

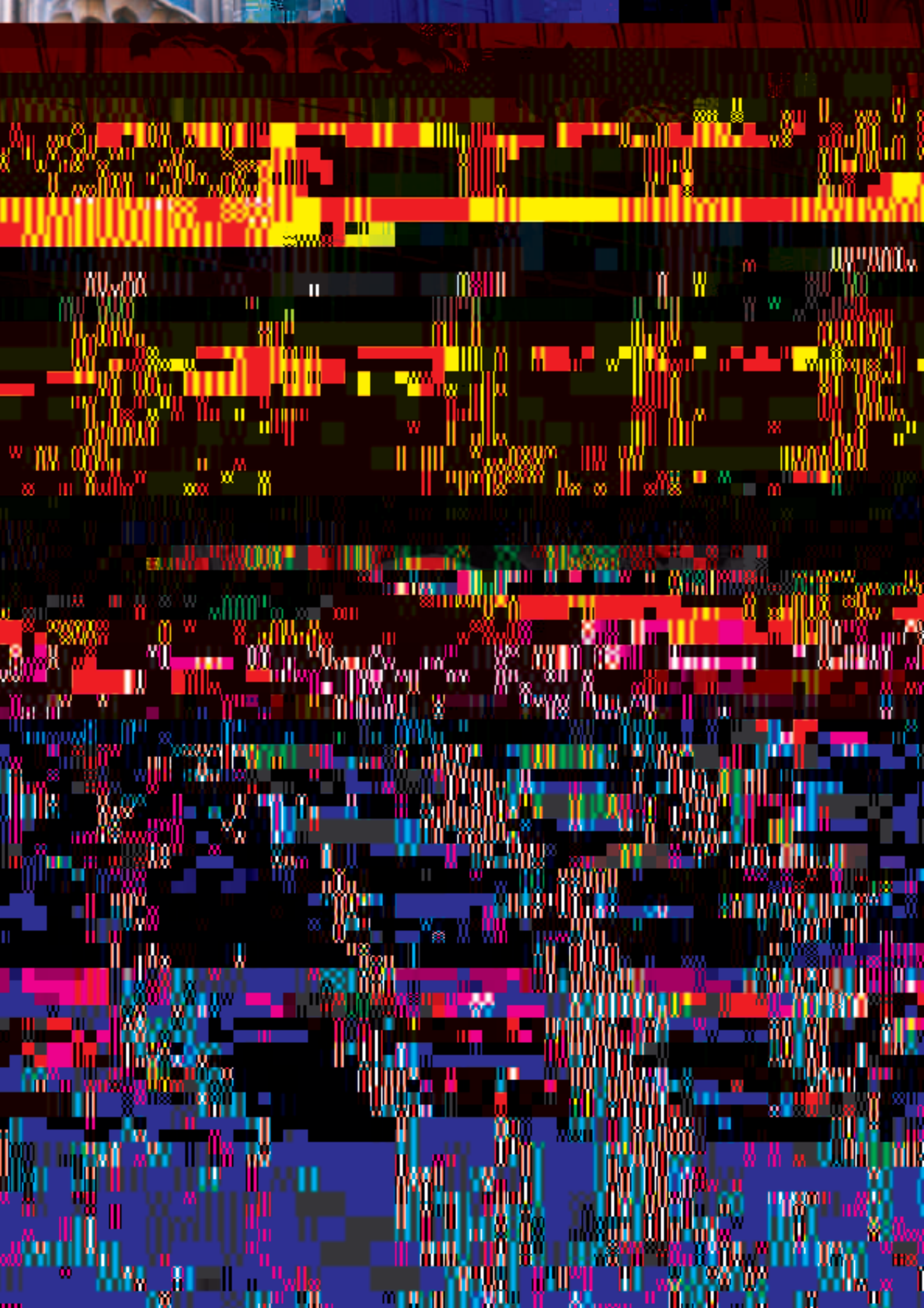
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THE UNIVERSITY
OF ADELAIDE
AUSTRALIA

The University of Adelaide
Annual Report 2003

Part Two, Financial Statements







INDEPENDENT AUDIT REPORT

TO THE CHANCELLOR

SCOPE

Section 21 of the University of Adelaide Act 1971, I have audited the financial statements of the University of Adelaide for the financial year ended 31 December 2003.

As required by section 31 of the Public Finance and Audit Act 1987 and the Adelaide Act 1971, I have audited the financial report for the year ended 31 December 2003. The financial report comprises:

- A Statement of Financial Performance;
- A Statement of Financial Position;
- A Statement of Cash Flows;
- Notes to and forming part of the Financial Statements;
- A Certificate by the Chancellor and the Vice-Chancellor.

statements; Chancellor.

financial statements of the consolidated entity, comprising the consolidated financial statements of the University of Adelaide and the entities it controls.

The financial report includes the consolidated financial statements of the University of Adelaide and the entities it controls.



