Addition/(reduction) in provisions recognised	3,148	7,143
Reduction arising from payments	(3,405)	(2,819)
Balance at end of year	9,940	10,197

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
19 PROVISIONS (continued)			
<i>Redundancy costs provision</i>			
Balance at beginning of year		5,294	8,911
Addition/(reduction) in provisions recognised		7,395	5,686
Reduction arising from payments		(5,726)	(9,303)
Balance at end of year		6,963	5,294
20 EQUITY			
In 2019 the University adopted Accounting Standards AASB15 and AASB1058 using the modified retrospective method of transition, with a date of initial application of 1 January 2019. In accordance with this approach, the University recognised the cumulative effect of applying these new standards as an adjustment to opening retained earnings at the date of initial application. Associated with adoption of these Accounting Standards, the Research grants reserve was transferred to retained earnings with effect from 1 January 2019.			
(a) Research grants reserve			
Balance at beginning of year		-	89,530
Transfer from retained earnings		-	-
Transfer to retained earnings		-	(89,530)
Balance at end of year		-	-
(b) Retained earnings			
Balance at beginning of year		1,399,974	1,301,286
Transfer to reserves		-	-
Transfer from reserves		-	89,530
Opening adjustment for prior year errors		-	(10,301)
Initial effect of adoption of Accounting Standards AASB15 and AASB1058		-	(62,595)
Current year result		(1,098)	82,054
Balance at end of year		1,398,876	1,399,974

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

21 FINANCIAL INSTRUMENTS**(a) FINANCIAL RISK MANAGEMENT**

Financial instruments held by the University are cash and cash equivalents, receivables, fair value through profit and loss financial assets, borrowings and payables. The University has exposure to financial risks. The University's overall risk management program focuses on managing the risks identified below.

Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Components of market risk to which the University is exposed are:

(i) Interest Rate Risk

The University is exposed to interest rate risk from its use of interest bearing financial assets and liabilities. Non-derivative interest bearing assets are predominantly short term liquid assets, i.e. cash, cash deposits, interest-bearing loans advanced and some funds under management. The University's main interest rate liability risk arises from borrowings issued at fixed rates, which give exposure to fair value interest rate risk. The University manages its borrowings in accordance with targeted interest rate, liquidity and debt portfolio maturity profiles. Notes 18 provides further detail.

This note details the University's sensitivity to a 200 basis point increase or decrease in interest rates assuming the change took place at the beginning of the financial year and held constant throughout the reporting period. There is no significant exposure to interest rate risks.

(ii) Foreign Currency Risk

The University is exposed to foreign currency risk when income from overseas operations, such as royalties and offshore partner fees, is received in foreign currency.

The University manages this risk by conducting its contracts and business in Australian dollars where it is commercially practical to do so. Furthermore, the University seeks to hedge any material, highly probable, foreign currency transactions by way of permitted instruments with appropriate counterparties. The University does not undertake speculative positions on movements in foreign currency exchange rates.

The University holds fair value through profit and loss investments whose underlying assets include some investments denominated in foreign currency which are unhedged.

At 31 December 2020, the University held no foreign currency forward exchange contracts (2019:nil).

(iii) Price Risk

Price risk arises when there is a possibility of decline in the value of investments. It refers to the risk that the value of an investment will fluctuate due to changes in market prices. Investments include unlisted securities and funds under management. This note details the University's sensitivity to a 15% increase or decrease in prices at reporting date on its funds under management. At reporting date, if the inputs to valuation of funds under management had been 15% higher or lower, the net operating result would have been \$80.058 million (2019: \$83.205 million) higher or lower.

Credit Risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the University. The University has exposure to credit risk and financial loss on financial assets included in the Statement of Financial Position, comprising receivables and other financial assets.

Procedures are in place to minimise exposure to credit risk associated with students and other debtors. The credit risk on funds under management and derivative financial instruments is limited as the counterparties are generally either with banks or investment grade fund managers.

Liquidity Risk

Liquidity risk refers to the risk of financial loss to the University as a result of insufficient funds being available to meet its short and long term liabilities.

The University manages liquidity risk by maintaining adequate cash and cash equivalent balances, monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

