



Contents

For the Year Ended 31 December 2023

	Page
Financial Statements	
Income Statement	1
Statement of Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Statement by the Chancellor, Vice Chancellor and Chief Financial Officer	86
Independent Audit Report	87

Income Statement

For the Year Ended 31 December 2023

	Note	Consolidated		The University	
		2023	2022	2023	2022
		000's	000's	000's	000's
		\$	\$	\$	\$
Revenue and income from continuing operations					
Australian Government financial assistance					
Australian Government grants	3	282,664	266,567	282,664	266,567
HELP - Australian Government payments	3	103,494	103,099	103,494	103,099
State and local Government financial assistance	4	14,944	11,639	14,944	11,639
HECS-HELP - Student Payments		7,597	6,024	7,597	6,024
Fees and charges	5	162,450	119,233	162,370	119,132
Investment revenue	6	17,576	9,112	17,507	9,090
Royalties, trademarks and licences	7	122	1,330	118	1,323
Consultancy and contracts fees	8	18,516	19,027	18,482	19,011
Other revenue	9	25,337	23,353	22,287	19,965
Gains on disposal of assets		25	-	36	-
Other investment gains	6	5,254	373	5,254	-
Total revenue and income from continuing operations		637,979	559,757	634,753	555,850
Expenses from continuing operations					
Employee related expenses	10	374,550	338,141	368,921	334,393
Depreciation and amortisation	11	44,574	39,803	44,488	39,714
Repairs and maintenance	12	20,034	16,949	19,928	16,849
Borrowing costs	13	1,554	498	1,554	498
Impairment of assets	14	1,885	641	1,473	276
Loss on disposal of assets		-	73	-	73
Other investment losses	6	-	6,482	-	6,482
Other expenses	15	171,641	140,904	172,727	140,154
Total expenses from continuing operations		614,238	543,491	609,091	538,439
Net result from continuing operations		23,741	16,266	25,662	17,411
Net result attributable to					
University		23,950	16,166	25,662	17,411
Non-controlling interest	35	(209)	100	-	-
Total		23,741	16,266	25,662	17,411

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

Statement of Comprehensive Income
For the Year Ended 31 December 2023

	Note	Consolidated		The University	
		2023 000's \$	2022 000's \$	2023 000's \$	2022 000's \$
Net result for the period		23,741	16,266	25,662	17,411
Items that will not be reclassified to profit or loss:					
Gain / (loss) on revaluation of land, buildings, library and artworks	29	757	56,590	757	56,590
Gain / (loss) on equity instruments designated at fair value through other comprehensive income	29	(8,834)	(12,578)	(8,834)	(12,578)
Total		(8,077)	44,012	(8,077)	44,012
Total other comprehensive income		(8,077)	44,012	(8,077)	44,012
Total comprehensive income		15,664	60,278	17,585	61,423
Total comprehensive income attributable to:					
University		15,873	60,178	17,585	61,423
Non-controlling interest		(209)	100	-	-
Total		15,664	60,278	17,585	61,423

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

Statement of Financial Position

As At 31 December 2023

	Note	Consolidated		The University	
		2023 000's	2022 000's	2023 000's	2022 000's
		\$	\$	\$	\$
Assets					
Current assets					
Cash and cash equivalents	16	180,497	226,780	175,507	223,633
Receivables	17	29,702	42,416	33,463	41,899
Contract Assets	17	3,497	4,194	3,497	4,194
Inventories	18	279	342	278	342
Other financial assets	19	70,000	50,000	70,000	50,000
Other non-financial assets	20	15,084	13,693	15,051	13,626
Total current assets		299,059	337,425	297,796	333,694
Non-current assets					
Receivables	17	58,955	33,678	58,955	33,678
Other financial assets	19	141,764	127,079	142,990	128,303
Property, plant and equipment	23	973,347	797,758	972,380	796,382
Investment properties	22	11,525	12,125	11,525	12,125
Intangible assets	24	36,552	33,703	36,456	33,625
Other non-financial assets	20	1,211	1,374	1,211	1,374
Total non-current assets		1,223,354	1,005,717	1,223,517	1,005,487
Total assets		1,522,413	1,343,142	1,521,313	1,339,181
Liabilities					
Current liabilities					
Trade and other payables	25	52,615	52,109	51,107	49,071
Borrowings	26	1,321	2,767	1,321	2,767
Provisions	27	30,298	27,202	29,629	26,788
Other liabilities	28	1,236	1,044	1,456	1,622
Contract liabilities	25	96,501	76,818	96,477	76,677
Total current liabilities		181,971	159,940	179,990	156,925
Non-current liabilities					
Trade and other payables	25	7,732	8,436	7,732	8,436
Borrowings	26	261,519	124,290	261,519	124,290
Provisions	27	61,744	59,378	61,650	59,378
Contract liabilities	25	37,983	35,298	37,983	35,298
Total non-current liabilities		368,978	227,402	368,884	227,402
Total liabilities		550,949	387,342	548,874	384,327
Net assets		971,464	955,800	972,439	954,854
Equity					
University interest					
Reserves	29	238,122	246,199	241,875	249,952
Retained earnings	29	732,665	708,715	730,564	704,902
University interest		970,787	954,914	972,439	954,854
Non-controlling interest		677	886	-	-
Total equity		971,464	955,800	972,439	954,854

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 2023

	Consolidated				The University			
	Reserves	Retained Earnings	University Interest	Non-controlling Interest	Total	Reserves	Retained Earnings	Total
	000's	000's	000's	000's	000's	000's	000's	000's
	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 January 2022	219,491	675,245	894,736	786	895,522	223,244	670,187	893,431
Net result	-	16,166	16,166	100	16,266	-	17,411	17,411
Gain on revaluation of land, buildings, infrastructure, library and artwork	56,590	-	56,590	-	56,590	56,590	-	56,590
Gain/(loss) on equity instruments designated at fair value through other comprehensive income	(12,578)	-	(12,578)	-	(12,578)	(12,578)	-	(12,578)
Gain/(loss) on investment transfer between reserves	(17,304)	17,304	-	-	-	(17,304)	17,304	-
Total comprehensive income	26,708	33,470	60,178	100	60,278	26,708	34,715	61,423
Balance at 31 December 2022	246,199	708,715	954,914	886	955,800	249,952	704,902	954,854
Balance at 1 January 2023	246,199	708,715	954,914	886	955,800	249,952	704,902	954,854
Net Result	-	23,950	23,950	(209)	23,741	-	25,662	25,662
Gain on revaluation of land, buildings, infrastructure, library and artwork	757	-	757	-	757	757	-	757
Gain/(loss) on equity instruments designated at fair value through other comprehensive income	(8,834)	-	(8,834)	-	(8,834)	(8,834)	-	(8,834)
Total comprehensive income	(8,077)	23,950	15,873	(209)	15,664	(8,077)	25,662	17,585
Balance at 31 December 2023	238,122	732,665	970,787	677	971,464	241,875	730,564	972,439

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 2023

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
Note	\$	\$	\$	\$
Cash flows from operating activities:				
Australian Government Grants	386,153	369,659	386,153	369,659
OS-HELP (net)	902	(4,283)	902	(4,283)
Superannuation Supplementation	2,861	2,534	2,861	2,534
State Government Grants	15,280	11,459	15,280	11,459
Local Government Grants received	74	182	74	182
HECS-HELP - Student payments	7,597	6,024	7,597	6,024
Receipts from student fees and other customers	240,834	215,092	234,187	210,102
Dividends received	1,777	1,805	1,777	1,805
Interest received	13,031	4,054	13,031	4,054
Other investment income	2,699	3,230	2,699	3,230
GST recovered/paid	12,613	3,673	12,613	3,673
Payments to suppliers and employees (inclusive of GST)	(603,251)	(531,110)	(598,373)	(526,260)
Interest and other costs of finance	(244)	(498)	(244)	(498)
Net cash provided by/(used in) operating activities	39 80,326	81,821	78,557	81,681
Cash flows from investing activities:				
Proceeds from sale of property, plant and equipment, intangibles and other long term assets	46	186	36	186
Proceeds from sale of investment	17,744	17,997	17,744	17,399
Other investing outflows	171	(257)	(188)	(70)
Purchase of property, plant and equipment, intangibles and other long term assets	(211,902)	(107,109)	(211,607)	(106,904)
Payments for financial assets	(55,529)	(53,191)	(55,529)	(53,191)
Loans to related parties	(3,271)	(1,309)	(3,271)	(1,309)
Repayments of loans by related parties	45	260	45	260
Net cash provided by/(used in) investing activities	(252,696)	(143,423)	(252,770)	(143,629)
Cash flows from financing activities:				
Proceeds from borrowings	128,773	115,805	128,773	115,805
Repayment of lease liabilities	(2,686)	(6,979)	(2,686)	(6,979)
Net cash provided by/(used in) financing activities	126,087	108,826	126,087	108,826
Net increase/(decrease) in cash and cash equivalents	(46,283)	47,224	(48,126)	46,878
Cash and cash equivalents at beginning of year	226,780	179,556	223,633	176,755
Cash and cash equivalents at end of financial year	16 180,497	226,780	175,507	223,633
Financing arrangements	26			
Non-cash financing and investing activities	40			

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 2023

NOTE CONTENTS

	PAGE
Notes to the Financial Statements	
Accounting Policies	
1 Summary of Material Accounting Policies.....	8
2 Disaggregated information (dual sector and/or operations outside Australia).....	10
Revenue	
3 Australian Government financial assistance including Australian Government loan programs (HELP).....	11
4 State and Local Government financial assistance.....	13
5 Fees and charges.....	14
6 Investment revenue and other investment income.....	15
7 Royalties, trademarks and licences.....	16
8 Consultancy and contracts fees.....	16
9 Other revenue and income.....	16
Expenses	
10 Employee related expenses.....	17
11 Depreciation and amortisation.....	18
12 Repairs and maintenance.....	19
13 Borrowing costs.....	19
14 Impairment of assets.....	20
15 Other expenses.....	20
Assets	
16 Cash and cash equivalents.....	21
17 Receivables and Contract Assets.....	22
18 Inventories.....	24
19 Other financial assets.....	25
20 Other non-financial assets.....	29
21 Investments accounted for using the equity method.....	29
22 Investment properties.....	32
23 Property, plant and equipment.....	34
24 Intangibles.....	40
Liabilities	
25 Trade and other payables.....	43
26 Borrowings.....	45
27 Provisions.....	48
28 Other liabilities.....	51
Equity	
29 Reserves and retained earnings.....	52
Other	
30 Key Management Personnel Disclosures.....	53
31 Remuneration of Auditors.....	57
32 Contingencies.....	57
33 Commitments.....	58
34 Related Parties.....	59
35 Subsidiaries.....	60
36 Joint Operations.....	61
37 Interests in Co-operative Research Centres.....	62
38 Events Occurring After the Reporting Date.....	62
39 Reconciliation of net result after income tax to net cash provided by / (used in) operating activities.....	63
40 Non-cash investing and financing activities.....	63

Notes to the Financial Statements
For the Year Ended 31 December 2023

NOTE CONTENTS

	PAGE
41 Financial Risk Management.....	64
42 Fair Value Measurement.....	68
43 Superannuation Plans.....	75
44 Acquittal of Australian Government Financial Assistance.....	79
45 Acronyms and abbreviations.....	85

Notes to the Financial Statements For the Year Ended 31 December 2023

1 Summary of Material Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented unless otherwise stated. The financial statements include separate statements for Flinders University (The University) as the parent entity and Flinders University and its subsidiaries as the Consolidated Entity.

The principal address of Flinders University is:
Sturt Road
Bedford Park
South Australia 5042

(a) Basis of Preparation

The annual financial statements represent the audited general purpose financial statements of Flinders University. They have been prepared on an accrual basis and comply with the Australian Accounting Standards (AAS) and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

The Consolidated entity applies Tier 1 reporting requirements.

Additionally, the statements have been prepared in accordance with following statutory requirements:

- *Higher Education Support Act 2003*
- *Financial Statement Guidelines of the Department of Education, Skills and Employment*
- *Australian Charities and Not-for-Profit Commission (ACNC) Act 2012 (Cwth)*
- *Relevant provisions of the Treasurer's Instructions pursuant to the Public Finance and Audit Act 1987 and the Accounting Policy Statements issued pursuant to the Treasurer's Instructions, except where they conflict with the Department of Education, Skills and Employment Guidelines.*

Flinders University is a not-for-profit entity and these statements have been prepared on that basis. Some of the Australian Accounting Standard requirements for not-for-profit entities are inconsistent with the International Financial Reporting Standards (IFRS) requirements.

The financial report has been prepared based on a twelve month operating cycle and is presented in Australian dollars.

Date of authorisation for issue

The financial statements were authorised for issue by the Council members of Flinders University on 23 May 2024.

Historical cost convention

These financial statements have been prepared on an accrual basis and under the historical cost convention, as modified by the revaluation of gain/(loss) on financial assets designated at fair value through other comprehensive income, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The main areas involving a high degree of judgement where assumptions and estimates are significant to the financial statements are superannuation receivable and provision; valuation of property, plant and equipment; depreciation; long service leave liability and the recognition of revenue over time in accordance with AASB15.

Notes to the Financial Statements

For the Year Ended 31 December 2023

1 Summary of Material Accounting Policies (Continued)

(b) Comparative Amounts

The previous year's figures are provided in the financial statements for comparative purposes. Where necessary comparative figures have been adjusted to conform to changes in presentation and classification in the present year.

(c) Income Tax Status

The University does not provide for Australian income tax as it is exempt under the provisions of Division 50 of the Income Tax Assessment Act 1997.

Whilst the University's major subsidiaries are exempt from income tax, smaller entities within the Group pay income tax when it is incurred.

The University is subject to fringe benefits tax, GST and payroll tax.

(d) Goods and Services Tax (GST)

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

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

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

Commitments and contingencies are disclosed net of GST recoverable from or payable to the ATO.

(e) Impairment of non-financial assets

At each reporting date, the University undertakes an assessment of its significant assets to determine if there is any evidence of impairment. Where impairment exists, the University recognises an impairment loss in the Income Statement. This is calculated as the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

(f) Foreign currency translation

(i) Functional and presentation currency

The consolidated financial statements are presented in Australian dollars, which is the Consolidated entity's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Foreign currency monetary items outstanding at balance date are disclosed in note 41.

(g) Rounding of amounts

Unless otherwise indicated, all amounts have been rounded to the nearest thousand dollars.

Notes to the Financial Statements

For the Year Ended 31 December 2023

1 Summary of Material Accounting Policies (Continued)

(h) Current and non-current classification

Assets and liabilities are characterised as either current or non-current. The University and the Consolidated entity operate on a 12 month operating cycle. Assets and liabilities that are sold, consumed or realised as part of the 12 month operating cycle are classified as current. All other assets and liabilities are classified as non-current.

(i) New Accounting Standards and Interpretations

The accounting policies adopted are consistent with those of the previous year.

No new standards or interpretations have been issued that are mandatory for the 31 December 2023 reporting period or beyond, that the University has elected not to adopt and have a material impact.

2 Disaggregated information (dual sector and/or operations outside Australia)

The University operates in the field of higher education in Australia and its primary activities are the provision of teaching and research services. It has no material offshore operations.

