



**Southern Cross  
University**

# 2022 Southern Cross University Annual Report

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The Hon. Prue Car, MP  
Deputy Premier, and Minister for Education and Early Learning  
Parliament House  
SYDNEY NSW 2000

Dear Minister,

The Council of Southern Cross University submits the University's Annual Report of proceedings for the year ending 31 December 2022 for presentation to Parliament.

The Annual Report has been prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984 (NSW)* and the *Government Sector Finance Act 2018 (NSW)*.

Yours sincerely,

**Sandra McPhee AM**  
CHANCELLOR SOUTHERN CROSS UNIVERSITY

**Professor Tyrone Carlin**  
VICE-CHANCELLOR AND PRESIDENT SOUTHERN CROSS UNIVERSITY

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## Chancellor and Vice-Chancellor's Foreword

Each year as we prepare our annual report, we wrestle with the challenge of condensing into its pages a collection of words, numbers and images that speak to our endeavours and to their connection to the public purpose we exist to serve.

The process of distilling something of the life of an institution as rich and complex as Southern Cross University through the reductive process of symbolic representation yields clarity on many dimensions.

An inspection of the year's financial statements tells a story of the ongoing aftereffects of the Covid-19 pandemic and the impact of a changed and not wholly felicitous funding environment set against a determined agenda to diversify our resource base and to ensure the greatest impact for every dollar expended.

The report speaks in unvarnished terms to the numbers of students for whom the University provides access to high quality education and learning support in our home regions and shows the growing significance of impactful online education.

That our "digital campus" is our largest shows just how great the need is within the communities we serve for access to education that counterbalances the challenges of distance and responds to the need for flexibility in the face of the many competing life responsibilities faced by our students as they pursue their quest for learning.

As we reflect on the numbers of students whose talents and potential we have the privilege of nurturing, we should however, pause to consider the large numbers of students from our regions who do not in a practical sense enjoy the same privileged access to University education as their metropolitan counterparts and the long journey ahead until anything broadly resembling parity of participation rates is accomplished.

We cleave to the idea that our purpose as a University is to change lives through revolutionary learning and the conduct of research that has real impact. Living to this code requires us to build all that we do from a foundation of values that steer our choices, draw coherence from complexity, replenish our stamina and nourish our ambition.

When disaster was visited upon us at the beginning of the year to such devastating effect, it was on the basis of understanding innately our orientation to caring for our community, our licence to be bold, our preparedness to take accountability, the premium we place on trust and our hunger for excellence that we were liberated from paralysis and empowered to respond to the best of our ability.

It is to the great credit of so many people within the University community that in such a year, we looked beyond the travails of the present, past the threshold of the 30th anniversary of our foundation and to the end of the 2020s through the co-creation of our 2030 Strategy.

We regard it as axiomatic that in the remaining years of this decade, we will continue to change, build distinctiveness and concentrate on the development of world class capabilities in domains that deeply matter to and that build the lives, health and prosperity of those we serve.

This means understanding regionality as a virtue rather than a vice, and acting consonantly. It means the maintenance of an instinct for agility even as we grow. It means enmeshing our future and that of the communities we serve and our approach to investment to a greater extent than ever and through this harmonisation, drawing out still further our unique institutional character.

As in every other year, we regard the content of this report as a vital mechanism for fulfilling our accountability obligations. It is our hope that as the considerable detail within is perused and digested, all users of this document approach it conscious of the deep passion the Southern Cross University community feels for its work and the purpose and values that we draw upon to inform that effort each day.

**Sandra McPhee AM**  
Chancellor

**Tyrone M Carlin**  
Vice-Chancellor and President

In 2022, Southern Cross University emerged from the profound disruption caused by the global Covid-19 pandemic with a sense of optimism and renewed energy. However, on 28 February, with Covid-19 restrictions easing nationally, and students and staff scheduled to return to campus after a period of work and study from home, catastrophic flooding inundated the city and region surrounding the University's foundation campus in Lismore NSW. One month later, a second major flood event again inundated the Lismore CBD and surrounding areas, further devastating the local community and increasing its need for University support. The Lismore campus of Southern Cross University is the designated evacuation centre for all-natural disasters in the greater Lismore area. Its location, significant infrastructure and size make it the only 'at-scale' location near Lismore for mounting emergency response and recovery operations in the face of flood or other significant events.

These successive natural disasters split the University's 2022 strategic areas of focus into two key domains: supporting disaster response and recovery operations for the Lismore community; and ensuring the continuation of teaching, research and engagement activities across the University's entire campus footprint (Lismore, Gold Coast, Coffs Harbour and multiple branch campuses in metropolitan locations).

Against a backdrop of successive years of pandemic-related challenges and associated organisational change, the ability of the entire University community to rise and respond to these natural disasters, while continuing to deliver world-class learning and research with real impact across regional and metropolitan Australia, was extraordinary, and a testament to the values and ethos of our people.

## Emergency Response

Throughout 2022, in responding to the devastation of the twin Lismore flood events, the University hosted a range of government agencies, community services, and schools on its Lismore campus. This included the region's key Recovery Hub (which surpassed 10,000 client interactions) and a Business Hub supporting a substantial number of local enterprises to re-establish, and in some cases re-imagine themselves. The University hosted a suite of NSW Government agencies including the NSW Police, NSW Ambulance, Healthy North Coast, Resilience NSW and the Australian Defence Force. The Lismore campus became the focal point for a devastated city and provided a home for the Emergency Operations and subsequently the Recovery Coordination Centres through which so much activity was monitored, planned and directed.

With their premises irreparably damaged in the floods, three schools took up residence at the University: The Living School, Trinity Catholic College and Richmond River High School. In addition, TAFE NSW has been incorporated into our Lismore campus, having suffered extensive damage to its Lismore CBD facilities.

While this activity represented a substantial contribution to community on the part of the University, it was also a unique opportunity to reconsider the function of the Lismore campus and the resultant opportunities to strengthen the quality of the learning and research environment.

## Financial Result and Student Load

The University ended the year with a \$6.8 million operating loss measured against total revenue of \$278.8 million (2.4 per cent operating loss margin). While the University is focused on the development of a sustainable financial base through the generation of consistent operating surpluses, this result falls short of that key ambition. However, it is important to interpret the result in the context of diminished international students in recent years caused by immigration restrictions imposed during the Covid-19 pandemic, as well as lower domestic student revenue influenced by historically low unemployment.

In 2022, the University taught 10,194 full-time equivalent students across its campuses, within Australia at Lismore, Coffs Harbour, Gold Coast, Brisbane, Sydney, Melbourne, Perth, and Hayman Island, as well as internationally in Papua New Guinea and China.

## Teaching and Learning

2022 marked a significant milestone in the development of the Southern Cross Model – the University's revolutionary 6-week teaching and learning framework. All courses in the Faculty of Science and Engineering and the Faculty of Education were delivered in the new model, in addition to non-law programs from the Faculty of Business, Law and Arts, and the social work and social welfare programs from the Faculty of Health.

Reaching this key point required the buildout afresh of 533 units of study, and a fundamental reformation of the administrative and ancillary processes necessary to sustain and support the deployment of those units.

Since its initial adoption in 2021, the University has closely monitored the academic performance and experience of its students studying in the Southern Cross Model, compared to the legacy tri-semester model. Student performance in 2022 continued to follow the pattern observed in 2021, whereby the Southern Cross Model's deeper, immersive learning experience for students led to statistically significant increases in student success rates, grade point averages and the retention of strong levels of satisfaction with teaching quality.

### Research

The catastrophic floods in 2022 had a major impact on the University's research program during 2022. The challenges exacerbated those ongoing from the Covid-19 pandemic. Despite this, Southern Cross University continued to deliver an impressive program of nationally significant and locally impactful research.

The University established four research impact clusters in 2022 to enable more strategic resourcing, recruitment, partnerships and diversification of funding.

The University also pursued a range of activities to frame an excellent research trajectory for the future. These included finalising the consultation of a new research productive definition; establishing a working group to align our promotions processes more strategically; focusing on career development for Early Career Researchers (ECRs); and working with Deans to enhance the university's framework for supporting and enhancing research quality and performance. The appointment of an Acting Director, Research Data and Contracts signals a more data-driven, systems-oriented approach to research management. It also facilitates a more strategic discussion around the management of research.

### Engagement

In October 2022, the University launched the Southern Cross University *Strategy 2030*, a revised strategic plan designed to change lives through revolutionary learning and research with real impact. Based on extensive University community consultation and participation, *Strategy 2030* established institutional values to inform practice and a strategy that places students at its centre.

The *Strategy 2030* launch coincided with that of the University's revised brand position, *Transforming Tomorrow*, which was co-developed with the University community throughout 2021-22. The *Transforming Tomorrow* positioning captures the purpose and ethos of the University and provides a platform for telling the University's distinctive story through the calibre of its education, research and community impact.

Despite the disruptions early in the year, there was a further maturation of the University's presence in domestic markets, predominantly through strengthened marketing and recruitment activity. The University's renewed brand position and associated reputation-building campaign provided a strong foundation for the further extension of this work, specifically focusing on key stakeholder segments. As part of our commitment to quality and excellence, a concerted focus was placed on developing a comprehensive approach to the University's engagement with local schools. This process resulted in a refinement of the early entry pathways for school-leavers. The University's proposition to domestic future students was strengthened through a targeted campaign to grow quality school leaver applications and enrolments, reinforce partnerships with schools and promote donor-funded scholarships. This reflects the University's deep commitment to educational access and achievement across our campus regions.

New collaborations and the development of existing partnerships aligned with the University's strengths in teaching and research have enabled deeper connections across the campus network. A significant partnership with the NSW Government and Northern Rivers Food resulted in a podcast series to generate accessible information resources for business improvement and growth. To further enable flood recovery, a business recovery hub was established in collaboration with Business NSW providing critical working and mentoring support for hundreds of flood-impacted businesses. Existing partnerships with Sourdough Business Pathways, Women in Business, and local Chambers of Commerce were strengthened and maintained.

The University developed a suite of new partnership initiatives to help build the capacity of young people across campus regions, including the Emerging Young Women's program and Youth Leadership Workshops, with school and youth networks. Additionally, collaboration continued with STEM 2022 through the STEM Industry Schools Partnerships program and Nextwave Online, and in career workshops and events for school students. As part of its expanded partnership with schools, the University co-designed a series of curriculum resources focused on supporting teachers to engage and inspire their students in fields directly related to our research impact clusters.

In recognition of the University's enhanced marketing and engagement campaigns, Southern Cross won the Digital-Education category in the 2022 Brisbane Design Awards (across all sectors), the Public Relations and Communication Association Asia Pacific Gold Standard Award (for strategic communications) and the Universities Australia award for best small campaign. Additionally, as part of the Australian Marketing Institute's Awards for Marketing Excellence, Southern Cross University's Chief Marketing Officer received the 2022 QLD Chief Marketing Officer of the Year Award.

### Northern NSW Academic Health Alliance

As a result of a competitive tender process established by the Northern NSW Local Health District, the University secured the opportunity to deliver education, training and research services for the new Tweed Valley Hospital through a consortium bid that includes Bond University, Griffith University and TAFE NSW. Collectively known as the Northern NSW Academic Health Alliance, the consortium will develop an education and training facility located within the new Tweed Valley Hospital precinct, a \$723.3 million investment by the NSW Government to establish a greenfield hospital with 430 beds and a range of expanded surgical, oncological, maternity and outpatient services.

## Global

Despite the significant operating challenges, external constraints of international border closures, and political uncertainty in many regions during 2022, there was encouraging momentum in relation to the University's broad global engagement. Work commenced on a new strategic framework for partnerships that align with the University's research impact clusters.

Engagement activity offshore resumed in late 2022 in the important regions of North America and South Asia with a focus on reactivating agent networks, launching the new Southern Cross strategic positioning, and re-establishing global student mobility partnerships and research connections.

In 2022, the University continued to enjoy strong diversification in its international student cohort. The trend towards health and education programs continued. Much of this enrolment was driven through engagement with international students already in Australia, and the growth in demand for SCU online programs. The international cohort's academic performance was strong, attributed to the Southern Cross Model and greater diversity in students enrolling in a range of university programs from a diversity of countries.

## NSW Government Grants

The NSW Government awarded two key development grants to the University with a combined value of \$4 million. The first of these, to the value of \$3 million, was awarded to support master planning for the Lismore campus, including analysis of operating model, governance and stakeholder management issues associated with the potential ongoing and sustained integration of educational and health provider institutions.

The second grant, valued at \$1 million, was awarded to support work associated with curriculum innovation and the integration of scenario-based learning into the University's STEM curriculum, beginning with several units within the Engineering discipline. This investment will result in the development of an industry-facing framework for the Southern Cross Model to enhance strategic connectivity with industry as an extension of existing activity through the National Priorities and Industry Linkage Fund.

A range of other Government and industry grant and discretionary funding was secured to fund critical priorities including a researcher development program, the Living Lab: Northern Rivers, drought hubs and associated industry engagement. The University amassed support for significant Cooperative Research Centre (CRC) bids and continued to ensure a strong interface between its key researchers and industries across each campus region. Greater strategic connectivity and alignment with key industries was a central focus for the University's engagement and a central pillar of *Strategy 2030*.

### Total Number of Students

Total (Persons)	17,350
Total (EFTSL)	10,194

### Total Persons by Location

Lismore Campus	1,439
Gold Coast Campus	5,444
Coffs Harbour Campus and National Marine Science Centre	1,156
The Hotel School	577
Online	5,111
SCU Online	2,064
Other Australian Locations	833
Offshore	726

### Total International Students (Persons)

Onshore	2,566
Offshore	794

### Total Staff (FTE)\*

Academic Staff (FTE)	295
Professional Staff (FTE)	596

\* These Total Staff FTE (full-time equivalent) figures do not include Sessional or Casual FTE

Source: 2022 Government Student / Staff Submissions

## Research Impact Clusters

The four new research impact clusters established in 2022 were: Harvest to Health; ZeroWaste; Reefs and Oceans; and Catchments, Coasts and Communities. These clusters will optimise ideas, projects, facilities and resources; target existing and potential areas of need; and enable interconnected and multidisciplinary relationships.

The Harvest to Health cluster conducts fundamental and applied research to enhance the sustainable production of functional foods and natural products. Key research projects include: Bees for sustainable livelihoods; Black rice nutritional quality; Medicinal cannabis: from plant to patient; Regenerative agriculture; Tea tree breeding program; and; Food security, rock phosphate and resilient farming.

The ZeroWaste cluster brings together research expertise in geochemistry, environmental science, engineering, business and education to develop solutions for our global waste problem. Key research projects include: Transforming meat residue into agricultural soil; ReCirculator; Woodchip bioreactors reducing fertiliser pollution; Waste-wise schools; Blueberry rust control on organic fungus, and: the Marine plastic research partnership.

The Catchments, Coasts and Communities cluster drives transformative environmental, social and economic change within catchments, coastal zones and their communities through impactful and engaged research. The core focus is multidisciplinary research approaches to critical land and water management issues, orientated towards innovative solutions and embedded with strong industry, government and international engagement.

The Reefs and Oceans cluster builds on the combined reputational excellence of the University's established research programs and research facilities, including the National Marine Science Centre, to preserve, sustain and harness the ecological, environmental, economic, and cultural value of our reefs and oceans. Research priorities include delivering new science to protect and restore critical ocean ecosystems, harnessing the potential of the oceans to help combat climate change, forecasting impacts of climate change and identifying resilience in marine ecosystems and fisheries to facilitate sustainable management, better understanding marine biogeochemical cycles, becoming a national leader in airborne marine science and engaging with traditional owners to co-design research and seek consent for activities on sea country.

## Research Partnerships

The University invested significantly in building connections with industry through pilot Industry Fellowships in 2022. An Impact Pathway workshop was held to prepare researchers for the new ARC Industry Fellowship Scheme.