21 FINANCIAL INSTRUMENTS (continued)

	Weighted Average Effective Interest Rate %	Non-interest bearing \$'000	Variable interest rate \$'000	Fixed interest rate \$'000	Total Carrying Amount \$'000	Maturity Profile			Foreign Exchange Risk Sensitivity ²				Interest Rate Risk Sensitivity				Price Risk Sensitivity ³				Credit Risk \$'000	
						Less than 1 year \$'000	1-5 years \$'000	More than 5 years \$'000	-10%		+10%		-200 bps		+200 bps		-15%		+15%			
									Net Result \$'000	Other Equity \$'000	Net Result \$'000	Other Equity \$'000	Net Result \$'000	Other Equity \$'000	Net Result \$'000	Other Equity \$'000	Net Result \$'000	Other Equity \$'000	Net Result \$'000	Other Equity \$'000		
2020																						
Financial Assets																						
Cash and cash equivalents	0.48%	2	57,774	-	57,776	57,776	-	-	-	-	-	-	(3,114)	-	3,114	-	-	-	-	-	-	-
Receivables ⁴	-	32,953	-	-	32,953	32,953	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32,953
Loans receivable	-	450	-	-	450	450	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	450
Term Deposits (non-cash)	0.61%	-	-	46,500	46,500	46,500	-	-	-	-	-	-	(930)	-	930	-	-	-	-	-	-	-
Unlisted securities (unrestricted)	-	57,683	-	-	57,683	-	57,683	-	-	-	-	-	-	-	-	-	(8,652)	-	8,652	-	-	-
Listed securities (unrestricted)	-	1,356	-	-	1,356	-	1,356	-	-	-	-	-	-	-	-	-	(203)	-	203	-	-	-
Funds under management (unrestricted) ¹⁵	-	335,127	-	-	335,127	-	-	335,127	5,108	-	(5,108)	-	-	-	-	-	(50,269)	-	50,269	-	-	-
Funds under management (restricted) ⁵	-	139,560	-	-	139,560	-	-	139,560	-	-	-	-	-	-	-	-	(20,934)	-	20,934	-	-	-
Total Financial Assets		567,131	57,774	46,500	671,405	137,679	59,039	474,687	5,108	-	(5,108)	-	(4,044)	-	4,044	-	(80,058)	-	80,058	-	-	33,403
Financial Liabilities																						
Payables	-	48,617	-	-	48,617	32,507	16,110	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury Loans	6.60%	-	-	27,301	27,301	2,446	14,963	9,892	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease liabilities	3.50%	-	-	8,464	8,464	3,051	4,077	1,336	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Liabilities - Service Concessions	7.52%	-	-	104,603	104,603	3,957	52,403	48,243	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Financial Liabilities		48,617	-	140,368	188,985	41,961	87,553	59,471	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019																						
Financial Assets																						
Cash and cash equivalents	1.60%	1	116,653	-	116,654	116,654	-	-	-	-	-	-	(3,465)	-	3,465	-	-	-	-	-	-	-
Receivables ⁴	-	33,929	-	-	33,929	33,929	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33,929
Loans receivable	-	450	-	-	450	450	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	450
Term Deposits (non-cash)	1.51%	-	-	16,000	16,000	16,000	-	-	-	-	-	-	(320)	-	320	-	-	-	-	-	-	-
Unlisted securities (unrestricted)	-	48,169	-	-	48,169	-	48,169	-	-	-	-	-	-	-	-	-	(7,225)	-	7,225	-	-	-
Listed securities (unrestricted)	-	1,443	-	-	1,443	-	1,443	-	-	-	-	-	-	-	-	-	(216)	-	216	-	-	-
Funds under management (unrestricted) ¹⁵	-	373,573	-	-	373,573	-	-	373,573	7,564	-	(7,564)	-	-	-	-	-	(58,293)	-	58,293	-	-	-
Funds under management (restricted) ⁵	-	131,519	-	-	131,519	-	-	131,519	-	-	-	-	-	-	-	-	(17,471)	-	17,471	-	-	-
Total Financial Assets		589,084	116,653	16,000	721,737	167,033	49,612	505,092	7,564	-	(7,564)	-	(3,785)	-	3,785	-	(83,205)	-	83,205	-	-	34,379
Financial Liabilities																						
Payables	-	34,696	-	-	34,696	26,105	8,591	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury Loans	6.60%	-	-	29,591	29,591	2,290	14,010	13,291	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease liabilities	3.50%	-	-	11,743	11,743	3,914	8,071	1,698	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Liabilities - Service Concessions	7.52%	-	-	38,999	38,999	119	21,135	17,745	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Financial Liabilities		34,696	-	80,333	115,029	32,428	51,807	32,734	-	-	-	-	-	-	-	-	-	-	-	-	-	-

¹ Funds under management mainly comprise investments in unit based funds. Credit risk exposure relates only to funds under management not in unit based funds.² A positive number indicates an increase in net operating result where the Australian dollar weakens against the foreign currency.³ Net operating result would be affected if prices increased or decreased by 15% as gains or losses on Fair Value to Profit and Loss investments are recognised directly in net operating result.⁴ This includes GST Receivable of \$4.348 million (2019: \$3.437 million).⁵ Funds under management in unit based funds receive income by way of distributions and do not attract interest.**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

for the year ended 31 December 2020

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

21 FINANCIAL INSTRUMENTS (continued)**(b) FAIR VALUE****Fair Value Measurements**

The fair values of financial assets and financial liabilities shown in Note 21 are determined as follows:

- Due to the short-term nature of current receivables and payables, their carrying value is assumed to approximate fair value and, based on credit history, it is expected that the receivables that are neither past due date nor impaired will be received when due.
- Funds under management and fair value of listed shares are traded on an active market. Hence, the fair value of these investments is based on quoted market prices at the reporting date (Level 1).
- Fair value of unlisted shares that are not traded in an active market are measured either at independent valuation or at cost, which is assumed to approximate fair value where an unobservable input cannot be measured reliably.
- The fair value of loans to related entities are estimated for disclosure purposes by discounting the future contractual cash flows at the University's weighted average interest rate of cash and cash equivalents.

The fair value of borrowings is based on cash flows discounted using borrowing rates provided by the Western Australian Treasury Corporation. The rates vary between 5% to 7% depending on the purpose of the borrowing (2019: 5% to 7%). The fair value of the borrowings equals the carrying amount including additional charges and adjustments provided by the Western Australian Treasury Corporation, had the University terminated the loans at 31 December of each year.

The fair value of lease liabilities is based on the present value of unpaid lease payments at the commencement date of the lease, using the weighted average incremental borrowing rate.

The fair value of Financial Liabilities - Service Concessions is based on the net present value of the guaranteed revenue net of operating costs, using the project discount rate.

Fair Value Hierarchy

	2020	2019	2020	2019	2020 Fair Value Hierarchy			2019 Fair Value Hierarchy		
	Carrying amount \$'000	Carrying amount \$'000	Fair value \$'000	Fair value \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial Assets										
Cash and cash equivalents	57,776	116,654	57,776	116,654	-	-	-	-	-	-
Receivables	32,953	33,929	32,953	33,929	-	-	-	-	-	-
Loans advanced	450	450	442	442	-	-	-	-	-	-
Short Term Investments (restricted)	46,500	16,000	46,500	16,000	-	-	-	-	-	-
Unlisted securities (unrestricted)	57,683	48,169	57,683	48,169	-	29,272	28,411	-	29,246	18,923
Listed securities (unrestricted)	1,356	1,443	1,356	1,443	1,356	-	-	1,443	-	-
Funds under management (unrestricted)	335,127	373,573	335,127	373,573	335,127	-	-	373,573	-	-
Funds under management (restricted)	139,560	131,519	139,560	131,519	139,560	-	-	131,519	-	-
Total Financial Assets	671,405	721,737	671,397	721,729	476,043	29,272	28,411	506,535	29,246	18,923
Financial Liabilities										
Payables	48,617	34,696	48,617	34,696	-	-	-	-	-	-
Treasury Loans	27,301	29,591	34,640	36,905	34,640	-	-	36,905	-	-
Lease liabilities	8,464	11,743	8,464	11,743	-	-	-	-	-	-
Financial Liabilities	104,603	38,999	104,603	38,999	-	-	-	-	-	-
Total Financial Liabilities	188,985	115,029	196,324	122,343	34,640	-	-	36,905	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

21 FINANCIAL INSTRUMENTS (continued)**Valuation Techniques**

The Fair Value Hierarchy reflects the following level of inputs used in measuring the fair value of financial assets and financial liabilities:

- Level 1: The fair value of assets and liabilities are determined based on quoted market prices (unadjusted) in active markets for identical assets or liabilities. The fair valuation of borrowings is primarily based on the net present value of the borrowing using the variable rate for lending at year end. Where the variable rate is lower than the fixed rate, the fair value is greater than the face value.
- Level 2: The fair value of assets and liabilities have been determined from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices); this includes directly held fixed income securities of the University (classified as Funds under Management) being derived from observable market data;
- Level 3: Inputs for the Assets or Liabilities that are not based on observable market data.