Notes to the Financial Statements

For the Year Ended 31 December 2023

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

(a) Commonwealth Grants Scheme and Other Grants

	Note	Consolidated		The University	
		2023 000's	2022 000's	2023 000's	2022 000's
		\$	\$	\$	\$
Commonwealth Grants Scheme ¹		156,931	155,124	156,931	155,124
Indigenous, Regional and Low SES Attainment Fund ²		6,750	5,440	6,750	5,440
Higher Education Disability Support Program		301	253	301	253
National Priorities and Industry Linkage Fund		4,960	4,793	4,960	4,793
Supporting More Women in STEM Careers		637	1,028	637	1,028
Total Commonwealth Grants Scheme and Other Grants	44(a)	169,579	166,638	169,579	166,638

¹ Includes the basic CGS grant amount, CGS - Medical Student Loading, Allocated Places and Non-Designated Courses, CGS - Special Advances from Future Years and Demand Driven Higher Education Courses Advances.

² IRLSAF includes the Higher Education Participation and Partnership Program, regional loading and enabling loading, Indigenous Student Success Program and Regional Partnership Projects Pool Program.

(b) Higher Education Loan Programs

HECS - HELP		88,032	87,698	88,032	87,698
FEE - HELP		13,962	13,756	13,962	13,756
SA-HELP payments		1,500	1,645	1,500	1,645
Total Higher Education Loan Programs	44(b)	103,494	103,099	103,494	103,099

(c) Education Research

Research Support Program		13,999	11,795	13,999	11,795
Research Training Program		16,851	15,217	16,851	15,217
Total Education Research Grants	44(c)	30,850	27,012	30,850	27,012

(d) Other Capital Funding

Linkages - Infrastructure, equipment and facilities grant		1,273	539	1,273	539
Total Other Capital Funding	44(f)	1,273	539	1,273	539

(e) Australian Research Council

Discovery		7,374	5,264	7,374	5,264
Linkages - Projects		3,012	2,307	3,012	2,307
Linkages - Special Research Initiatives		99	64	99	64
Networks and Centres		664	558	664	558
Total Australian Research Council	44(e)	11,149	8,193	11,149	8,193

Notes to the Financial Statements

For the Year Ended 31 December 2023

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

(f) Other Australian Government financial assistance

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Non-capital				
National Health and Medical Research Council	21,183	15,670	21,183	15,670
Other Research	29,112	30,654	29,112	30,654
Other Non-Research	18,153	17,374	18,153	17,374
Commonwealth Scholarships	1,365	487	1,365	487
Total other Australian Government financial assistance	69,813	64,185	69,813	64,185
Total Australian Government financial assistance	386,158	369,666	386,158	369,666
Reconciliation				
Australian Government Grants	282,664	266,567	282,664	266,567
Higher Education Loan Programs	103,494	103,099	103,494	103,099
Total Australian Government financial assistance	386,158	369,666	386,158	369,666

Accounting Policy

Revenue from contracts with customers

Revenue recognition for research funding is dependent upon the source of the funding and the nature of the transaction. The research grants that are considered within the scope of AASB15 meet the enforceability criteria due to the existence of refund clauses in the agreements with the grantor, and the promises to transfer good or services to the customer are sufficiently specific as the University has the obligation to provide:

- comprehensive academic paper with the results of research after completion,
- research data and results published on an ongoing basis in an accessible repository as requested by the grantor,
- intellectual property

Depending on the nature of the promise, the University either recognises revenue at a point in time when the promise is delivered (e.g. when the academic paper is published) or recognises revenue over time as the service is performed.

Revenue from HELP is categorised into those received from the Australian Government and those received directly from students. Revenue is recognised and measured in accordance with the above disclosure.

Remaining performance obligations represent services the University has promised to provide to customers under funding agreements, which are satisfied as the goods or services are provided over the contract term. For customer contracts with terms of one year or less, or where revenue is recognised using the "right to invoice" method of recognising revenue, as permitted under AASB15, disclosures are not required in relation to the transaction price allocated to these unsatisfied performance obligations.

These unsatisfied performance obligations are expected to be satisfied within the following periods.

Notes to the Financial Statements

For the Year Ended 31 December 2023

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

Accounting Policy (Continued)

	Consolidated		The University	
	within 1 year 000's \$	1 to 5 years 000's \$	within 1 year 000's \$	1 to 5 years 000's \$
Australian government grants	50,855	33,177	50,855	33,177
State and local government financial assistance	3,760	1,869	3,760	1,869
Consultancy and contracts	13,202	2,937	13,202	2,937
Student fees in advance	27,833	-	27,833	-
Other fees in advance	850	-	827	-
	96,500	37,983	96,477	37,983

4 State and Local Government financial assistance

	Consolidated		The University	
	2023 000's \$	2022 000's \$	2023 000's \$	2022 000's \$
Non-capital financial assistance				
South Australian State Government	10,844	8,403	10,844	8,403
South Australian Local Government	74	166	74	166
Other State/Territory Government	4,026	3,070	4,026	3,070
Total State and Local Government financial assistance	14,944	11,639	14,944	11,639

Accounting Policy

State and Local Government financial assistance is measured and recognised in accordance with the policy set out in Note 3.

Notes to the Financial Statements
For the Year Ended 31 December 2023

5 Fees and charges

	Note	Consolidated		The University	
		2023 000's \$	2022 000's \$	2023 000's \$	2022 000's \$
Course Fees and Charges					
Fee-paying onshore overseas students		127,246	85,000	127,246	85,000
Fee-paying offshore overseas students		7,118	7,781	7,118	7,781
Fee-paying domestic postgraduate students		3,179	3,030	3,179	3,030
Fee-paying domestic undergraduate students		6,329	5,850	6,329	5,850
Fee-paying domestic non-award students		727	411	727	411
Other domestic course fees and charges		1,141	1,412	1,141	1,412
Total Course Fees and Charges		145,740	103,484	145,740	103,484
Other Non-Course Fees and Charges					
Student Services and Amenities Fees from students	44(i)	3,112	2,751	3,112	2,751
Student accommodation		7,094	6,694	7,094	6,694
Rental charges		1,307	1,336	1,227	1,235
Other student charges		92	96	92	96
Other hire fees		180	195	180	195
Parking fees		3,721	2,867	3,721	2,867
Other fees and charges		602	458	602	458
Administration Fees		602	1,352	602	1,352
Total Other Fees and Charges		16,710	15,749	16,630	15,648
Total Fees and Charges		162,450	119,233	162,370	119,132

Accounting Policy

Student tuition fees and charges are recognised as income in the year in which the service is provided.

Notes to the Financial Statements
For the Year Ended 31 December 2023

6 Investment revenue and other investment income

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Investment revenue				
Dividends from equity investments	1,777	1,805	1,777	1,805
Interest Income	13,100	4,076	13,031	4,054
Managed fund distribution	1,734	2,164	1,734	2,164
Investment property rental revenue	965	1,067	965	1,067
Total investment revenue	17,576	9,112	17,507	9,090
Other investment gains/(losses)				
Net gain arising on financial assets designated at fair value through profit or loss	5,254	373	5,254	-
Net loss arising on financial assets designated at fair value through profit or loss	-	(6,482)	-	(6,482)
Total other investment gains/(losses)	5,254	(6,109)	5,254	(6,482)
Investment income gains/(losses)	22,830	3,003	22,761	2,608

Accounting Policy

(a) *Investment property rental revenue*

Rental revenue from the leasing of investment properties is recognised in the income statement in the periods in which it is receivable, as this represents the pattern of service rendered through the provision of the properties.

(b) *Interest*

For all financial instruments measured at amortised cost and debt instruments measured at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in net investment income in the income statement.

(c) *Dividends*

Dividend revenue and imputation credits are recognised when:

- the Consolidated entity's right to receive the payment is established, which is generally when shareholders approve the dividend;*
- it is probable that the economic benefits associated with the dividend will flow to the entity; and*
- the amount of the dividend can be measured reliably.*

Notes to the Financial Statements

For the Year Ended 31 December 2023

7 Royalties, trademarks and licences

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Royalty income	122	1,330	118	1,323
Total royalties, trademarks and licences	122	1,330	118	1,323

Accounting Policy

Revenue from royalties, trademarks and licences are recognised on an accrual basis in accordance with the substance of the relevant agreement.

8 Consultancy and contracts fees

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Consultancy	1,439	1,195	1,405	1,179
Contract research	17,077	17,832	17,077	17,832
Total consultancy and contracts fees	18,516	19,027	18,482	19,011

Accounting Policy

Revenue from consultancy and contract research is recognised in accordance with the percentage of completion method. The stage of completion is measured by reference to labour hours incurred to date as a percentage of estimated total labour hours for each contract. Other human resources revenue is recognised when the service is provided. The detailed accounting policy for consultancy and contracts is disclosed in Note 3.

9 Other revenue and income

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Other revenue				
Donations and bequests	1,837	1,773	1,837	1,773
Scholarships and prizes	957	688	957	688
Non-government grants	10,380	8,211	10,380	8,211
Contributions of assets	3	113	3	113
Reimbursements	3,351	3,974	3,351	3,974
Sales and other charges	6,224	6,029	3,930	3,907
Sundry revenue	2,585	2,565	1,829	1,299
Total other revenue	25,337	23,353	22,287	19,965

Accounting Policy

Donations and bequests are received in cash and non-cash forms. Non-cash donations and bequests are recognised at the University's estimate of the fair value of the items donated or bequeathed.

Notes to the Financial Statements
For the Year Ended 31 December 2023

9 Other revenue and income (Continued)

Accounting Policy (Continued)

Other revenue is recognised over time as and when the service is provided or at a point in time when the service is provided.

10 Employee related expenses

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Academic				
Salaries	151,808	142,913	150,550	142,558
Contributions to superannuation and pension schemes				
Contributions to funded schemes	23,842	21,753	23,646	21,735
Payroll tax	9,021	8,210	8,904	8,210
Workers' compensation	22	42	22	42
Long service leave expense	3,341	1,570	3,279	1,570
Annual leave	12,046	10,650	11,991	10,623
Redundancy expenses	1,780	124	1,780	124
Total academic	201,860	185,262	200,172	184,862
Non-academic				
Salaries	129,584	115,474	126,121	112,395
Contributions to superannuation and pension schemes				
Contributions to funded schemes	22,058	19,431	21,647	19,162
Payroll tax	7,924	7,056	7,924	7,056
Workers' compensation	7	39	7	39
Long service leave expense	2,331	1,845	2,300	1,845
Annual leave	10,500	8,758	10,464	8,758
Redundancy expenses	286	276	286	276
Total non-academic	172,690	152,879	168,749	149,531
Total employee related expenses	374,550	338,141	368,921	334,393

Accounting Policy

The accounting policy for employee benefits is disclosed in Note 27.

Notes to the Financial Statements
For the Year Ended 31 December 2023

11 Depreciation and amortisation

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Depreciation				
Buildings	18,836	16,347	18,836	16,347
Infrastructure	1,900	2,052	1,900	2,052
Plant and equipment	5,285	5,592	5,221	5,527
Library	5,424	4,986	5,424	4,986
Right of Use Asset - Land & Buildings	2,783	2,614	2,783	2,614
Total depreciation	34,228	31,591	34,164	31,526
Amortisation				
Computer software	9,879	7,744	9,857	7,720
Leasehold improvements	467	468	467	468
Total amortisation	10,346	8,212	10,324	8,188
Total depreciation and amortisation	44,574	39,803	44,488	39,714

Accounting Policy

Depreciation is calculated on a straight line basis on all property, plant and equipment, other than land and works of art, which are not depreciated. Where material, buildings are componentised and the individual components are depreciated over their useful lives. The basis for depreciation and the depreciation rates are reviewed annually. The following rates are based on the estimated useful life of the assets to the University:

Item	Percentage
Depreciation:	
Buildings and infrastructure	1.6%- 20.0%
Equipment	
- Motor vehicles	20.0%
- General equipment	10.0% - 33.3%
- Computer hardware	16.6% - 33.3%
- Furniture	10.0%
Library collection	10.0%
Right of Use Assets - Land & Buildings	6.0% - 40.0%
Right of Use Assets - Leased Equipment	20.0%
Amortisation:	
Computer software	20.0%
Leasehold improvements	5.0% - 20.0%

Right of use assets are depreciated over the lease term. Leasehold improvements are amortised over the shorter of the lease term and the useful life of the asset.

Notes to the Financial Statements

For the Year Ended 31 December 2023

12 Repairs and maintenance

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Buildings and grounds	10,184	9,141	10,107	9,053
Minor works	3,582	2,499	3,582	2,499
Equipment and artwork	6,268	5,309	6,239	5,297
Total repairs and maintenance	20,034	16,949	19,928	16,849

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 the recognition criteria are met. Other routine operating maintenance, repair and minor renewal costs are also recognised as expenses, as incurred.

13 Borrowing costs

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Interest expense	9,040	2,030	9,040	2,030
Finance charges in respect of leases	244	352	244	352
Total borrowing costs	9,284	2,382	9,284	2,382
Amount capitalised	(7,730)	(1,884)	(7,730)	(1,884)
Total borrowing costs expensed	1,554	498	1,554	498

In 2021, the University entered into an agreement with a consortium of partners led by Tetris Capital, to construct a new \$255 million Health and Medical Research Building (HMRB) which is located adjacent to the Flinders Railway Station and Flinders Medical Centre. Building work is underway and the expected project delivery date is April 2024. The loan related to the HMRB are shown as non-current borrowings. Interest expense of \$9 million is related to HMRB loan. Further detail is available at Note 26.

Accounting Policy

Borrowing costs incurred for the construction of qualifying assets are capitalised.

Finance charges include both the interest charges implicit in finance leases, and other leases recognised in accordance with AASB 16.

Notes to the Financial Statements
For the Year Ended 31 December 2023

14 Impairment of assets

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Impairment losses - financial assets				
Impairment of receivables	602	276	602	276
Investments	412	365	-	-
Impairment of property, plant and equipment	416	-	416	-
Impairment of intangible assets	455	-	455	-
Total impairment of assets	1,885	641	1,473	276

Accounting Policy

At each reporting date, the University undertakes an assessment of its significant assets to determine if there is any evidence of impairment. Where impairment exists, the University recognises an impairment loss in the Income Statement. This is calculated as the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

For further information on accounting policies of impairment of financial assets, refer to Note 17 and Note 19.

15 Other expenses

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Scholarships, grants and prizes	19,525	16,381	19,525	16,381
Non-capitalised equipment	8,945	8,027	8,942	8,027
Advertising, marketing and promotional expenses	10,594	6,416	10,509	6,310
Administration and management fees	31,347	28,210	31,201	27,712
Consulting and professional fees	5,743	4,260	5,743	4,254
Consumables	10,093	10,087	10,044	10,033
Printing & photocopying	1,428	995	1,423	977
Rental expenses	2,753	2,789	2,753	2,785
Telephone and fax	3,186	3,085	3,143	3,047
Travel, staff development and entertainment	17,091	11,106	17,008	11,085
Utilities	5,263	5,444	5,174	5,339
Student placement and practicum expenses	21,344	14,626	23,369	14,980
Library	3,030	3,518	3,026	3,518
Software expenses	20,898	17,367	20,838	17,309
Freight and cartage	789	639	788	638
Insurance	3,140	2,896	3,115	2,869
Miscellaneous	6,472	5,058	6,126	4,890
Total other expenses	171,641	140,904	172,727	140,154

Notes to the Financial Statements
For the Year Ended 31 December 2023

16 Cash and cash equivalents

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Cash at bank and on hand				
Cash at bank and on hand	180,497	216,780	175,507	213,633
Short-term deposits at call	-	10,000	-	10,000
Total cash and cash equivalents	180,497	226,780	175,507	223,633

(a) *Reconciliation to cash at the end of the year*

The above figures are reconciled to cash at the end of the year as shown in the statement of cash flows as follows:

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Balances as above	180,497	226,780	175,507	223,633
Balance per Statement of Cash Flows	180,497	226,780	175,507	223,633

(b) *Cash at bank and on hand*

Cash on hand is non-interest bearing. Cash at bank earns floating interest rates between 4.10% and 4.35% (2022: 2.85% and 3.35%).