In 2022, Southern Cross University secured around \$5 million through its research partnerships and collaborations. Key research partnerships included:

- The Commonwealth Department of Health and the University of Newcastle awarded the Faculty of Health's Professor Gillian Gould \$1,626,527 for the delivery of the iSistaQuit Program and related services.
- The NSW Ministry of Health awarded the Faculty of Health's Professor Marie Hutchinson with \$490,170 for research into aggression in mental health facilities.
- The Fisheries Research and Development Corporation awarded The Faculty of Science and Engineering's Professor Symon Dworjanyn, \$454,253 for his Pipi hatchery and production techniques project.
- Sydney Water Corporation provided the Faculty of Science and Engineering's Professor Damien Maher with \$412,182 for the Industry Research Fellowship project: Hawkesbury-Nepean mapping.
- The Commonwealth Department of Foreign Affairs and Trade funded Faculty of Science and Engineering's Distinguished Professor Peter Harrison with \$356,257 for the Integrated Marine Conservation and Livelihood Initiative.
- Ecofibre Ltd, a longstanding partner of the University, awarded \$337,639 to Dr Janet Schloss from the National Centre of Naturopathic Medicine for the Pharmacokinetic Study on Ananda Hemp Broad Spectrum 98 per cent CBD.
- The Manna Institute awarded \$287,254 to the Faculty of Health's Associate Professor Christian Swann's place-based study to improve mental health outcomes in regional, rural and remote areas.
- King Abdullah University of Science and Technology Saudi Arabia awarded \$273,088 to Faculty of Science and Engineering's Dr Emily Howell for corals and global warming research.
- World Wide Fund for Nature Australia awarded the Faculty of Science and Engineering's Dr David Newell with \$227,273 for the Frogs of the Gondwana Rainforests project.
- As members of the Soils CRC for High Performance Soils, the University received \$212,000 for: The Soil Stewardship project; The Soil Microbial Indicators project and a scholarship for research into the optimisation of hydrothermal carbonisation-treated wastes.
- The Australian Centre for International Agricultural Research awarded \$120,115 to the Faculty of Science and Engineering's Distinguished Professor Peter Harrison for his Institutional Effectiveness and Political Economy of Coral Reef Restoration in the Philippines project.
- Fisheries Research and Development Corporation funded a scholarship to the Faculty of Science and Engineering's Professor Kirsten Benkendorff for 'Interactive effects of climate change on mud and blue swimmer crabs' to the value of \$75,000.
- Primary and Community Care Services Limited awarded \$50,000 to Associate Professor Christina Aggar from the Faculty of Health for her 'Oriented to Life' project.
- Primary and Community Care Services Limited provided the Faculty of Health's Dr Eric Brymer with \$38,419 for the 'Wild Connect' project.

## The Living Lab: Northern Rivers

Following the 2022 floods, the Living Lab: Northern Rivers was launched to inform and shape the future of Northern Rivers communities. It is a pivotal partnership between the University, Northern Rivers Reconstruction Corporation and the University of Technology, Sydney. A multi-disciplinary hub for research, community engagement, public conversations and education, the Living Lab is focused on increasing the region's resilience and building local capacity. It will inform and shape the future of Northern Rivers communities.

## Smaller Partnerships

There was a decrease in the number of new, small research partnerships with industry. This was partly due to the impact of the 2022 floods on the research community and wider Lismore region. As Lismore regains momentum and research gets back into full swing, it is expected that recovery of smaller research partnerships to pre-Covid-19 and pre-flood levels will occur.

## Reef Restoration and Adaptation Program (RRAP)

With the commencement of the RRAP program in 2022, the University secured funding for a further \$8,186,000 to continue two subprograms, namely Cooling and Shading (Dr Daniel Harrison) and Moving Corals (co-led by Distinguished Professor Peter Harrison with Dr Mark Gibbs from the Australian Institute of Marine Science), and is partnering on a further two projects (Enhanced Corals and Treatments, and Coral Aquaculture and Deployment) with Dr David Abrego and Dr Emily Howells.

## Internal Grant Schemes

In response to the 2022 flood events, funding for internal grant schemes was diverted into the Vice-Chancellor's Flood Recovery Project Scheme, aimed at making a real difference in Northern Rivers communities. The scheme provided funding for seven projects up to a total value of \$25,000 each. The funding was for projects that combined research and engagement designed to support specific segments of the Northern Rivers community in the process of recovery from the floods. The University invested just over \$165,000 in this scheme. Projects funded included digital data repositories and mapping, community education resources, GIS model evaluation and community mental health analysis.

## Australian Research Council (ARC) Success

Southern Cross University secured around \$2.5 million in ARC funding in 2022. The University was lead for two ARC grants, one Linkage and one Discovery Early Career Researcher Award. Professor Tobias Kretzschmar (Faculty of Science and Engineering) was awarded \$530,543 for 'New crop on the block: The genetic control of hempseed nutritional quality (LP210200606)'. Associate Professor Kathomi Gatwiri (Faculty of Health) was awarded \$463,325 for 'Beyond Inclusion: Belonging and Racial dignity for Africans in Australia (DE230101177)'.

The University was a partner on an additional three ARC grants, one Linkage Infrastructure, Equipment and Facilities grant and two Discovery grants. These included \$831,200 to Dr Daniel Harrison (Faculty of Science and Engineering) for 'Real-time mass spectrometry for advanced aerosol chemical characterisation (LE230100008)' led by Queensland University of Technology; \$395,375 to Professor Brendan Kelaher (Faculty of Science and Engineering) for 'Future-proofing intertidal biodiversity (DP230100408)' led by Macquarie University, and; \$378,000 to Dr Daniel Harrison (Faculty of Science and Engineering) for 'Cloud-climate interaction over the Great Barrier Reef and Southwest Pacific (DP230100639)' led by University of Melbourne.



## Research Publications

Southern Cross University had another successful year, recording 811 scholarly outputs in the Elsevier Scopus database. Around 15 per cent of these publications were in the top 10 per cent of the most cited publications reported by Scopus, with two per cent in the top one per cent of cited outputs. A third of the University's research publications were published in the top 10 per cent journals and two per cent were in the top one per cent journals. Southern Cross University's publications were most strongly aligned with the United Nations Sustainable Development Goal 14 – Life Below Water.

## Digital Research

The University's Digital Research Strategy was launched in early 2022, with the Queensland Cyber Infrastructure Foundation (QCIF) selected as the University's provider. This provides membership on the QCIF board and access to a full-time digital research analyst to support digital research across the University.

## University Rankings

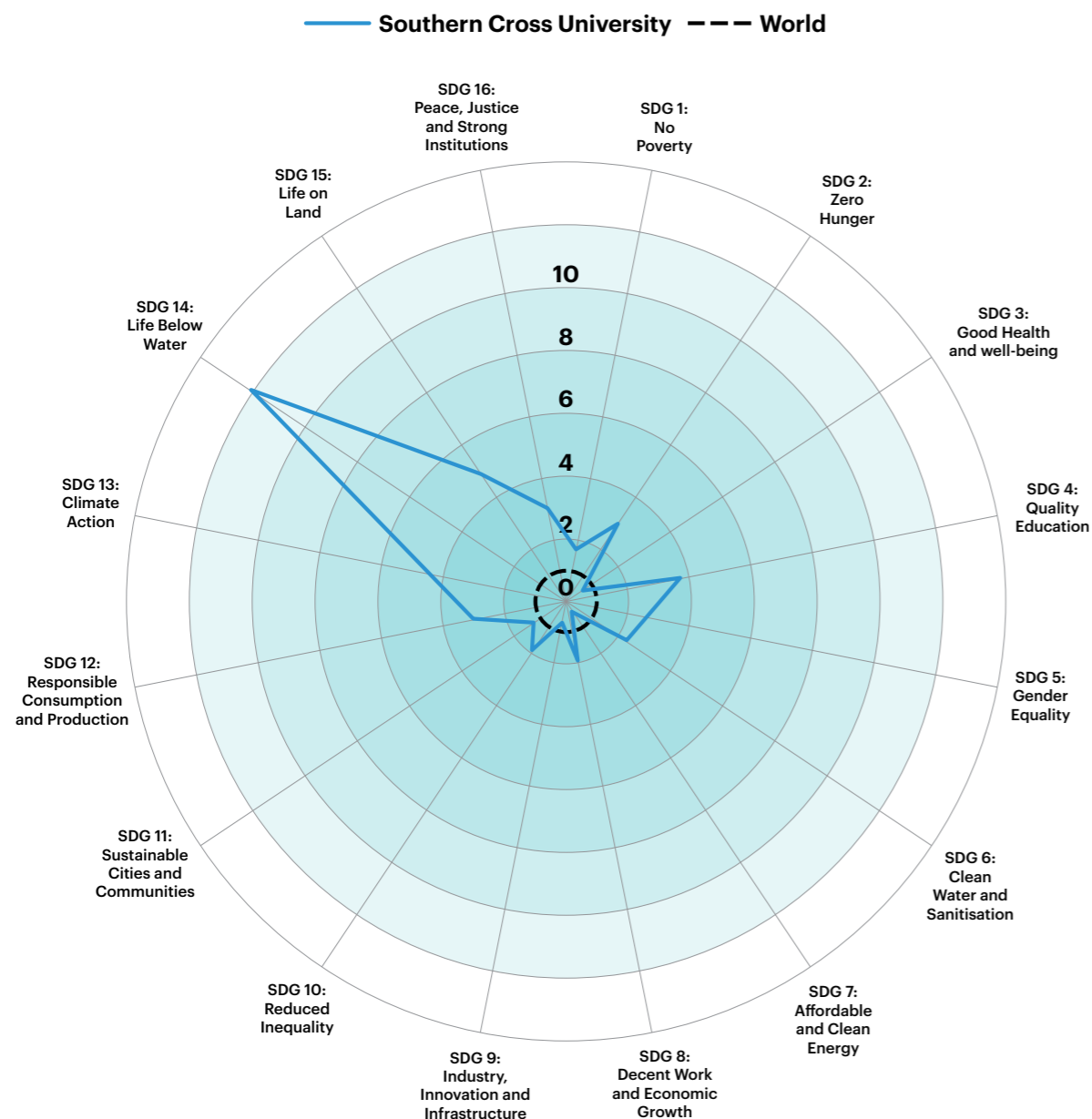
In 2022, the University submitted to the Times Higher Education (THE) World University Ranking (WUR) and Quadrelli Symonds (QS) WUR. There was a 30 per cent improvement in the University's THE rank and 32 per cent improvement in its research reputation. The University's QS WUR moved up 50 places, with improved results in citations and academic reputation. Southern Cross was one of only three Australian universities where academic reputation increased.

## Research Integrity

A new online research integrity training program was launched early in the year. This training promotes and supports responsible research conduct for all researchers and other staff who support research. The training is mandatory for all researchers.

## Researcher Capability

There was a sharper focus on research career development, supported by the University's researcher development program. 16 formal research workshops and events focused on the development of foundational research knowledge, skills and capabilities, were held in 2022. These sessions supported researchers across the University to build and strengthen their grant writing skills, research knowledge, writing and publishing, management of industry partnerships, and to foster the culture of research excellence and productivity at Southern Cross. The sessions were well attended and received positive feedback.



## Higher Degree Research

Higher Degree Research completion rates continued to improve in 2022 resulting from changes made to systems to attract and admit higher quality candidates and encourage timely completions. There was a three per cent improvement in the rate of timely completions since 2021 and a 29 per cent improvement since 2019.

The Graduate School implemented unified whole-of-university Doctor of Philosophy and Masters by Thesis awards, replacing Faculty linked degrees. This change has streamlined processes and government reporting.

A comprehensive review of Field of Education codes for our Higher Degree Research awards was completed. These have been revised and aligned with the University's strategic research priorities and the new research impact clusters.

The International English Language Testing System requirements for entry into Higher Degree Research degrees were increased. This formed part of the process of attracting and admitting high-quality candidates.

## Southern Cross Analytical Services (SCARS)

The University had success with two tenders from the Department of Agriculture, Fisheries and Forestry (DAFF) for the compilation of existing soils data and to undertake new soils analyses. Although the scope of this work was reduced following the 2022 Federal election, the University benefitted in terms of income, equipment upgrades and increased awareness within DAFF of the University's strength in soils and carbon capture analysis.

A major upgrade of equipment supporting SCARS' commercial activities and Faculty researchers was undertaken as part of a rolling plan to better align research infrastructure with research priorities and areas of research strength and excellence, and to meet needs in areas of research and commercial growth. This included improving and expanding laboratory facilities to meet the needs for research and commercial growth.

A Laboratory Information Management System (LIMS) was procured. The LIMS will significantly improve data management, regulatory compliance, operational efficiencies and external client satisfaction, as well as expand the ability to undertake additional commercial work.

## Workplace Health and Safety

After two years of Covid-19-related disruption, we welcomed employees and students back to our campuses in 2022. In conjunction, a Remote Working Policy was developed and implemented to support the management of safety for employees working in hybrid campus/home arrangements. The return to campus in 2022 was successful, with COVID-Safe protocols in place that minimised the risk to our students, employees and visitors.

Other activities in 2022 included:

- 1,041 employees accessed safety and wellbeing initiatives, including WHS training, financial coaching, counselling, a mobile wellbeing app and the annual influenza vaccination program.
- Safety inspections for all work areas were completed by the Safety Support Officers.
- The commencement and regular scheduling of comprehensive safety management reporting to senior leadership.
- Health and Safety representatives met throughout the year to continue consultation on safety management and escalation of individual concerns.
- Upgrades were implemented to the University's incident reporting software, RiskWare, to create simpler user functionality.
- Evacuation and lockdown drills were conducted at all campuses.

## Organisational Development

To provide a more strategic approach to developing people and culture at Southern Cross, a new role was created: Director of Organisational Development (DOD). An appointment was made in June 2022. We then took the opportunity to convert an existing HR role and employed a Learning and Organisational Development Coordinator during October.

A DOD service profile was produced to support a broader People and Culture strategy, highlighting four main priority areas focused on developing team leadership, team performance, team insights and team culture, all of which underpin employee engagement.

To support the launch and roll-out of the University's new strategic plan, HR Services partnered with the Executive to facilitate a series of workshops with a specific focus on Purpose and Values. Participants included the University Council, Southern Cross Directors and Managers, and staff from all campuses.

Two learning platforms were launched during the second half of the year. LinkedIn Learning gives all staff access to thousands of world-class resources, while Scout is the University's new learning management system for staff. Scout hosts induction, professional development courses and compliance-related training.

Professional development initiatives included: Leading Remote and Hybrid Working Teams, Promoting a Constructive Culture, Optimism and Resilience, with a total of 70 University staff participating across these programs. Feedback was highly favourable with all participants willing to recommend these programs to colleagues. Planning for an Academic Leadership Program was initiated, and a review was conducted of a new Cultural Competency training program.

Coaching and consulting supported the strategic planning days of the Faculty of Health, the Faculty of Education, the Faculty of Science and Engineering and the National Centre for Naturopathic Medicine. A review of the University induction process was initiated.

## Attraction and Retention

Recruitment activity was high in 2022.

A total of 197 vacancies were advertised, comprising 134 professional roles, 55 academic roles, and 8 senior staff.

Following highly competitive recruitment processes, various senior-level appointments were made including Executive Director, Global; Director Student Support; Director Admissions; Director Organisational Development, and Chairs of Discipline in Engineering and Science.

SCU Jobs and external career-related websites were used extensively to secure local, interstate and international talent, including candidates requiring sponsorship to relocate, and suitably qualified expatriates seeking to return to Australia.

In an extremely tight labour market, innovative and targeted recruitment campaigns were delivered to increase candidate prospects. In addition, the University continued to focus on strengthening its employer brand and commitment to being a values-driven organisation.

## Equal Employment Opportunity (EEO)

**Table 1: Academic Staff representation of EEO Target Groups as a percentage at 31 March in the years 2019-2022.**

Academic Staff	Benchmark or target	2019	2020	2021	2022
Women	50%	51.3%	53.1%	53.0%	54.4%
Aboriginal people and Torres Strait Islanders	2.6%	3.4%	2.7%	2.2%	2.7%
People whose first language was not English	19%	12.9%	13.6%	15.3%	15.4%
People with a disability	NA	6.6%	5.4%	6.2%	5.0%
People with a disability requiring work-related adjustment	1.1%	1.1%	0.8%	0.9%	0.9%

**Table 2: Professional Staff representation of EEO Target Groups as a percentage at 31 March in the years 2019-2022.**

Professional Staff	Benchmark or target	2019	2020	2021	2022
Women	50%	65.9	65.2%	66.5%	66.8%
Aboriginal people and Torres Strait Islanders	2.6%	3%	2.9%	2.5%	3.1%
People whose first language was not English	19%	7.6%	5.3%	5.1%	6.8%
People with a disability	NA	4.2%	2.7%	2.2%	2.3%
People with a disability requiring work-related adjustment	1.1%	0.7%	0.5%	0.4%	0.2%

**Table 3: Academic Staff – Trends in distribution of EEO Target Groups at 31 March in the years 2019-2022.**

Academic Staff	Benchmark or target	Distribution Index			
		2019	2020	2021	2022
Women	100	87	88	93	96
Aboriginal people and Torres Strait Islanders	100	75	70	70	88
People whose first language was not English	100	96	86	89	93
People with a disability	100	104	100	95	93
People with a disability requiring work-related adjustment	100	105	130	118	121

**Table 4: Professional Staff – Trends in distribution of EEO Target Groups at 31 March in the years 2019-2022.**

Professional Staff	Benchmark or target	Distribution Index			
		2019	2020	2021	2022
Women	100	90	90	90	90
Aboriginal people and Torres Strait Islanders	100	83	81	86	90
People whose first language was not English	100	95	94	95	94
People with a disability	100	98	100	98	104
People with a disability requiring work-related adjustment	100	82	81	86	69

## Workplace Relations

Bargaining for a new Enterprise Agreement commenced in July 2021 and progressed on a weekly basis until October 2022. The University proposed generational changes to key areas of the existing agreement to align the instrument to the Fair Work Act, simplify its application and drive change, efficiency and performance.