Fair Value Measurement Using Significant Unobservable Inputs (Level 3)

	2020 \$'000	2019 \$'000
Unlisted securities (unrestricted)		
Opening Balance	18,923	3,187
Fair Value Movement through Profit and Loss	9,488	15,736
Closing Balance	28,411	18,923

The gain included in profit and loss relates to the revaluation of unlisted securities, determined by an independent valuer, based on observable inputs and an unobservable input (discount factor of 15%), and is reported within the University's net operating result.

The University's sensitivity to a 5% increase or decrease in the unobservable input on discount factor at reporting date would result in a decrease or increase in net operating result of \$0.561 million (2019: \$1.124million) respectively.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

22 KEY MANAGEMENT PERSONNEL DISCLOSURES**(a) Members of the Accountable Authority****Names of Persons who were Members of the Accountable Authority during the financial year**

For the purposes of the *Financial Management Act 2006*, the University Council is the Accountable Authority of the University.

Members appointed by Governor in Council

Ms Elisa Fear
Mr Damian Gordon
Mr Michael Lundberg

Member who is the Vice-Chancellor

Professor Deborah Terry, Vice-Chancellor
(ceased 28 July 2020)

Professor John Cordery, Interim Vice-Chancellor
(commenced 29 July 2020)

Member elected by academic staff

Professor Glendda Scully (ceased 10 December 2020)

Member elected by general staff

Ms Catherine Clark

Co-opted Members

Dr Terry Agnew
Dr Andrew Crane, Chancellor
Dr Vanessa Guthrie, Pro Chancellor
Mr Steve Scudamore (ceased 31 March 2020)
Mr David Southam (commenced 1 April 2020)
Dr Katherine Stannage (commenced 1 April 2020)
Ms Sue Wilson, Pro Chancellor (ceased 3 March 2020)

Member who is the Chairperson of the Academic Board

Professor Dale Pinto

Members elected by students

Ms Romana-Rea Begicević (postgraduate student ceased 31 March 2020)
Ms May Majimbi (postgraduate student commenced 1 April 2020)
Mr Chris Hall (undergraduate)

Members elected by the graduates of the University

Vacant

(b) Other key management personnel

In addition to Professors Cordery and Terry, the following persons also had authority and responsibility for planning, directing and controlling the activities of Curtin University during the financial year:

Professor Jill Downie	Mr David Menarry
Ms Val Raubenheimer	Mr Marco Schultheis
Mr Ian Callahan	Professor Chris Moran
Professor Archie Clements	Professor Seth Kunin
Professor Nigel de Bussy	Professor John Evans
Professor Jeremy Kilburn	Professor Linley Lord
Mr Alistair Donald	Professor Michele Willson (commenced 29 July 2020)
Professor Lina Pelliccione	Professor Simon Leunig (commenced 20 January 2020)
Professor Alan Dench	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

22 KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)**(c) Remuneration of Members of the Accountable Authority and Senior Officers****Remuneration of Members of the Accountable Authority**

	2020 Number	2019 Number
Nil - \$10,000	5	3
\$10,001 - \$20,000	2	1
\$20,001 - \$30,000	3	3
\$30,001 - \$40,000	2	3
\$40,001 - \$50,000	-	1
\$50,001 - \$60,000	-	1
\$60,001 - \$70,000	-	1
\$70,001 - \$80,000	-	-
\$80,001 - \$90,000	1	1
\$90,001 - \$100,000	-	1
\$100,001 - \$110,000	-	-
\$110,001 - \$120,000	1	-
\$120,001 - \$130,000	-	1
\$130,001 - \$140,000	1	-
\$140,001 - \$150,000	1	-
\$150,001 - \$160,000	1	-
\$160,001 - \$170,000	1	-
\$170,001 - \$180,000	1	-
\$180,001 - \$190,000	-	1
\$190,001 - \$200,000	-	-
\$200,001 - \$210,000	-	-
\$210,001 - \$220,000	-	-
\$220,001 - \$230,000	-	-
\$230,001 - \$240,000	-	-
\$240,001 - \$250,000	-	-
\$250,001 - \$260,000	-	-
\$260,001 - \$270,000	-	-
\$270,001 - \$280,000	1	-
\$280,001 - \$290,000	-	1
\$290,001 - \$300,000	1	-
\$300,001 - \$310,000	1	-
\$310,001 - \$320,000	1	-
\$320,001 - \$330,000	1	-
\$330,001 - \$340,000	1	-
\$340,001 - \$350,000	1	-
\$350,001 - \$360,000	1	-
\$360,001 - \$370,000	1	-
\$370,001 - \$380,000	1	-
\$380,001 - \$390,000	1	-
\$390,001 - \$400,000	1	-
\$400,001 - \$410,000	1	-
\$410,001 - \$420,000	1	-
\$420,001 - \$430,000	1	-
\$430,001 - \$440,000	1	-
\$440,001 - \$450,000	1	-
\$450,001 - \$460,000	1	-
\$460,001 - \$470,000	1	-
\$470,001 - \$480,000	1	-
\$480,001 - \$490,000	1	-
\$490,001 - \$500,000	1	-
\$500,001 - \$510,000	1	-
\$510,001 - \$520,000	1	-
\$520,001 - \$530,000	1	-
\$530,001 - \$540,000	1	-
\$540,001 - \$550,000	1	-
\$550,001 - \$560,000	1	-
\$560,001 - \$570,000	1	-
\$570,001 - \$580,000	1	-
\$580,001 - \$590,000	1	-
\$590,001 - \$600,000	1	-
\$600,001 - \$610,000	1	-
\$610,001 - \$620,000	1	-
\$620,001 - \$630,000	1	-
\$630,001 - \$640,000	1	-
\$640,001 - \$650,000	1	-
\$650,001 - \$660,000	1	-
\$660,001 - \$670,000	1	-
\$670,001 - \$680,000	1	-
\$680,001 - \$690,000	1	-
\$690,001 - \$700,000	1	-
\$700,001 - \$710,000	1	-
\$710,001 - \$720,000	1	-
\$720,001 - \$730,000	1	-
\$730,001 - \$740,000	1	-
\$740,001 - \$750,000	1	-
\$750,001 - \$760,000	1	-
\$760,001 - \$770,000	1	-
\$770,001 - \$780,000	1	-
\$780,001 - \$790,000	1	-
\$790,001 - \$800,000	1	-
\$800,001 - \$810,000	1	-
\$810,001 - \$820,000	1	-
\$820,001 - \$830,000	1	-
\$830,001 - \$840,000	1	-
\$840,001 - \$850,000	1	-
\$850,001 - \$860,000	1	-
\$860,001 - \$870,000	1	-
\$870,001 - \$880,000	1	-
\$880,001 - \$890,000	1	-
\$890,001 - \$900,000	1	-
\$900,001 - \$910,000	1	-
\$910,001 - \$920,000	1	-
\$920,001 - \$930,000	1	-
\$930,001 - \$940,000	1	-
\$940,001 - \$950,000	1	-
\$950,001 - \$960,000	1	-
\$960,001 - \$970,000	1	-
\$970,001 - \$980,000	1	-
\$980,001 - \$990,000	1	-
\$990,001 - \$1,000,000	-	1