	Note	2003 \$000	2002 \$000	2003 \$000	2002 \$000
OPERATING REVENUE FROM ORDINARY ACTIVITIES Received under Higher Education Funding Act	5,6				

	Note	2003 \$000	2002 \$000	2003 \$000	2002 \$000
CURRENT ASSETS					
Cash		14,925	11,178	4,696	784
Receivables	7	23,269	25,974	20,005	22,717
Other financial assets	8	44,728	20,679	41,493	16,732
Inventories	9	4,131	3,463	1,809	1,660
Other	10	7,356	5,398	5,021	3,215
Total current assets		94,409	66,692	73,024	45,108
NON-CURRENT ASSETS					
Other financial assets	8	63,512	62,213	112,742	105,290
Investments accounted for using the equity method	11	2,230	807	363	363
Property, plant and eq					

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1. Basis of Preparation

These notes, prepared in conjunction with the financial statements, provide an explanation of significant accounting policies and practices adopted in the preparation of the statements. The financial statements and notes collectively constitute a general purpose financial report prepared in accordance with applicable Australian Accounting Standards and Urgent Issue Group Consensus Views, unless otherwise disclosed in these notes. The report also conforms with the reporting requirements of the Commonwealth Department of Education, Science and Training (DEST).

2. Scope of Reporting

The financial statements and notes disclose the operating results and 2002 comparative results of The University of Adelaide as follows

University - refers to all aspects of operation of The University of Adelaide only

Consolidated - refers to the financial results of The University of Adelaide together with financial results of its controlled entities. It includes accounts for the University's interests in associated entities and its joint venture operations.

The controlled entities of The University of Adelaide, included in this report are

Adelaide Research & Innovation Pty Ltd (formerly Luminis Pty Ltd) as trustee for The Adelaide Research & Innovation Investment Trust (formerly Luminis Investment Trust)

Australian Company Number 060 292 486 Pty Ltd formerly Camtech (SA) Pty Ltd as trustee for Camtech Discretionary Trust

Disc Pty Ltd

Lubims Pty Ltd

Martindale Holdings Pty Ltd as trustee for

- JS Davies Estate

- JAT Mortlock Trust

Repromed Pty Ltd

Refer to Note 29 Investments in Controlled Entities.

3. Statement of Significant Accounting Policies

(a) **Basis of Accounting**

The general purpose financial report has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or current valuations of non-current assets.

These accounting policies have been consistently applied by each entity in the consolidated entity, and except where there is a change in accounting policy, are consistent with those of the previous year.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

(b) **Principles of Consolidation**

The consolidated financial statements of the Consolidated Entity include the financial statements of the University being the parent entity, and its controlled entities ('the Consolidated Entity').

Where an entity either began or ceased to be controlled during the year, the results are included only from the date control commenced or up to the date control ceased.

The balances, and effects of transactions, between controlled entities included in the consolidated financial statements have been eliminated.

Outside interests in the equity and results of the entities that are controlled by the University are shown as a separate item in the consolidated financial statements.

(c) **Foreign Currency**

Foreign currency transactions are translated to Australian currency at the rates of exchange ruling at the dates of the transactions and brought to account in the Financial Statements. Amounts receivable and payable in foreign currencies at balance date are translated at the rates of exchange ruling on that date.

(d) **Revenue Recognition**

• **Grant Revenue**

Grant revenue is recognised in the accounting period it is received or when there is a right to receive the grant revenue.

• **Student Tuition Fees and Charges**

Student tuition fees and charges are recognised in the accounting period in which the service is provided.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

3.

(d)

Consultancy, contract and industry research income is recognised in the accounting period in which the service is provided.

Bequests and donations are recognised as income in the accounting period they are received.

Interest and income from investments are recognised as they accrue (Refer to Note 3(i)).

The gross proceeds of asset sales are included as revenue of the Consolidated Entity. The profit or loss on disposal of assets is brought to account at the date the contract of sale becomes unconditional.

(e)

(f)

(g)

•i **Wages, Salaries and Annual Leave**

The employees' entitlements to wages, salaries and annual leave represents the amount which the Consolidated Entity has a present obligation to pay resulting from employees' services provided up to the balance date. The entitlements have been calculated at the wage and salary expected when leave is taken. The employee on-costs relating to annual leave are reported within payables.

•i **Long Service Leave**

The liability for employees' entitlements to long service leave represents the present value of the estimated future cash outflow.

3. Statement of Significant Accounting Policies – continued

(l) **Non-Current Assets**

•i **Acquisitions**

Items of property, plant and equipment are initially recorded at cost in the Statement of Financial Position (unless otherwise indicated) and depreciated in accordance with Note 3(m).

•i **Revaluations**

During 2002 land, buildings and works of art were independently valued on a fair value basis in accordance with Australian Accounting Standards and in compliance with changes to the Accounting Policy Statements (APS) pronounced by the Treasurer of South Australia. During 2003 land was independently revalued on a fair value basis. Buildings and works of art were assessed by the valuers as still representing fair value.