The University successfully managed a significant industrial dispute relating to changes to its Academic Workload Framework run by the NTEU at the Fair Work Commission in June. The success in this matter ensured that significant changes to the allocation of academic work could be maintained.

The University focused efforts to support the enhancement of employee performance throughout the year. Performance improvement processes were modified to ensure supervisors had effective tools to communicate performance expectations and employees were better able to understand expectations and required improvements.

The University commenced a review of its overall employment framework with the goal of improving the employee experience and reducing the reliance on written procedures and guidelines. The University initiated a review of its practices to identify any issues or concerns with the application of complex industrial instruments.

## Ally Network

The Ally network is a University-wide initiative to strengthen inclusion, support and success of lesbian, gay, bisexual, transgender, intersex and queer-identifying students and staff. In 2022, the network grew by 13 to 53 members.

An Ally is a staff member with an understanding of the difficulties and discrimination faced by LGBTIQ+ people who advocate for a University free from harassment or discrimination based on a person's sexuality or gender identity.

The Ally Network issues quarterly newsletters with news, events and resources for Network members. A total of four newsletters were issued in 2022.

The Network also has access to a Blackboard learning site where training materials, the Ally Handbook and a growing array of resources and supports are shared. This year, Network members were invited to morning teas at three campus locations to celebrate and acknowledge International Day Against Homophobia, Biphobia and Transphobia.

## Staff Development

### Understanding Gender and Sexuality Diversity Workshop

The Understanding Gender and Sexuality Diversity Workshop was held in November 2022 in partnership with Ally Network members.

With 36 staff participants, it was the largest single workshop attendance to date. Including real-life narratives and values-based activities to facilitate self-reflective engagement, this workshop aims to inform staff about the lived experiences of people of diverse sexualities and gender identities. Following the training, participants are encouraged to join the Ally Network.

Upon completion of the training, 13 staff members joined the Ally Network.

## HumanKind

The HumanKind module is a training resource available for students that investigates issues in relation to:

- Race and Racism: Affirmative Action
- Access and Inclusion: Living with a disability and accessibility
- Gender and Sexuality: Sex, gender, identity and sexuality
- Gender Equality: Drivers of violence, harassment and assault.

Evaluation of the module commenced in early 2022. Recommendations were made to the Student Safety Steering Committee in the latter half of 2022 to adopt mandatory Respectful Relationship / Consent Matters training to align Southern Cross with most Australian Universities. Members endorsed this recommendation.

During 2022, the HumanKind module was viewed 2,900 times by 669 users. The majority of users focused their viewing on the following areas:

- Content
- Staff contacts
- Resources and tip sheets
- Support Services and helpful links.

16 per cent of users accessed 90 per cent of the available content with 23.1 per cent accessing only the initial 10 per cent of available content.

## Diversity Calendar

In 2022, the University celebrated 11 Diversity Calendar days. The University is committed to being a place of belonging for all students, staff and the communities in which we work and study.

## Fusion Festival

Fusion Festival was held as an on-campus event across all three campuses. Fusion Festival has a long and rich tradition at the University, held annually since its inaugural launch in 2008. It provides an opportunity to acknowledge, learn from and celebrate our diverse communities. Highlights included cultural and dance performances, cultural dress showcase, live music and food from around the world, a cookbook of family and cultural recipes and the screening of 'All One Under the Sun', a youth-led, anti-racism film in university libraries.

Estimated total on-campus attendance: 680.

## Allocation Report

The Higher Education Support (Student Services, Amenities, Representation and Advocacy) Guidelines 2022 require higher education providers to provide a publicly available report on student services and amenities fee (SSAF) allocations and actual expenditure for the year as part of their annual reporting and in the form approved by the Minister. This SSAF Allocation Report is the form approved by the Minister.

Additional reporting was introduced to allow for greater transparency and consistency in SSAF allocations and expenditure.

Please note, the information provided in this SSAF Allocation Report does not require auditing by a financial accountant. The SSAF expenditure reporting remains unchanged, more information can be found in the [Financial Statements Guidelines](#) for Table A and B providers, and in the [Financial Viability Instructions: Applicants and Providers of FEE-HELP \(FVI\)](#) for all other approved providers.

### 2022 SSAF Revenue Summary

	2022 Allocation \$ <sup>1</sup>	2022 Actual \$
SSAF Revenue	2,200,000	2,700,486
SSAF revenue carried forward from 2021	443,063	443,063
<b>Total SSAF funds available for 2022</b>	<b>2,643,063</b>	<b>3,143,549</b>
SSAF revenue carried over into 2023	N/A	1,288,148

<sup>1</sup> Allocation refers to the SSAF funds expected to be received in the reported year (i.e., budgeted SSAF revenue).

### 2022 SSAF Charge Summary

Student Status	2022 SSAF charged \$ <sup>2</sup>	Number of students charged in 2022
Full-time <sup>1</sup> (> 0.75 EFTSL)	1,721,156	5,820
Part-time <sup>1</sup> (< 0.75 EFTSL)	979,330	10,684
		<b>Total: 16,504</b>

<sup>1</sup> Note: As per Part 2 of the Higher Education Support (Administration) Guidelines 2022 (Administration Guidelines), students studying on a part-time basis must not be charged more than 75 per cent of the maximum SSAF that a higher education provider determines for students studying on a full-time basis. The term "part-time basis" means a study load of less than 75 per cent of the normal full-time student load for the period to which the fee relates. As per part 7 of the Administration Guidelines, the normal EFTSL value for a full-time student studying over a period of one year is 1.0.

<sup>2</sup> Note: As per Part 2 of the Administration Guidelines, a higher education provider may choose to determine a different SSAF for particular categories of persons, including a zero amount.

<sup>3</sup> Note: Students are categorised as full-time or part-time students based on the total EFTSL value of the units of study they undertook in [insert reported year]. For example, a student undertook a full-time study load in Semester 1 which was equal to 0.5 EFTSL and undertook a part-time study load in Semester 2 which was equal to 0.375 EFTSL. This student would be categorised as a full-time student in [insert reported year] as the total EFTSL they undertook in [insert reported year] was equal to 0.875.

### Complaints Framework

The University has established a Feedback and Complaints Framework to provide for submission of feedback and the timely and fair resolution of complaints.

This Framework recognises that many complaints can be resolved informally with a relevant member of staff. When this is not possible, students or members of the public can lodge a formal complaint with the Complaints Assistance Officer under the [Complaints Policy - Students and Members of the Public](#). An important function of the Complaints Assistance Officer is to provide advice and assistance to students about their options.

During 2022, a total of 185 complaints were received including 51 formal complaints, 111 being managed informally under the [Complaints Policy - Students and Members of the Public](#), 17 being noted as feedback, and 6 allegations of student misconduct.

Of those complaints received:

- 43 were upheld and resolved to the complainant's satisfaction;
- 68 were not upheld and advice and information provided to the complainants as to the reasons for the decision;
- 47 were otherwise resolved;
- 22 were referred under another Policy; and
- 5 were withdrawn.

Key themes are summarised below:

Nature of complaint	No.
Sexual assault	3
Bullying	3
Harassment	1
Discrimination	16
Inappropriate behaviour conduct	14
Course and teaching quality	51
Student-staff interaction	12
Fees	36
Miscellaneous other	49
<b>Total</b>	<b>185</b>

## Improvement Opportunities/Recommended Actions

A number of improvement opportunities were identified via the complaint resolution process. These were reported in detail and are broadly categorised below:

<b>Customer service</b>	<ul style="list-style-type: none"> <li>• Identification of the need for more coordinated communications from Faculties and Client Services when dealing with transition process.</li> </ul>
<b>Teaching</b>	<ul style="list-style-type: none"> <li>• Acknowledgement of certain staffing challenges resulted in appropriate actions taken to improve student experience. Provision of extra tutorials and individual support.</li> <li>• Acknowledgment that inadequate feedback and communications from staff to be improved.</li> <li>• Review of staff teaching roles for particular units to be undertaken going forward.</li> </ul>
<b>Course quality</b>	<ul style="list-style-type: none"> <li>• Acknowledgement that a problematic unit requires immediate action/overhaul.</li> <li>• Recommendation that an investigation of a placement site be undertaken to determine future suitability.</li> </ul>
<b>Policies and process</b>	<ul style="list-style-type: none"> <li>• Identification of opportunity to improve standard communications to students regarding the remission procedure.</li> <li>• Identification that a review of the process for Special Consideration is required along with staff training in the more unusual or sensitive cases.</li> </ul>
<b>Technology</b>	<ul style="list-style-type: none"> <li>• Acknowledgement that there is a known issue with Blackboard Collaborate. Steps taken to investigate and resolve issue.</li> </ul>

Southern Cross University was established under the *Southern Cross University Act 1993 (NSW)*. The object of the University is the promotion within the limits of the University's resources, of scholarship, research, free inquiry, the interaction of research and teaching, and academic excellence.

The University is governed by a Council to which the University's Chief Executive Officer, the Vice-Chancellor, reports. The Council is chaired by the Chancellor and has 13 members: the Chancellor, the Vice-Chancellor, the Chair of the Academic Board, two members appointed by the Minister, five members appointed by Council, three elected staff members and one elected student member.

The Academic Board is the University's principal academic body. It is responsible for establishing and maintaining the highest standards in teaching and learning and research in the University. It is also the primary advisory committee of the Council on academic matters.

## Voluntary Code for Best Practice for the Governance of Australian Public Universities

The University Council has adopted the Voluntary Code of Best Practice for the Governance of Australian Public Universities.

In February 2023, the University Council reviewed the University's standing against the revised Voluntary Code during 2022. The University is substantially compliant with the Voluntary Code.

## Attestation Statement 2022: Freedom of Speech and Academic Freedom

As a place of independent learning and thought, Southern Cross University is committed to the principles of intellectual freedom, including critical and open inquiry, and the free expression of ideas and opinion.

## Policies

The University's key policy documents relating to freedom of speech and academic freedom are:

- [Code of Conduct](#)
- [Student Rights and Responsibilities Charter](#)
- [Delegations Rule](#)
- [Governance Document Rule](#)
- [Student Academic and Non-Academic Misconduct Rules](#)
- [Events and Facilities Hire Policy](#)
- [Media Policy](#)
- [Naming of University Facilities and Programs Policy](#)

## Support

The University's support for a culture committed to freedom of speech and academic freedom is demonstrated as follows:

- Publishing a [Statement on Academic or Intellectual Freedom](#) on its website.
- Providing students with information about academic freedom and freedom of speech as part of their orientation.
- Retaining recognition of the rights and responsibilities of employees in relation to intellectual and academic freedom in the Southern Cross University Enterprise Agreement.

## Issues of concern

The University is not aware of any issues of concern regarding freedom of speech and academic freedom arising during 2022. The University has not received any formal or informal complaints from its staff or students regarding freedom of speech or academic freedom.

## Survey responses

The University has not received any feedback or comments regarding its management of freedom of speech or academic freedom on campus as part of any surveys it has undertaken. No questions specifically referring to these matters were included in any surveys conducted by the University during 2022.

## Management and Structure

As at 31 December 2022

University Council	
Vice-Chancellor and President	
Governance Services	HR Services
Gnibi College of Indigenous Australian Peoples	Faculty of Business, Law and Arts
Faculty of Education	Faculty of Health
Faculty of Science and Engineering	
Deputy Vice Chancellor (Research and Academic Capability)	
Research Funding and Management	Graduate School
Southern Cross Analytical Research Services	
Vice President (Students) and Registrar	
Student Experience	Student Safety and Wellbeing
Student Support	Student Administration Services
Pro Vice Chancellor (Academic Innovation)	
Academic Partnerships	Academic Portfolio Office
Centre for Teaching and Learning	
Pro Vice Chancellor (Academic Quality)	
Academic Portfolio Office	Business Intelligence and Quality
SCU College	Careers and Employability
Vice President (Engagement)	
Alumni and Advancement	Sponsorship and Outreach
Marketing, Media and Communications	Strategic Projects
Southern Cross Global	Student Recruitment
Vice President (Operations)	
Campus Services	Library Services
Property Services	Technology Services
Vice President (Finance)	
Financial Operations	Financial Performance
Vice President (Strategy and Implementation)	



## University Council Members for the period 1 January 2022 to 31 December 2022

### Official members

**Chancellor and Chair of Council**  
Ms Sandra McPhee, AM, FAICD

**Vice-Chancellor and President**  
Professor Tyrone Carlin, BComm(UNSW), LLB(Hons)(SYDNEY), LLM(Sydney),  
MComm(Hons)(UNSW), PhD(Macq)

**Chair of Academic Board**  
Professor Andrew Rose, BE(Environmental)(Hons)(UNSW), BSc(Mathematics)(UNSW), PhD

### Elected members

**Ms Prue Berry, BA(Massey), JD(Bond), GradDipLegPrac(CoLaw) MTEM(Melb)**  
Elected member – non-academic staff  
From 10 September 2022

**Associate Professor Renaud Joannes-Boyau, PhD(ANU)**  
Elected Member – academic staff

**Ms Olivia Noffke**  
Elected member – student  
From 10 September 2022

**Ms Lucy Shinnars, BN(ACU), GradCert(CriticalCare)(Griff), MNursing(Griff)**  
Elected Member – academic staff  
From 10 September 2022

### Council-appointed members

**Dr Austin Curtin, AM, MB MD BS(Syd), FRACS**

**Ms Julie Granger, BA/LLB(Hons)(SCU), LLM(UNSW)**

**Mr Scott Noble, BBus(SCU), MAppFin(FINSIA), FCA, FFin, GAICD**  
Council-appointed member – Graduate

**Mr Geoffrey Stalley, BBus(UTS), MEc(Macq), GAICD, CA, CPA**  
From 10 October 2022

### Ministerially appointed members

**Deputy Chancellor**  
Mr Murray d'Almeida FAICD

**Mr Jonathan Rourke, BSc(Arch)(Syd)**

## Council Secretary

**Ms Belinda Atkinson, BComm(UQ), LLB(UQ), MTerEd(Mgt)(Melb)**

The following members' appointments concluded during 2022:

**Mr Graham Lancaster, BAppSc(Hons)(UNENR)**  
Elected member – non-academic staff  
Term concluded 9 September 2022

**Dr Alessandro Pelizzon, LLB(Torino), LLM(Torino), PhD(UOW)**  
Elected Member – academic staff  
Term concluded 9 September 2022

**Mr Gurpreet Singh**  
Council appointed - student  
Term commenced 25 February 2022 and concluded 9 September 2022

**Ms Gabriella Wayne**  
Elected Member – student  
Resigned 31 January 2022

*Frequency of meetings and members' attendance is included at Appendix C.*

## Executive Officers

**Vice-Chancellor and President**  
Professor Tyrone Carlin, BComm(UNSW), LLB(Hons)(Sydney), LLM(Sydney), MComm(Hons)(UNSW),  
PhD(Macq)

**Deputy Vice Chancellor (Research and Academic Capability)**  
Professor Mary Spongberg, BA(Hons)(Sydney), PhD(Sydney)

**Pro Vice Chancellor (Academic Innovation)**  
Professor Erica Wilson, BAdmin(Tourism)(Hons)(JCU), GradDip(EnvStud)(Adelaide), PhD(Griff)

**Pro Vice Chancellor (Academic Quality)**  
Professor Thomas Roche, BA(UQ), BEd(UQ), PhD(Dresden)

**Vice President (Engagement)**  
Mr Ben Roche, BSc(Hons)(UNSW), MEd(UTS)

**Vice President (Finance)**  
Mr Travis Walker, BBus(Accounting)(RMIT), MBA(LaT)

**Vice President (Operations)**  
Mr Allan Morris, GradDipInfoTech(Monash)

**Vice President (Strategy and Implementation)**  
Mr Jack Williamson, BEng(Wollongong), MBA(London Business School)

**Vice President (Students) and Registrar**  
Mr Brendon Nelson, GradDipMgt(UTS), MBus(UTS)

## Insurance

The University maintains a comprehensive insurance program to cover the financial impact of insurable risks.