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

22 KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)**(c) Remuneration of Members of the Accountable Authority and Senior Officers****Remuneration of Senior Officers**

	2020 Number	2019 Number
\$40,001 - \$50,000	-	1
\$60,001 - \$70,000	1	-
\$150,001 - \$160,000	1	-
\$310,001 - \$320,000	1	2
\$320,001 - \$330,000	2	-
\$350,001 - \$360,000	1	1
\$360,001 - \$370,000	1	-
\$370,001 - \$380,000	-	1
\$380,001 - \$390,000	1	1
\$390,001 - \$400,000	1	1
\$400,001 - \$410,000	1	1
\$410,001 - \$420,000	1	3
\$420,001 - \$430,000	2	-
\$430,001 - \$440,000	1	1
\$440,001 - \$450,000	2	-
\$450,001 - \$460,000	-	1
\$480,001 - \$490,000	-	1
\$490,001 - \$500,000	1	-
\$500,001 - \$510,000	1	1
\$510,001 - \$520,000	-	1
\$600,001 - \$610,000	-	1

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

22 KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)**(d) Key management personnel compensation**

Key management personnel comprises members of the Accountable Authority and Senior Officers.

	2020 \$'000	2019 \$'000
Short-term employee benefits	6,855	6,986
Post-employment benefits	749	764
Other long-term benefits	1,081	1,058
Termination benefits	310	-
Total key management personnel compensation	8,995	8,808

23 REMUNERATION OF AUDITORS

During the year, the following fees (excluding GST) were payable for services provided by the auditor of the University and non-related audit firms:

	2020 \$'000	2019 \$'000
(a) Audit and review of the Financial Statements		
Fees paid to the Office of the Auditor General	294	294
(b) Other audit and assurance services¹		
Fees paid to the Office of the Auditor General	39	14
Australian Government - Department of Agriculture	1	3
Casilli Holdings Pty Ltd	-	3
Independent Appraisal	1	1
SAI Global Limited	9	7
Avant Edge Consulting	26	24
Total fees paid for other audit services	76	52
Total Remuneration of Auditors	370	346

¹ Other audit and assurance services are related to compliance audits and research project audits.**24 RELATED PARTIES****(a) Key management personnel**

Disclosures relating to Members of the Accountable Authority and Senior Officers are set out in Note 22.

The University had no material related party transactions with Council Members/Senior Officers or their close family members or their controlled (or jointly controlled) entities for disclosure.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

24 RELATED PARTIES (continued)**(b) Transactions with related parties**

The following transactions occurred with related parties:

Transaction Type	2020 \$'000	2019 \$'000
Purchases of goods and services		
- Curtin Student Guild	3,645	4,640
- Associates	16	-
Revenue for providing services		
- Curtin Student Guild	295	617
- Associates	312	1,268

The following balances are outstanding at the reporting date in relation to transactions with related parties:

Transaction Type	2020 \$'000	2019 \$'000
Receivable at 31 December		
- Curtin Student Guild	31	110
- Associates	-	-
Payable at 31 December		
- Curtin Student Guild	3	119

(c) Loans to Associates

Refer Note 25.

25 ASSOCIATES**Companies**

The University invests in a number of unlisted companies which are established to commercialise intellectual property.

Details of the University's significant associates at 31 December 2020 are listed below. Investments in associates have been recognised at fair value (refer Note 11). They have not been equity accounted for in the University's financial statements because they are not considered sufficiently material.

Name of entity	Country of incorporation	Carrying value of Investment		Equity holding	
		2020 \$'000	2019 \$'000	2020 %	2019 %
Associates					
Hyprfire Pty Ltd	Australia	-	-	26	-
Renergi Pty Ltd	Australia	1	1	48	48
REX Ortho Pty Ltd	Australia	-	-	36	36
Loans to Associates					
				2020 \$'000	2019 \$'000
Balance at beginning of year				450	450
Loans advanced				220	-
Loans repayment received				-	-
Loans impaired				(220)	-
Interest charged				-	-
Interest received				-	-
Balance at end of year				450	450

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

26 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**(a) Contingent Liabilities**

The University recognises that there is uncertainty in the industrial relations environment with regard to the entitlements of casual employees, in particular as a potential consequence of the WorkPac Pty Ltd v Rossato [2020] FCAFC 84 legal case. Given that this case is still subject to appeal and that there may be legislative changes addressing its implications, at this time it is impracticable to measure the financial impact to the University of any potential unrecognised entitlements payable to casual employees.

Legal Actions

The University is exposed to legal actions that arise in the course of the University's normal operations. The University does not believe that these legal actions, if successful, would result in material loss. There are no other contingent liabilities.

(b) Contingent Assets

The University had no material contingent assets at the reporting date.