•i **Disposal of Revalued Assets**

The gain or loss on disposal of revalued assets is calculated as the difference between the carrying amount of the asset at the time of disposal and the proceeds on disposal and is included in the results in the year of disposal.

•i **Land and Buildings**

•i **Other Collections**

The University owns a number of collections of cultural, historical and scientific significance. Many of these collections are unique or extremely rare. The University is not able to reliably measure the value of these collections and therefore has not recognised them as an asset in the Statement of Financial Position. Furthermore, collections which are irreplaceable (excluding works of art) are not covered by University insurance due to difficulty in determining an insurable value, the costs associated with deriving such a value, and the premium load an insurer would require to carry such a risk.

•i

•i **Works of Art**

Works of art greater than \$2,000, are recorded at fair value on the basis of an independent valuation carried out by Mr J.F.B. Bruce valuer (MSAV) of Ian Bruce Pty Ltd on 12 December 2002. No provision for depreciation is made for works of art.

•i **Software**

The University capitalises certain software costs with a purchase price greater than \$100,000 and an expected useful life greater than twelve months, together with all costs associated with implementation. These are recorded on the basis of cost and then amortised once the system is operational.

•i **Leased Plant and Equipment**

Leased plant and equipment over which the University or its controlled entities assume substantially all the risks and benefits of ownership, are classified as finance leases. Other leases are classified as operating leases.

Finance leases are capitalised. A lease asset and a lease liability equal to the present value of the minimum lease payments are recorded at the inception of the lease. Capitalised lease assets are amortised on a straight line basis over the term of the relevant lease, or where it is likely the Consolidated Entity will obtain ownership of the asset, the life of the asset. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are charged to the Statement of Financial Performance. Also refer to Note 21 Future Expenditure Commitments.

Payments made under operating leases are charged to the Statement of Financial Performance in equal instalments over the accounting periods covered by the lease term.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

3. Statement of Significant Accounting Policies – continued

(m) Depreciation and Amortisation

Depreciation on freehold buildings is calculated on a diminishing value basis. Depreciation is provided on other property, plant and equipment, excluding land, on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life. Leasehold improvements are amortised over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method. The following estimated useful lives are used in the calculation of depreciation/amortisation:

	Range
•i Buildings	20 – 160 years
•i Leasehold improvements	10 – 50 years
•i Library	5 – 50 years
•i Plant and equipment including motor vehicles	5 – 10 years
•i Software and implementation costs	3 – 5 years
•i Leased plant and equipment	10 years

(n) Workers' Compensation

The University is responsible for payments of workers' compensation claims and is registered with Workcover as an exempt employer. Administrative arrangements with the associated entity Unisure Pty Ltd incorporate the management of claims and funds invested.

The provision for workers' compensation claims has been prepared by Mercer Human Resource Consulting Pty Ltd using the Claims Paid Development Method wherein all past claims are brought to current value with an allowance for late reporting of claims and administration costs.

(o) Salaries and Related Expenses

Items attributed to salaries and related expenses include salaries and wages, employee entitlements, and other costs incidental to the employment of staff such as professional development costs and fringe benefit tax.

(p) Operating Revenue - Other

The classification "Other" contains revenue items which individually are not material due to their nature or size. Such items falling within this classification include sale of assets, income from independent organisations for whom the University provided management services, fund raising and bequests, sundry recoveries and recharges.

(q) Recognition of Donations and Bequests

All donations and bequests received by the University are brought to account as income.

(r) Rounding

All amounts in this report are rounded to the nearest one thousand dollars.

(s) Comparative Information

These financial statements and notes display information for the preceding corresponding reporting period. Comparative figures have been reclassified to reflect current disclosure requirements of the University and DEST. In addition, there has been a reclassification of \$10.8 million from "Other" Land to "Trust" Land.

4. Change in Accounting Policy

Change in Depreciation Method for Buildings

Prior to 2003, buildings were depreciated over their estimated useful lives on a straight line basis. During 2003 the University elected to depreciate buildings on a diminishing value method as this method more closely reflects deterioration of the asset value. The adoption of the diminishing value method has resulted in an increase in depreciation expense in 2003 of \$2.7 million.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

	Note	2003 \$000	2002 \$000	2003 \$000	2002 \$000
5. Operating Revenue					
Student fee income includes:					
Award courses					
Australian fee paying undergraduate students		717	664	717	664
Australian fee paying postgraduate students		3,480	3,504	3,480	3,504
International fee paying students		30,539	27,616	30,539	27,616
		34,736	31,784	34,736	31,784
Non award courses					
Continuing education		371	409	371	409
Australian fee paying		978	835	978	835
Other teaching service fees		2,874	4,280	2,874	4,280
		4,223	5,524	4,223	5,524
		38,959	37,308	38,959	37,308
Tuition fees - Higher Education Funding Act					
Postgraduate Education Loan Scheme		2,235	1,293	2,235	1,293
Overseas p					