The insurance program is renewed annually. The principal areas of cover include; property, general and products liability, professional liability, malpractice, clinical trials, cyber, corporate travel, motor vehicle, and workers compensation. Consideration is given to the University's risk profile, including new and emerging risks and the University's exposure to such risks, when determining the limits, deductibles and classes of cover.

Some University assets were impacted by the unprecedented major flood event in Lismore in February 2022. At the time of presentation of this Annual Report, the resulting property claim is still in progress.

## Risk Management

Risk management is an integral part of the University's governance and a key consideration in effective decision-making. Oversight of the University's Risk Management framework is provided by Council and the Audit and Risk Management Committee.

The University has continued to advance risk maturity through the ongoing development of the Enterprise Risk Management Framework. A formal Risk Appetite Statement has also been established outlining the University's risk appetite against each of its material risks, along with Risk Tolerances and Key Risk Indicators. These serve to improve how risk is considered in decision-making and to provide more insightful risk information for the Executive and the Audit and Risk Management Committee.

A full refresh of the University's material risks was undertaken to align with the new Strategic Plan, in consultation with the Vice-Chancellor's Executive Group, the Audit and Risk Management Committee and Council.

## Legal Changes

### Details of new legislation and changes to legislation assessed by management 2022

The following relates to major changes to legislation relevant to the University. General amendments to legislation have not been included.

### *National Code of Practice for Providers of Education and Training to Overseas Students 2017*

In March 2020, the Tertiary Education and Quality Standards Agency (TEQSA) announced flexibility in regulatory arrangements regarding educational services for international higher and vocational students studying either in Australia or offshore.

In particular, the requirements in the National Code for students to attend face-to-face learning were relaxed in recognition of the impacts of the Covid-19 pandemic.

TEQSA has now advised that it expects all providers will transition to compliance with the ESOS National Code by 30 June 2023 where it is safe and practical.

### *Higher Education Support Amendment (2022 Measures No.1) Bill 2022 amending the Higher Education Support Act 2003*

The Job-Ready Graduates Act amendments to the Higher Education Support Act (HESA) increased student contribution amounts for students studying certain courses of study, and reduced student contribution amounts for others. The amendments provided for students who had commenced courses of study prior to 1 January 2021 to be that applied from 1 January 2021.

The Government introduced legislation on 10 November 2022 to address inconsistencies for students in related Honours courses of study who may not be captured by grandfathering clauses currently in HESA.

### *Public Interest Disclosures Act 2022*

The *Public Interest Disclosures Act 2022* (PID Act 2022) will repeal the PID Act 1994 when it commences on 13 October 2023. The PID Act 2022 changes the way that public interest disclosures are made, received and dealt with. The changes are also intended to provide greater protection to persons making disclosures.

### **Privacy and Personal Information Protection Act 1998**

The *Privacy and Personal Information Protection Amendment Bill 2022* was passed in the NSW Parliament on 16 November 2022. The amendments create a mandatory data breach notification scheme that will apply to NSW public sector agencies including Universities. The amendments:

- Provide for exemptions from mandatory notification in certain circumstances;
- Give the Privacy Commissioner power to investigate, monitor, audit and report on public sector agencies in relation to the scheme;
- Give the Privacy Commissioner power to give directions to, and make guidelines, recommendations and reports about data breaches, and;
- Require public sector agencies to publish a data breach policy and register.

The changes will come into force on the first anniversary of the date of assent.

### **Corporations Act 2001**

The *Treasury Laws Amendment (Registries Modernisation and Other Measures) Act 2020* (Cth) amended the *Corporations Act 2001* (Cth) to require all company directors, or anyone intending to become a director, to obtain a Director Identification Number (DIN).

The requirement commenced on 1 November 2021 and applies to Southern Cross Campus Services Limited.

### **Superannuation Guarantee (Administration) Act 1992**

The *Superannuation Guarantee (Administration) Act 1992* (Cth) now provides that employees are eligible to choose their super fund if they are employed under an enterprise agreement or workplace determination made on or after 1 January 2021. If the new Southern Cross University Enterprise Agreement is approved by Fair Work Australia, Southern Cross University will be required to offer a choice of super fund.

### **NSW Work Health and Safety Amendment Regulation 2022 and Qld Work Health and Safety (Psychosocial Risks) Amendment Regulation 2022**

From 1 October 2022 (NSW) and 1 April 2023 (Qld), persons conducting a business or undertaking (PCBUs) must implement controls to eliminate psychosocial risks as far as is reasonably practicable. If it is not reasonable to eliminate those risks, they must minimise them as far as reasonably practicable.

The People and Culture Committee, Transform Group and the Vice-Chancellors Group were briefed on these updates in Q3 and Q4 2022.

### **Qld Medicines and Poisons (Medicines) Regulation 2021**

From 26 September 2021, PCBUs must have in place specified measures to manage purchasing, storage, usage and records of scheduled substances (such as prescription and controlled drugs). PCBUs were given 12 months to implement the changes. As SCU works across multiple jurisdictions and Queensland has the higher threshold, our processes have been updated to reflect a consistent approach that meets the highest standard.

The People and Culture Committee was briefed on these updates in Q3 2022.

## **Privacy**

### **Privacy and Personal Information Protection Act 1998 (NSW)**

On 16 November 2022, the NSW Parliament passed amendments to the *Privacy and Personal Information Protection Act 1998* (PIIP Act), which aim to strengthen privacy legislation in NSW by creating a Mandatory Notification of Data Breaches (MNDB) Scheme. This will require public sector agencies bound by the PIIP Act to notify the Privacy Commissioner and affected individuals of data breaches involving personal or health information likely to result in serious harm.

The MNDB Scheme will require agencies to satisfy other data management requirements, including to maintain an internal data breach incident register, and have a publicly accessible data breach policy.

The Scheme comes into effect on 28 Nov 2023. The University will follow IPC guidance, as it becomes available, to ensure it has the required systems, processes and capability in place prior to the Scheme coming into effect.

## **Privacy and Personal Information**

The University's compliance and commitment to protecting personal information is underpinned by its Privacy Policy, Privacy Management Plan and Privacy Data Breach Response Process. All have been reviewed and updated. The University continued its program of privacy awareness training to staff throughout 2022 and promoted the use of its online training module to ensure staff are aware of their responsibilities.

Advice on the application of the Privacy and Personal Information Protection Act 1998 (NSW) (PIIP Act) and the Health Records and Information Privacy Act 2002 (NSW) was provided to staff throughout the year.

The University received one appeal against internal review in 2022.

## Public Interest Disclosures 2022

The *Public Interest Disclosures Act 1994* (NSW) (PID Act) establishes a system for public officials to report serious wrongdoing.

The University's [Whistleblower Policy](#) establishes an internal system for receiving, assessing and dealing with reports of wrongdoing under the PID Act. The Whistleblower Policy is available to staff in the University's online policy library.

The University's Code of Conduct provides staff with information on reporting corrupt conduct, maladministration and serious or substantial waste of public resources in accordance with the PID Act. The Code of Conduct forms part of staff members' conditions of employment and commencing staff must certify that they have read and understood the Code of Conduct.

The University's report in relation to public interest disclosures made in 2022 is as follows:

Number of public officials who made Public Interest Disclosures (PIDs) to the University	0
Number of PIDs received by the University	0
Of PIDs received by the University, number primarily about:	
Corrupt conduct	0
Maladministration	0
Serious and substantial waste of public money	0
Government information contravention	0
Number of PIDs finalised	0
1. Public interest disclosures made by public officials in performing their day-to-day functions	0
2. Public interest disclosures not covered by (1) that are made under a statutory or other legal obligation	0
All other public interest disclosures	0

The financial statements include Southern Cross University as the parent entity and the consolidated entity comprising Southern Cross University and its controlled entity Southern Cross Campus Services Limited.

## Review of Operations

Southern Cross University and its controlled entities reported a consolidated net loss of \$6.711 million for the year ending 31 December 2022 (2021: net profit of \$10.615 million). The University reported a net loss of \$6.761 million (2021: net profit of \$10.613 million).

Net cash generated from operating activities was \$31 million (2021: \$41 million).

Total University revenue (excluding capital grants), grew by 2.2 per cent (\$5.9 million) compared to the previous year. This was as a result of a decline in domestic student load, offset by increases in overseas students and non-tuition income (investment income, consultancies). Total expenses grew by 8.9 per cent, driven by higher salaries and wages (2021 had a lower base, due to Covid-19 restrictions), higher consulting and placement fees, and costs associated with flood recovery and new tenancies.

Cash and cash equivalents and Investments increased from \$163.4 million to \$177.1 million. This increase was attributable to favorable net cashflow from operations (a small net loss, adjusted by non-cash depreciation and asset impairment charges).

# Southern Cross University and Controlled Entities

ABN 41 995 651 524

Financial Statements for the 2022 Reporting Period

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## Statement by the Members of Council For the Year Ended 31 December 2022

In accordance with a resolution of the Council of Southern Cross University and pursuant to Section 7.6(4) of the *Government Sector Finance Act 2018*, we state that:

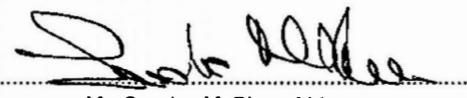
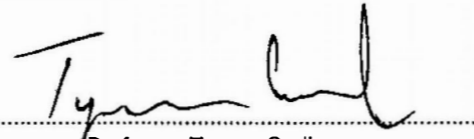
(a) The financial statements of Southern Cross University and its controlled entity presents fairly the financial position as at 31 December 2022, and the financial performance and cashflows for the financial year ended on that date;

(b) The amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended and Southern Cross University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure;

(c) The financial statements have been prepared in accordance with Australian Accounting Standards, other mandatory professional reporting requirements, the *Australian Charities and Not-for-profits Commission Act 2012* and Regulation, the applicable requirements of the *Government Sector Finance Act 2018*, the *Government Sector Finance Regulation 2018* and the *Financial Statement Guidelines for Australian Higher Education Providers*;

(d) Southern Cross University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines under the Act. Revenue from the fees was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19 clause 38 (4) of the Act.

In addition, we are not aware at the date of signing these statements of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate and there are reasonable grounds to believe that Southern Cross University will be able to pay its debts as and when they fall due.

  
Ms Sandra McPhee AM  
Chancellor  
Professor Tyrone Carlin  
Vice Chancellor



Dated: 18 April 2023

## Responsible Persons' Declaration

In accordance with a resolution of the Council of Southern Cross University, we state that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

  
Ms Sandra McPhee AM  
Chancellor  
Professor Tyrone Carlin  
Vice Chancellor

Dated 18 April 2023

## Income Statements

For the Year Ended 31 December 2022

	Note	Consolidated		Parent	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Revenue and income from continuing operations</b>					
Australian Government financial assistance					
Australian Government grants		110,211	110,384	110,211	110,384
HELP - Australian Government payments	2.1(b)	62,009	68,926	62,009	68,926
State and local government financial assistance	2.2	2,297	2,018	2,297	2,018
HECS-HELP - Student Payments		2,885	2,378	2,885	2,378
Fees and charges	2.3	68,893	64,439	67,625	64,439
Investment income	3	3,127	275	3,119	275
Royalties, trademarks and licences	2.4	337	714	337	714
Consultancy and contract fees	2.5	14,786	10,658	14,786	10,658
Other income	2.6	16,708	14,492	15,575	13,118
Gain on disposal of assets		-	60	-	60
<b>Total revenue and income from continuing operations</b>		<b>281,253</b>	<b>274,344</b>	<b>278,844</b>	<b>272,970</b>
<b>Expenses from continuing operations</b>					
Employee related expenses	4	152,012	143,912	151,276	142,982
Depreciation and amortisation	5	16,504	16,899	16,498	16,888
Repairs and maintenance		5,535	4,659	5,380	4,555
Borrowing costs	6	1,950	1,740	1,950	1,740
Impairment of assets	7	3,218	1,062	3,195	1,361
Share of loss on investments accounted for using the equity method	12	5	6	-	-
Loss on disposal of assets		15	-	15	-
Other expenses	8	108,725	95,451	107,291	94,831
<b>Total expenses from continuing operations</b>		<b>287,964</b>	<b>263,729</b>	<b>285,605</b>	<b>262,357</b>
<b>Net result from continuing operations</b>		<b>(6,711)</b>	<b>10,615</b>	<b>(6,761)</b>	<b>10,613</b>

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

## Statements of Comprehensive Income

For the Year Ended 31 December 2022

	Note	Consolidated		Parent	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Net result from continuing operations</b>		<b>(6,711)</b>	<b>10,615</b>	<b>(6,761)</b>	<b>10,613</b>
<b>Items that will not be reclassified to profit or loss</b>					
Gain/(loss) on equity instruments designated at fair value through OCI		(10,925)	43,439	(10,925)	43,439
Remeasurement relating to defined benefit plans	31(e)	29	(2,783)	29	(2,783)
<b>Total comprehensive (loss)/income</b>		<b>(10,896)</b>	<b>40,656</b>	<b>(10,896)</b>	<b>40,656</b>
<b>Items that will be reclassified to profit or loss</b>					
Loss on debt instruments at fair value through OCI		(753)	(230)	(753)	(230)
<b>Total</b>		<b>(753)</b>	<b>(230)</b>	<b>(753)</b>	<b>(230)</b>
<b>Total other comprehensive (loss)/income</b>		<b>(11,649)</b>	<b>40,426</b>	<b>(11,649)</b>	<b>40,426</b>
<b>Total comprehensive income attributable to members of Southern Cross University</b>		<b>(18,360)</b>	<b>51,041</b>	<b>(18,410)</b>	<b>51,039</b>

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

## Statements of Financial Position

### As At 31 December 2022

Note	Consolidated		Parent		
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	9	57,688	41,401	56,804	41,272
Receivables	10	38,048	41,729	38,121	41,725
Contract assets	10	1,167	1,864	1,167	1,864
Inventories		4	12	-	-
Other financial assets	11	38,036	22,248	38,036	22,248
Prepayments		4,964	7,775	4,959	7,771
<b>Total current assets</b>		<b>139,907</b>	<b>115,029</b>	<b>139,087</b>	<b>114,880</b>
<b>Non-current assets</b>					
Receivables	10	79,622	100,196	79,622	100,196
Investments accounted for using the equity method	12	279	284	175	175
Other financial assets	11	82,053	100,051	82,053	100,051
Property, plant and equipment	13	257,760	269,322	257,729	269,297
Prepayments		36	88	36	88
<b>Total non-current assets</b>		<b>419,750</b>	<b>469,941</b>	<b>419,615</b>	<b>469,807</b>
<b>Total assets</b>		<b>559,657</b>	<b>584,970</b>	<b>558,702</b>	<b>584,687</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	14	16,181	18,377	15,690	18,318
Contract liabilities	14	22,805	26,458	22,727	26,442
Borrowings	15	4,336	2,364	4,336	2,364
Employee benefit provisions	16	35,608	36,461	35,582	36,423
Other financial liabilities	17	2,537	2,428	2,537	2,428
Other liabilities	18	36,133	23,480	35,987	23,480
<b>Total current liabilities</b>		<b>117,600</b>	<b>109,568</b>	<b>116,859</b>	<b>109,455</b>
<b>Non-current liabilities</b>					
Contract liabilities	14	5,728	-	5,728	-
Borrowings	15	46,224	46,535	46,224	46,535
Employee benefit provisions	16	83,932	106,255	83,929	106,246
Other liabilities	18	1,921	-	1,921	-
<b>Total non-current liabilities</b>		<b>137,805</b>	<b>152,790</b>	<b>137,802</b>	<b>152,781</b>
<b>Total liabilities</b>		<b>255,405</b>	<b>262,358</b>	<b>254,661</b>	<b>262,236</b>
<b>Net assets</b>		<b>304,252</b>	<b>322,612</b>	<b>304,041</b>	<b>322,451</b>
<b>Equity</b>					
Reserves	19(a)	7,309	18,987	7,309	18,987
Retained earnings	19(b)	296,943	303,625	296,732	303,464
<b>Total equity</b>		<b>304,252</b>	<b>322,612</b>	<b>304,041</b>	<b>322,451</b>