Accounting Policy

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank accounts are recognised at nominal amounts.

Notes to the Financial Statements
For the Year Ended 31 December 2023

17 Receivables and Contract Assets

	Note	Consolidated		The University	
		2023 000's \$	2022 000's \$	2023 000's \$	2022 000's \$
Receivables					
Current					
Student fees		3,848	2,062	3,848	2,062
Less: Allowance for expected credit losses		(133)	(117)	(133)	(117)
		3,715	1,945	3,715	1,945
Trade receivables		22,386	14,593	21,816	13,367
Less: Allowance for expected credit losses		(594)	(553)	(593)	(552)
		21,792	14,040	21,223	12,815
Associate debtors		2,885	2,929	7,465	4,239
Less: Allowance for expected credit losses		(2,885)	(2,885)	(2,885)	(2,885)
		-	44	4,580	1,354
		25,507	16,029	29,518	16,114
GST receivable		48	-	-	-
Accrued income		1,110	1,016	908	414
Deferred government benefit for superannuation	43	3,037	2,574	3,037	2,574
Franking Credit Receivables		-	22,797	-	22,797
Total current receivables		29,702	42,416	33,463	41,899
Non-current					
Deferred government benefit for superannuation	43	36,196	33,678	36,196	33,678
Franking credit receivables		22,759	-	22,759	-
Total non-current receivables		58,955	33,678	58,955	33,678
Total receivables		88,657	76,094	92,418	75,577
Contract Assets					
Contract Assets		3,497	4,194	3,497	4,194
Total current contract assets		3,497	4,194	3,497	4,194

Franking Credit Receivables

The University continues to recognise the IDP franking credits refundable on the in-specie distribution of \$22.8 million as at 31 December 2023. The University, along with all other Universities, have submitted a Notice of Objections Against Amended Assessment through external law firm Herbert Smith Freehills to the Australian Taxation Office (ATO). The timing for the matter to be resolved is uncertain, as such the University has re-classified the receivable for the IDP franking credits refundable as non-current receivable.

Notes to the Financial Statements

For the Year Ended 31 December 2023

17 Receivables and Contract Assets (Continued)

Impaired Receivables

The movement in the allowance for expected credit losses of all receivables and contract assets is as follows:

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
As at 1 January	669	410	3,554	3,295
Net provision for expected credit losses recognised/(reversed)	512	276	511	276
Receivables written off - student & trade debtors	(454)	(17)	(454)	(17)
As at 31 December	<u>727</u>	<u>669</u>	<u>3,611</u>	<u>3,554</u>

Accounting Policy

Classification and measurement

Trade receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. At initial recognition trade receivables are measured at their transaction price and subsequently these are classified and measured as debt instruments at amortised cost. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Contract Assets

A contract asset is the Consolidated entity's right to consideration in exchange for goods or services that the Consolidated entity has transferred to the customer when that right is conditioned on something e.g. preliminary project expenditure incurred for which revenue has not been received. The classification of contract assets as current was made on the basis that all projects with expenditure in advance will be invoiced within 12 months.

Impairment

For trade receivables the Consolidated entity applies a simplified approach in calculating expected credit losses ("ECLs"). Therefore, the Consolidated entity does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Consolidated entity has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Deferred Government Benefit for Superannuation

Details regarding the receivable from the Australian Government relating to the State Super Scheme are disclosed in Note 27 and Note 43.

Notes to the Financial Statements
For the Year Ended 31 December 2023

18 Inventories

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Current				
Raw materials and consumables - at cost	279	342	278	342
Total current inventories	279	342	278	342

Accounting Policy

Inventories are stores of consumable items including printing and maintenance materials and are measured at cost. Annual stocktakes are used to verify inventory account balances. Other small inventories of consumable items including stationery, fuel and antisera are expensed as purchased.

Notes to the Financial Statements
For the Year Ended 31 December 2023

19 Other financial assets

	Note	Consolidated		The University	
		2023 000's \$	2022 000's \$	2023 000's \$	2022 000's \$
Current					
Held-to-maturity - Term deposits greater than 90 days		70,000	50,000	70,000	50,000
Total current other financial assets		70,000	50,000	70,000	50,000
Non-current					
Investments in financial assets designated at fair value through other comprehensive income					
Subsidiaries at Council valuation	35	-	-	4,331	4,331
Australian equities		24,660	33,495	24,660	33,495
Total financial assets designated at fair value through other comprehensive income		24,660	33,495	28,991	37,826
Investments in financial assets at fair value through profit or loss ¹					
Debt securities		55,723	37,999	55,723	37,999
Australian equities		51,314	47,000	48,209	43,893
International equities		10,067	8,585	10,067	8,585
Total investments in financial assets at fair value through profit or loss		117,104	93,584	113,999	90,477
Total non-current other financial assets		141,764	127,079	142,990	128,303
Total other financial assets		211,764	177,079	212,990	178,303

1. Changes in fair values of other financial assets at fair value through profit or loss are recorded in investment revenue in the income statement (refer Note 6).

Accounting Policy

Financial assets

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets are classified at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

Notes to the Financial Statements

For the Year Ended 31 December 2023

19 Other financial assets (Continued)

Accounting Policy (Continued)

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Consolidated entity's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Consolidated entity initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Consolidated entity's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Consolidated entity commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised costs
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

Financial assets at amortised cost

The Consolidated entity measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Consolidated entity's financial assets at amortised cost includes trade receivables, and loan to related parties.

Financial assets at fair value through other comprehensive income

The Consolidated entity measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Notes to the Financial Statements

For the Year Ended 31 December 2023

19 Other financial assets (Continued)

Accounting Policy (Continued)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the income statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Investments in equity instruments designated at fair value through other comprehensive income

Upon initial recognition, the Consolidated entity can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as investment revenue in the income statement when the right of payment has been established, except when the Consolidated entity benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Consolidated entity elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss (including designated)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the income statement.

This category includes derivative instruments and listed equity investments which the Consolidated entity had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as investment revenue in the income statement when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Consolidated entity's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired or

Notes to the Financial Statements

For the Year Ended 31 December 2023

19 Other financial assets (Continued)

Accounting Policy (Continued)

- The Consolidated entity has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Consolidated entity has transferred substantially all the risks and rewards of the asset, or (b) the Consolidated entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Consolidated entity has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Consolidated entity continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Consolidated entity also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Consolidated entity has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Consolidated entity could be required to repay.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of debt instruments other than receivables

The Consolidated entity recognises an allowance for expected credit losses (ECLs) for all debt instruments other than receivables and not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Consolidated entity expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For debt instruments at fair value through OCI, the Consolidated entity applies the low credit risk simplification. At every reporting date, the Consolidated entity evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Consolidated entity reassesses the internal credit rating of the debt instrument. In addition, the Consolidated entity considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Consolidated entity considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Consolidated entity may also consider a financial asset to be in default when internal or external information indicates that the Consolidated entity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Consolidated entity. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Notes to the Financial Statements

For the Year Ended 31 December 2023

20 Other non-financial assets

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Current				
Prepayments	15,084	13,693	15,051	13,626
Non-current				
Prepayments	1,211	1,374	1,211	1,374
Total other non-financial assets	16,295	15,067	16,262	15,000

21 Investments accounted for using the equity method

Investments in Associates

Name of associate	Country of incorporation	Principal activities	Ownership Interest %	
			2023	2022
Flinders Reproductive Medicine (FRM) ¹	Australia	FRM provides a high quality comprehensive infertility investigatory and treatment service.	50.0	50.0
Clevertar Pty Ltd ²	Australia	Clevertar was formed in 2008 and is a health software development company.	5.8	29.6
SABRENet Ltd ³	Australia	Delivers high capacity broadband network services to the education and research sector.	25.0	25.0

1 Investment in associate held by the University.

2 Investment held by Flinders Partners Pty Ltd. Equity accounting has been suspended for this associate because the carrying value of the investment has been reduced to zero. The company has undertaken two rounds of capital raising by issuing new shares. Flinders Partners Pty Ltd. has not participated in these issues. This has diluted its shareholding percentage.

3 SABRENet Ltd is established to be a non-profit institution to further use of advanced data networking for the conduct of research and education in South Australia. The founding members are the three South Australian universities and the South Australian Government. The Defence Science and Technology Organisation (DSTO) is a contractual partner. The University's interests in SABRENet Ltd is not considered to be material to the University's core activities and consequently are not incorporated in the financial statements. The University has no rights to the residual assets of SABRENet Ltd.

Notes to the Financial Statements

For the Year Ended 31 December 2023

21 Investments accounted for using the equity method (Continued)

Summarised financial information for individually material associates is set out below:

	FRM ⁽¹⁾	
	2023 000's \$	2022 000's \$
Financial Position		
Current assets	1,542	1,996
Non-current assets	2,863	2,347
Total assets	4,405	4,343
Current liabilities	1,249	1,531
Non-current liabilities	5,610	5,620
Total liabilities	6,859	7,151
Net assets	(2,454)	(2,808)
Reconciliation of carrying amounts:		
Financial Performance		
Income	6,989	6,810
Expenses	(6,635)	(6,541)
Total profit/(loss)	354	269

1 Equity Accounting has been suspended because the carrying value of the investment has been reduced to zero and will resume when the associate returns to profit and all prior period losses are recouped.

Investments in Joint Ventures

The University participates in a number of joint ventures for which the University's interest is not considered to be material to the University's core activities and consequently are not incorporated in the financial statements.

Name of joint venture	Principal place of business	Principal activities	Ownership Interest %	
			2023	2022
South Australian Tertiary Admission Centre (SATAC)	South Australia	SATAC is a joint venture between the three South Australian public universities, Charles Darwin University (CDU) and the Minister of Higher Education and Skills. SATAC receives and processes undergraduate and postgraduate applications for admission to TAFE SA, CDU and the three public universities in South Australia.	20.0	20.0

Notes to the Financial Statements

For the Year Ended 31 December 2023

21 Investments accounted for using the equity method (Continued)

Accounting Policy

(a) Associates

Associates are all entities over which the Consolidated entity has significant influence but not control. If material, investments in associates are accounted for in the University's financial statements using the cost method, and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost.

The Consolidated entity's share of its associates' post acquisition profits or losses is recognised in the income statement, and its share of post acquisition movements in reserves is recognised in reserves. The cumulative post acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised in the parent entity's income statement, while in the consolidated financial statements they reduce the carrying amount of the investment.

Gains or losses resulting from 'upstream' and 'downstream' transactions, involving assets that do not constitute a business, are recognised in the parent's financial statements only to the extent of unrelated investors' interests in the associate or joint venture. Gains or losses resulting from the contribution of non-monetary assets in exchange for an equity interest are accounted for in the same method.

When the Consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, it does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

(b) Joint ventures

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

If material, the interest in a joint venture entity is accounted for in the consolidated financial statements using the equity method and is carried at cost by the University. Under the equity method, the share of the profits or losses of the entity is recognised in the income statement, and the share of movements in reserves is recognised in reserves in the statement of comprehensive income and the statement of changes in equity.

Notes to the Financial Statements
For the Year Ended 31 December 2023

22 Investment properties

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
At Fair Value				
Opening balance at 1 January	12,125	10,296	12,125	10,296
Net gain/(loss) from fair value adjustments	(600)	1,829	(600)	1,829
Closing balance at 31 December	11,525	12,125	11,525	12,125
Total closing balance at 31 December	11,525	12,125	11,525	12,125

For fair value hierarchy categorisation of investment properties refer Note 42(b).

(a) Amounts recognised in profit or loss for investment properties

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Rental income	965	1,067	965	1,067
Direct operating expenses (rent generating properties)	(400)	(295)	(400)	(295)
Other direct operating expenses	(256)	(189)	(256)	(189)
Total recognised in profit or loss	309	583	309	583

(b) Valuation basis

The investment property is valued at fair value being the estimated price that would be received to sell the property in an orderly transaction between market participants at the valuation date. The investment property was independently valued at fair value as at 31 December 2023 by Opteon Pty Ltd. The carrying value of this investment has been reviewed by Opteon Pty Ltd at balance date resulting in a reduction to fair value of \$0.6m.

(c) Non-current assets pledged as security

No non-current assets have been pledged.

(d) Contractual obligations

There are no capital commitments for the investment property.

Notes to the Financial Statements

For the Year Ended 31 December 2023

22 Investment properties (Continued)

(e) Leasing arrangements

The future minimum lease payments under non-cancellable operating leases in the aggregate and for each of the following periods:

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Not later than one year	834	846	834	846
Later than one year and not later than five years	2,706	2,733	2,706	2,733
Total	3,540	3,579	3,540	3,579

As at 31 December 2023, 64% (2022: 64%) of the building is leased or available for lease to entities outside the Consolidated entity. Entities outside the University but within the Consolidated entity lease 36% (2022: 36%).

Accounting Policy

Investment properties exclude properties held to meet service delivery objectives of the University. The University holds an investment property (Mark Oliphant Building) which is measured on a fair value basis, based on active market prices of similar properties, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, alternative valuation methods such as recent prices in less active markets or discounted cash flow projections are used.

At each reporting date, the reported value is reviewed to ensure that it does not differ materially from the property's fair value at that date. Changes to fair value are recorded in the income statement as other income.

Notes to the Financial Statements
For the Year Ended 31 December 2023

23 Property, plant and equipment

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Land				
Crown land:				
At independent valuation - 2022	59,200	59,200	59,200	59,200
Freehold land:				
At independent valuation - 2022	31,990	31,990	31,990	31,990
At cost	150	-	150	-
Total Land	91,340	91,190	91,340	91,190
Buildings and leased land				
At independent valuation - 2022	459,938	459,938	459,938	459,938
At cost	28,130	9,032	28,130	8,674
Accumulated depreciation	(20,127)	(1,288)	(20,127)	(1,293)
Total buildings - net book value	467,941	467,682	467,941	467,319
Infrastructure				
At independent valuation - 2022	52,780	52,780	52,780	52,780
At cost	6,107	-	6,107	-
Accumulated depreciation	(1,900)	-	(1,900)	-
Total Infrastructure	56,987	52,780	56,987	52,780
Leasehold Improvements				
At cost	-	4,583	-	4,583
Accumulated amortisation	-	(3,738)	-	(3,738)
Total leasehold improvements - net book value	-	845	-	845
Construction in progress				
At cost	277,027	107,150	277,027	107,150
Total Land, Building and Infrastructure - net book value	893,295	719,647	893,295	719,284
Library Collections				
At fair value	57,089	53,994	57,089	53,994
Accumulated depreciation	(29,406)	(26,614)	(29,406)	(26,614)
Total library collections - net book value	27,683	27,380	27,683	27,380

Notes to the Financial Statements
For the Year Ended 31 December 2023

23 Property, plant and equipment (Continued)

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Equipment				
At cost deemed at fair value	90,815	88,269	89,129	85,582
Accumulated depreciation	(56,455)	(56,919)	(55,736)	(55,245)
Total plant and equipment	34,360	31,350	33,393	30,337
Works of art				
At independent valuation - 2023	7,872	6,855	7,872	6,855
At Council valuation	-	260	-	260
Total works of art - net book value	7,872	7,115	7,872	7,115
Right of Use Asset - Land & Buildings				
At cost	16,319	15,665	16,319	15,665
Accumulated depreciation	(6,182)	(3,399)	(6,182)	(3,399)
Total right of use asset - land & buildings	10,137	12,266	10,137	12,266
Total property, plant and equipment	973,347	797,758	972,380	796,382