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

6. _____	Note	2003 \$000	2002 \$000	2003 \$000	2002 \$000
_____		-	123	-	123
		<u>1,409</u>	<u>310</u>	-	-
_____		<u>961</u>	<u>1,239</u>	<u>688</u>	<u>1,011</u>
		74,918	73,739	74,918	73,739
		(230)	2,323	(230)	2,323
		1,250	1,635	1,250	1,635
		<u>10,033</u>	<u>9,982</u>	<u>10,033</u>	<u>9,982</u>
		11,053	13,940	11,053	13,940
		4,578	4,565	4,578	4,565
		7,840	8,031	7,840	8,031
		2,057	2,039	2,057	2,039
		348	344	348	344
		4,154	4,131	4,154	4,131
		<u>104,948</u>	<u>106,789</u>	<u>104,948</u>	<u>106,789</u>
		67,671	68,277	59,155	61,127
		(168)	1,777	(168)	1,777
		911	1,251	911	1,251
		<u>8,092</u>	<u>8,127</u>	<u>7,611</u>	<u>7,715</u>
		8,835	11,155	8,354	10,743
		3,653	3,747	3,579	3,690
		6,283	6,026	6,131	5,983
		1,632	1,639	1,612	1,576
		344	315	273	282
		<u>3,231</u>	<u>3,358</u>	<u>3,216</u>	<u>3,358</u>
		<u>91,649</u>	<u>94,517</u>	<u>82,320</u>	<u>86,759</u>
		<u>196,597</u>	<u>201,306</u>	<u>187,268</u>	<u>193,548</u>
		194,834	194,320	185,505	186,562
		1,763	6,986	1,763	6,986
		<u>196,597</u>	<u>201,306</u>	<u>187,268</u>	<u>193,548</u>
		205	54	205	54
		462	(313)	462	(313)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

	Note	Consolidated		University	
		2003 \$000	2002 \$000	2003 \$000	2002 \$000
6. <u>Operating Surplus-continued</u>					
<u>Charges - continued</u>					
Amortisation					
Leasehold improvements		289	217	114	178
Software and system development costs		3,470	3,609	3,470	3,609
		3,759	3,826	3,584	3,787
Depreciation					
Buildings		8,900	4,389	8,828	4,245
Plant, equipment and motor vehicles		5,833	5,571	4,779	4,811
Library collection		6,380	6,035	6,380	6,035
		21,113	15,995	19,987	15,091
Net foreign exchange loss		12	-	12	-
Loss on disposal of property, plant and equipment		838	1,008	810	816
Borrowing costs					
Interest		33	934	16	917
Finance charges		117	335	117	335
		150	1,269	133	1,252
7. <u>Receivables</u>					
	3(h)				
Student tuition fees		2,861	5,642	2,861	5,642
Less: provision for doubtful debts		(462)	(500)	(462)	(500)
		2,399	5,142	2,399	5,142
Sundry and trade debtors		21,952	21,415	18,458	17,909
Less: provision for doubtful debts		(1,153)	(801)	(905)	(535)
		20,799	20,614	17,553	17,374
Student loans		258	201	258	201
Less: provision for doubtful debts		(205)	-	(205)	-
		53	201	53	201
Other		18	17	-	-
Total Receivables		23,269	25,974	20,005	22,717

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

		Consolidated			
	Note	2003 \$000	2002 \$000	2003 \$000	2002 \$000
8. Other Financial Assets					
Current					
Short-term investment portfolio					
Cash on deposit	3(i)	38,870	13,075	38,518	13,075
Other	32	5,690	7,053	-	-
		44,560	20,128	38,518	13,075
Loans					
Loans to controlled entities		-	-	2,807	3,106
Other loans		168	551	168	551
		168	551	2,975	3,657
		44,728	20,679	41,493	16,732
Non-Current					
Composite fund at fair value	3(i)				
Australian fixed interest securities		8,025	-	8,025	-
Overseas fixed interest securities		4,349	-	4,349	-
Australian equities		17,067	-	17,067	-
Overseas equities		15,905	2	15,905	2
Property trusts		3,210	259	3,210	259
Cash and liquid assets		2,798	50,268	2,798	50,268
		51,354	50,529	51,354	50,529
Managed investment held by Unisure Pty Ltd		6,934	6,874	6,934	6,874
Interest in business undertakings					
Controlled entities	29	-	-	50,541	44,235
Other investments	32	3,681	3,132	2,370	1,974
Loans					
Other loans		1,543	2,178	1,543	2,178
Provision for doubtful debts		-	(500)	-	(500)
		1,543	1,678	1,543	1,678
		63,512	62,213	112,742	105,290
9. Inventories	3(k)				
Consumable materials and trading stock		1,943	1,801	1,909	1,760
Livestock		2,288	1,762	-	-
Provision for obsolescence		(100)	(100)	(100)	(100)
		4,131	3,463	1,809	1,660
10. Other Assets					
Current					
Pre-payments		6,239	4,343	4,872	3,058
Accrued income		464	267	149	157
Other		653	788	-	-
		7,356	5,398	5,021	3,215
11. Investments Accounted for Using the Equity Method					
Associated entities	30				
At cost		-	-	298	298
Equity accounted		1,792	440	-	-
Joint venture entities	31				
At cost		-	-	65	65
Equity accounted		438	367	-	-
		2,230	807	363	363