27 COMMITMENTS**(a) Capital commitments**

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

Property, Plant and Equipment

	2020 \$'000	2019 \$'000
Within one year	42,069	83,778
Between one and five years	-	24,749
Later than five years	-	-
Total capital commitments	42,069	108,527

(b) Lease commitments**Short-term and low value pool leases**

Leases with a term of less than 12 months or where the underlying asset is determined to be of low value continue to be treated similarly to the previous treatment for operating leases.

Commitments for minimum lease payments in relation to Short-term and low value pool leases are payable as follows:

	2020 \$'000	2019 \$'000
Within one year	4,474	3,876
Between one and five years	3,555	3,886
Later than five years	-	-
Total future minimum lease payments	8,029	7,762

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

27 COMMITMENTS (continued)

	2020 \$'000	2019 \$'000
(c) Other expenditure commitments		
Commitments in relation to purchase orders are payable as follows:		
Within one year	78,044	25,274
Commitments in relation to outgoings for leased buildings are payable as follows:		
Within one year	525	525
Between one and five years	2,101	2,101
Later than five years	38,601	39,126
Total future minimum payments	41,227	41,752

All the above commitments are inclusive of GST where applicable.

28 DISCONTINUED OPERATIONS

There were no discontinued operations in 2020 and 2019.

29 EVENTS OCCURRING AFTER REPORTING DATE

There are no events occurring after the reporting date that require disclosure or adjustment to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

30 DEFINED BENEFIT SUPERANNUATION PLANS**(a) Curtin University pension obligations**

Until 30 June 2006, a group of former employees was entitled, on retirement, death or disablement, to defined benefits under the Curtin University Superannuation Scheme. In some circumstances the scheme provided pension benefits. All members of the Scheme had retired, and had either received a pension or were entitled to receive a pension at a future date under certain circumstances. The scheme was wound up on 30 June 2006. Some former members of the wound-up Scheme entered into a contractual relationship direct with the University. The University now provides benefits to those individuals, consistent with their entitlements under the wound-up scheme. The University meets the benefits directly as they fall due.

	2020 \$'000	2019 \$'000
Reconciliation of the Present Value of the Defined Benefit Obligation		
Present value of defined benefit obligations at beginning of the year	545	512
Current service cost	-	-
Interest cost	10	17
Actuarial loss/(gain)	125	109
Benefits paid	(95)	(93)
Present value of defined benefit obligations at end of the year	585	545
Reconciliation of the Fair Value of Assets		
Fair value of assets at beginning of the year	-	-
Employer contributions	95	93
Benefits paid	(95)	(93)
Fair value of assets at end of the year	-	-
Reconciliation of the Assets and Liabilities Recognised in the Statement of Financial Position		
Present value of defined benefit obligation	585	545
Fair value of assets	-	-
Net liability	585	545
Liability recognised in the Statement of Financial Position as:		
Current	90	88
Non-current	495	457
	585	545
Expense Recognised in the Statement of Comprehensive Income		
Interest cost	10	17
Actuarial loss/(gain)	125	109
Superannuation expense/(benefit)	135	126

Assets

There are no assets held specifically to meet the University's obligations with regard to this liability.

Nature of asset/liability

The University has recognised a liability in the Statement of Financial Position under Provisions in respect of its defined benefit superannuation arrangements. The University has no legal obligation to settle this liability with an immediate contribution or additional one-off contributions. The University intends to continue to meet the cost of the benefits as they fall due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

30 DEFINED BENEFIT SUPERANNUATION PLANS (continued)**(b) Government Employees Superannuation Board (GESB)****Scheme information**

The Scheme operates under the State Superannuation Act 2000 (Western Australia) and the State Superannuation Regulations 2001 (Western Australia). GESB is the Scheme's Trustee and is responsible for the governance of the Scheme. As Trustee, GESB has a legal obligation to act solely in the best interests of Scheme beneficiaries.

Pension Scheme members receive pension benefits on retirement, death or invalidity. The Fund share of the pension benefit, which is based on the member's contributions plus investment earnings, may be commuted to a lump sum benefit. The University does not bear the cost associated with indexation of any pension arising from the Fund share. The State share of the pension benefit, which is fully employer-financed, cannot be commuted to a lump sum benefit.

Some former Pension Scheme members have transferred to the Gold State Super Scheme. In respect of their transferred benefit, the members receive a lump sum benefit at retirement, death or invalidity which is related to their salary during their employment and indexed during any deferral period after leaving public sector employment.

The weighted average duration of the defined benefit obligation for the whole of the Pension Scheme is 8.9 years (2019: 8.8 years).

The following disclosures are in respect of the employer-financed benefits only. The Pension Scheme and Gold State Super Scheme have been combined in the Note disclosure below.

	2020 \$'000	2019 \$'000
Reconciliation of the present value of the defined benefit obligation		
Present value of defined benefit obligations at beginning of the year	59,286	56,648
Current service cost	-	-
Interest cost	544	1,336
Actuarial loss/(gain) arising from changes in financial assumptions	1,869	5,327
Actuarial loss/(gain) arising from liability experience	(333)	1,053
Benefits paid	(5,031)	(5,078)
Present value of defined benefit obligations at end of the year	56,335	59,286
These defined benefit obligations are wholly unfunded, such that there are no assets. The University contributes any shortfalls of reimbursement rights, as required, to meet the benefits paid (refer below).		
Reconciliation of the fair value of Scheme assets		
Fair value of scheme assets at beginning of the year	-	-
Employer contributions	5,031	5,078
Benefits paid	(5,031)	(5,078)
Fair value of Scheme assets at end of the year	-	-
Reconciliation of the net liability recognised in the Statement of Financial Position		
Present value of defined benefit obligations	56,335	59,286
Fair value of the Scheme assets	-	-
Net liability	56,335	59,286
Fair value of reimbursement rights	56,335	59,286
Total net liability/(asset) in the Statement of Financial Position	-	-
Present value of defined benefit obligations/reimbursement rights is recognised as:		
Current	4,316	4,548
Non-current	52,019	54,738
	56,335	59,286

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

30 DEFINED BENEFIT SUPERANNUATION PLANS (continued)

	2020 \$'000	2019 \$'000
Expense Recognised in the Statement of Comprehensive Income		
Current service cost	-	-
Interest cost	544	1,336
Reimbursement rights adjustments	(252)	(1,067)
Deferred superannuation expense	292	269
Actuarial loss/(gain) recognised in Other Comprehensive Income		
Actuarial loss/(gain) arising from changes in financial assumptions	1,869	5,327
Actuarial loss/(gain) arising from liability experience	(333)	1,053
Reimbursement rights adjustments	(1,536)	(6,380)
Net Actuarial loss/(gain) recognised on defined benefit obligations	-	-

Scheme Assets

There are no assets in the Pension Scheme to support the state share of the benefit or in the Gold State Super Scheme for current employees to support the transferred benefits. Hence, there is:

- No fair value of Scheme assets;
- No asset allocation of Scheme assets;
- No financial instruments issued by the employer;
- No assets used by the employer; and
- No asset-liability matching strategies.