Notes to the Financial Statements
For the Year Ended 31 December 2023

23 Property, plant and equipment (Continued)

	Land	Buildings and leased land	Infrastructure	Capital Works in Progress	Leasehold Improvements	Library Collections	Plant and Equipment	Right of Use Land & Build.	Works of Art	Total
	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Consolidated										
Year ended 31 December 2022										
Opening net book amount	55,872	436,230	52,030	41,069	1,313	26,703	30,478	11,874	6,986	662,555
Additions at fair value	420	1,664	-	93,324	-	5,663	6,814	3,006	129	111,020
Capitalisation	-	25,134	2,109	(27,243)	-	-	-	-	-	-
Disposals - written down value	-	-	-	-	-	-	(324)	-	-	(324)
Reclassifications	370	(370)	-	-	-	-	-	-	-	-
Revaluation increase recognised in equity	34,528	21,407	655	-	-	-	-	-	-	56,590
Depreciation charge	-	(16,383)	(2,014)	-	(468)	(4,986)	(5,618)	(2,614)	-	(32,083)
Closing net book amount	91,190	467,682	52,780	107,150	845	27,380	31,350	12,266	7,115	797,758
Year ended 31 December 2023										
Opening net book amount	91,190	467,682	52,780	107,150	845	27,380	31,350	12,266	7,115	797,758
Additions at fair value	150	1,031	50	194,361	-	5,727	8,600	654	-	210,573
Disposals - written down value	-	(363)	-	-	-	-	(283)	-	-	(646)
Capitalisations	-	18,427	6,057	(24,484)	-	-	-	-	-	-
Revaluation increase recognised in equity	-	-	-	-	-	-	-	-	757	757
Impairment loss in income	-	-	-	-	(378)	-	-	-	-	(378)
Depreciation charge	-	(18,836)	(1,900)	-	(467)	(5,424)	(5,307)	(2,783)	-	(34,717)
Closing net book amount	91,340	467,941	56,987	277,027	-	27,683	34,360	10,137	7,872	973,347

Notes to the Financial Statements
For the Year Ended 31 December 2023

23 Property, plant and equipment (Continued)

	Land	Buildings and leased land	Infrastructure	Capital Works in Progress	Leasehold Improvements	Library Collections	Plant and Equipment	Right of Use Land/Build.	Works of Art	Total
	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
The University										
Year ended 31 December 2022										
Opening net book amount	55,872	435,866	52,030	41,069	1,313	26,703	29,580	11,874	6,986	661,293
Additions at fair value	420	1,665	-	93,324	-	5,663	6,610	3,006	129	110,817
Disposals - written down value	-	-	-	-	-	-	(324)	-	-	(324)
Capitalisations	-	25,134	2,109	(27,243)	-	-	-	-	-	-
Reclassification	370	(370)	-	-	-	-	-	-	-	-
Revaluation increase recognised in equity	34,528	21,407	655	-	-	-	-	-	-	56,590
Depreciation charge	-	(16,383)	(2,014)	-	(468)	(4,986)	(5,529)	(2,614)	-	(31,994)
Closing net book amount	91,190	467,319	52,780	107,150	845	27,380	30,337	12,266	7,115	796,382
Year ended 31 December 2023										
Opening net book amount	91,190	467,319	52,780	107,150	845	27,380	30,337	12,266	7,115	796,382
Additions at fair value	150	1,031	50	194,362	-	5,727	8,315	654	-	210,289
Capitalisations	-	18,427	6,058	(24,485)	-	-	-	-	-	-
Revaluation increase recognised in equity	-	-	-	-	-	-	-	-	757	757
Impairment loss in income	-	-	-	-	(378)	-	(38)	-	-	(416)
Depreciation charge	-	(18,836)	(1,901)	-	(467)	(5,424)	(5,221)	(2,783)	-	(34,632)
Closing net book amount	91,340	467,941	56,987	277,027	-	27,683	33,393	10,137	7,872	972,380

The University has restrictions imposed on the real property listed in this note under the "Flinders University Act 1966". Section 3(5) of the Act states: "The University must not alienate (except by way of lease term for a term not exceeding 21 years), mortgage or charge land vested in or conveyed to the University on trust, except with and in accordance with any terms or conditions of an approval given by the Governor." The University also occupies various sites in the Northern Territory on Crown Land. These properties have a value of \$13.92 million (2022: \$14.5 million),

Notes to the Financial Statements

For the Year Ended 31 December 2023

23 Property, plant and equipment (Continued)

Valuations

Land and buildings

Land, buildings and infrastructure were subject to a full revaluation as at 31 December 2022 by Opteon Pty Ltd. The basis of the valuation was written down current value (existing use). The basis of valuation of land, buildings and infrastructure is fair value being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition.

Works of Art

The last independent valuation was conducted as at 31 December 2023 Aon Risk Services Australia Limited (Fine Arts Division).

Accounting Policy

Property, plant and equipment (except for investment properties - refer Note 22) are shown on a fair value basis. At each reporting date, the value of each asset class is reviewed to ensure that it does not differ materially from the asset class fair value at that date. Where necessary, the asset class is revalued to reflect its fair value.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the carrying amount is adjusted to the revalued amount of the asset.

Increases in the carrying amounts arising on revaluation of land, buildings & infrastructure, library and works of art are recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset class are also recognised in revaluation surplus to the extent of the remaining reserve attributable to the asset class. All other decreases are charged to the income statement.

(a) *Land*

Land is owned by the University in its own right and by the State and Northern Territory Governments. The value of land owned by the State Government is reflected in the University's financial statements on the basis that the University effectively controls the land occupied. Comprehensive independent land valuations are undertaken triennially with an annual update based on relevant price movements if material.

(b) *Buildings*

Comprehensive independent valuations are undertaken triennially with an annual update based on relevant price movements if material. Below ground infrastructure is not included as an asset as the value is not able to be reliably estimated. Buildings under construction are measured at cost.

(c) *Leasehold Improvements*

Leasehold improvements are capitalised and amortised over the shorter of their useful life or the remaining life of the lease.

(d) *Library Collection*

The University has determined that purchased Library collections are measured at historical cost which approximates fair value. For library items received free of charge, fair value of these items is based on average costs of purchased items over the year. The value is depreciated over a 10 year period on a straight-line basis.

(e) *Equipment*

Notes to the Financial Statements For the Year Ended 31 December 2023

23 Property, plant and equipment (Continued)

Accounting Policy (Continued)

This class of assets includes computer hardware (not software), furniture, vehicles, marine and general equipment. Individual items costing \$10,000 or more are capitalised and recorded in the Statement of Financial Position initially at cost. Items costing less than \$10,000 are recognised as an expense in the Income Statement in the period acquired. The depreciated value of equipment is deemed to be its fair value.

(f) *Works of Art*

The value of the Works of Art collection is assessed annually at fair value at Council valuation. Comprehensive independent valuations are undertaken periodically.

(g) *Right of Use Assets*

At inception of a contract, the Consolidated entity assesses whether a contract is, or contains a lease. A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Consolidated entity assesses whether:

- (a) *The contract involves the use of an identified asset. The asset may be explicitly or implicitly specified in the contract. A capacity portion of larger assets is considered an identified asset if the portion is physically distinct or if the portion represents substantially all of the capacity of the asset. The asset is not considered an identified asset, if the supplier has the substantive right to substitute the asset throughout the period of use.*
- (b) *The customer has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.*
- (c) *The customer has the right to direct the use of the asset throughout the period of use - The customer is considered to have the right to direct the use of the asset only if either:*
 - i. *The customer has the right to direct how and for what purpose the identified asset is used throughout the period of use; or*
 - ii. *The relevant decisions about how and for what purposes the asset is used, is predetermined and the customer has the right to operate the asset, or the customer designed the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.*

In contracts where the Consolidated entity is a lessee, it recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless they are short-term (less than 12 months) or low-value (less than \$10,000).

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.

Notes to the Financial Statements
For the Year Ended 31 December 2023

23 Property, plant and equipment (Continued)

Accounting Policy (Continued)

Concessionary (peppercorn) leases

The University has 24 leases over land and buildings throughout Australia, with significantly below market terms. These leases are entered into with the principal aim of enabling the University to further its objectives, and are all of a similar nature. The lease terms vary from 2 years to 64 years with annual rental of \$0 or \$1.

The University has elected to measure the class of right-of-use 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.

Leased Buildings

The University has entered into various arrangements with other entities to occupy buildings on land not owned by the University.

The University initially recognises a lease asset as the value of its contribution to construction costs plus any future amounts payable under the lease agreement and revalues it to fair value each year. The University depreciates the asset over the shorter of their useful life or the remaining life of the lease.

24 Intangibles

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Software cost	60,374	78,261	60,374	78,261
Accumulated amortisation and impairment	(38,492)	(48,182)	(38,492)	(48,182)
	21,882	30,079	21,882	30,079
IT development in progress cost	14,574	3,546	14,574	3,546
Project costs carried forward (development costs)	96	78	-	-
Total Intangibles	36,552	33,703	36,456	33,625

Notes to the Financial Statements
For the Year Ended 31 December 2023

24 Intangibles (Continued)

Reconciliation of the carrying amounts of each class of intangible assets at the beginning and end of the current year are as follows:

	Software costs 000's \$	IT development in progress 000's \$	Project costs carried forward 000's \$	Total 000's \$
Consolidated				
At 1 January 2022				
Cost	65,037	5,075	78	70,190
Accumulated amortisation and impairment	(38,502)	-	-	(38,502)
Net book amount	26,535	5,075	78	31,688
Year ended 31 December 2022				
Opening net book amount	26,535	5,075	78	31,688
Additions	-	10,034	-	10,034
Capitalisation	11,265	(11,265)	-	-
Amortisation charge	(7,721)	-	-	(7,721)
Impairment loss in income	-	(298)	-	(298)
Closing net book amount	30,079	3,546	78	33,703
At 31 December 2022				
Cost	78,261	3,546	78	81,885
Accumulated amortisation and impairment	(48,182)	-	-	(48,182)
Net book amount	30,079	3,546	78	33,703
Year ended 31 December 2023				
Opening net book amount	30,079	3,546	78	33,703
Additions	-	13,143	18	13,161
Capitalisation	2,115	(2,115)	-	-
Amortisation	(9,857)	-	-	(9,857)
Impairment loss in income	(455)	-	-	(455)
Closing net book amount	21,882	14,574	96	36,552
At 31 December 2023				
Cost	60,374	14,574	96	75,044
Accumulated amortisation and impairment	(38,492)	-	-	(38,492)
Net book amount	21,882	14,574	96	36,552

Notes to the Financial Statements
For the Year Ended 31 December 2023

24 Intangibles (Continued)

	Software costs 000's \$	IT development in progress 000's \$	Total 000's \$
The University			
At 1 January 2022			
Cost	65,037	5,075	70,112
Accumulated amortisation and impairment	(38,502)	-	(38,502)
Net book amount	26,535	5,075	31,610
Year ended 31 December 2022			
Opening net book amount	26,535	5,075	31,610
Additions	-	10,034	10,034
Capitalisation	11,265	(11,265)	-
Amortisation charge	(7,721)	-	(7,721)
Impairment loss in income	-	(298)	(298)
Closing net book amount	30,079	3,546	33,625
At 31 December 2022			
Cost	78,261	3,546	81,807
Accumulated amortisation and impairment	(48,182)	-	(48,182)
Closing net book amount	30,079	3,546	33,625
Year ended 31 December 2023			
Opening net book amount	30,079	3,546	33,625
Additions	-	13,143	13,143
Capitalisation	2,115	(2,115)	-
Amortisation charge	(9,857)	-	(9,857)
Impairment loss in income	(455)	-	(455)
Closing net book amount	21,882	14,574	36,456
At 31 December 2023			
Cost	60,374	14,574	74,948
Accumulated amortisation and impairment	(38,492)	-	(38,492)
Net book amount	21,882	14,574	36,456

Accounting Policy

(a) *Research and development*

Expenditure on research activities, undertaken with the prospect of obtaining new scientific or technical knowledge and understanding, is recognised in the Income Statement as an expense when it is incurred.

Expenditure on development activities, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if the product or service is technically and commercially feasible and adequate resources are available to complete development. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the Income Statement as an expense when incurred.

The University expenses development costs when incurred, as the expenses are not recoverable beyond reasonable doubt. One of the University's subsidiaries, Flinders Partners Pty Ltd, has the rights to

Notes to the Financial Statements

For the Year Ended 31 December 2023

24 Intangibles (Continued)

Accounting Policy (Continued)

commercialise intellectual property arising from the University. Development costs incurred by Flinders Partners Pty Ltd are treated as deferred expenditure:

- during the assessment phase of projects, until financial viability is determined; and
- for projects expected to be financially viable, to offset future revenue.

Development costs are capitalised and are included in the Consolidated Statement of Financial Position under Project costs carried forward.

The recoverability of deferred expenditure is reviewed annually and any amounts previously deferred that are no longer expected to be recovered are charged to the Net Operating Result.

(b) Software costs

The University capitalises certain software costs with a purchase price greater than \$40,000 and an expected useful life greater than 12 months, together with costs associated with implementation. These are recorded on the basis of cost less amortisation once the system is operational. Impairment is assessed annually. IT development in progress relates to costs incurred in the development of IT software projects. On project completion the balances are transferred to software costs.

25 Trade and other payables

(a) Payables

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Current				
Creditors	23,872	16,211	22,704	14,412
OS-HELP liability to Australian Government	1,967	448	1,967	448
Accrued expenses	18,570	25,032	18,230	23,793
Annual leave on costs	4,343	3,753	4,343	3,753
Long service leave on costs	823	775	823	775
Accrued salary expenses	2,434	5,284	2,434	5,284
Tertiary Access Payment Australian Government	606	606	606	606
Total current trade and other payables	52,615	52,109	51,107	49,071
Non-current				
Long service leave on costs	4,000	3,958	4,000	3,958
OS-HELP Liability to Australian Government	3,732	4,478	3,732	4,478
Total non-current trade and other payables	7,732	8,436	7,732	8,436
Total trade and other payables	60,347	60,545	58,839	57,507

Notes to the Financial Statements

For the Year Ended 31 December 2023

25 Trade and other payables (Continued)

(b) *Contract Liabilities*

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Current				
Contract liabilities - Australian Government	50,855	36,040	50,855	36,040
Other contract liabilities	16,962	13,075	16,962	13,075
Student fees in advance	27,833	26,558	27,833	26,558
Other fees in advance	851	1,145	827	1,004
Total current contract liabilities	96,501	76,818	96,477	76,677
Non-Current				
Contract liabilities - Australian Government	33,177	28,570	33,177	28,570
Other contract liabilities	4,806	6,728	4,806	6,728
Total non-current contract liabilities	37,983	35,298	37,983	35,298

Accounting Policy

(a) *Trade creditors and sundry payables*

Trade creditors and payables are shown at amounts due to suppliers, inclusive of GST and exclusive of any applicable discounts that will be taken. The amounts are unsecured and the standard University terms of trade is payment within 30 days of invoice. Sundry payables include redundancy and termination benefits.

(b) *Redundancy benefits*

Redundancy benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The University recognises redundancy benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing redundancy benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance date are discounted to present value. Expenses are disclosed in Note 10.

(c) *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 the expense when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing redundancy benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance date are discounted to present value. Expenses are disclosed in Note 10.

(d) *Employee benefits and oncosts*

Liabilities for short-term employee benefits including salaries, non-monetary benefits and bonuses due to be settled within 12 months after the end of the period are measured at the amount expected to be paid when the liability is settled. The leave liabilities accruing to employees are recognised as provisions and on costs not accruing to employees are classed as payables.