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

## Statements of Changes in Equity

### For the Year Ended 31 December 2022

Note	Parent			
	Retained Earnings \$'000	Reserves \$'000	Total \$'000	
<b>Balance at 1 January 2022</b>	19	303,464	18,987	322,451
Net result from continuing operations	19(b)	(6,761)	-	(6,761)
Gain on revaluation of financial assets at fair value through OCI	19(a)	-	(11,678)	(11,678)
Remeasurements of defined benefit plans	19(b)	29	-	29
<b>Total comprehensive income/(loss)</b>		<b>(6,732)</b>	<b>(11,678)</b>	<b>(18,410)</b>
<b>Balance at 31 December 2022</b>	19	<b>296,732</b>	<b>7,309</b>	<b>304,041</b>
<b>Balance at 1 January 2021</b>	19	213,851	57,561	271,412
Net result from continuing operations	19(b)	10,613	-	10,613
Gain on revaluation of financial assets at fair value through OCI	19(a)	-	43,209	43,209
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	19	81,783	(81,783)	-
Remeasurements of defined benefit plans	19(b)	(2,783)	-	(2,783)
<b>Total comprehensive income/(loss)</b>		<b>89,613</b>	<b>(38,574)</b>	<b>51,039</b>
<b>Balance at 31 December 2021</b>	19	<b>303,464</b>	<b>18,987</b>	<b>322,451</b>
<b>Consolidated</b>				
Note	Retained Earnings \$'000	Reserves \$'000	Total \$'000	
<b>Balance at 1 January 2022</b>	19	303,625	18,987	322,612
Net result from continuing operations	19(b)	(6,711)	-	(6,711)
Gain on revaluation of financial assets at fair value through OCI	19(a)	-	(11,678)	(11,678)
Remeasurement of defined benefit plans	19(b)	29	-	29
<b>Total comprehensive income/(loss)</b>		<b>(6,682)</b>	<b>(11,678)</b>	<b>(18,360)</b>
<b>Balance at 31 December 2022</b>		<b>296,943</b>	<b>7,309</b>	<b>304,252</b>
<b>Balance at 1 January 2021</b>	19	214,010	57,561	271,571
Net result from continuing operations	19(b)	10,615	-	10,615
Gain on revaluation of financial assets at fair value through OCI	19(a)	-	43,209	43,209
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	19	81,783	(81,783)	-
Remeasurement of defined benefit plans	19(b)	(2,783)	-	(2,783)
<b>Total comprehensive income/(loss)</b>		<b>89,615</b>	<b>(38,574)</b>	<b>51,041</b>
<b>Balance at 31 December 2021</b>		<b>303,625</b>	<b>18,987</b>	<b>322,612</b>

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



## Statements of Cash Flows

For the Year Ended 31 December 2022

Note	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Cash flows from operating activities:</b>				
Australian Government grants	177,677	194,287	177,677	194,287
OS-HELP (net)	(89)	-	(89)	-
Superannuation supplementation	4,576	5,872	4,576	5,872
State Government grants	2,297	2,018	2,297	2,018
Government subsidies received	-	77	-	-
HECS-HELP - Student payments	2,885	2,378	2,885	2,378
Receipts from student fees and other customers	114,052	90,363	111,488	88,910
Interest received	1,638	248	1,638	248
Dividends & distributions received	1,262	-	1,262	-
Payments to suppliers and employees (inclusive of GST)	(276,861)	(258,963)	(274,893)	(257,250)
Interest and other costs of finance	(1,947)	(1,755)	(1,955)	(1,755)
GST recovered	6,278	6,201	6,403	6,304
<b>Net cash provided by operating activities</b>	<b>31,768</b>	<b>40,726</b>	<b>31,289</b>	<b>41,012</b>
<b>Cash flows from investing activities:</b>				
Proceeds from sale of property, plant and equipment	231	276	231	276
Payments to acquire property, plant and equipment	(7,340)	(6,641)	(7,327)	(6,635)
Distribution received from financial assets	-	5,260	-	5,260
(Payments for)/proceeds from financial assets	(9,597)	(43,706)	(9,597)	(43,706)
Loans to related parties	-	-	(289)	(299)
<b>Net cash used in investing activities</b>	<b>(16,706)</b>	<b>(44,811)</b>	<b>(16,982)</b>	<b>(45,104)</b>
<b>Cash flows from financing activities:</b>				
Proceeds from borrowings	2,381	4,100	2,381	4,100
Repayment of lease liabilities	(1,156)	(610)	(1,156)	(610)
<b>Net cash provided by financing activities</b>	<b>1,225</b>	<b>3,490</b>	<b>1,225</b>	<b>3,490</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>				
Cash and cash equivalents at beginning of the financial year	41,401	41,996	41,272	41,874
<b>Cash and cash equivalents at the end of the financial year</b>	<b>57,688</b>	<b>41,401</b>	<b>56,804</b>	<b>41,272</b>

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

## Notes to the Financial Statements

For the Year Ended 31 December 2022

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## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 1 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below and where applicable, throughout the notes to the accounts. The policies have been consistently applied for all years reported unless otherwise stated.

The financial statements include separate statements for Southern Cross University ("the University") as the parent entity and the consolidated entity consisting of Southern Cross University and its subsidiary.

Southern Cross University is a Higher Education Provider ("HEP") which has been established under the *Southern Cross University Act 1993*. The principal address of Southern Cross University is Military Road, Lismore NSW 2480.

## (a) Basis of Preparation

The financial statements are general purpose financial statements which have been prepared on an accrual basis in accordance with Australian Accounting Standards (AAS) and other pronouncements of the AAS Board, the requirements of the *Higher Education Support Act 2003* (Financial Statement Guidelines), the *Government Sector Finance Act 2018* and the *Government Sector Finance Regulation 2018*, *Australian Charities and Not-for-profits Commission Act 2012* and *Australian Charities and Not-for-profits Commission Regulation 2013*.

The University applies Tier 1 reporting requirements.

Southern Cross University is a not-for-profit entity and these statements have been prepared on that basis. The AAS include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS) and to the extent these inconsistencies are applied, these financial statements do not comply with IFRS. The main impact is on the accounting treatment relating to the offsetting of impairment losses within a class of assets.

**Date of authorisation for issue**

The financial statements were authorised for issue by the members of Southern Cross University on 18 April 2023.

**Historical cost convention**

These financial statements have been prepared under the historical cost convention, except for financial assets that have been measured at fair value.

**Critical accounting estimates**

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

- Estimated useful life assessments of property, plant and equipment assets (note 5)
- Measurement and recognition of employee benefits provisions (note 16)
- Impairment of trade and other receivables (note 7)
- Measurement of financial assets (note 30) and liabilities
- Measurement of finance leases and the related right-of-use assets (note 13)
- Identifying and assessing the performance obligations relating to contracts with customers (note 2.7(d)).

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 1 Summary of Significant Accounting Policies (continued)

## (b) Foreign currency translation

*(i) Functional and presentation currency*

Items included in the financial statements of each of the University's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Australian dollars, which is Southern Cross University'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 statements.

## (c) Income Tax

Southern Cross 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 (ITAA)*.

## (d) Rounding of amounts

Amounts have been rounded off to the nearest thousand dollars.

## (e) 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 taxation authority. In this case, it is recognised as part of the cost 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 taxation authority is included with other receivables or payables in the statements 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 taxation authority, are presented as operating cash flows.

## (f) Comparative Amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 1 Summary of Significant Accounting Policies (continued)

## (g) New Accounting Standards, Amendments and Interpretations issued but not yet effective

The following standards have been issued but are not mandatory for 31 December 2022 reporting periods. Southern Cross University has elected not to early adopt any of these standards and is currently assessing the potential impacts. It is estimated that the adoption of these pronouncements when effective will have no material impact on future reporting periods. The new Standards and Interpretations are set out below:

Standard	Amendment	Application date*
AASB17	Insurance Contracts	1 January 2023
AASB2014-10	Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to AASB10 and AASB128	1 January 2025 (Note 1)
AASB2020-1	Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Amendments to AASB101	1 January 2023
AASB2021-2	Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates	1 January 2023
AASB2021-5	Amendments to Australian Accounting Standards - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
AASB2022-1	Amendments to Australian Accounting Standards - Initial Application of AASB17 and AASB9 - Comparative Information	1 January 2023
IFRS16**	Lease Liability in a Sale and Leaseback - Amendments to IFRS16	1 January 2024

\* The application date mentioned above refers to the date when Southern Cross University would apply relevant standards, amendments and interpretations and this may not be the actual application date of the standards/amendments and interpretations.

Note 1: In December 2015, the IASB or Board postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The AASB has specified a date (because legislatively all standards need a date) but this may continue to be deferred if Southern Cross University chooses to do so.

\*\* In September 2022, amendments to IFRS16 was issued. Equivalent updates to AASB16 are expected, but are still pending.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 2 Revenue and Income

Notes 2.1 to 2.6 disclose the revenue and income received during the year according to the mandatory disclosures required by the department. The disclosures as per AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-profit Entities* are included in note 2.7 and a reconciliation is included in note 2.8.

## 2.1 Australian Government financial assistance including Australian Government loan programs (HELP)

## (a) Commonwealth Grants Scheme and Other Grants

Note	Consolidated		Parent		
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	
	Commonwealth Grants Scheme	87,992	85,776	87,992	85,776
	Indigenous, Regional and Low-SES Attainment Fund	6,045	5,704	6,045	5,704
	National Priorities and Industry Linkage Fund	3,329	3,118	3,329	3,118
	Higher Education Disability Support Program	97	114	97	114
	Indigenous Student Success Program	1,934	2,009	1,934	2,009
	<b>Total Commonwealth Grant Scheme and Other Grants</b>	<b>99,397</b>	<b>96,721</b>	<b>99,397</b>	<b>96,721</b>
	(b) <b>Higher Education Loan Programs</b>				
	HECS - HELP	45,043	49,103	45,043	49,103
	FEE - HELP	15,399	18,292	15,399	18,292
	SA-HELP payments	1,567	1,531	1,567	1,531
	<b>Total Higher Education Loan Programs</b>	<b>62,009</b>	<b>68,926</b>	<b>62,009</b>	<b>68,926</b>
	(c) <b>EDUCATION Research</b>				
	Research Training Program	3,326	4,120	3,326	4,120
	Research Support Program	2,827	5,965	2,827	5,965
	<b>Total EDUCATION Research Grants</b>	<b>6,153</b>	<b>10,085</b>	<b>6,153</b>	<b>10,085</b>
	(d) <b>Australian Research Council</b>				
	Discovery	962	694	962	694
	Linkages	557	736	557	736
	<b>Total ARC</b>	<b>1,519</b>	<b>1,430</b>	<b>1,519</b>	<b>1,430</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 2.1 Australian Government financial assistance including Australian Government loan programs (HELP) (continued)

##### (e) Other Australian Government financial assistance

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Non-capital</b>				
Department of Agriculture and Water Resources	1,105	1,118	1,105	1,118
Department of Education	641	546	641	546
Department of Foreign Affairs	209	-	209	-
Department of Health	524	-	524	-
Department of Social Services	296	273	296	273
Aust'n Ctr for International Agricultural Research	53	111	53	111
Other	314	100	314	100
<b>Total non-capital</b>	<b>3,142</b>	<b>2,148</b>	<b>3,142</b>	<b>2,148</b>
<b>Total other Australian Government financial assistance</b>	<b>3,142</b>	<b>2,148</b>	<b>3,142</b>	<b>2,148</b>
<b>Total Australian Government financial assistance (a+b+c+d+e)</b>	<b>172,220</b>	<b>179,310</b>	<b>172,220</b>	<b>179,310</b>

#### 2.2 State and local Government financial assistance

<b>Non-capital</b>				
New South Wales	2,159	1,939	2,159	1,939
Queensland	71	10	71	10
South Australia	67	69	67	69
<b>Total Non-capital</b>	<b>2,297</b>	<b>2,018</b>	<b>2,297</b>	<b>2,018</b>
<b>Total State and Local Government financial assistance</b>	<b>2,297</b>	<b>2,018</b>	<b>2,297</b>	<b>2,018</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 2.3 Fees and charges

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Course Fees and Charges</b>				
Fee-paying onshore overseas students	55,852	53,474	55,852	53,474
Fee-paying offshore overseas students	3,053	2,855	3,053	2,855
Continuing education	10	12	10	12
Fee-paying domestic postgraduate students	5,190	5,773	5,190	5,773
Fee-paying domestic undergraduate students	469	685	469	685
Fee-paying domestic non-award students	75	85	75	85
<b>Total Course Fees and Charges</b>	<b>64,649</b>	<b>62,884</b>	<b>64,649</b>	<b>62,884</b>
<b>Other Non-Course Fees and Charges</b>				
Student services and amenities fees 32(h)	1,134	1,131	1,134	1,131
Other non-course fees and charges	3,110	424	1,842	424
<b>Total Other Fees and Charges</b>	<b>4,244</b>	<b>1,555</b>	<b>2,976</b>	<b>1,555</b>
<b>Total Fees and Charges</b>	<b>68,893</b>	<b>64,439</b>	<b>67,625</b>	<b>64,439</b>

#### 2.4 Royalties, trademarks and licences

Royalties	12	7	12	7
License fees	325	707	325	707
<b>Total royalties, trademarks and licences</b>	<b>337</b>	<b>714</b>	<b>337</b>	<b>714</b>

#### 2.5 Consultancy and contract fees

Consultancy	5,626	4,943	5,626	4,943
Contract research	9,160	5,715	9,160	5,715
<b>Total consultancy and contract fees</b>	<b>14,786</b>	<b>10,658</b>	<b>14,786</b>	<b>10,658</b>

Notes to the Financial Statements  
For the Year Ended 31 December 2022

2.6 Other income

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Donations and bequests	462	2,094	462	2,094
Scholarships and prizes	307	237	307	237
Sales and memberships	1,521	1,379	146	108
Rental and cost recovery charges	4,649	2,425	4,917	2,416
Insurance proceeds	2,129	-	2,129	-
Laboratory services	6,566	5,992	6,566	5,992
Recovery of taxes	98	1,663	98	1,663
Other revenue	976	702	950	608
<b>Total other income</b>	<b>16,708</b>	<b>14,492</b>	<b>15,575</b>	<b>13,118</b>

2.7 Revenue and income from continuing operations

Basis for disaggregation

**Sources of funding:** the University receives funds from Australian Government as well as State and Local Government to assist with education programs across a wide range of disciplines, and at different education qualification levels. Apart from the sources received from Government, the University also receives funds and fees from private organisations or individuals that are for the delivery of different programs by the University.

**Revenue and income streams:** the streams are distinguishing the different activities performed by the University as well as acknowledge the different type of users of the programs and services provided:

- i. Education: Southern Cross University has domestic and overseas students enrolled in a variety of programs for different qualification levels. Whilst, the number of domestic students is affected by national economic factors as interest rates or unemployment, the overseas students are impacted by the changes in a range of environmental issues including: economic, geopolitical, international and domestic competition plus COVID travel restrictions.
- ii. Research: Southern Cross University performs research activities in different fields such as health, engineering, education and science. The University enters into many different types of research agreements with different counterparties, such as with private sector customers and Government agencies that award research grants. Each grant agreement needs to be assessed as to whether it is an enforceable arrangement and contains sufficiently specific promises to transfer outputs from the research to the customer (or at the direction of the customer). Judgement is required in making this assessment. The University has concluded that some research agreements represent a contract with a customer whereas other research grants are recognised as income when the University obtains control of the research funds.
- iii. Non-course fees and charges: these correspond to services provided by the University such as student amenities and other fees and charges.