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

		2003	2002	2003	2002
	Note	\$000	\$000	\$000	\$000
12.					
12.1	3(l)				

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

	Note	2003 \$000	2002 \$000	2003 \$000	2002 \$000
12	3(i)				
12.1					
		104,944	102,255	96,563	94,984
		(73,063)	(68,727)	(68,532)	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

	Note	Consolidated		University	
		2003 \$000	2002 \$000	2003 \$000	2002 \$000
13. Intangibles					
Non-Current					
Goodwill		149	-	-	-
Accumulated amortisation		(7)	-	-	-
		<u>142</u>	<u>-</u>	<u>-</u>	<u>-</u>
14. Payables					
Current					
Accounts payable		20,412	15,559	14,370	12,156
Accruals		5,748	9,308	4,128	4,414
		<u>26,160</u>	<u>24,867</u>	<u>18,498</u>	<u>16,570</u>
Non-Current					
Accounts payable		<u>2,326</u>	<u>2,245</u>	<u>2,324</u>	<u>2,243</u>
15. Interest-bearing Liabilities					
Current					
Bank loans and commercial paper		108	108	-	-
Other		6	7	6	6
		<u>114</u>	<u>115</u>	<u>6</u>	<u>6</u>
Non-Current					
Bank loans and commercial paper		122	213	-	-
Other		87	94	87	94
		<u>209</u>	<u>307</u>	<u>87</u>	<u>94</u>
16. Provisions					
Current					
Workers' compensation provision		741	920	741	920
Annual and long service leave		8,754	8,242	8,088	7,700
Insurance provision		939	-	939	-
		<u>10,434</u>	<u>9,162</u>	<u>9,768</u>	<u>8,620</u>
Non-Current					
Workers' compensation provision		1,499	1,580	1,499	1,580
Long service leave provision		17,235	16,631	17,211	16,613
		<u>18,734</u>	<u>18,211</u>	<u>18,710</u>	<u>18,193</u>
17. Other Liabilities					
Current					
Outside funded positions		917	1,054	917	1,054
Income in advance		290	-	290	-
Salary and wage deductions		2,357	351	2,357	348
Student tuition fees received in advance		2,423	1,871	2,423	1,871
Unspent Commonwealth financial assistance		842	1,328	842	1,328
Residential bonds		20	17	20	17
Employee benefits – redundancy		1,200	510	1,200	510
		<u>8,049</u>	<u>5,131</u>	<u>8,049</u>	<u>5,128</u>
18. Employee Benefits and Related On-Cost Liabilities					
In accordance with the requirements of AASB 1028 "Employee Benefits", employee on-costs are required to be reported as payables whilst leave liability amounts are reported separately as "Employee Benefits". Below is a composite note disclosure showing the total liabilities the University has as at 31 December 2003 relating to employee benefits:					
Annual Leave					
On-costs included in payables - current		1,118	1,099	1,037	1,037
Employee benefits - current	16	<u>4,473</u>	<u>4,397</u>	<u>4,150</u>	<u>4,147</u>
		<u>5,591</u>	<u>5,496</u>	<u>5,187</u>	<u>5,184</u>
Long Service Leave					
On-costs included in payables - current		578	519	532	479
Employee benefits - current	16	<u>4,281</u>	<u>3,845</u>	<u>3,938</u>	<u>3,553</u>
		<u>4,859</u>	<u>4,364</u>	<u>4,470</u>	<u>4,032</u>
On-costs included in payables - non-current	14	2,326	2,245	2,324	2,243
Employee benefits - non-current	16	<u>17,235</u>	<u>16,631</u>	<u>17,211</u>	<u>16,613</u>
		<u>19,561</u>	<u>18,876</u>	<u>19,535</u>	<u>18,856</u>
		<u>30,011</u>	<u>28,736</u>	<u>29,192</u>	<u>28,072</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

	Note	2003 \$000	2002 \$000	2003 \$000	2002 \$000
19.	<u>Accumulated result and reserves</u>				
19.1	<u>Summary</u>				
	<u>Accumulated result</u>	94,041	78,948	76,105	64,619
	<u>Capital reserves</u>				
	Capital reserve	2,970	2,970	-	-
	Capital profits reserve	687	687	-	-
	Asset revaluation reserve	168,674	143,303	187,037	159,859
	Initial asset recognition reserve	279,124	279,124	279,124	279,124
		451,455	426,084	466,161	438,983
	<u>Specific purpose reserves</u>				
	Special reserve	51,669	46,452	51,669	46,452
	Bequests/donations unspent income reserve				