Notes to the Financial Statements
For the Year Ended 31 December 2023

25 Trade and other payables (Continued)

Accounting Policy (Continued)

(e) *Contract liabilities*

A contract liability is the obligation to transfer goods or services to a customer for which the Consolidated entity has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Consolidated entity transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Consolidated entity performs under the contract. The classification of contract liabilities as current and non-current was made with consideration to the completion rate during the year.

Student fees received in advance arise when students prepay all or part of their fees prior to services being delivered. The Consolidated entity recognises a contract liability at census date, and then progressively recognises revenue over time as and when courses are delivered to students.

26 Borrowings

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Current				
Lease liabilities	1,321	2,767	1,321	2,767
Total current borrowings	1,321	2,767	1,321	2,767
Non-Current				
Lease liabilities	5,871	6,455	5,871	6,455
Unsecured other loans	255,648	117,835	255,648	117,835
Total non-current borrowings	261,519	124,290	261,519	124,290
Total borrowings	262,840	127,057	262,840	127,057

In 2021, the University entered into an agreement with a consortium of partners led by Tetris Capital, to construct a new \$255 million Health and Medical Research Building (HMRB) which is located adjacent to the Flinders Railway Station and Flinders Medical Centre. Building work is underway and the expected project delivery date is April 2024. The loan related to the HMRB are shown as non-current borrowings.

(a) *Assets pledged as security*

There are no assets pledged as security.

Notes to the Financial Statements
For the Year Ended 31 December 2023

26 Borrowings (Continued)

(b) *Financing arrangements*

Unrestricted access was available at reporting date to the following lines of credit:

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Credit standby arrangements				
Total facilities				
Overdraft facility ¹	500	500	500	500
Credit card facility ¹	2,000	2,000	2,000	2,000
Total credit standby arrangements	2,500	2,500	2,500	2,500
Used at balance date				
Credit card facility	1,059	819	1,059	819
Unused at reporting date				
Overdraft facility	500	500	500	500
Credit card facility	941	1,181	941	1,181
Total unused at balance date	1,441	1,681	1,441	1,681

¹ *These facilities are unsecured.*

(c) *University as Lessee*

Amounts recognised in the income statement:

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Interest on lease liabilities	244	352	244	352
Expenses relating to short-term leases	2,461	2,638	2,461	2,638
Expenses relating to leases of low-value assets, excluding short term leases	173	147	173	147
	2,878	3,137	2,878	3,137

Notes to the Financial Statements
For the Year Ended 31 December 2023

26 Borrowings (Continued)

(c) University as Lessee (Continued)

Maturity analysis - undiscounted contractual cash flows:

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Less than one year	1,548	2,804	1,548	2,804
One to five years	2,915	3,700	2,915	3,700
More than 5 years	4,038	4,038	4,038	4,038
Total undiscounted lease payments receivable	8,501	10,542	8,501	10,542
Lease liabilities recognised in the statement of financial position	7,193	9,222	7,193	9,222

The lease liability (right of use liability) is for various land and buildings leased by the University throughout Australia with lease terms varying between 13 months to 20 years. The leases are either indexed to CPI or fixed rate and there is no material make good obligations, termination payments or incentives that need to be disclosed.

Amounts recognised in statement of cash flows:

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Total cash outflow for leases	2,686	6,979	2,686	6,979

Accounting Policy

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, or 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.

Lease payments included in the measurement of lease liabilities comprise:

- fixed payments, including in substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable by the lessee under residual value guarantees.
- the exercise price of a purchase option if it is reasonably certain that the option will be exercised.
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Notes to the Financial Statements

For the Year Ended 31 December 2023

26 Borrowings (Continued)

Accounting Policy (Continued)

Subsequently, the lease liability is measured at amortised cost using the effective interest rate method resulting in interest expense being recognised as a borrowing cost in the income statement. The lease liability is remeasured when there are changes in future lease payments arising from a change in an index, rate or lease term, with a corresponding adjustment to the right of use asset. The adjustment amount is factored into depreciation of the right of use asset prospectively.

The University has elected not to recognise right of use assets and lease liabilities for short term leases (less than 12 months) and leases of low value assets. The University recognises the lease payments associated with these leases on a straight-line basis over the lease term.

For the accounting policy relating to concessionary leases refer Note 23.

The University receives deposits from subsidiaries, certain joint ventures and related external entities for group investments along with University funds and shares the investment income with those entities (refer Note 28).

27 Provisions

		Consolidated		The University	
		2023	2022	2023	2022
		000's	000's	000's	000's
		\$	\$	\$	\$
Current provisions expected to be settled within 12 months					
Annual leave		15,130	13,095	14,769	12,933
Long service leave		5,113	4,728	4,910	4,655
Defined benefit obligation	43	3,037	2,574	3,037	2,574
Severance (contract employees)		952	1,370	848	1,219
Workers' compensation		272	346	271	345
		24,504	22,113	23,835	21,726
Current provisions expected to be settled after more than 12 months					
Annual leave		5,794	5,089	5,794	5,062
Total current provisions		30,298	27,202	29,629	26,788
Non-current provisions					
Long service leave		24,858	24,499	24,764	24,499
Defined benefit obligation	43	36,196	33,678	36,196	33,678
Severance (contract employees)		334	709	334	709
Workers' compensation		356	492	356	492
Total non-current provisions		61,744	59,378	61,650	59,378
Total provisions		92,042	86,580	91,279	86,166

Notes to the Financial Statements For the Year Ended 31 December 2023

27 Provisions (Continued)

Accounting Policy

(a) *Employee benefits and provisions*

Employee expenses expected to be settled within one year have been recognised at their nominal amount. These liabilities are measured at the amounts expected to be paid when the liability is settled. Oncosts on the leave liabilities accruing to employees are recognised as provisions and on-costs not accruing to employees are classed as payables as required under SA State Government Accounting Policy Statements - Part IV (APS 5.25). Benefits expected to be settled later than one year have been measured at the present value of the estimated applicable future cash flows to be made for those benefits and related on-costs.

(i) *Short-term obligations*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

(ii) *Annual leave*

The calculation to measure the value of annual leave has assumed a 3.5% (4% in 2022) salary inflation factor. 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.

(iii) *Sick leave*

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken each year is expected to be less than the annual entitlement for sick leave.

(iv) *Long service leave*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

The long service leave liability is independently actuarially estimated each year in accordance with AASB 119 Employee Benefits. The last update was performed at 31 December 2023 by Mercer (Australia) Pty Ltd. The assumptions used by the actuary include:

- investment earnings rate of 4.16% pa (2022: 3.32%) pa. salary inflation rate of between 2.35% to 3.5% pa (2022: 3.0% to 4.0%).
- on-costs have been applied at the rate of 16.3% (2022: 16.2%).
- the proportion of leave taken in service is 59% (2022: 59%), the balance at termination of service.

The current portion represents the amount expected to be paid in the following 12 months.

Notes to the Financial Statements For the Year Ended 31 December 2023

27 Provisions (Continued)

Accounting Policy (Continued)

(b) *Workers' compensation*

The University is responsible for payments of workers' compensation and is self-insured under ReturnToWorkSA Act 2014. Lawsons Risk Management Services Pty Ltd administers workers' compensation arrangements on behalf of the University.

The provision for workers' compensation liability is actuarially determined each year. The valuation as at 31 December 2023 was performed by Brett & Watson Pty Ltd. The method used is the claims paid development method where all past claims are brought to current values with an allowance for late claims reporting and administration costs.

(c) *Severance*

Provision is made for severance payments where it is probable payments will be made under industrial awards for fixed-term staff. The current portion represents the amount expected to be paid in the following 12 months. Severance payments are included under Salaries within Employee related expenses.

(d) *Superannuation*

Superannuation schemes exist to provide benefits to University employees and their dependents upon resignation, retirement, disability or death. The contributions made to these schemes by the University and the emerging costs from unfunded schemes are expensed in the Income Statement. Except in the case of multi-employer schemes such as UniSuper, the University recognises, as an asset or a liability, the difference between the employer established defined benefit superannuation scheme's accrued benefits and the net market value of the scheme's assets. Refer Note 43.

Unfunded superannuation - State Superannuation Scheme

An arrangement exists between the Australian Government and the State Government to share the unfunded liability for the University's beneficiaries of the State Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the State Grants (General Revenue) Amendment Act 1987, Higher Education Funding Act 1988 and subsequent amending legislation. Accordingly, the unfunded liabilities have been recognised in the Statement of Financial Position under Provisions with a corresponding asset recognised under Receivables (refer Note 17). The recognition of both the asset and the liability consequently does not affect the year end net asset position of the University or the Consolidated entity. Refer Note 43.

Superannuation Supplementation funding received from the Australian Government must not be shown as revenue as this is a partial settlement of an asset recognised in accordance with AASB 119.116. The net difference between the gross expense and the amount received from the Australian Government is shown as an expense within employee related expenses.

Notes to the Financial Statements
For the Year Ended 31 December 2023

28 Other liabilities

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Current				
Interest-bearing liabilities				
Interest-bearing funds held on behalf of external parties:				
Student entities	1,052	877	1,272	1,455
Other entities	184	167	184	167
Total current unsecured interest-bearing liabilities	1,236	1,044	1,456	1,622
Total current other liabilities	1,236	1,044	1,456	1,622
Total other liabilities	1,236	1,044	1,456	1,622

Accounting Policy

Australian Government financial assistance that is related to the acquisition or building of a recognisable financial asset as per AASB1058 (i.e. capital grants) and is unspent at balance date is recognised within other liabilities.

Funds held on behalf of external entities are shown at amounts due. These do not incur any interest charges.

Interest-bearing liabilities consist of funds held at the request of related entities. These are not borrowings. The University invest these funds and provides an investment return to those entities. The funds held are at call. The University has no assets pledged as security for interest-bearing liabilities.

Notes to the Financial Statements
For the Year Ended 31 December 2023

29 Reserves and retained earnings

(a) Reserves

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Property, plant and equipment revaluation surplus	213,993	213,236	214,512	213,755
Financial assets reserve	24,129	32,963	27,363	36,197
Total reserves	238,122	246,199	241,875	249,952

(b) Movements in reserves

Property, plant and equipment revaluation surplus				
Balance at 1 January	213,236	156,646	213,755	157,165
Increment/(decrement) on revaluation of property, plant and equipment and reversal of previous increments on disposal of assets	757	56,590	757	56,590
Balance 31 December	213,993	213,236	214,512	213,755
Financial assets reserve				
Balance 1 January	32,963	62,845	36,197	66,079
Increment/(decrement) on revaluation	(8,834)	(12,578)	(8,834)	(12,578)
Reclassification of OCI amounts within equity	-	(17,304)	-	(17,304)
Balance 31 December	24,129	32,963	27,363	36,197
Total reserves	238,122	246,199	241,875	249,952

(c) Nature and purpose of reserves

Property, plant and equipment revaluation surplus

The property, plant and equipment revaluation surplus records revaluation in land, buildings, infrastructure, library and artwork.

Financial assets reserve

The financial assets reserve records revaluations in assets held at fair value through other comprehensive income.

(d) Movements in retained earnings

Balance at 1 January	708,715	675,245	704,902	670,187
Reclassification of OCI amounts within equity	-	17,304	-	17,304
Net result for the period	23,950	16,166	25,662	17,411
Balance at 31 December	732,665	708,715	730,564	704,902

Notes to the Financial Statements For the Year Ended 31 December 2023

30 Key Management Personnel Disclosures

(a) *Responsible persons*

The principal governing body of the University is its Council. All members of the University Council were appointed or elected under the provisions of the Flinders University Act, 1966. Council members include University employees who may be ex officio members or elected staff members.

(b) *Names of responsible persons and senior management officers*

The following persons were responsible persons and senior management officers of the Consolidated entity during the financial year:

COUNCIL MEMBERS IN 2023

Persons listed were all Council members for the full year unless otherwise indicated.

Members ex officio

Chancellor

Stephen Gerlach AM (to 30/09/2023)

John Hood (from 01/10/2023)

Vice-Chancellor

Professor Colin Stirling*

Presiding member of the Academic Senate

Christopher Kee*

Member co-opted and appointed by the Council

Vacant

Members elected by the academic staff

Dr Amanda Muller*

Members appointed by the Council

Kim Cheater

George Freney (to 30/06/2023)

Douglas Gautier AM

John Hood (to 30/09/2023)

Leanne Liddle (from 11/05/2023)

Elizabeth Perry AM

Brenda Wilson AM

Sharon Wilson

Members elected by the non-academic staff

Kate Walsh*

Student Members elected by students

Sean Henschke

Emily Williams

* Council member is University employee.

UNIVERSITY SENIOR MANAGEMENT IN 2023

Professor Jonathan Craig

Marc Davies

Jayne Flaherty

Professor Michael Gilding

Mark Gregory

Professor Alison Kitson

Professor Romy Lawson

Professor Peter Monteath

Richard Porter

Sebastian Raneskold

Professor Alistair Rendell

Professor Robert Saint

Professor Colin Stirling

Professor Deborah West

Notes to the Financial Statements
For the Year Ended 31 December 2023

30 Key Management Personnel Disclosures (Continued)

(c) *Remuneration of Council Members and Senior Management Officers*

Remuneration of Council Members

The following table comprises total remuneration that falls within the prescribed bandwidths for Council members. Remuneration for Senior Management Officers who are also Council members is shown as zero in this table, with their total remuneration shown under Remuneration of University senior management. Some members of Council are employees of the University, and they receive additional remuneration in line with the normal entitlements for being a Council member.

	Consolidated		The University	
	2023	2022	2023	2022
	Number	Number	Number	Number
Nil to \$14,999	8	7	8	7
\$15,000 to \$29,999	3	5	3	5
\$30,000 to \$44,999	3	2	3	2
\$45,000 to \$59,999	1	-	1	-
\$60,000 to \$74,999	-	1	-	1
	15	15	15	15

Remuneration of University Senior Management Officers

The remuneration includes salary, bonuses, employer's superannuation costs and other benefits, including the associated fringe benefits tax. No loans have been provided to key management personnel and any other transaction between personnel and the University has been undertaken on a normal commercial basis. No Senior Management Officer received any remuneration from the University other than by way of salary and related benefits arising from a normal employment relationship.

Notes to the Financial Statements
For the Year Ended 31 December 2023

30 Key Management Personnel Disclosures (Continued)

(c) *Remuneration of Council Members and Senior Management Officers (Continued)*

	Consolidated		The University	
	2023	2022	2023	2022
	Number	Number	Number	Number
\$60,000 - \$69,999	-	1	-	1
\$190,000 - \$199,999	-	1	-	1
\$250,000 - \$259,999	1	-	1	-
\$330,000 - \$339,999	1	1	1	1
\$360,000 - \$369,999	1	-	1	-
\$380,000 - \$389,999	-	1	-	1
\$390,000 - \$399,999	1	1	1	1
\$400,000 - \$409,999	1	-	1	-
\$410,000 - \$419,999	-	1	-	1
\$420,000 - \$429,999	1	-	1	-
\$440,000 - \$449,999	-	1	-	1
\$450,000 - \$459,999	1	-	1	-
\$460,000 - \$469,999	-	1	-	1
\$470,000 - \$479,999	1	-	1	-
\$490,000 - \$499,999	-	1	-	1
\$500,000 - \$509,999	-	1	-	1
\$510,000 - \$519,999	1	-	1	-
\$520,000 - \$529,999	1	-	1	-
\$530,000 - \$539,999	-	1	-	1
\$550,000 - \$559,999	1	1	1	1
\$590,000 - \$599,999	1	-	1	-
\$630,000 - \$639,999	-	1	-	1
\$650,000 - \$659,999	1	-	1	-
\$1,310,000 - \$1,319,999	1	-	1	-
\$1,340,000 - \$1,349,999	-	1	-	1
Total number of Senior Management officers	14	14	14	14

Notes to the Financial Statements
For the Year Ended 31 December 2023

30 Key Management Personnel Disclosures (Continued)

(d) Key management personnel compensation

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Short-term employee benefits	6,309	5,872	6,309	5,872
Post-employment benefits	952	899	952	899
Total key management personnel compensation	7,261	6,771	7,261	6,771

The Department of Education Guidelines specify that: "For the purposes of AASB 124, key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the University, directly or indirectly, including any director (whether executive or otherwise) of the University". The guidelines further expand on the definition of key management personnel by stating "such persons should have authority and responsibility for planning, directing and controlling the activities of the whole University, and not just a faculty".