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Notes to the Financial Statements  
For the Year Ended 31 December 2022

2.7 Revenue and income from continuing operations (continued)

(a) Disaggregation

The University derives revenue and income from:

Revenue and Income Streams	Sources of funding					Total Revenue from contracts with customers \$'000	Total income of not-for- profit entities \$'000
	Higher Education Loan Program '(HELP') \$'000	Australian Government financial assistance \$'000	State and Local Government financial assistance \$'000	Commercial arrangements & bequests \$'000	Donations, Scholarships & bequests \$'000		
<b>Course fees and charges</b>	49,959	-	-	-	-	53,388	-
Domestic students undergraduate	-	-	-	-	-	32,396	-
Onshore overseas students undergraduate	-	-	-	-	-	2,282	-
Offshore overseas students undergraduate	12,050	-	-	-	-	17,240	-
Domestic students postgraduate	-	-	-	-	-	23,457	-
Onshore overseas students postgraduate	-	-	-	-	-	771	-
Offshore overseas students postgraduate	-	-	-	-	-	10	-
Continuing education and executive programs	-	-	-	-	-	-	-
<b>Total course fees and charges</b>	<b>62,009</b>	<b>67,535</b>	<b>2,297</b>	<b>14,457</b>	<b>129,544</b>	<b>129,544</b>	<b>-</b>
<b>Research income</b>	<b>-</b>	<b>10,814</b>	<b>2,297</b>	<b>-</b>	<b>27,568</b>	<b>27,568</b>	<b>-</b>
<b>Recurrent government grants</b>	<b>-</b>	<b>99,398</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99,398</b>	<b>-</b>
<b>Non-course fees and charges #1</b>	<b>-</b>	<b>1,564</b>	<b>-</b>	<b>-</b>	<b>1,564</b>	<b>1,564</b>	<b>-</b>
<b>Royalties &amp; licences</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>337</b>	<b>337</b>	<b>337</b>	<b>-</b>
<b>Other #2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total revenue from contracts with customers</b>	<b>62,009</b>	<b>69,099</b>	<b>2,297</b>	<b>14,669</b>	<b>149,669</b>	<b>149,669</b>	<b>942</b>
<b>Total income of not-for-profit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>173</b>	<b>173</b>	<b>173</b>	<b>100,340</b>
<b>Total</b>	<b>62,009</b>	<b>69,099</b>	<b>2,297</b>	<b>29,463</b>	<b>173,509</b>	<b>173,509</b>	<b>100,340</b>

#1 This does not include lease income in the scope of AASB 16 in Notes 2.3 and 2.6

#2 Excludes investment income which is separately disclosed in Note 3

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 2.7 Revenue and income from continuing operations (continued)

	Consolidated							Total Revenue from contracts with customers \$'000	Total income of not-for- profit entities \$'000
	Sources of funding								
	Higher Education Loan Program ('HELP') \$'000	Student fees and charges \$'000	Australian Government financial assistance \$'000	State and Local Government financial assistance \$'000	Commercial arrangements & bequests \$'000	Donations, scholarships & bequests \$'000	Others \$'000		
<b>Revenue and Income Streams</b>									
<b>Course fees and charges</b>									
Domestic students undergraduate	54,825	3,148	-	-	-	-	-	57,973	-
Onshore overseas students undergraduate	-	31,717	-	-	-	-	-	31,717	-
Offshore overseas students undergraduate	-	2,067	-	-	-	-	-	2,067	-
Domestic students postgraduate	14,100	5,773	-	-	-	-	-	19,873	-
Onshore overseas students postgraduate	-	21,757	-	-	-	-	-	21,757	-
Offshore overseas students postgraduate	-	788	-	-	-	-	-	788	-
Continuing education and executive programs	-	12	-	-	-	-	-	12	-
<b>Total course fees and charges</b>	<b>68,925</b>	<b>65,262</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>134,187</b>	<b>-</b>
<b>Research income</b>									
Recurrent government grants	-	-	13,663	2,018	10,076	-	-	25,757	-
<b>Non-course fees and charges</b>									
Royalties & licences	-	1,556	-	-	-	-	-	1,556	-
<b>Other</b>									
Total revenue from contracts with customers	68,925	66,818	13,663	2,018	21,737	2,331	77	10,947	4,127
Total income of not-for-profit	-	-	96,721	-	1,719	2,331	77	173,161	100,848
<b>Total</b>	<b>68,925</b>	<b>66,818</b>	<b>110,384</b>	<b>2,018</b>	<b>23,456</b>	<b>2,331</b>	<b>77</b>	<b>173,161</b>	<b>100,848</b>

Investment income (note 3) and net gain on disposal of assets (income statement) are excluded from the above table.

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## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 2.7 Revenue and income from continuing operations (continued)

##### Revenue from contracts with customers

##### (b) Accounting policies and significant accounting judgements and estimates

- Course fees and charges**

The course fees and charges revenue relates to undergraduate programs, certificates and diplomas, graduate and professional degree programs and continuing education and executive programs.

The revenue is recognised over time as the University provides tuition services. When the courses or trainings have been paid in advanced by students or the University has received the government funding in advance (e.g. before starting the academic period) the University recognises a contract liability until the services are delivered. There is no significant financing component, as the period from when the student pays and the service is provided is less than 12 months and the consideration is not variable.

- Research**

Revenue recognition for research funding is dependent upon the source of the funding and the nature of the transaction.

The following specific research revenue recognition criteria have been applied:

- Funding received from Australian Research Council "ARC" is recognised over time as the research activities are performed.
- Funding received from the Department of Education: The University received funding in relation to the Research Training Program ("RTP") and Research Support Program ("RSP") – recognised immediately when the University has the contractual right to receive the grant.
- Funding received from non-government entities is recognised over time as the University satisfies a performance obligation by transferring a promised good or service.

The research grants that are considered within the scope of AASB 15 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 (or on behalf of the customer) are sufficiently specific as the University has the obligation to provide:

- Results of the research
- Publishing research data and results on an ongoing basis in a openly accessible repository as requested by the grantor
- Intellectual property

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 2.7 Revenue and income from continuing operations (continued)

## (b) Accounting policies and significant accounting judgements and estimates (continued)

Depending on the nature of the promise, the University either recognises revenue at a point in the time when the promise is delivered (e.g. when the comprehensive academic paper is published) or recognises revenue over time as the service is performed (e.g. as the grantor obtains control or otherwise as the results of the research are made available to authorised third parties).

- **Non-course fees and charges**

Non-course fees and charges revenue relates to student services and amenities fees, parking fees, and publications. Revenue is recognised either over time as and when the service is provided over the period, or at a point in time.

- **Other**

Other revenue that is within the scope of AASB 15 mainly relates to laboratory testing services, memberships and recoveries. Revenue is recognised at a point in time when the service has been delivered.

- **Royalties, trademarks and licences**

Royalties, trademarks and licences that are within the scope of AASB 15 mainly relate to enforceable agreements relating to licencing courses and the University's accommodation facilities. Revenue is recognised over the period of the licence.

## (c) Unsatisfied performance obligations

Remaining performance obligations represent services Southern Cross University has promised to provide to customers under the research and education service agreements which are satisfied as the goods or services are provided over the contract term. In determining the transaction price allocated to the remaining performance obligations in Southern Cross University's contracts with customers, the University has used the input method.

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 AASB 15, disclosures are not required in relation to the transaction price allocated to these unsatisfied performance obligations. Further, the amounts disclosed below do not include variable consideration which has been constrained.

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

	From 1 to 5		
	Within 1 year	years	Total
	\$'000	\$'000	\$'000
<b>Consolidated</b>			
Grants and research services	15,509	4,948	20,457
Student tuition	6,607	-	6,607
Other	688	780	1,468
<b>Total</b>	<b>22,804</b>	<b>5,728</b>	<b>28,532</b>
<b>Parent</b>			
Grants and research services	15,509	4,948	20,457
Student tuition	6,607	-	6,607
Other	610	780	1,390
<b>Total</b>	<b>22,726</b>	<b>5,728</b>	<b>28,454</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 2.7 Revenue and income from continuing operations (continued)

## (d) Assets and liabilities related to contracts with customers

- **Contract assets**

The contract assets are associated with the University's right to consideration for work completed but not billed at the reporting date. Any impairment associated with the contract assets is disclosed in Note 10 Receivables and contract assets.

**Accounting Policy**

While a receivable is the University's right to consideration that is unconditional, a contract asset is the University's right to consideration in exchange for goods or services that the University has transferred to the customer when that right is conditioned on something other than the passage of time (e.g. HEP's future performance).

- **Contract liabilities**

The contract liabilities primarily relate to the advance consideration received from customers for contracts, for which revenue is recognised over time.

**Accounting Policy**

A contract liability is the obligation to transfer goods or services to a customer for which Southern Cross University has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before Southern Cross University 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 Southern Cross University performs under the contract.

Contract liabilities (deferred income) differ from the amounts disclosed in note 18 Other liabilities.

## (e) Refund liabilities

The University has refund liabilities related to contracts with customers:

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Australian government refund liability	23,662	13,714	23,662	13,714
<b>Refund liabilities - current</b>	<b>23,662</b>	<b>13,714</b>	<b>23,662</b>	<b>13,714</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 2.8 Reconciliation of revenue and income

The following table reconciles the amounts disclosed in notes 2.1 to 2.6 which contain the mandatory disclosures required by the department and the disclosures provided in note 2.7 as per AASB 15 and AASB 1058:

	Note	Consolidated		Parent	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Total Australian Government financial assistance including Australian Government loan programs (HELP)	2.1	172,220	179,310	172,220	179,310
Total State and Local Government financial assistance	2.2	2,297	2,018	2,297	2,018
Total HECS-HELP - Student Payments		2,885	2,378	2,885	2,378
Total Fees and charges *		66,205	64,439	66,214	64,439
Total Royalties, trademarks and licences	2.4	337	714	337	714
Total Consultancy and contract fees	2.5	14,786	10,658	14,786	10,658
Total Other revenue and income *		15,119	14,492	13,998	13,118
<b>Total</b>		<b>273,849</b>	<b>274,009</b>	<b>272,737</b>	<b>272,635</b>
Total Revenue from contracts with customers as per AASB15	2.7	173,509	173,161	172,397	171,865
Total Income of not-for-profit entity as per AASB1058	2.7	100,340	100,848	100,340	100,770
<b>Total Revenue and Income from continuing operations</b>		<b>273,849</b>	<b>274,009</b>	<b>272,737</b>	<b>272,635</b>

\* This does not include lease income in the scope of AASB 16 in Notes 2.3 and 2.6.

## 3 Investment income

Interest					
Amortised cost		1,140	173	1,132	173
Other financial instruments at fair value through OCI		686	80	686	80
<b>Total interest</b>		<b>1,826</b>	<b>253</b>	<b>1,818</b>	<b>253</b>
Distributions					
Equity instruments designated at fair value through OCI		904	-	904	-
Other financial instruments at fair value through profit or loss		526	14	526	14
<b>Total distributions</b>		<b>1,430</b>	<b>14</b>	<b>1,430</b>	<b>14</b>
Net fair value gains (losses)					
Financial assets designated at fair value through profit or loss		(129)	8	(129)	8
<b>Total net fair value gains</b>		<b>(129)</b>	<b>8</b>	<b>(129)</b>	<b>8</b>
<b>Total investment income</b>		<b>3,127</b>	<b>275</b>	<b>3,119</b>	<b>275</b>

Interest revenue is recognised as it is earned. Dividends and distributions are recognised when the dividend or distribution is declared.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 4 Employee related expenses

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Academic</b>				
Salaries	55,241	53,701	55,241	53,701
Contributions to funded superannuation schemes	8,517	8,124	8,517	8,124
Payroll tax	3,416	3,240	3,416	3,240
Worker's compensation	326	263	326	263
Long service leave	217	831	217	831
Annual leave	3,046	3,335	3,046	3,335
Other	541	567	541	567
<b>Total academic</b>	<b>71,304</b>	<b>70,061</b>	<b>71,304</b>	<b>70,061</b>
<b>Non-academic</b>				
Salaries	60,683	54,826	60,039	54,059
Contributions to funded superannuation schemes	10,512	9,065	10,459	8,963
Payroll tax	3,557	3,178	3,518	3,139
Worker's compensation	333	264	335	261
Long service leave	82	1,499	88	1,505
Annual leave	4,346	4,053	4,338	4,028
Other	1,195	966	1,195	966
<b>Total non-academic</b>	<b>80,708</b>	<b>73,851</b>	<b>79,972</b>	<b>72,921</b>
<b>Total employee related expenses</b>	<b>152,012</b>	<b>143,912</b>	<b>151,276</b>	<b>142,982</b>

Contributions to the defined contribution section of Southern Cross University's superannuation fund and other independent defined contribution superannuation funds are recognised as an expense as they become payable. Past service costs are recognised in profit or loss immediately.

Refer to note 16 for accounting policies on employee benefits and note 31 for retirement benefit obligations.



## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 5 Depreciation and amortisation

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Depreciation</b>				
Buildings	7,460	7,523	7,460	7,523
Infrastructure	1,242	1,386	1,242	1,386
Plant and equipment	5,793	6,115	5,787	6,104
Land (Right-of-use)	1,165	1,165	1,165	1,165
Buildings (Right-of-use)	663	656	663	656
Equipment (Right-of-use)	121	-	121	-
Leasehold improvements	60	54	60	54
<b>Total depreciation</b>	<b>16,504</b>	<b>16,899</b>	<b>16,498</b>	<b>16,888</b>

Land (excluding right-of-use assets), works of art and rare books are not depreciated. Depreciation on the other classes of assets is calculated using the straight-line method over their estimated useful lives. The useful lives of asset classes are as follows:

Depreciable assets	2022	2021
	Useful Lives (Years)	Useful Lives (Years)
Buildings	10-60	10-60
Plant and equipment	2-30	2-30
Leasehold improvements	5	5
Infrastructure	7-70	7-70

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

Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the asset. The useful lives of right-of-use assets by class is as follows:

	Useful Lives	Useful Lives
	(Years)	(Years)
Land	29	29
Buildings	5-10	5-10
Equipment	3-5	3-5

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 6 Borrowing costs

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Interest expense on financial liabilities at amortised cost	253	41	253	41
Interest expense on lease liabilities	1,697	1,699	1,697	1,699
<b>Total borrowing costs expensed</b>	<b>1,950</b>	<b>1,740</b>	<b>1,950</b>	<b>1,740</b>

#### Accounting Policy

Borrowing costs incurred for the construction of any qualifying asset are expensed in the period in which they are incurred regardless of how the borrowings are applied.

Finance charges in respect of leases are included in the definition of borrowing costs.

For finance charges on lease liabilities, refer to note 15.1 which details the policy for lease accounting where Southern Cross University is the lessee.

#### 7 Impairment of assets

	Note	Consolidated		Parent	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Impairment of trade receivables and contract assets	28,10	1,365	1,062	1,342	1,062
Impairment of related party receivables		-	-	-	299
		<b>1,365</b>	<b>1,062</b>	<b>1,342</b>	<b>1,361</b>
<b>Impairment losses - Non-financial assets</b>					
Buildings		838	-	838	-
Infrastructure		1,015	-	1,015	-
		<b>1,853</b>	<b>-</b>	<b>1,853</b>	<b>-</b>
<b>Total impairment of assets</b>		<b>3,218</b>	<b>1,062</b>	<b>3,195</b>	<b>1,361</b>

#### Accounting Policy

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 7 Impairment of assets (continued)

## Accounting Policy (continued)

Many assets of the Southern Cross University that are not held primarily for their ability to generate net cash inflows are typically specialised assets held for continuing use of their service capacity and they are rarely sold. The recoverable amount of such assets is expected to be materially the same as fair value, determined under AASB 13, with the consequence that AASB 136 applies to such assets accounted for under the cost model in AASB 116 and AASB 138.

In 2022, floods in the surrounds of the Lismore Campus in NSW resulted in \$1.371 million of the University's assets being impaired due to the severity of the damages caused by the flood waters. Management has reviewed assets related to Sirius College accommodation building and infrastructure as well as parts of the Football Fields and a decision was made that the current carrying amount of those assets may not be recoverable.

For further information on accounting policies of impairment of financial assets, refer to Note 10 and Note 11.