Significant actuarial assumptions used in determining defined benefit obligation

% per annum	2020	2019
Discount rate (active members)	0.96%	2.47%
Discount rate (pensioners)	0.96%	2.47%
Expected salary increase rate	2.00%	1.50%
Expected pension increase rate	2.00%	2.50%

The discount rate is based on the Government bond maturing in November 2029. The decrement rates used (eg mortality and retirement rates) are based on those used at the last actuarial valuation for the Schemes.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

30 DEFINED BENEFIT SUPERANNUATION PLANS (continued)

	2020 \$'000	2019 \$'000	2018 \$'000	2017 \$'000	2016 \$'000	2015 \$'000
Historical Information						
Present value of defined benefit obligation	56,335	59,286	56,648	62,003	61,574	64,569
Fair value of Scheme assets	-	-	-	-	-	-
Deficit in Scheme assets	56,335	59,286	56,648	62,003	61,574	64,569
Experience adjustments (gain)/loss - Scheme assets	-	-	-	-	-	-
Experience adjustments (gain)/loss - Scheme liabilities	(333)	1,053	(646)	2,936	(332)	(1,005)

The experience adjustment for scheme liabilities represents the actuarial loss/(gain) due to a change in the liabilities arising from the Scheme's experience (e.g. membership movements, unit entitlements) but excludes the effect of the changes in assumptions (e.g. movements in the bond rate and changes in pensioner mortality assumptions).

	2021 \$'000	2020 \$'000
Expected Contributions		
Expected employer contributions	4,743	5,093

Nature of asset/liability

The University has recognised a liability in the Statement of Financial Position under Provisions in respect of its defined benefit superannuation arrangements (refer Note 19).

An arrangement exists between the Australian Government and the University to meet the unfunded liability for beneficiaries of the State Superannuation Schemes on an emerging cost basis. Accordingly, a corresponding asset is recognised under Receivables for the reimbursement rights (refer Note 10).

The recognition of both the asset and the liability consequently do not affect the year end net asset position of the University, therefore no sensitivity analysis is relevant.

(c) Unisuper Defined Benefit Plan**Scheme information**

The UniSuper Defined Benefit Plan (DBP) is a multi-employer defined benefit plan under superannuation law. However, it is considered to be a multi-employer defined contribution plan under the Accounting Standard AASB119 - Employee Benefits. This is because, where there are or may be insufficient funds to provide benefits payable, the Trustee must reduce the benefits payable on a fair and equitable basis. The employer's legal or constructive obligation is limited to the amount that it agrees to contribute to the funds and the actuarial and investment risks rest with the employee.

(d) Superannuation employer contributions

Employer contributions for all superannuation plans of \$64.628 million (2019: \$62.993 million) were charged as an expense under employee benefits (refer Note 5) as they fell due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

31 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE**(a) Education – CGS and Other Education Grants**

	Commonwealth Grants Scheme ¹		Indigenous Support Program		Disability Support Program		Partnership & Participation Program ²		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Financial assistance received in CASH during the reporting period	260,367	251,575	1,095	1,039	188	198	4,723	4,791	266,373	257,603
Net accrual adjustments	(2,375)	(267)	-	-	-	-	(464)	-	(2,839)	(267)
Revenue for the period	257,992	251,308	1,095	1,039	188	198	4,259	4,791	263,534	257,336
Surplus/(deficit) from the previous year	-	-	-	-	(931)	(914)	(14)	(6)	(945)	(920)
Total revenue including accrued revenue	257,992	251,308	1,095	1,039	(743)	(716)	4,245	4,785	262,589	256,416
Less expenses including accrued expenses	(257,992)	(251,308)	(1,095)	(1,039)	(134)	(215)	(4,296)	(4,799)	(263,517)	(257,361)
Surplus/(deficit) for reporting period	-	-	-	-	(877)	(931)	(51)	(14)	(928)	(945)

¹ Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.

² Includes Equity Support Program.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

31 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)**(b) Higher Education Loan Programs (excl OS-HELP)**

	HECS-HELP		FEE-HELP ³		SA-HELP		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Financial assistance received in CASH during the reporting period	171,478	169,231	23,757	22,448	3,178	3,084	198,413	194,763
Net accrual adjustments	4,333	(1,025)	2,019	1,316	(980)	(188)	5,372	103
Revenue for the period	175,811	168,206	25,776	23,764	2,198	2,896	203,785	194,866
Surplus/(deficit) from the previous year	-	-	-	-	-	-	-	-
Total revenue including accrued revenue	175,811	168,206	25,776	23,764	2,198	2,896	203,785	194,866
Less expenses including accrued expenses	(175,811)	(168,206)	(25,776)	(23,764)	(2,198)	(2,896)	(203,785)	(194,866)
Surplus/(deficit) for reporting period	-	-	-	-	-	-	-	-

³ Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

31 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)**(c) (i) Research Training Program**

	Research Training Program ⁴		Commonwealth Education Cost Scholarships ⁵		Commonwealth Accommodation Scholarships ⁵		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Financial assistance received/(refunded) in CASH during the reporting period	27,169	26,301	204	239	-	-	27,373	26,540
Net accrual adjustments	-	-	-	-	-	-	-	-
Revenue for the period	27,169	26,301	204	239	-	-	27,373	26,540
Surplus/(deficit) from the previous year	588	245	26	-	-	-	614	245
Total revenue including accrued revenue	27,757	26,546	230	239	-	-	27,987	26,785
Less expenses including accrued expenses	(26,791)	(25,958)	(204)	(213)	-	-	(26,995)	(26,171)
Surplus/(deficit) for reporting period	966	588	26	26	-	-	992	614

⁴ The reported surplus for the Research Training Program of \$0.966 million for 2020 is expected to be rolled over for future use by the University.