(e) Related party transactions

From time to time the University Council members have interests with which the University conducts business. In all cases, transactions are undertaken on a normal commercial basis. The University may employ close family members of senior management. When this occurs, it follows normal recruitment practice.

In 2023 the following transactions occurred between the University and entities in which Council members have declared an interest:

Entity	Nature of goods/service	Council member and Senior Management interest	Value \$'000
Adelaide Community Health Care Alliance Inc	Health related	Director	4
Adelaide Festival Centre	Arts, Culture, Entertainment & Design	Director	65
American Chamber of Commerce	International Business	Director	16
Australian College of Health Service Management	Health related	Director	3
Australian Institute of Company Directors	Education	Director	38
Bedford Phoenix Group	Grounds maintenance	Director	70
Centacare Catholic Family Services	Community Services	Director	72
Flinders University Academy	Education	Director	1,280
Helping Hand Aged Care (HHAC)	Health related	Director	253
IDP Education	Education	Director	2,705
Prince Alfred College	Education	Director	1
SA Museum	Education	Director	5
RAA	Vehicle maintenance	Director	1
SALHN	Education	Director	5,886
SATAC	Education	Director	1,146
Sarah Construction	Construction	Director	993
Women's and Children's Health Network (WCHN)	Health related	Director	340

From time to time there may be Council members or Senior Management Officers that have associated parties employed by the University. When this occurs the standard recruitment process applies.

Notes to the Financial Statements

For the Year Ended 31 December 2023

31 Remuneration of Auditors

During the year, the following fees were paid for services provided by the auditor of the University and non-related audit firms:

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Audit the Financial Statements				
Fees paid to the South Australian Auditor-General's Department	294	306	294	306
Fees paid to other auditors	30	27	-	-
Other audit and assurance services				
Fees paid to others	81	46	81	46
Total remuneration for audit services	405	379	375	352

32 Contingencies

Contingent assets

There are no contingent assets.

Contingent liabilities

The University is a self-insured employer for ReturnToWorkSA purposes. The University is required by ReturnToWorkSA to have a bank guarantee in place for the purposes of covering workers compensation liabilities in the event that the University was unable to pay them. As at 31 December 2023 the University had a bank guarantee facility of \$1.07 million in place (2022: \$1.18 million).

Contingent liabilities arising from Group's interests in joint ventures and associates

There are no contingent liabilities.

Notes to the Financial Statements
For the Year Ended 31 December 2023

33 Commitments

(a) *Capital commitments*

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

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Property, plant and equipment				
Within one year	28,863	147,058	28,863	147,058
Between one year and five years	-	22,699	-	22,699
Total PPE commitments	28,863	169,757	28,863	169,757
Intangibles				
Within one year	531	1,697	531	1,697
Between one year and five years	-	772	-	772
Total intangible asset commitments	531	2,469	531	2,469
Total capital commitments	29,394	172,226	29,394	172,226

(b) *Other expenditure commitments*

Commitments in existence at the reporting date but not recognised as liabilities payable:

	Consolidated		The University	
	2023	2022	2023	2022
	000's	000's	000's	000's
	\$	\$	\$	\$
Within one year	17,208	12,742	17,208	12,742
Between one year and five years	11,324	17,588	11,324	17,588
Total	28,532	30,330	28,532	30,330

In 2021, the University entered into an agreement with a consortium of partners led by Tetris Capital, to construct a new \$255 million Health and Medical Research Building (HMRB) which is located adjacent to the Flinders Railway Station and Flinders Medical Centre. Building work is underway and the expected project delivery date is April 2024.

The University has established a city presence by leasing office space in the new Festival Tower development on North Terrace. The lease commences in February 2024 with an expiry date of 31 December 2035.

Notes to the Financial Statements
For the Year Ended 31 December 2023

34 Related Parties

(a) Parent entities

The ultimate parent entity within the Consolidated entity is Flinders University.

(b) Subsidiaries, joint operations and associates

Interests in subsidiaries are set out in Note 35, interests in joint operations are set out in Note 36 and interests in associates and joint ventures are set out in Note 21.

(c) Council members and senior management

Disclosures relating to the University Council Members and Senior Management are set out in Note 30.

(d) Students at the Flinders University

From time to time, Council members will have members of their immediate family who are students at the University. Such students are subject to the same fee structure and scholarships as any other students. This also applies to members of Council who are enrolled as students.

(e) Loans to/from subsidiaries and associates

	The University	
	2023	2022
	000's	000's
	\$	\$
	<hr/>	
Loans advanced	3,271	1,309
	<hr/>	
	The University	
	2023	2022
	000's	000's
	\$	\$
	<hr/>	
Loans to associates		
Beginning of the year	45	305
Loan repayments received	(45)	(260)
	<hr/>	
End of year	-	45
	<hr/> <hr/>	

A loan was advanced during 2019 to an associated entity Flinders Reproductive Medicine Pty Ltd (Flinders Fertility), for \$750,000 and was repaid in full in 2023.

Flinders Academy Pty Ltd is a wholly owned subsidiary established in 2022 to provide "pathway courses" for students who do not yet meet the Academic or English language entry requirements to study for a Flinders University degree. Flinders Academy Pty Ltd offers a range of tailored diplomas to assist students meeting these entry requirements. As part of establishing Flinders Academy Pty Ltd, a loan has been advanced for \$3.3m in 2023.

Notes to the Financial Statements

For the Year Ended 31 December 2023

35 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

Name of Entity	Principal Activities	Ownership interest	
		2023 %	2022 %
Flinders University Sport & Fitness Inc.	Provides on-campus services and support for students	100.00	100.00
Flinders Partners Pty. Ltd.	Commercialisation of University sourced intellectual property and conduct of commercial consultancies	100.00	100.00
<i>Subsidiaries of Flinders Partners Pty. Ltd.:</i>			
UniPartners Pty Ltd. ¹	Research development company.	62.00	62.00
FCD Health ²	Operate the Palmerston GP Super Clinic providing placements for medical students in NT.	50.00	50.00
Flinders Academy Pty Ltd ³	Flinders Academy Pty Ltd is a wholly owned subsidiary established in 2022 to provide a range of tailored diploma courses for students who do not yet meet the Academic or English language entry requirements to study for a Flinders University degree.	100.00	100.00
Lung Health Diagnostics Pty. Ltd. ⁴	Biotech development company.	60.00	60.00
Aged Care Research & Industry Innovation Australia Ltd. ⁵	Aged care research and innovation	100.00	-

1. UniPartners Pty Ltd is a dormant company with limited investment holdings.

2. FCD Health cannot pay dividends and on wind up the assets cannot be distributed to the University.

3. Flinders Academy Pty Ltd was established as subsidiary in 2022 to provide pathway to University degree courses.

4. Lung Health Diagnostics Pty Ltd is a dormant company in the process of being wound up.

5. Aged Care Research & Industry Innovation Australia Ltd is a newly established subsidiary in the process of being set up.

Accounting Policy

The Consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the University as at 31 December 2023 and the results of all subsidiaries for the year then ended. The University and its subsidiaries together are referred to in this financial report as the Group or the Consolidated entity.

The financial statements of the Consolidated entity comprise the accounts of Flinders University (the Parent entity) and all of its subsidiaries. A subsidiary is any entity controlled by the University. Control exists where the University is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiaries are fully consolidated from the date on which control is transferred to the University. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between members of the Consolidated entity are eliminated to the extent of the Consolidated entity's interest in the subsidiaries. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated entity.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of financial position and statement of changes in equity respectively.

Loss of control of the subsidiary will result in derecognition of the assets and liabilities of the former subsidiary from the consolidated statement of financial position. Any investment retained in the former subsidiary is recognised and accounted for in accordance with the relevant Standards. The loss or gain associated with loss of control attributable to the former controlling interest is recognised.

Notes to the Financial Statements

For the Year Ended 31 December 2023

36 Joint Operations

Name of joint operation	Nature of relationship	Principal place of business	Ownership interest/ voting rights held	
			2023	2022
Rubuntja, Building, Alice Springs Hospital	Education and research services providing health services to local and remote indigenous populations.	Northern Territory	41	41
Universities Research Repositories of South Australia	Provision of storage areas for library materials from three South Australian universities.	South Australia	28	28

The assets employed in the above jointly controlled operations are detailed below. The amounts are included in the financial statements under their respective categories.

	Consolidated		The University	
	2023 000's \$	2022 000's \$	2023 000's \$	2022 000's \$
Property, plant and equipment:				
Rubuntja, Building, Alice Springs Hospital	639	681	639	681
Universities Research Repositories of South Australia (URRSA)	5,621	5,800	5,621	5,800
Total	6,260	6,481	6,260	6,481

The University's joint operations have no contingent liabilities as at 31 December 2023 (2022: \$nil).

The University operates a joint facility for the storage of library materials in conjunction with the University of Adelaide and the University of South Australia.

The University also has collaborative arrangements in place with a number of overseas institutions for joint teaching of students. Revenue is shared between the University and collaborating institutions. The University's share of revenues and expenses are included in the income statement.

Accounting Policy

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

The University's share of assets, liabilities, revenue and expenses of a joint operation have been incorporated in the financial statements under the appropriate headings.

Notes to the Financial Statements

For the Year Ended 31 December 2023

37 Interests in Co-operative Research Centres

The University participates in a number of Cooperative Research Centres (CRC) Programme. A CRC is a research initiative of the Australian Government established to pursue specific areas of research and supports industry-led collaborations between researchers, industry and the community. Flinders University participates in the below listed CRCs but does not control or have any significant influence in these entities that require the University to record them as either Joint Operations or Associates. The University does not record any of the CRC entities as investments in the financial statements.

Name of Entity	Principal Activity
Alertness CRC Ltd	To promote the prevention and control of sleep loss and sleep disorders and to develop new tools and products for individuals and organisations to improve alertness, productivity and safety.
Innovative Manufacturing CRC	To lead Australia's transition into high value, high knowledge based manufacturing through support and facilitation of innovative manufacturing organisations.
Digital Health CRC	The Digital Health CRC harnesses the power of data and digital technologies to improve health outcomes, increase efficiency in health and aged care delivery, and grow a competitive digital health industry for Australia.
CRC Trusted Autonomous Systems	TAS aims to improve the competitiveness, productivity, and sustainability of Australian industry through industry-led projects with real translation opportunities to move technology rapidly from universities into industry and ultimately into leading edge capability for the Australian Defence Force.
SmartSat CRC	The SmartSat CRC is a consortium of universities and other research organisations, partnered with industry that has been funded by the Australian Government to develop know-how and technologies in advanced telecommunications and IoT connectivity, intelligent satellite systems and Earth observation next generation data services.
One Basin CRC	The One Basin CRC is a focused collaboration developing policy, technical and financial solutions to support and reduce exposure to climate, water and environmental threats in the Murray-Darling Basin.
CRC TIME	Through CRC TIME, Australia is leading the world to drive transformational change in the mine closure sector, building trust between mining companies, regulators and communities.
The Lowitja Institute	To provide a cross cultural framework for strategic research leading to evidence based improvements in education and health practice.
Marine Bioproducts CRC	To develop advanced manufacturing technologies and high value marine bioproducts to meet rapidly increasing global demand for certified, safe & sustainable products.
iMove CRC	iMOVE is the national centre for transport and mobility R&D in Australia. They create multi-party collaborations that improve the sustainable movement of people and goods using technology and data.

38 Events Occurring After the Reporting Date

The University has long term investments in Australian and International equities managed by professional fund managers. The value of these investments fluctuates broadly in line with indicators of equity market movements and any adjustments to these values are taken up as unrealised gains or losses in the Income Statement. Note 19 has information about the value of these investments at 31 December 2023.

Notes to the Financial Statements

For the Year Ended 31 December 2023

39 Reconciliation of net result after income tax to net cash provided by / (used in) operating activities

	Note	Consolidated		The University	
		2023 000's \$	2022 000's \$	2023 000's \$	2022 000's \$
Net result for the period		23,741	16,266	25,662	17,411
Non-cash items:					
Depreciation and amortisation	11	44,574	39,803	44,488	39,714
Net (gain) / loss on sale of non-current assets		(25)	73	(36)	73
Net contribution of assets	9	(3)	(113)	(3)	(113)
Fair value gains on other financial assets at fair value through profit or loss	19	(5,254)	6,482	(5,254)	6,482
Impairment of assets		1,883	576	1,473	574
Investment expense paid direct from funds		157	223	157	223
Other		1,673	71	1,532	116
Total non-cash items		43,005	47,115	42,357	47,069
Change in operating assets and liabilities:					
(Increase) / decrease in receivables		(9,654)	4,787	(13,520)	3,715
(Increase) / decrease in inventories		63	(133)	63	(133)
(Increase) / decrease in other operating assets		(1,266)	219	(1,301)	152
Increase / (decrease) in payables		(2,667)	(23,937)	(1,577)	(23,987)
Increase / (decrease) in other provisions		5,461	(3,307)	5,113	(3,358)
Increase / (decrease) in other operating liabilities		21,643	40,811	21,760	40,812
Net cash provided by / (used in) operating activities		80,326	81,821	78,557	81,681

Cash balances not available for use

All cash balances are available for use (2022: all available).

Tax status

The activities of the University are exempt from income tax. Certain subsidiaries may pay tax but as the amount is immaterial it is included under other expenses.

40 Non-cash investing and financing activities

During the reporting period the University acquired works of art and library materials with an aggregate fair value of \$0.0 million (2022: \$0.1 million) through donations. These acquisitions are not reflected in the Statement of Cashflows.

Notes to the Financial Statements

For the Year Ended 31 December 2023

41 Financial Risk Management

The Consolidated entity's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The University has policies that manage financial instrument risk.

Investments tend to be largely held in term deposits with banking institutions, with a policy requirement that no more than 60% of short term investments are held with a single financial institution. The University's policy on short term investments requires investments to have a minimum Standard & Poors' or equivalent short-term credit rating of A-1. The University invests in Australian and International equities, mostly through professional fund managers. The University utilises derivative instruments such as forward exchange contracts solely to hedge foreign currency cash flow exposures. Investment funds managers used by the University also utilise derivative instruments in accordance with their respective risk policies which have been reviewed and accepted by the University. Debtors are spread across a large number of customers and are predominantly public sector. The University holds funds on behalf of other entities associated with the University and these funds are invested with University investments with the entities receiving a share of the investment returns.

The Consolidated Entity uses forward exchange contracts to manage foreign currency cash flow risk, however other types of derivative financial instruments such as interest rate swaps are not directly used. The Consolidated Entity has approved the use of derivatives by its appointed Fund Managers within the bounds of their risk management policies. The main risks the Consolidated Entity is exposed to through its financial instruments are interest rate risk, foreign exchange risk, price risk, credit risk and liquidity risk.

(a) *Market risk*

(i) *Foreign exchange risk*

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Consolidated entity's exposure to foreign exchange risk includes its investments in international equities of \$10.1 million in 2023 (2022: \$8.6 million), foreign currency cash holdings of \$0.4 million in AUD equivalent (2022: \$4.0 million) and there is the equivalent of AUD \$0.57 million (2022 \$2.2 million) denoted in foreign currency receivables. There are \$nil million (2022 \$1.16 million) of trade and other payables denoted in foreign currency as per Note 25. The University utilised cash flow hedges to manage currency risk exposures. The net unrealised loss on cash flow hedges in 2023 was \$0.23 million (2022: loss of \$0.03 million).