19. Reserves - continued
 19.3 Nature and purpose of reserves
Capital reserve

Capital profits reserve

Asset revaluation reserve

Initial asset recognition reserve

Specific purpose reserves

	Note	2003 \$000	2002 \$000	2003 \$000	2002 \$000
20.					
	<u>Notes to the Statement of Cash Flows</u>				
(a)	<u>Reconciliation of cash</u>				
	For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and short term investments in money market instruments. Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:				
	Cash	14,925	11,178	4,696	784
	Short term cash investment	38,870	13,075	38,518	13,075
		53,795	24,253	43,214	13,859
(b)	<u>Reconciliation of net cash provided by operating activities to operating surplus</u>				
	<u>Operating surplus</u>	24,108	15,882	20,237	12,419
	Add/(subtract) non cash items				
	Amortisation	6	3,766	3,826	3,787
	Depreciation	6	21,113	15,995	19,987
	Write down/(up) investments		(3,611)	4,307	(3,611)
	Contributed investments		(367)	-	(367)
	Bad debts written off		(405)	6	(500)
	Superannuation expense		(400)	4,100	(400)
	Superannuation revenue		400	(4,100)	400
	Other revenue/expenses		(3,838)	(1,725)	(1,709)
	(Profit)/loss on sale of pro				

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

	Note	Consolidated		University	
		2003 \$000	2002 \$000	2003 \$000	2002 \$000
21. <u>Future Expenditure Commitments</u>					
Operating Expenditure					
Contracted but not provided for and payable:					
Not later than one year		12,237	9,544	12,237	9,544
Later than one year, but not later than five years		18,284	7,625	18,284	7,625
Later than five years		336	-	336	-
		30,857	17,169	30,857	17,169
Capital Expenditure					
Contracted but not provided for and payable:					
Not later than one year		4,501	8,764	4,501	8,764
Later than one year, but not later than five years		98	-	98	-
Later than five years		22	-	22	-
		4,621	8,764	4,621	8,764
Operating Lease Commitments					
Future operating base rental not provided for and payable:					
Not later than one year		3,754	4,454	3,213	3,983
Later than one year, but not later than five years		5,370	7,515	3,235	5,440
Later than five years		2,061	4,117	38	1,200
		11,185	16,086	6,486	10,623

22. Contingent Liabilities

(a) Guarantees

The University in 1997 provided a \$4.35 million guarantee and an indemnity to the Bank of South Australia to support a loan made to Frome Street Car Park Developments Pty Ltd. The guarantee is for a ten year period.

The University in 1997 provided a \$120,000 guarantee to the Commonwealth Government, Department of Health and Aged Care, for an interest free, 20 year loan of \$126,000 to be used for the construction of the Observatory Child Care Centre.

(b) Superannuation

(i) The University of Adelaide Superannuation Scheme A 1985 (Scheme A 1985)

The University has guaranteed that members of this superannuation scheme will receive defined benefits in the event that this closed scheme has insufficient assets to meet the benefits. Employer contributions of 14% of salaries recommenced on actuarial advice as from 1 January 2003 to ensure there are sufficient assets in the scheme to meet expected future liabilities of remaining members. Refer to Note 24(c).

(ii) UniSuper Limited Superannuation Schemes

Refer to Note 24(b).

22. _____
(c)

(d)

23. National Wine Centre

24. Superannuation Schemes
(a)

•i

•i

•i

•i

•i

24. Superannuation Schemes – continued
(b)

(i)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

24. Superannuation Schemes – continued
(d)

	Note	2003 \$000	2002 \$000	2003 \$000	2002 \$000
		37,400	37,800	37,400	37,800
		3,000	2,700	3,000	2,700
		34,400	35,100	34,400	35,100
		37,400	37,800	37,400	37,800
The total employer contributions were:					
		13,951	13,378	13,951	13,378
		6,632	6,087	6,632	6,087
		26	45	26	45
The University of Adelaide Superannuation Scheme A 1985		125	-	125	-
		20,734	19,510	20,734	19,510

25.

26. Auditors' Remuneration

Amounts paid or payable were:

190	165	190	165
68	60	-	-
258	225	190	165
18	-	-	-
276	225	190	165

27. Remuneration for University Senior Management

	2003 \$000	2002 \$000
	3,114	2,283
	Number	Number
\$100,000 - \$109,999	-	2
\$130,000 - \$139,999	1	-
\$140,000 - \$		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

27. *Remuneration for University Senior Management - continued*

Remuneration is based upon the total remuneration package which includes employer and employee (pre tax) superannuation contributions and termination payments, due and receivable, by senior managers from the University. Certain senior managers were employed for part of the year.