## 8 Other expenses

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Advertising, marketing and promotional expenses	6,865	3,388	6,865	3,388
Audit fees, bank charges, insurance & taxes	2,598	2,044	2,562	2,009
Books, printing, stationery and subscriptions	4,075	4,201	4,041	4,196
Consulting and professional fees	21,243	15,600	21,226	15,588
External education services	27,738	34,109	27,738	34,109
Grants & contributions	416	429	416	429
Leased asset charges	2,456	2,181	2,456	2,181
Non-capitalised equipment	2,744	2,161	2,722	2,143
Property and facility costs	8,552	6,619	7,707	6,443
Scholarships, grants and prizes	12,343	11,567	12,343	11,567
Software expenses	8,983	6,551	8,977	6,536
Telecommunications	855	968	806	963
Travel, entertainment and staff development	4,003	1,509	4,013	1,508
Other expenses	5,854	4,124	5,419	3,771
<b>Total other expenses</b>	<b>108,725</b>	<b>95,451</b>	<b>107,291</b>	<b>94,831</b>

## Accounting Policy

Lease payments relating to short term or low value leases are classified as leased asset charges. Refer to note 15.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 9 Cash and cash equivalents

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Cash at bank and on hand	6,855	8,694	5,971	8,565
Short term deposits at call	47,158	26,438	47,158	26,438
Restricted cash and cash equivalents	3,675	6,269	3,675	6,269
<b>Total cash and cash equivalents in the statement of financial position and cashflows</b>	<b>57,688</b>	<b>41,401</b>	<b>56,804</b>	<b>41,272</b>

## (a) Cash at bank and on hand

Cash on hand is non-interest bearing. Cash at bank earns floating interest rate of 1.40% (2021: 0%).

## (b) Deposits at call

The deposits are bearing floating interest rates between 2.14% and 4.25% (2021: 0.28% and 0.53%). The deposits have an average maturity of 108 days.

For statements 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statements of financial position.

## (c) Restricted cash and cash equivalents

Included in cash and cash equivalents at 31 December 2022 is an amount of \$3,675,379 (2021: \$6,269,259) held under trust; which can only be used for the specific purpose of the external organisation's that provides these funds.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 10 Receivables and contract assets

Note	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Current</b>				
Trade receivables	6,720	7,028	6,647	7,028
Student fees receivable	4,765	7,110	4,595	7,110
Less: Allowance for expected credit losses	(3,251)	(4,204)	(3,225)	(4,204)
	<b>8,234</b>	<b>9,934</b>	<b>8,017</b>	<b>9,934</b>
Deferred government benefit for superannuation	31(d)	4,776	5,409	4,776
Related party receivables	24(e),(f)	16	16	305
Less: Allowance for expected credit losses		-	-	(1,113)
OS-HELP Receivable		102	-	102
Other receivables		24,920	26,370	24,921
<b>Total current receivables</b>		<b>38,048</b>	<b>41,729</b>	<b>38,121</b>
<b>Non-current</b>				
Deferred government benefit for superannuation	31(d)	79,622	100,196	79,622
<b>Total non-current receivables</b>		<b>79,622</b>	<b>100,196</b>	<b>100,196</b>
<b>Total receivables</b>		<b>117,670</b>	<b>141,925</b>	<b>117,743</b>

A receivable represents the University's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Refer to note 11 for a detailed accounting policy for financial assets.

**Other receivables**

Other receivables includes a franking credit receivable of \$22.76 million (2021: \$25.01 million) relating to the divestment of Education Australia Limited. The franking credit claim is currently under review by the Australian Taxation Office who has outlined its view that the Universities are not eligible to receive the franking credits associated with the in specie distribution of IDP shares under the *Income Tax Assessment Act 1997 (Cth)*. The University has considered ATO position and considers the franking credits are recoverable and it complies with legislative provisions permitting a refundable franking credit and does not contravene any disallowance provisions of the Act. At the time of signing the financials, the ATO has not issued its final position.

**Contract assets**

Contract assets - current	1,167	1,864	1,167	1,864
<b>Total contract assets</b>	<b>1,167</b>	<b>1,864</b>	<b>1,167</b>	<b>1,864</b>

The contract assets are associated with Southern Cross University.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 10 Receivables and contract assets (continued)

Set out below is the movement in the allowance for expected credit losses of trade, student fees and related party receivables:

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
At 1 January	4,204	6,655	5,316	7,468
Provision for expected credit losses	1,348	1,062	1,342	1,361
Write-off	(2,301)	(3,513)	(3,433)	(3,513)
<b>At 31 December</b>	<b>3,251</b>	<b>4,204</b>	<b>3,225</b>	<b>5,316</b>

The information about the credit exposures are disclosed in note 29 Financial risk management.

**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 non-interest bearing and generally on terms of 30 days.

**Impairment**

For trade receivables and contract assets, the University applies a simplified approach in calculating expected credit losses ("ECLs"). Therefore, the University does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The University 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.

While a receivable is the University's right to consideration that is unconditional, a contract asset is the University's right to consideration in exchange for goods or services that the University has transferred to the customer when that right is conditioned on something (e.g. a report) other than the passage of time (e.g. the University's future performance).

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 11 Other financial assets

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Current</b>				
Other financial assets at amortised cost	11,000	-	11,000	-
Other financial assets at fair value through profit or loss	17,811	21,508	17,811	21,508
Investments in equity instruments designated at fair value through other comprehensive income	9,225	740	9,225	740
<b>Total current other financial assets</b>	<b>38,036</b>	<b>22,248</b>	<b>38,036</b>	<b>22,248</b>
<b>Non-current</b>				
Other financial assets at fair value through other comprehensive income	22,265	16,665	22,265	16,665
Other financial assets at fair value through profit or loss	17,125	-	17,125	-
Investments in equity instruments designated at fair value through other comprehensive income	42,663	83,386	42,663	83,386
<b>Total non-current other financial assets</b>	<b>82,053</b>	<b>100,051</b>	<b>82,053</b>	<b>100,051</b>
<b>Total other financial assets</b>	<b>120,089</b>	<b>122,299</b>	<b>120,089</b>	<b>122,299</b>

The University reclassified \$13.4 million from 'Other financial assets at fair value through other comprehensive income' disclosed in 2021 to 'Investments in equity instruments designated at fair value through other comprehensive income' to better reflect the nature of the investments held.

**Financial assets**

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. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the University's business model for managing them. For the purpose of subsequent measurement, financial assets are classified as follows:

**(a) Financial assets at amortised cost**

These financial assets are held to for the objective of collecting contractual cash inflows on specific dates are generally in the form of principal and/or interest. They are measured at amortised cost using the effective interest method and net of any impairment loss. Where such assets are reclassified, their fair value at the reclassification date becomes their new gross carrying amount. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

**(b) Financial assets at fair value through other comprehensive income**

The University measure debt instruments at fair value through OCI if the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling financial assets and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income and any impairment loss is recognised in the income statement with fair value changes recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is recycled to the profit or loss.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 11 Other financial assets (continued)

**(c) Financial assets at fair value through profit or loss**

Financial assets with cashflows that are not solely payments of principal and interest or which do not meet the objective of the University's business model for managing financial assets, or are not held to collect contractual cash flows, are measured at fair value through profit or loss.

Financial assets at fair value through profit or loss principally comprise investments held in managed funds and hybrid debt instruments. They are presented as non-current assets unless there is an intention to dispose of the investment within 12 months of the reporting date. Such assets are initially recognised at fair value, with subsequent increases or decreases in fair value being recognised in the income statement (refer to Note 3 Investment income). Transaction costs incurred in the acquisition of financial assets at fair value through profit or loss are recognised as expenses in net profit in the period in which they are incurred.

**(d) Investment in equity instruments designated at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income (OCI) comprise principally of the University's investments in equity not held for trading. The University has irrevocably elected to classify such assets under this category on an instrument-by-instrument basis. These assets are initially recognised at fair value, with subsequent increases or decreases in fair value recognised in OCI. Gains and losses on these financial assets are never recycled to the income statement. Dividends are recognised in the income statement, unless it's a return of investment, in which case, such gains are recorded in OCI. These equity instruments are not subject to impairment assessment.

Investments	Reason for designating at FVOCI	Fair Value	Dividends Recognised	Disposal of equity instruments
		2022 \$'000	2022 \$'000	\$'000
Listed & unlisted securities	The University elected to classify irrevocably its equity instruments at fair value through OCI upon initial recognition	\$51,888	\$904	\$38,698

**(e) Derecognition**

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the University's consolidated statements of financial position) when the rights to receive cash flows from the asset have expired or when the University 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 University has transferred substantially all the risks and rewards of the asset, or (b) the University has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Notes to the Financial Statements  
For the Year Ended 31 December 2022

12 Investments accounted for using the equity method

Associates

Name of Entity	Place of business/ Country of incorporation	Measurement method	Quoted fair value \$		Ownership Interest %	
			2022	2021	2022	2021
Coffs Harbour Technology Park Ltd	Coffs Harbour, Australia	At Cost	175	175	33.33	33.33

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

	2022 \$'000	2021 \$'000
<b>Financial Position</b>		
Current assets	201	166
Non-current assets	773	812
<b>Total assets</b>	<b>974</b>	<b>978</b>
Current liabilities	42	31
Non-current liabilities	96	96
<b>Total liabilities</b>	<b>138</b>	<b>127</b>
<b>Net assets</b>	<b>836</b>	<b>851</b>
<b>Share of associates' net assets</b>	<b>279</b>	<b>284</b>
<b>Reconciliation of carrying amounts:</b>		
Balance at 1 January	284	290
Share of profit/(loss) for year	(5)	(6)
<b>Balance at 31 December</b>	<b>279</b>	<b>284</b>
<b>Financial Performance</b>		
Income	138	119
Expenses	(154)	(139)
<b>Profit/(loss) from continuing operations</b>	<b>(16)</b>	<b>(20)</b>
<b>Total comprehensive income</b>	<b>(16)</b>	<b>(20)</b>
<b>Share of associates' profit/(loss)</b>	<b>(5)</b>	<b>(6)</b>

Associates are all entities over which the University has significant influence but not control. Investments in associates are accounted for in the parent entity financial statements using the cost method or the equity method, and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. The University's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The University's share of its associates' post acquisition profits or losses is recognised in the income statements, 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 statements, 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 University's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the University does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Notes to the Financial Statements  
For the Year Ended 31 December 2022

13 Property, plant and equipment

Parent	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Leasehold improvements \$'000	Library collections \$'000	Capital works in progress \$'000	Subtotal Property, plant and equipment (owned) \$'000	Subtotal Right of use assets* \$'000	Total \$'000
<b>At 1 January 2021</b>										
At cost	8,899	263,338	76,386	34,084	1,909	8,828	973	394,417	39,796	434,213
Accumulated depreciation	-	(80,216)	(47,674)	(9,311)	(85)	(8,028)	-	(145,314)	(6,966)	(152,280)
Accumulated impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)	-	(2,058)
<b>Net book amount</b>	<b>8,899</b>	<b>183,010</b>	<b>28,712</b>	<b>23,510</b>	<b>1,824</b>	<b>117</b>	<b>973</b>	<b>247,045</b>	<b>32,830</b>	<b>279,875</b>
<b>Year ended 31 December 2021</b>										
Opening net book amount	8,899	183,010	28,712	23,510	1,824	117	973	247,045	32,830	279,875
Additions	-	-	864	-	466	-	4,483	5,813	713	6,526
Disposals - written down value	-	(8)	(208)	-	-	-	-	(216)	-	(216)
Depreciation expense	-	(7,523)	(6,104)	(1,386)	(54)	-	-	(15,067)	(1,821)	(16,888)
Transfers	-	2	993	54	-	-	(1,049)	-	-	-
<b>Closing net book amount</b>	<b>8,899</b>	<b>175,481</b>	<b>24,257</b>	<b>22,178</b>	<b>2,236</b>	<b>117</b>	<b>4,407</b>	<b>237,575</b>	<b>31,722</b>	<b>269,297</b>
<b>At 31 December 2021</b>										
At cost	8,899	263,173	76,614	34,073	2,374	8,828	4,407	398,368	40,501	438,869
Accumulated depreciation	-	(87,580)	(52,357)	(10,632)	(138)	(8,028)	-	(158,735)	(8,779)	(167,514)
Accumulated impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)	-	(2,058)
<b>Net book amount</b>	<b>8,899</b>	<b>175,481</b>	<b>24,257</b>	<b>22,178</b>	<b>2,236</b>	<b>117</b>	<b>4,407</b>	<b>237,575</b>	<b>31,722</b>	<b>269,297</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 13 Property, plant and equipment (continued)

Parent	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Leasehold improvements \$'000	Library collections \$'000	Capital works in progress \$'000	Subtotal Property, plant and equipment (owned) \$'000	Subtotal Right of use assets* \$'000	Total \$'000
<b>Year ended 31 December 2022</b>										
Opening net book amount	8,899	175,481	24,257	22,178	2,236	117	4,407	237,575	31,722	269,297
Additions	-	-	-	-	-	-	6,593	6,593	436	7,029
Disposals - written down value	-	(92)	(154)	-	-	-	-	(246)	-	(246)
Depreciation expense	-	(7,460)	(5,787)	(1,242)	(60)	-	-	(14,549)	(1,949)	(16,498)
Impairment (loss)	-	(838)	-	(1,015)	-	-	-	(1,853)	-	(1,853)
Transfers	-	506	6,201	947	-	-	(7,654)	-	-	-
<b>Closing net book amount</b>	<b>8,899</b>	<b>167,597</b>	<b>24,517</b>	<b>20,868</b>	<b>2,176</b>	<b>117</b>	<b>3,346</b>	<b>227,520</b>	<b>30,209</b>	<b>257,729</b>
<b>At 31 December 2022</b>										
At cost	8,899	263,469	82,257	35,020	2,374	7,058	3,346	402,423	37,239	439,662
Accumulated depreciation	-	(94,922)	(57,740)	(11,874)	(198)	(6,258)	-	(170,992)	(7,030)	(178,022)
Accumulated impairment	-	(950)	-	(2,278)	-	(683)	-	(3,911)	-	(3,911)
<b>Net book amount</b>	<b>8,899</b>	<b>167,597</b>	<b>24,517</b>	<b>20,868</b>	<b>2,176</b>	<b>117</b>	<b>3,346</b>	<b>227,520</b>	<b>30,209</b>	<b>257,729</b>

## Southern Cross University

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 13 Property, plant and equipment (continued)

Consolidated	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Leasehold improvements \$'000	Library collections \$'000	Capital works in progress \$'000	Subtotal Property, plant and equipment (owned) \$'000	Subtotal Right of use assets* \$'000	Total \$'000
<b>At 1 January 2021</b>										
At cost	8,899	263,338	76,600	34,084	1,909	8,828	973	394,631	39,796	434,427
Accumulated depreciation	-	(80,216)	(47,858)	(9,311)	(85)	(8,028)	-	(145,498)	(6,966)	(152,464)
Accumulated impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)	-	(2,058)
<b>Net book amount</b>	<b>8,899</b>	<b>183,010</b>	<b>28,742</b>	<b>23,510</b>	<b>1,824</b>	<b>117</b>	<b>973</b>	<b>247,075</b>	<b>32,830</b>	<b>279,905</b>
<b>Year ended 31 December 2021</b>										
Opening net book amount	8,899	183,010	28,742	23,510	1,824	117	973	247,075	32,830	279,905
Additions	-	-	870	-	466	-	4,483	5,819	713	6,532
Disposals - written down value	-	(8)	(208)	-	-	-	-	(216)	-	(216)
Depreciation expense	-	(7,523)	(6,115)	(1,386)	(54)	-	-	(15,078)	(1,821)	(16,899)
Transfers	-	2	993	54	-	-	(1,049)	-	-	-
<b>Closing net book amount</b>	<b>8,899</b>	<b>175,481</b>	<b>24,282</b>	<b>22,178</b>	<b>2,236</b>	<b>117</b>	<b>4,407</b>	<b>237,600</b>	<b>31,722</b>	<b>269,322</b>
<b>At 31 December 2021</b>										
At cost	8,899	263,173	76,833	34,073	2,374	8,828	4,407	398,587	40,501	439,088
Accumulated depreciation	-	(87,580)	(52,551)	(10,632)	(138)	(8,028)	-	(158,929)	(8,779)	(167,708)
Accumulated impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)	-	(2,058)
<b>Net book amount</b>	<b>8,899</b>	<b>175,481</b>	<b>24,282</b>	<b>22,178</b>	<b>2,236</b>	<b>117</b>	<b>4,407</b>	<b>237,600</b>	<b>31,722</b>	<b>269,322</b>

13 Property, plant and equipment (continued)

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Leasehold improvements \$'000	Library collections \$'000	Capital works in progress \$'000	Subtotal Property, plant and equipment (owned) \$'000	Subtotal Right of use assets* \$'000	Total \$'000
<b>Consolidated</b>										
<b>Year ended 31 December 2022</b>										
Opening net book amount	8,899	175,481	24,282	22,178	2,236	117	4,407	237,600	31,722	269,322
Additions	-	-	12	-	-	-	6,593	6,605	436	7,041
Disposals - written down value	-	(92)	(154)	-	-	-	-	(246)	-	(246)
Depreciation expense	-	(7,460)	(5,793)	(1,242)	(60)	-	-	(14,555)	(1,949)	(16,504)
Impairment (loss)	-	(838)	-	(1,015)	-	-	-	(1,853)	-	(1,853)
Transfers	-	506	6,201	947	-	-	(7,654)	-	-	-
<b>Closing net book amount</b>	<b>8,899</b>	<b>167,597</b>	<b>24,548</b>	<b>20,868</b>	<b>2,176</b>	<b>117</b>	<b>3,346</b>	<b>227,551</b>	<b>30,209</b>	<b>257,760</b>
<b>At 31 December 2022</b>										
At cost	8,899	263,469	82,488	35,020	2,374	7,058	3,346	402,654	37,239	439,893
Accumulated depreciation	-	(94,922)	(57,940)	(11,874)	(198)	(6,258)	-	(171,192)	(7,030)	(178,222)
Accumulated impairment	-	(950)	-	(2,278)	-	(683)	-	(3,911)	-	(3,911)
<b>Net book amount</b>	<b>8,899</b>	<b>167,597</b>	<b>24,548</b>	<b>20,868</b>	<b>2,176</b>	<b>117</b>	<b>3,346</b>	<b>227,551</b>	<b>30,209</b>	<b>257,760</b>

\* Disclosure for each right-of-use asset is included in Note 13.1.