(ii) *Price risk*

Price risk is the risk that the value of a financial instrument will fluctuate due to the volatility of its share price. The Consolidated entity's exposure to price risk is limited to its shareholdings in companies of \$88.6 million in 2023 (2022: \$87.3 million).

(iii) *Cash flow and fair value interest rate risk*

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Consolidated Entity has a loan with a fixed implicit interest rate with no other borrowings and therefore its interest rate risk exposure relates to income only. As at 31 December 2023 the Consolidated Entity held \$70 million of term deposits earning interest at market rates (2022: \$60 million). Refer Note 16 and Note 19. The Consolidated Entity also held \$46.6 million (2022: \$34.8 million) in fixed interest managed funds. Refer Note 19.

Notes to the Financial Statements
For the Year Ended 31 December 2023

41 Financial Risk Management (Continued)

(a) Market risk (Continued)

(iv) Summarised sensitivity analysis

The following tables summarise the sensitivity of the Consolidated entity's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

31 December 2023

	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-1%		+1%		-1%		+1%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Financial assets													
Cash and Cash Equivalents	180,497	-	-	-	-	(4)	(4)	4	4	-	-	-	-
Receivables	88,657	-	-	-	-	(6)	(6)	6	6	-	-	-	-
Other financial assets	211,764	(858)	(858)	858	858	(101)	(101)	101	101	(860)	(860)	860	860
Financial liabilities													
Payables	(60,347)	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	(1,236)	-	-	-	-	-	-	-	-	-	-	-	-
Total increase/(decrease)	419,335	(858)	(858)	858	858	(111)	(111)	111	111	(860)	(860)	860	860

Notes to the Financial Statements
For the Year Ended 31 December 2023

41 Financial Risk Management (Continued)

(a) Market risk (Continued)

31 December 2022

	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-1%		+1%		-1%		+1%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets													
Cash and Cash Equivalents	226,780	(100)	(100)	100	100	(40)	(40)	40	40	-	-	-	-
Receivables	76,094	-	-	-	-	(22)	(22)	22	22	-	-	-	-
Other financial assets	177,079	(628)	(628)	628	628	(86)	(86)	86	86	(882)	(882)	882	882
Financial liabilities													
Payables	(60,545)	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	(1,044)	-	-	-	-	-	-	-	-	-	-	-	-
Total increase/(decrease)	418,364	(728)	(728)	728	728	(148)	(148)	148	148	(882)	(882)	882	882

The interest rate risk on other financial liabilities not included above is nil as these funds are invested on behalf of related entities and they bear the interest rate risk.

The above sensitivity analysis has been prepared on the assumption that all other variables remain constant.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and Notes to the financial statements. Except for the following concentration of credit risk, the Consolidated entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Consolidated entity:

- Superannuation receivable from the South Australian Superannuation Board of \$39.2 million (2022: \$36.3 million).

Notes to the Financial Statements
For the Year Ended 31 December 2023

41 Financial Risk Management (Continued)

(c) Liquidity risk

Liquidity risk is the risk that financial obligations will not be able to be met when they fall due. The University manages liquidity risk by monitoring forecast cash flows and maintains sufficient cash to maintain short term flexibility and enable the University to meet financial commitments in a timely manner.

At reporting date, the carrying amount of financial assets and liabilities approximates their net fair values.

The Consolidated Entity's exposure to interest rate risks and the effective interest rates of financial assets and liabilities at balance date are shown below:

	Average Interest rate		Variable interest rate		Less than 1 year		1 to 5 years		5+ years		Non-Interest Bearing		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	%	%	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's
Financial Assets:														
Cash and cash equivalents	4.35	3.10	180,047	212,751	-	10,000	-	-	-	-	450	4,029	180,497	226,780
Receivables	-	-	-	-	-	-	-	-	-	-	88,657	76,094	88,657	76,094
Other financial assets	4.51	3.83	17,784	19,379	71,996	50,896	12,327	9,643	1,509	2,223	108,148	94,938	211,764	177,079
Total Financial Assets			197,831	232,130	71,996	60,896	12,327	9,643	1,509	2,223	197,255	175,061	480,918	479,953
Financial Liabilities:														
Payables	-	-	-	-	-	-	-	-	-	-	60,347	60,545	60,347	60,545
Amounts payable to external parties	-	-	-	-	1,236	1,044	-	-	-	-	-	-	1,236	1,044
Total Financial Liabilities			-	-	1,236	1,044	-	-	-	-	60,347	60,545	61,583	61,589
			197,831	232,130	70,760	59,852	12,327	9,643	1,509	2,223	136,908	114,516	419,335	418,364

Notes to the Financial Statements

For the Year Ended 31 December 2023

42 Fair Value Measurement

(a) Fair value measurements

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

Due to the short-term nature of the cash and cash equivalents and current receivables, their carrying value approximates their fair value and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due.

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

Consolidated	Note	Carrying Amount		Fair Value	
		2023 '000 \$	2022 '000 \$	2023 '000 \$	2022 '000 \$
Financial assets					
Cash and cash equivalents	16	180,497	226,780	180,497	226,780
Trade and other receivables	17	88,657	76,094	88,657	76,094
Other financial assets					
At amortised cost	19	70,000	50,000	70,000	50,000
Designated at fair value through other comprehensive income	19	24,660	33,495	24,660	33,495
Designated at fair value through profit & loss	19	117,104	93,584	117,104	93,584
Total financial assets		480,918	479,953	480,918	479,953
Non-financial assets					
Other non-financial assets	20	16,295	15,067	16,295	15,067
Financial Liabilities					
Payables	25	60,347	60,545	60,347	60,545
Borrowings	26	262,840	127,057	262,840	127,057
Other financial liabilities	28	1,236	1,044	1,236	1,044
Total financial liabilities		324,423	188,646	324,423	188,646

The Consolidated entity measures and recognises the following assets and liabilities at fair value on a recurring basis:

- financial assets at fair value through profit or loss
- financial assets at fair value through other comprehensive income
- land and buildings
- Investment properties

Notes to the Financial Statements

For the Year Ended 31 December 2023

42 Fair Value Measurement (Continued)

(b) Fair value hierarchy

The Consolidated entity categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurement.

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2023.

Fair value measurements at 31 December 2023

Consolidated	Note	2023 000's \$	Level 1 000's \$	Level 2 000's \$	Level 3 000's \$
Recurring fair value measurements					
Financial assets					
Other financial assets at fair value through profit or loss	19	117,104	60,110	53,918	3,076
Other financial assets at fair value through other comprehensive income	19	24,660	24,660	-	-
Total financial assets		141,764	84,770	53,918	3,076
Non-financial assets					
Investment properties	22	11,525	-	11,525	-
Land and buildings	23	616,268	-	-	616,268
Library	23	27,683	-	-	27,683
Works of Art	23	7,872	-	7,872	-
Total non-financial assets		663,348	-	19,397	643,951
Financial liabilities					
Derivatives used for hedging		225	-	225	-
Total liabilities		225	-	225	-

Notes to the Financial Statements
For the Year Ended 31 December 2023

42 Fair Value Measurement (Continued)

(b) Fair value hierarchy (Continued)

Fair value measurements at 31 December 2022

Consolidated	Note	2022 000's \$	Level 1 000's \$	Level 2 000's \$	Level 3 000's \$
Recurring fair value measurements					
Financial assets					
Other financial assets at fair value through profit or loss	19	93,584	84,291	6,217	3,076
Other financial assets at fair value through other comprehensive income	19	33,495	33,495	-	-
Total financial assets		127,079	117,786	6,217	3,076
Non-financial assets					
Investment properties	22	12,125	-	12,125	-
Land and buildings	23	612,497	-	105,530	506,967
Library	23	27,380	-	-	27,380
Work of Art	23	7,115	-	-	7,115
Total non-financial assets		659,117	-	117,655	541,462
Financial liabilities					
Derivatives used for hedging		3	-	3	-
Total liabilities		3	-	3	-

(c) Valuation techniques used to derive level 2 and level 3 fair values

Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market (for example, managed investments and cash flow hedges) are determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The Consolidated entity uses quoted market prices or dealer quotes based on market conditions existing at each balance date. All of the resulting fair value estimates are included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investments accounted for using the equity method.

An independent valuation was performed in December 2022 on investment properties and on freehold land and building (classified as property, plant and equipment). All properties are revalued independently at least every three years. At the end of each reporting period, the Consolidated entity updates their assessment of the fair value of each property, taking into account the most recent independent valuations. The Consolidated entity determines the property's value within a range of reasonable fair value estimates.

The best evidence of fair value is the current price in an active market for similar properties. Where such information is not available the Consolidated entity considers information from a variety of sources, including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;

Notes to the Financial Statements
For the Year Ended 31 December 2023

42 Fair Value Measurement (Continued)

(c) *Valuation techniques used to derive level 2 and level 3 fair values (Continued)*

- *capitalised income projections based on a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.*

All resulting fair value estimates for properties are included in level 3.

(d) *Valuation inputs and relationships to fair value*

The following table summarised the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. Refer (c) above for the valuation techniques adopted.

Consolidated Description 31 December 2023	Fair Value 000's \$	Unobservable inputs	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Unlisted equity securities	3,076	Earnings growth factor	Net asset position and future earnings	Increase in net assets and increase in future earnings would result in higher fair value. Decrease in net assets and decrease in future earnings would result in lower fair value.

Notes to the Financial Statements
For the Year Ended 31 December 2023

42 Fair Value Measurement (Continued)

(e) Fair value measurements using significant unobservable inputs (level 3)

The following table is a reconciliation of level 3 items for the periods ending 31 December 2023 and 2022:

Consolidated

	Unlisted securities 000's	Land, Buildings & Infrastructure 000's	Library 000's	Works of Art 000's	Other financial assets 000's	Total 000's
	\$	\$	\$	\$	\$	\$
Level 3 Fair Value Measurement 2023						
Opening balance	3,076	506,967	27,380	7,115	2,328	546,866
Gain/(losses) in profit or loss						
Additions	-	25,716	5,727	-	-	31,443
Transfer out of level 3	-	-	-	(7,115)	-	(7,115)
Transfer from level 2	-	105,530	-	-	-	105,530
Disposals/distributions	-	(742)	-	-	-	(742)
Depreciation	-	(21,203)	(5,424)	-	-	(26,627)
Total gains/(losses)	3,076	616,268	27,683	-	2,328	649,355
Gains/(Losses) in other comprehensive income	-	-	-	-	-	-
Closing balance	3,076	616,268	27,683	-	2,328	649,355

Notes to the Financial Statements
For the Year Ended 31 December 2023

42 Fair Value Measurement (Continued)

Fair value measurements using significant unobservable inputs (level 3) (Continued)

Consolidated

	Unlisted securities	Land, Buildings & Infrastructur e	Library	Works of Art	Other financial assets	Total
	000's	000's	000's	000's	000's	000's
	\$	\$	\$	\$	\$	\$
Level 3 Fair Value Measurement 2022						
Opening balance	3,076	545,443	26,703	6,986	2,328	584,536
Additions	-	29,329	5,663	129	-	35,121
Transfers out of level 3	-	(105,530)		-	-	(105,530)
Depreciation	-	(18,865)	(4,986)	-	-	(23,851)
Total gains/(losses)	3,076	450,377	27,380	7,115	2,328	490,276
Gains/(Losses) in other comprehensive income	-	56,590	-	-	-	56,590
Closing balance	3,076	506,967	27,380	7,115	2,328	546,866

Notes to the Financial Statements For the Year Ended 31 December 2023

42 Fair Value Measurement (Continued)

Accounting Policy

Fair Value

The fair values of investments and other financial assets are based on quoted prices in an active market. If the market for a financial asset is not active (and for unlisted securities), the Consolidated entity 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.

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

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and equity investments) is based on quoted market prices for identical assets or liabilities at the end of the reporting period (level 1). The quoted market price used for assets held by the Consolidated entity is the most representative of fair value in the circumstances within the bid-ask spread.

The fair value of assets or liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Consolidated entity uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments (level 2) are used for long-term debt instruments held. Other techniques that are not based on observable market data (level 3), such as estimated discounted cash flows, are used to determine fair value for the remaining assets and liabilities. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the end of the reporting period. The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

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

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

Notes to the Financial Statements For the Year Ended 31 December 2023

43 Superannuation Plans

The University contributes to the following employee superannuation funds:

(a) *UniSuper Limited Superannuation Schemes*

(i) *UniSuper Defined Benefit Plan or Accumulation 2*

UniSuper Management Pty Ltd administers the Scheme and UniSuper Ltd is the Trustee. The University contributes at a rate double the contributions made by employees. Employees' contributions are normally 7.8% of their gross salaries. The fund provides the option of defined benefits based on years of service and final average salary or an accumulation fund.

UniSuper reports its results on a financial year ending 30 June.

In 2006 the UniSuper Trust Deed was amended so that in the event UniSuper assets are insufficient to provide for the benefits payable, the Trustee must consider whether to reduce member benefits on a fair and equitable basis instead of requesting additional payments from employers. While remaining a defined benefits plan under superannuation law, the change in the UniSuper Trust Deed effectively alters the nature of the scheme to a defined contribution scheme under AASB 119.

As set out under paragraph 28 of AASB119 a defined benefit contribution plan is a plan where the employer's legal or constructive obligation is limited to the amount it agrees to contribute to the fund and the actuarial risk and investment risk fall on the employee.

As at 30 June 2023 the assets of the Defined Benefit Division (DBD) in aggregate were estimated to be:

- \$5,206 million (June 2022: \$5,214 million) above vested benefits. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the DBD.*
- \$7,756 million (June 2022: \$7,895 million) above accrued benefits. The accrued benefits have been calculated as the present value of expected future benefit payments to members and indexed pensioners which arise from membership of UniSuper up to the reporting date.*

The vested benefit and accrued benefit liabilities were determined by the Fund's actuary using the actuarial demographic assumptions outlined in their report on the actuarial investigation of the DBD as at 30 June 2023. The financial assumptions used were:

	Vested Benefits	Accrued Benefits
	%	%
Gross of tax investment return:		
- Defined Benefit Division pensions	6.70	7.60
- Commercial rate indexed pensions	3.80	3.80
Net of tax investment return - non pensioner members	5.80	6.60
Consumer Price Index		
- For the next 1 year	5.00	5.00
- For Year 2	3.50	3.50
- Beyond 2 years	2.50	2.50
Inflationary salary increases long term		
- For the next 2 years	4.25	4.25
- Beyond 2 years	3.50	3.50

Assets have been included at their net market value; that is, after allowing for realisation costs.

At 30 June 2023 the Vested Benefit Index (VBI) was 119.9% (2022: 121.0%) and the Accrued Benefit Index (ABI) was 132.9% (2022: 135.7%). As a result of the VBI being greater than 100% at this date, the monitoring period and process set out in Clause 34 of the Trust Deed has not been instigated.

Notes to the Financial Statements
For the Year Ended 31 December 2023

43 Superannuation Plans (Continued)

(a) *UniSuper Limited Superannuation Schemes (Continued)*

(ii) *UniSuper Award Plus Plan*

UniSuper Management Pty Ltd administers the scheme with UniSuper Ltd as the Trustee. The University contributes to the scheme at a rate determined by the trust deed. The scheme is non-contributory for employees. The fund provides benefits based on the defined contributions of the University during the membership of the employee.

The University also makes contributions into the scheme for employee benefits arising under the Superannuation Guarantee Legislation.