28. Additional Financial Instruments Disclosure

(a) Interest Rate Risk

The Consolidated Entity has placed its investments in a portfolio managed by independent investment managers. The fund managers enter into interest rate swaps, future contracts, interest rate options and other forms of agreements to manage cash flow risks associated with the interest rates on investments that are floating, or to alter interest rate exposures arising from mismatches in repricing dates between assets and liabilities.

	Note	Floating Interest Rate \$000	1 Year or or less \$000	Over 1 to 5 years \$000	More than 5 years \$000	Non- Interest bearing \$000	Total \$000
2003							
Financial Assets							
Cash		14,925	-	-	-	-	14,925
Receivables	7	-	-	-	-	23,269	23,269
Other Financial Assets	8,11	32,103	6,584	188	1,178	70,417	110,470
		47,028	6,584	188	1,178	93,686	148,664
Weighted average interest rate		4.23%	5.43%	4.02%	6.34%	-	
Financial Liabilities							
Payables	14	-	-	-	-	26,160	26,160
Interest-bearing Liabilities	15	-	108	122	-	93	323
		-	108	122	-	26,253	26,483
Weighted average interest rate		-	6.28%	6.28%	-	-	
	Note	Floating Interest Rate \$000	1 Year or less \$000	Over 1 to 5 years \$000	More than 5 years \$000	Non- Interest bearing \$000	Total \$000
2002							
Financial Assets							
Cash		11,178	-	-	-	-	11,178
Receivables	7	-	-	-	-	25,974	25,974
Other Financial Assets	8,11	39,728	24,056	-	1,678	18,237	83,699
		50,906	24,056	-	1,678	44,211	120,851
Weighted average interest rate		3.57%	4.89%	-	6.21%	-	
Financial Liabilities							
Payables	14	-	-	-	-	24,867	24,867
Interest-bearing Liabilities	15	-	108	213	-	101	422
		-	108	213	-	24,968	25,289
Weighted average interest rate		-	3.70%	3.70%	-	-	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

28. Additional Financial Instruments Disclosure - continued

(b) Foreign Exchange Risk

(c) Credit Risk Exposures

(i) On Statement of Financial Position Financial Instruments

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

30.

(a)

		%	2003 \$000	2002 \$000	2003 \$000	2002 \$000
Unisure Pty Ltd	Responsible for processing of Tertiary Institution Workers' Compensation Insurance.	33.3	-	-	-	-
Ngee Ann Adelaide Education Centre Pty Ltd	Operates a graduate education centre in Singapore.	50	201	440	298	298
Australian Centre for Plant Functional Genomics Pty Ltd	Responsible for the development of world-class capability in plant genomic research & its application for economic & social benefit to Australia.	39	80	-	-	-
Australian Grain Technology Pty Ltd	Responsible for the development of research into new grain varieties.	25	1,511	-	-	-
			1,792	440	298	298
		Note	2003 \$000	2002 \$000	2003 \$000	2002 \$000

(b)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

30.

(d)

(iv)

(v) Off Statement of Financial Position Financial Instruments

31.

(a)

(i)

		Participation
(U)	(C)	12%
(I)	(C)	7%
(U)	-	18%
(U)	(C)	9%
(U9)		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

31. *Interests in Joint Ventures - continued*

(ii) Other Unincorporated Joint Ventures

Name	Principal Activity	Participation	
Middleback Field Centre	To provide pastoral-zone courses and range land ecology research programmes.	(U)	33%
Professional Certificate in Arbitration (previously - National Course in General Arbitration & Dispute Resolution)	To develop and deliver tertiary courses in arbitration.	(U)	50%
South Australian Centre for Economic Studies	To obtain quality research regarding regional economic development with particular application to South Australia.	(U)	50%
South Australian Tertiary Admissions Centre	Established as the agent for tertiary institutions in Adelaide for the purpose of receiving and processing	(U)	25%
(I) Incorporated	(U) Unincorporated	(C) CSIRO is a partner	

The Consolidated Entity's reported interest in the assets employed in the joint ventures total \$438,000 (2002-\$367,000). These are included in the consolidated Statement of Financial Position, in accordance with the accounting policy described in Note 3 (j).