⁵ Commonwealth Education Cost and Commonwealth Accommodation Scholarships are combined here, and includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships and Indigenous Scholarship (ICECS, IECECS, ICAS and IECAS) respectively.

(ii) Research Training Program expenditure

Year Ended 31 December 2020	Domestic students \$'000	Overseas students \$'000	Total \$'000
Research Training Program Fees offsets	15,930	358	16,288
Research Training Program Stipends	6,920	2,049	8,969
Research Training Program Allowances	874	660	1,534
Total for all types of support	23,724	3,067	26,791

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

31 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)**(d) Research Support Program**

	Research Support Program			Total
	2020 \$'000	2019 \$'000	2020 \$'000	
Financial assistance received in CASH during the reporting period	20,843	20,355	20,843	20,355
Net accrual adjustments	-	-	-	-
Revenue for the period	20,843	20,355	20,843	20,355
Surplus/(deficit) from the previous year	-	-	-	-
Total revenue including accrued revenue	20,843	20,355	20,843	20,355
Less expenses including accrued expenses	(20,843)	(20,355)	(20,843)	(20,355)
Surplus/(deficit) for reporting period	-	-	-	-

(e) Australian Research Council Grants**(i) Discovery**

	Projects ¹		Fellowships		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Financial assistance received in CASH during the reporting period	6,809	7,308	4,555	4,209	11,364	11,517
Net accrual adjustments	4,949	7,490	(555)	(245)	4,394	7,245
Revenue for the period	11,758	14,798	4,000	3,964	15,758	18,762
Surplus/(deficit) from the previous year	7,584	1,174	3,818	4,187	11,402	5,361
Total revenue including accrued revenue	19,342	15,972	7,818	8,151	27,160	24,123
Less expenses including accrued expenses	(6,764)	(8,388)	(3,634)	(4,333)	(10,398)	(12,721)
Surplus/(deficit) for reporting period	12,578	7,584	4,184	3,818	16,762	11,402

¹Includes Early Career Researcher Award.**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

for the year ended 31 December 2020

31 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)**(e) Australian Research Council Grants (continued)****(ii) Linkages**

	Infrastructure		Projects		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Financial assistance received in CASH during the reporting period	1,480	2,243	2,791	3,572	4,271	5,815
Net accrual adjustments	(374)	(2,188)	292	(160)	(82)	(2,348)
Revenue for the period	1,106	55	3,083	3,412	4,189	3,467
Surplus/(deficit) from the previous year	(537)	(53)	(471)	410	(1,008)	357
Total revenue including accrued revenue	569	2	2,612	3,822	3,181	3,824
Less expenses including accrued expenses	(928)	(539)	(3,107)	(4,293)	(4,035)	(4,832)
Surplus/(deficit) for reporting period	(359)	(537)	(495)	(471)	(854)	(1,008)

(iii) Centres

	Centres		Other		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Financial assistance received in CASH during the reporting period	990	1,277	98	73	1,088	1,350
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	990	1,277	98	73	1,088	1,350
Surplus/(deficit) from the previous year	891	587	15	(358)	906	229
Total revenue including accrued revenue	1,881	1,864	113	(285)	1,994	1,579
Less expenses including accrued expenses	(1,136)	(973)	(1)	300	(1,137)	(673)
Surplus/(deficit) for reporting period	745	891	112	15	857	906

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

31 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

	2020 \$'000	2019 \$'000
(f) OS-HELP		
Cash received during the reporting period	5,038	2,993
Cash spent during the reporting period	(5,038)	(2,993)
Net cash received	-	-
Cash surplus/(deficit) from the previous period	-	-
Cash surplus/(deficit) for the reporting period	-	-
(g) Higher Education Superannuation Program		
Cash received during the reporting period	4,869	5,362
University contribution in respect of current employees	292	269
Cash available	5,161	5,631
Cash surplus/(deficit) from the previous period	442	305
Cash available for current period	5,603	5,936
Contributions to specified defined benefit funds	(5,561)	(5,494)
Cash surplus/(deficit) for the reporting period	42	442
(h) Student Services and Amenities Fee		
Unspent/(Overspent) revenue from previous period	164	(215)
SA-HELP revenue earned	2,198	2,896
Student Services and Amenities Fees direct from students	2,908	3,392
Total revenue expendable in period	5,270	6,073
Student Services expenses during period	(5,138)	(5,909)
Unspent/(Overspent) Student Services Revenue	132	164

REPORT BY THE MEMBERS OF THE UNIVERSITY COUNCIL

The members of the University Council present their report for the year ended 31 December 2020.

MEMBERS

The following persons were members of the Council of Curtin University during the year ended 31 December 2020:

Members appointed by the Governor

Ms Elisa Fear
Mr Damian Gordon
Mr Michael Lundberg

Member who is the Vice-Chancellor

Professor Deborah Terry AO, Vice-Chancellor (ceased 28 July 2020)
Professor John Cordery, Interim Vice-Chancellor (commenced 29 July 2020)

Members Elected by Academic Staff

Professor Glenda Scully (ceased 10 December 2020)

Members Elected by General Staff

Ms Catherine Clark

Co-opted Members

Dr Terry Agnew
Dr Andrew Crane, Chancellor
Dr Vanessa Guthrie, Pro Chancellor
Mr Steve Scudamore (ceased 31 March 2020)
Mr David Southam (commenced 1 April 2020)
Dr Katherine Stannage (commenced 1 April 2020)
Ms Sue Wilson, Pro Chancellor (ceased 3 March 2020)

Member who is the Chairperson of Academic Board

Professor Dale Pinto

Members Elected by Students

Ms Romana-Rea Begicevic (postgraduate student - ceased 31 March 2020)
Ms May Majimbi (postgraduate student - commenced 1 April 2020)
Mr Chris Hall (undergraduate student)

Members Elected by the graduates of the University

Vacant

REPORT BY THE MEMBERS OF THE UNIVERSITY COUNCIL (CONTINUED)

Meetings of Members

The number of meetings of the University Council and of each committee of Council held during the year ended 31 December 2020, and the number of meetings attended by each member were:

MEMBERS	COUNCIL MEETINGS ¹		MEETINGS OF COMMITTEES													
			AUDIT, RISK & COMPLIANCE		EXECUTIVE			FINANCE		LEGISLATIVE		NOMINATIONS		UNIVERSITY COUNCIL HEALTH AND SAFETY		
	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD		ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	
Dr Terry Agnew ¹⁰	8	8			7	9							2	4	4	4
Ms Romana-Rea Begicevic	1	3														
Dr Andrew Crane, Chancellor ⁸	8	8			9	9							4	4		
Ms Catherine Clark	8	8													4	4
Professor John Cordery, Interim Vice-Chancellor ⁹	3	3			4	4		3	3	1	1				2	2
Ms Elisa Fear ⁸	8	8	4	4				2	2							
Ms Beth Gordon (co-opted) ²								7	7							
Mr Damian Gordon ²	8	8						7	7							
Dr Vanessa Guthrie, Pro Chancellor ²	6	8			8	9		7	7				3	4	3	4
Mr Chris Hall	6	8													2	2
Mr Michael Lundberg	8	8								3	3					
Ms May Majimbi	4	5														
Mr Matt Mueller (co-opted)			3	3												
Prof Dale Pinto	8	8			9	9				3	3					
Ms Ann Robinson (co-opted)			5	6												
Mr Steve Scudamore ³	3	3	2	2	2	2							2	2		
Prof Glenda Scully ⁵	8	8						7	7							
Mr David Southam (co-opted) ⁷			2	2												
Mr David Southam ⁷	5	5	4	4	7	7							2	2		
Dr Katherine Stannage	5	5														
Prof Deborah Terry AO, Vice-Chancellor ⁴	5	5			5	5		4	4	2	2				2	2
Mr Darren Weaver (co-opted) ²								2	2							
Ms Sue Wilson, Pro Chancellor ⁶	1	2	1	1	0	1							0	1		

¹ The number of meetings held represents the number of regular and special meetings held during the time a member was a member of the Council or a committee of Council during the year. The number of meetings held does not include matters considered by circular resolution by Council or respective committees of Council.

² Also a member of the Curtin University Foundation Board (commenced 20 August 2020)

³ Also a member of the Kalgoorlie Campus Council (ceased 31 March 2020)

⁴ Also a member of the Curtin University Foundation Board and Kalgoorlie Campus Council (ceased 28 July 2020)

⁵ Also a member of the Curtin Foundation Board (commenced 20 August 2020 and ceased 10 December 2020)

⁶ Also a member of the Curtin Foundation Board (ceased 3 March 2020)

⁷ Also a co-opted member of the Audit, Risk and Compliance Committee and then appointed as a Council member from 1 April 2020.

⁸ Also a member of the Curtin Foundation Board (ceased 19 August 2020)

⁹ Also a member of the Curtin University Foundation Board and Kalgoorlie Campus Council (commenced 29 July 2020)

¹⁰ Also a member of the Kalgoorlie Campus Council (commenced 1 April 2020)

Report by the Members of the University Council (continued)

Principal activities

During the year, the principal and continuing activities of the University were:

- (a) to provide courses of study appropriate to a university, and other tertiary courses;
- (b) to encourage and participate in the development and improvement of tertiary education whether on a full or part-time basis;
- (c) to provide such other courses as may be approved by the Council;
- (d) to undertake and support scholarship, pure and applied research, invention, innovation, education and consultancy, and to apply those matters to the advancement and application of knowledge -
 - (i) to the benefit of industry, business and government; and
 - (ii) to the benefit and wellbeing of the Western Australian, Australian and international communities;
- (e) to commercially develop or commercially use, for the University's benefit, any facility, resource or property (real or personal) of the University or in which the University has a right or interest (including, for example, study, research, knowledge and intellectual property and the practical application of study, research, knowledge and intellectual property), whether alone or with others;
- (f) to generate revenue for the purpose of funding the carrying out of its functions;
- (g) to foster the general welfare and development of its enrolled students;
- (h) subject to the Curtin University Act and the Statutes to make appropriate academic awards to enrolled students who have attained standards approved by the University in examinations and to other persons as prescribed;
- (i) to serve the Western Australian, Australian and international communities and the public interest by -
 - (i) enriching cultural and community life; and
 - (ii) raising public awareness of educational, scientific and artistic developments; and
 - (iii) promoting critical and free enquiry, informed intellectual discussion and public debate within the University and in the wider society;
- (j) to provide such facilities relating to the foregoing functions as the Council thinks necessary or conducive for their attainment.

No significant changes in the nature of the activities of the University occurred during the year.

Review of operations

The net operating result for the year ended 31 December 2020 was -\$1.098 million (2019: \$82.054 million).

The operations of the University during the financial year are reviewed in the following accompanying sections of the Annual Report:

- Chancellor's Foreword
- Vice-Chancellor's Report
- Report on Operations
- Report on Performance

Significant changes in the State of Affairs

No significant changes in the University's State of Affairs occurred during the year.

Matters subsequent to the end of the financial year

No other events have occurred since balance date that are likely to have a material impact on the financial report of the University.

Report by the Members of the University Council (continued)

Likely developments and expected results of operations

The University will continue to further its objectives, consistent with the principal activities outlined above. To provide further detail would result in unreasonable prejudice.

Environmental regulation

The members of the University Council are not aware of any material breaches of environmental regulations.

Relevant legislation that Curtin is subject to includes:

- *Environmental Protection Act 1986 (WA)*
- *Environmental Protection Regulations 1987*
- *Environmental Protection (Controlled Waste) Regulations 2004*
- *Environmental Protection (Noise) Regulations 1997*
- *Environmental Protection (Unauthorised Discharges) Regulations 2004*
- *Contaminated Sites Act 2003 (WA)*
- *National Greenhouse and Energy Reporting Act 2007 (Cth)*
- *National Greenhouse and Energy Reporting Regulations 2008*

The University is committed to protecting, preserving and as well as improving the environment in which the University operates.

Insurance of Members of Council and Officers

The University provides Directors and Officers Liability, which includes Supplementary Legal Expenses Cover, through contracts with external insurance providers.

The cover applies to members of Council and Officers of the University.

Proceedings on behalf of and against Curtin University

No major legal proceedings have been initiated by or against the University

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



Dr Andrew Crane

Chancellor

Curtin University, Bentley, Perth, WA

Dated this 17th day of March 2021