(b) *South Australian Superannuation Scheme*

Fund specific disclosure

The University has 60 (2022: 62) present and former employees who are members of closed State Government Pension and Lump Sum superannuation schemes. Under the schemes, defined benefits are paid as a lump sum or continuing pension on the termination of the employees' service, based on contributions made by the employee and the employees' final salary. Employee contributions and certain employer contributions are paid to the South Australian Superannuation Board (the Board) which is responsible for administering the schemes. Under current arrangements, the Board pays the benefits and is reimbursed by the University for the shortfall in the employer's contribution. The Commonwealth Government funds the University on an emerging cost basis and recovers the State's share of the cost directly from the State government.

The University's superannuation liability with respect to future benefits for current employees and pensioners was assessed as at 31 December 2023. This assessment was performed by Mercer Consulting (Australia) Pty Ltd, Consulting Actuaries on information that was provided by the Director Superannuation, South Australian Department of Treasury and Finance. The University's superannuation liability was assessed as being \$39.2 million (2022: \$36.3 million). The net unfunded amount has been recognised in the accounts of the University as a liability with a corresponding receivable from the Commonwealth government (see Note 17). Recognition of the receivable from the Commonwealth is in accordance with Department of Education and Training Guidelines and reflects an assessment that while there is no specific legislated requirement, the Commonwealth has committed to funding the University's emerging costs.

The University expects to make a contribution of \$3.0 million (2022: \$2.6 million) to the defined benefit plan during the next financial year.

The weighted average duration of the defined benefit obligation is 8.2 years (2022: 10.95 years). The expected maturity analysis of undiscounted benefit obligations is as follows:

	Less than 1 year 000's \$	Between 1 and 2 years 000's \$	Between 2 and 5 years 000's \$	Over 5 years 000's \$	Total 000's \$
Defined benefit obligations - 31 December 2023	3,332	3,377	10,005	45,865	62,579
Defined benefit obligations - 31 December 2022	3,165	3,213	9,512	43,410	59,300

Notes to the Financial Statements
For the Year Ended 31 December 2023

43 Superannuation Plans (Continued)

(c) Categories of plan assets

	2023 (%)		2022 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Cash and Cash Equivalents	0.30	-	2.80	-
Equity instruments	50.20	-	47.90	-
Debt instruments	6.20	-	-	-
Property	0.80	16.30	1.10	16.00
Diversified strategies growth	5.70	-	6.70	12.70
Diversified strategies income	-	-	7.90	4.90
Inflation linked securities	2.00	-	-	-
Private Market	0.20	13.40	-	-
Core infrastructure	-	4.90	-	-
Total	65.40	34.60	66.40	33.60

The principal assumptions used for the purposes of the actuarial valuations were as follows (expressed as weighted averages):

	2023 %	2022 %
Discount rate(s)	4.20	4.20
Expected rate(s) of salary increase	5.00	2.50
Long term CPI Increases	2.00	5.00
Expected return of plan assets	4.00	4.20

(d) Actuarial assumptions and sensitivity

The sensitivity of the defined benefit obligation to change in the significant assumptions is:

	Increase in assumption %	Impact on DBO liability %	Decrease in assumption %	Impact on DBO liability %
Discount rate	0.5	(1,678.0)	(0.5)	1,531.0
Expected rate of CPI increase	0.5	1,719.0	(0.5)	(1,617.0)

The above sensitivity analyses are based on a change in an assumption while holding all the other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the defined benefit liability recognised in the statement of financial position.

Notes to the Financial Statements
For the Year Ended 31 December 2023

43 Superannuation Plans (Continued)

(e) *Statement of financial position amounts*

	2023	2022
	000's	000's
Note	\$	\$
Liabilities		
Provision for deferred government benefits for superannuation	(39,233)	(36,252)
Assets		
Receivable for deferred government benefit for superannuation	39,233	36,252
Net liability recognised in statement of financial position		
	-	-
Net liability reconciliation		
Defined benefit obligation	41,940	39,028
Fair value of plan assets	(2,707)	(2,776)
Net liability	39,233	36,252
Total net liability/(asset)	39,233	36,252
Present value of obligation		
Opening defined benefit obligation	39,028	47,719
Current service cost	15	-
Interest expense	1,573	831
	40,616	48,550
Remeasurements		
Impact of changes in demographic assumptions	201	-
Actuarial losses/(gains) arising from changes in financial assumptions	2,437	(7,530)
Experience items	1,959	1,129
Benefits and expenses paid	(3,256)	(3,104)
Taxes, premiums & expenses paid	(17)	(17)
Closing defined benefit obligation	41,940	39,028
Present value of plan assets		
Opening fair value of plan assets	2,776	4,968
Interest	230	85
Remeasurements	-	(199)
Employer contributions	2,974	2,638
Benefits and expenses paid	(3,273)	(3,120)
Adjustment to assets (Accrual to Cash)	-	(1,596)
Closing fair value of plan assets	2,707	2,776

Notes to the Financial Statements
For the Year Ended 31 December 2023

44 Acquittal of Australian Government Financial Assistance

(a) Education - CGS and other Education grants

Parent Entity (University) Only

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for reporting period

	Commonwealth Grants Scheme ¹		Higher Education Disability Support Program		Promotion of Excellence in Learning and Teaching		Indigenous, Regional and Low SES Attainment Fund ²	
	2023 000's \$	2022 000's \$	2023 000's \$	2022 000's \$	2023 000's \$	2022 000's \$	2023 000's \$	2022 000's \$
	157,036	153,908	301	253	-	-	6,750	5,440
	(105)	1,216	-	-	-	-	-	-
3(a)	156,931	155,124	301	253	-	-	6,750	5,440
	-	-	-	-	165	169	88	238
	156,931	155,124	301	253	165	169	6,838	5,678
	(156,931)	(155,124)	(301)	(253)	(43)	(4)	(5,698)	(5,590)
	-	-	-	-	122	165	1,140	88

Parent Entity (University) Only

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for reporting period

	National Priorities and Industry Linkage Fund		Supporting More Women in STEM Careers		Total	
	2023 000's \$	2022 000's \$	2023 000's \$	2022 000's \$	2023 000's \$	2022 000's \$
	4,960	4,793	1,837	1,028	170,884	165,422
	-	-	(1,200)	-	(1,305)	1,216
3(a)	4,960	4,793	637	1,028	169,579	166,638
	-	-	746	264	999	671
	4,960	4,793	1,383	1,292	170,578	167,309
	(4,960)	(4,793)	(896)	(546)	(168,829)	(166,310)
	-	-	487	746	1,749	999

1 Includes the basic CGS grant amount, CGS - Medical Student Loading, Transition Fund loading, Allocated Places, Non Designated Courses and CGS - Special Advances from Future Years.

2 Includes the Higher Education Participation and Partnership Program, regional loading and enabling loading.

Notes to the Financial Statements
For the Year Ended 31 December 2023

44 Acquittal of Australian Government Financial Assistance (Continued)

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

	HECS-HELP (Australian Government payments only)		FEE-HELP		SA-HELP		Total	
	2023 000's	2022 000's	2023 000's	2022 000's	2023 000's	2022 000's	2023 000's	2022 000's
	\$	\$	\$	\$	\$	\$	\$	\$
Parent Entity (University) Only								
Cash Payable/(Receivable) at the beginning of the year	1,830	2,282	263	129	1,127	1,120	3,220	3,531
Financial assistance received in Cash during the reporting period	89,137	87,246	15,195	13,890	1,346	1,652	105,678	102,788
Cash available for period	90,967	89,528	15,458	14,019	2,473	2,772	108,898	106,319
Revenue earned	88,032	87,698	13,962	13,756	1,500	1,645	103,494	103,099
Cash Payable/(Receivable) at end of year	2,935	1,830	1,496	263	973	1,127	5,404	3,220

3(b)

Notes to the Financial Statements
For the Year Ended 31 December 2023

44 Acquittal of Australian Government Financial Assistance (Continued)

(c) Department of Education and Training Research

	Research Training Program		Research Support Program		Total	
	2023	2022	2023	2022	2023	2022
	000's	000's	000's	000's	000's	000's
	\$	\$	\$	\$	\$	\$
Parent Entity (University) Only						
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	3(c) 16,851	15,217	13,999	11,795	30,850	27,012
Revenue for the period	16,851	15,217	13,999	11,795	30,850	27,012
Total revenue including accrued revenue	16,851	15,217	13,999	11,795	30,850	27,012
Less expenses including accrued expenses	(16,851)	(15,217)	(13,999)	(11,795)	(30,850)	(27,012)
Surplus/(deficit) for reporting period	-	-	-	-	-	-

(d) Total Higher Education Provider Research Training Program expenditure

	Total domestic students	Total overseas students
	000's	000's
	\$	\$
Research Training Program Fees offsets	11,386	539
Research Training Program Stipends	4,319	538
Research Training Program Allowances	16	53
Total for all types of support	15,721	1,130

Notes to the Financial Statements
For the Year Ended 31 December 2023

44 Acquittal of Australian Government Financial Assistance (Continued)

(e) Australian Research Council Grants

	Discovery		Networks and Centres		Linkages (Projects)		Special Research Initiatives		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's
Parent Entity (University) Only	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	8,057	7,398	-	-	3,484	3,790	123	26	11,664	11,214
Net accrual adjustments	(683)	(2,134)	664	558	(472)	(1,483)	(24)	38	(515)	(3,021)
Revenue for the period	7,374	5,264	664	558	3,012	2,307	99	64	11,149	8,193
Surplus/(deficit) from the previous year	4,055	4,318	(85)	35	1,556	1,291	84	163	5,610	5,807
Total revenue including accrued revenue	11,429	9,582	579	593	4,568	3,598	183	227	16,759	14,000
Less expenses including accrued expenses	(7,577)	(5,527)	(608)	(678)	(3,043)	(2,042)	(144)	(143)	(11,372)	(8,390)
Surplus/(deficit) for reporting period	3,852	4,055	(29)	(85)	1,525	1,556	39	84	5,387	5,610

Notes to the Financial Statements
For the Year Ended 31 December 2023

44 Acquittal of Australian Government Financial Assistance (Continued)

(f) Other Capital Funding - Linkage Infrastructure, Equipment and Facilities Grant

	2023	2022
	000's	000's
Parent Entity (University) Only	\$	\$
Cash received during the reporting period	1,007	405
Net accrual adjustments	266	134
Revenue for the period	1,273	539
Surplus/(deficit) from the previous period	511	935
Total revenue including accrued expenses	1,784	1,474
Less expenses including accrued expenses	(1,335)	(963)
Cash surplus/(deficit) for reporting period	449	511

Note

3(d)

(g) OS-HELP

	2023	2022
	000's	000's
Parent Entity (University) Only	\$	\$
Cash received/(paid) during the reporting period	1,831	(3,889)
Cash spent during the reporting period	(929)	(394)
Net cash received/(paid)	902	(4,283)
Cash surplus/(deficit) from the previous period	4,133	8,416
Cash surplus/(deficit) for reporting period	5,035	4,133

25

(h) Higher Education Superannuation Program

	2023	2022
	000's	000's
Parent Entity (University) Only	\$	\$
Cash received during the reporting period	2,861	2,534
Cash available	2,861	2,534
Cash surplus/(deficit) from the previous period	(4)	(13)
Cash available for current period	2,857	2,521
Contributions to specified defined benefit funds	(2,861)	(2,525)
Cash surplus/(deficit) this period	(4)	(4)

Notes to the Financial Statements
For the Year Ended 31 December 2023

44 Acquittal of Australian Government Financial Assistance (Continued)

(i) Student Services and Amenities Fee

		2023	2022
		000's	000's
	Note	\$	\$
Parent Entity (University) Only			
Unspent/(overspent) revenue from previous period		1,130	1,028
SA-HELP revenue earned	3(b)	1,500	1,645
Student Services and Amenities Fees direct from students	5	3,112	2,751
Total revenue expendable in period		5,742	5,424
Student services expenses during period		(4,808)	(4,294)
Unspent/(overspent) student services revenue		934	1,130

Notes to the Financial Statements

For the Year Ended 31 December 2023

45 Acronyms and abbreviations

AASB	Australian Accounting Standards Board
ARC	Australian Research Council
ATO	Australian Taxation Office
CGS	Commonwealth Grant Scheme
CPI	Consumer Price Index
CRC	Cooperative Research Centre
DBO	Defined Benefit Obligation
FEE HELP	Fee Higher Education Loan Program (financial support full fee paying domestic students)
GST	Goods and Services Tax
HECS HELP	Higher Education Contribution Scheme - Higher Education Loan Program
IFRS	International Financial Reporting Standards
NHMRC	National Health and Medical Research Council
OCI	Other Comprehensive Income
OS HELP	Overseas - Higher Education Loan Program
SA HELP	Students Amenities Fees - Higher Education Loan Program
SALHN	Southern Adelaide Local Health Network

Statement by the Chancellor, Vice Chancellor and Chief Financial Officer

To the best of our knowledge and belief

- o the attached General Purpose Financial Report for Flinders University presents a true and fair view, in accordance with the Treasurer's Instructions issued under Section 41 of the Public Finance and Audit Act 1987, applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and to conform to the Department of Education and Training Financial Statement Guidelines for Australian Higher Education Providers for the 2023 Reporting Period, the financial position of Flinders University as at 31 December 2023, the results of its operations and its cash flows for the financial year;
- o the attached financial statements are in accordance with the accounts and records of the University;
- o internal controls over financial reporting and the general purpose financial report have been effective throughout the reporting period;
- o at the time of signing of this statement, there are reasonable grounds to believe that the University will be able to pay its debts as and when they become due and payable;
- o the amount of Australian Government financial assistance expended during the reporting period was for the purposes for which it was intended; and
- o Flinders University has complied with applicable legislation, contracts, agreements, and program guidelines in making expenditure.
- o Flinders 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.

Signed in accordance with a resolution of the Council



Mr John Hood
Chancellor

23 May 2024



Professor Colin Stirling
President and Vice-Chancellor

23 May 2024



Mr Richard Porter
Chief Financial Officer

23 May 2024



Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
ABN 53 327 061 410
audgensa@audit.sa.gov.au
www.audit.sa.gov.au

To the Chancellor Flinders University

Opinion

I have audited the financial report of Flinders University and the consolidated entity comprising Flinders University and its controlled entities for the financial year ended 31 December 2023.

In my opinion the accompanying consolidated financial report has been prepared in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987*, Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, the *Higher Education Support Act 2003* and Australian Accounting Standards, including:

- a) giving a true and fair view of the financial position of Flinders University and its controlled entities as at 31 December 2023, its financial performance and its cash flows for the year then ended, and
- b) complying with Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2022.

The consolidated financial report comprises:

- an Income Statement for the year ended 31 December 2023
- a Statement of Comprehensive Income for the year ended 31 December 2023
- a Statement of Financial Position as at 31 December 2023
- a Statement of Changes in Equity for the year ended 31 December 2023
- a Statement of Cash Flows for the year ended 31 December 2023
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Chancellor, President and Vice Chancellor and the Chief Financial Officer.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of Flinders University and its controlled entities. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the President and Vice Chancellor and the Council for the financial report

The President and Vice Chancellor is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987*, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Higher Education Support Act 2003* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the President and Vice Chancellor is responsible for assessing the entity's and consolidated entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The President and Vice Chancellor is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Council is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of Flinders University and its controlled entities for the financial year ended 31 December 2023.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. 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
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Flinders University's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the President and Vice Chancellor
- conclude on the appropriateness of the President and Vice Chancellor's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the university and the group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the university and the group. I remain solely responsible for my audit opinion.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the President and Vice Chancellor about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Blaskett
Auditor-General

29-May-2024