(b) Equity and Contribution to Results

Joint Venture Entity		Consolidated Carrying Amount		Investment at Cost	
		2003 \$000	2002 \$000	2003 \$000	2002 \$000
Held by The University of Adelaide					
Professional Certificate in Arbitration	50%	65	19	65	65
Middleback Field Centre	33%	27	24	-	-
South Australian Centre for Economic Studies	50%	97	43	-	-
South Australian Tertiary Admissions Centre	25%	249	281	-	-
		438	367	65	65

	Note	Consolidated		University	
		2003 \$000	2002 \$000	2003 \$000	2002 \$000
(c) Movements in Carrying Amounts of Joint Ventures					
At beginning of financial year		367	248	-	-
Share of operating profits/(losses)		71	119	-	-
		438	367	-	-
(d) Results Attributed to Joint Ventures					
Operating profits/(losses)		71	119	-	-
Retained profits attributable at start of financial year		367	248	-	-
Retained profits attributable at the end of the financial year		438	367	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

34. Su
Statement of Financial Performance for the Year Ended 31 December 2003

	Note	2003 \$000	2002 \$000	2003 \$000	2002 \$000
OPERATING REVENUE FROM ORDINARY ACTIVITIES					
Commonwealth Government financial assistance		181,706	177,132	181,706	177,132
State Government financial assistance	40	15,503	15,131	15,283	14,911
Higher Education Contribution Scheme	36				
Student contributions		7,904	6,638	7,904	6,638
Commonwealth payments		39,466	35,339	39,466	35,339
Postgraduate Education Loan Scheme (PELS)	36	2,235	1,293	2,235	1,293
Fees and charges	41	57,046	55,766	51,760	50,385
Su					

37. Accrual of Commonwealth Government Financial Assistance – Australian Research Council

	PARENT ENTITY (UNIVERSITY) ONLY					
	Discovery – Projects		Discovery - Fellowships		Discovery - Federation Fellowships	
	2003 \$000	2002 \$000	2003 \$000	2002 \$000	2003 \$000	2002 \$000
A. Financial assistance in advance (received in the previous reporting period)	390	-	111	-	24	-
B. Plus Financial assistance received during reporting period	7,645	6,512	1,225	1,813	570	314
C. Less Financial assistance in advance (received in the reporting period for the next reporting period)	-	(390)	-	(111)	-	(24)
Total from DEST (A+B-C)	8,035	6,122	1,336	1,702	594	290
Accrual Adjustments						
Less 2003 Financial assistance received in 2002	(390)	-	(111)	-	(24)	-
Plus 2004 Financial assistance received in 2003	-	390	-	111	-	24
Less Recovery from prior years	-	-	(9)	-	-	-
Plus/(Less) Accrual adjustments between portfolios	-	-	(24)	-	24	-
Revenue attributed to the reporting period	7,645	6,512	1,192	1,813	594	314
Reallocation of accrual adjustment	-	-	24	-	(24)	-
Plus Surplus/(Deficit) Prior Year	2,039	1,479	333	329	266	-
Funds available for the current period	9,684	7,991	1,549	2,142	836	314
Less Expenses for current period	7,614	5,952	1,352	1,809	320	48
Surplus/(Deficit) for current period	2,070	2,039	197	333	516	266

38. Acquittal of Commonwealth Government Financial Assistance – DEST

	PARENT ENTITY (UNIVERSITY) ONLY							
	DEST RESEARCH FINANCIAL ASSISTANCE							
	2003	2002	2003	2002	2003	2002	2003	2002
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
A. Financial assistance in advance (received in the previous reporting period)	1,224	1,223	816	636	2,167	2,017	8	17
B. Plus Financial assistance received during reporting period	15,378	15,310	10,381	8,134	27,304	25,398	95	201
C. Less Financial assistance in advance (received in the reporting period for the next reporting period)	(1,276)	(1,224)	(975)	(816)	(2,333)	(2,167)	(8)	(8)
Total from DEST (A+B-C)	15,326	15,309	10,222	7,954	27,138	25,248	95	210
Accrual Adjustments								
Less 2003 Financial assistance received in 2002	(1,224)	(1,223)	(816)	(636)	(2,167)	(2,017)	(8)	(17)
Plus 2004 Financial assistance received in 2003	1,276	1,224	975	816	2,333	2,167	8	8
Plus 2002 carry forward not recovered	-	-	-	-	1,328	-	-	-
Revenue attributed to the re15 IMBT0 9.5616 -9.5616 0 371.5712 647.5499 Tm0 Tco t- I560 9.5ed								

38.

DEST RESEARCH financial assistance – (Cont'd)

PARENT ENTITY (UNIVERSITY) ONLY

	2003 \$000	2002 \$000	2003 \$000	2002 \$000	2003 \$000	2002 \$000
	-	-	-	-	-	-

A. Financial assistance in advance (received in the previous reporting period)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

	Note	Consolidated		University	
		2003 \$000	2002 \$000	2003 \$000	2002 \$000
41.	<u>Fees and Charges</u>				
		Fees and charges were collected from the following sources during the reporting period:			
Student fee income	5	38,959	37,308	38,959	37,308
Library charges and fines		1,082	1,111	1,082	1,111
Application management and late fees		601	655	601	655
Parking fees		940	956	940	956
Rental charges/accommodation fees		4,103	3,776	4,103	3,776
Recharge of costs to other organisations		1,633	2,484	1,633	2,484
Franchise fees		1,120	944	1,120	944
Other		8,608	8,532	3,322	3,151
Total		57,046	55,766	51,760	50,385

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