Southern Cross University

ABN 41 995 651 524

Notes to the Financial Statements  
For the Year Ended 31 December 2022

13 Property, plant and equipment (continued)

Accounting Policy

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the University and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statements during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

13.1 Right-of-use assets

Information about leases where Southern Cross University is a lessee is presented below:

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<b>Right-of-use assets</b>				
<b>Buildings</b>				
At 1 January	2,730	2,673	2,730	2,673
Additions of right-of-use assets	-	713	-	713
Depreciation charge	(663)	(656)	(663)	(656)
<b>At 31 December</b>	<b>2,067</b>	<b>2,730</b>	<b>2,067</b>	<b>2,730</b>
<b>Right-of-use assets</b>				
<b>Land</b>				
At 1 January	28,992	30,157	28,992	30,157
Depreciation charge	(1,165)	(1,165)	(1,165)	(1,165)
<b>At 31 December</b>	<b>27,827</b>	<b>28,992</b>	<b>27,827</b>	<b>28,992</b>
<b>Right-of-use assets</b>				
<b>Equipment</b>				
At 1 January	-	-	-	-
Additions of right-of-use assets	436	-	436	-
Depreciation charge	(121)	-	(121)	-
<b>At 31 December</b>	<b>315</b>	<b>-</b>	<b>315</b>	<b>-</b>
<b>Total right-of-use assets</b>	<b>30,209</b>	<b>31,722</b>	<b>30,209</b>	<b>31,722</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 13 Property, plant and equipment (continued)

## Accounting Policy

## Assessment of whether a contract is, or contains, a lease

At inception of a contract, the Southern Cross University 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.

Southern Cross University 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.

## Accounting for leases - Southern Cross University as lessee

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

## Right-of-use asset

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, unless those costs are incurred to produce inventories.

A right-of-use asset associated with land and buildings is measured at amortised cost. All other property, plant and equipment are measured as described in the accounting policy for property, plant and equipment in note 13.

## Concessionary leases

The University has elected to measure right-of-use assets arising under 'concessionary leases' on initial recognition at fair value, which incorporates the amount of the initial measurement of the lease liability.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 13 Property, plant and equipment (continued)

## Concessionary leases (continued)

No lease liabilities corresponding to concessionary leases, have been recognised in 2022, due to nil lease payments required over the term of the concessionary lease.

Information about leases where Southern Cross University is a lessee is presented below:

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Land</b>				
At 1 January	2,538	2,662	2,538	2,662
Depreciation charge	(124)	(124)	(124)	(124)
<b>At 31 December</b>	<b>2,414</b>	<b>2,538</b>	<b>2,414</b>	<b>2,538</b>
<b>Total concessionary leases</b>	<b>2,414</b>	<b>2,538</b>	<b>2,414</b>	<b>2,538</b>

## Dependencies on concessionary leases

The University operates its Coffs Harbour Campus through a joint operation between North Coast TAFE and the New South Wales Department of Education, refer to Note 26. As a partner to the joint operation, the University has a lease with the New South Wales Department of Education for the right to construct and operate buildings and other assets for the purposes of furthering its objectives as a Higher Education Provider and those of the joint operation.

## Nature and term of the leases

The underlying asset of the lease is the land that the University can use to operate accommodation principally for students and the development of additional building or buildings for accommodation principally for students.

The lease is for a term of 36 years and 2 months and the University is not required to pay any rent during the term.

## Concessionary (peppercorn) leases

Leased assets arising from significantly below market leases are measured at fair value at the inception of the lease whereas the lease liability is recognised at present value of peppercorn lease payment amounts. The difference between the right-of-use asset and lease liability is recorded as income in the income statements under AASB 1058.

## Accounting for leases - The University as lessor

The University is leasing certain land and buildings at the Lismore Campus under a short-term lease arrangement of less than 3 years. Lease payments are recognised on a straight-line basis over the lease term.



## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 14 Trade and other payables

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Current</b>				
Trade creditors	16,181	17,654	15,690	17,595
OS-HELP liability to Australian Government	32,(f) -	723	-	723
<b>Total current trade and other payables</b>	<b>16,181</b>	<b>18,377</b>	<b>15,690</b>	<b>18,318</b>

## (a) Foreign currency risk

The carrying amounts of the University's trade and other payables are denominated in the following currencies:

Australian Dollars	16,089	18,377	15,598	18,318
US Dollars	59	-	59	-
Great British Pounds	7	-	7	-
Euros	4	-	4	-
Indian Rupees	22	-	22	-

For additional information regarding analysis of the sensitivity of trade and other payables to foreign currency risk, refer to Note 29 Financial Risk Management.

Trade and other payables represent liabilities for goods and services provided to the University prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**Contract liabilities**

Contract liabilities - Australian Government	3,610	2,442	3,610	2,442
Other contract liabilities	24,923	24,016	24,845	24,000
<b>Contract liabilities - current</b>	<b>22,805</b>	<b>26,458</b>	<b>22,727</b>	<b>26,442</b>
<b>Contract liabilities - non-current</b>	<b>5,728</b>	<b>-</b>	<b>5,728</b>	<b>-</b>

Contract liabilities differ from the amounts disclosed in Note 18 Other Liabilities. The contract liabilities include deferred income or liabilities arising from agreements, among others.

## 15 Borrowings

**Current**

Unsecured bank loans	1,600	-	1,600	-
Lease liabilities	2,736	2,364	2,736	2,364
<b>Total current borrowings</b>	<b>4,336</b>	<b>2,364</b>	<b>4,336</b>	<b>2,364</b>

**Non-Current**

Unsecured bank loans	4,881	4,100	4,881	4,100
Lease liabilities	41,343	42,435	41,343	42,435
<b>Total non-current borrowings</b>	<b>46,224</b>	<b>46,535</b>	<b>46,224</b>	<b>46,535</b>
<b>Total borrowings</b>	<b>50,560</b>	<b>48,899</b>	<b>50,560</b>	<b>48,899</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 15 Borrowings (continued)

## (a) Assets pledged as security

The University has no assets pledged as security for borrowings drawn during the year ended 31 December 2022 (2021: Nil).

## (b) Financing arrangements

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

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Credit standby arrangements:</b>				
Guarantee facility	1,000	1,000	1,000	1,000
Other facilities	1,500	1,500	1,500	1,500
<b>Total credit standby arrangements</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>
Used at balance date	(471)	(329)	(471)	(329)
<b>Total unused at balance date</b>	<b>2,029</b>	<b>2,171</b>	<b>2,029</b>	<b>2,171</b>
<b>Bank loan facilities</b>				
Total facilities	54,000	54,000	54,000	54,000
Used at balance date	(6,481)	(4,100)	(6,481)	(4,100)
<b>Total unused at balance date</b>	<b>47,519</b>	<b>49,900</b>	<b>47,519</b>	<b>49,900</b>

## (c) Bank loans

The University has a 5-year committed loan facility for \$54,000,000 of which \$45,000,000 is guaranteed by NSW Treasury.

## (d) Fair value

The fair value of current borrowings equals their carrying amount as the impact of discounting is not significant.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 15 Borrowings (continued)

## (e) Risk exposures

The exposure of the University's borrowings to interest rate changes and the contractual repricing dates at the balance dates are as follows:

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Within one year	2,981	2,591	2,981	2,591
Between one and five years	11,980	12,359	11,980	12,359
Later than five years	54,849	57,249	54,849	57,249
<b>Total borrowings</b>	<b>69,810</b>	<b>72,199</b>	<b>69,810</b>	<b>72,199</b>
Current borrowings	4,336	2,364	4,336	2,364
Non-current borrowings	46,224	46,535	46,224	46,535
<b>Total borrowings</b>	<b>50,560</b>	<b>48,899</b>	<b>50,560</b>	<b>48,899</b>

The carrying amounts of the University's borrowings are denominated in Australian dollars. For an analysis of the sensitivity of borrowings to interest rate risk, refer to Note 29.

## (f) Reconciliation of liabilities arising from financing activities

	2021	Cash flows	Non-cash changes		2022
			Acquisition / Disposal	Other	
	\$'000	\$'000	\$'000	\$'000	\$'000
Long-term borrowings	4,100	781	-	-	4,881
Short-term borrowings	-	1,600	-	-	1,600
Lease liabilities	44,799	(2,844)	436	1,688	44,079
<b>Total liabilities from financing activities</b>	<b>48,899</b>	<b>(463)</b>	<b>436</b>	<b>1,688</b>	<b>50,560</b>

## Accounting Policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statements over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

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

Borrowings are classified as current liabilities unless the University has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period and does not expect to settle the liability for at least 12 months after the end of the reporting period.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 15.1 The University as lessee

## Amounts recognised in the income statements

	Consolidated		Parent	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Interest on lease liabilities	1,697	1,699	1,697	1,699
Expenses relating to short-term leases	773	636	773	636
Expenses relating to leases of low-value assets, excluding short term leases of low-value assets	1,089	1,067	1,089	1,067
	<b>3,559</b>	<b>3,402</b>	<b>3,559</b>	<b>3,402</b>

## Maturity analysis - undiscounted contractual cash flows

Less than one year	2,981	2,591	2,981	2,591
One to five years	11,980	12,359	11,980	12,359
More than 5 years	54,849	57,249	54,849	57,249

## Total undiscounted lease payments receivable

Future finance charges	(25,731)	(27,400)	(25,731)	(27,400)
Lease liabilities recognised in the statements of financial position	44,079	44,799	44,079	44,799
<b>Current</b>	<b>2,736</b>	<b>2,364</b>	<b>2,736</b>	<b>2,364</b>
<b>Non-current</b>	<b>41,343</b>	<b>42,435</b>	<b>41,343</b>	<b>42,435</b>

## Nature of leasing activities as a lessee

## Land

The University has entered into three long term land leases with Gold Coast Airport Pty Limited for the purposes of the construction and operation of a public university and educational campus at Bilinga, Queensland and includes the following:

- administration buildings;
- sport and recreation facilities;
- bookstore, cafe, mixed businesses, medical and professional services suites;
- service buildings;
- carparking; and
- all other approved uses necessary or incidental to a tertiary institution.

Each lease has a remaining lease term 25 years and an option to renew for a further 48 years. Lease payments are subject to an annual review based on the higher of CPI or the fixed rate and then an additional market review each three years.

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 15.1 The University as lessee (continued)

##### Nature of leasing activities as a lessee (continued)

##### Buildings

The University leases office space under non-cancellable operating leases expiring within one to five years. The leases have varying terms and renewal rights. On renewal, the terms of the leases are renegotiated.

##### Plant and equipment

The University leases computer and printing equipment under non-cancellable leases expiring within one to four years. The leases have varying terms and renewal rights. On renewal, the terms of the leases are renegotiated.

##### Exposure from variable lease payments

The University does not have any material leases which are exposed to variable lease payments.

##### Exposure from extension options and termination options

The University has options to extend the term of its long term land leases at its Gold Coast campus, at balance date. Extension options are available on each long term land lease, however, it is the University's assessment that it is not certain that these options will be exercised, therefore, the option has not been included in determining the length of term of the associated lease liabilities.

##### Exposure from residual value guarantees

The University is not exposed to any material residual value guarantees on any of its lease contracts.

##### Exposure from leases not yet commenced but committed by Southern Cross University

The University has not entered into any contractual lease arrangements which are not yet effective at balance date.

##### Restrictions and covenants imposed by leases

The University leases land on which its Gold Coast campus is located. The lease agreement stipulates that the land may, during the term, be affected by a resumption or surrender by the landlord and the tenant of the land, and/or the granting of a volumetric lease to facilitate the development of a heavy railway line by Queensland Transport.

##### Sale and leaseback transactions

None of the University's lease contracts are subject to sale and leaseback arrangements.

##### Amounts recognised in statements of cash flows

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Total cash outflow for leases	2,845	2,310	2,845	2,310

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 15.1 The University as lessee (continued)

##### Accounting policy leases

##### Lease liabilities - Southern Cross University as lessee

**Policy on assessment of whether a contract is, or contains, a lease is detailed in note 13.1.**

##### Lease liability

A lease liability is initially measured at the present value of unpaid lease payments at the commencement date of the lease. To calculate the present value, the unpaid lease payments are discounted using the interest rate implicit in the lease if the rate is readily determinable. If the interest rate implicit in the lease cannot be readily determined, the incremental borrowing rate at the commencement date of the lease is used. 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 (e.g. payments varying on account of changes in CPI); and
- Amounts expected to be payable by the lessee under residual value guarantees.

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 statements. The lease liability is remeasured when there are changes in future lease payments arising from a change in an index or rate with a corresponding adjustment to the right-of-use asset. The adjustment amount is factored into depreciation of the right-of-use asset prospectively.

Right-of-use assets are presented within the right-of-use assets note, in Note 13.1 and lease liabilities are presented within Note 15.1 above.

##### Short-term leases and leases of low-value assets

The University has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets i.e. when the value of the leased asset when new is \$10,000 or less. The University recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

##### Concessionary leases

The University has not recognised any lease liabilities corresponding to concessionary leases in 2022 and 2021 as there were no lease payments being required over the term of the concessionary lease. Refer to note 13.1 for the accounting policy related to concessionary leases.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 16 Provisions

Note	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Current provisions expected to be settled wholly within 12 months</b>				
<b>Employee benefits</b>				
Annual leave	8,380	8,130	8,360	8,108
Long service leave	5,131	4,695	5,131	4,695
Defined benefit obligation	31(d) 4,776	5,409	4,776	5,409
Other benefits	1,168	148	1,168	148
	<b>19,455</b>	<b>18,382</b>	<b>19,435</b>	<b>18,360</b>
<b>Current provisions expected to be settled wholly after more than 12 months</b>				
<b>Employee benefits</b>				
Annual leave	3,639	3,817	3,633	3,801
Long service leave	12,514	14,262	12,514	14,262
	<b>16,153</b>	<b>18,079</b>	<b>16,147</b>	<b>18,063</b>
<b>Total current provisions</b>	<b>35,608</b>	<b>36,461</b>	<b>35,582</b>	<b>36,423</b>
<b>Non-current provisions</b>				
<b>Employee benefits</b>				
Long service leave	2,212	3,135	2,209	3,126
Defined benefit obligation	31(d) 81,720	103,120	81,720	103,120
<b>Total non-current provisions</b>	<b>83,932</b>	<b>106,255</b>	<b>83,929</b>	<b>106,246</b>
<b>Total provisions</b>	<b>119,540</b>	<b>142,716</b>	<b>119,511</b>	<b>142,669</b>

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

**Employee benefits****(i) Short-term obligations**

Liabilities for short-term employee benefits including wages and salaries, annual leave, and other non-monetary benefits are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before 12 months after the end of the reporting period, and is recognised in other payables. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates payable.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 16 Provisions (continued)

**(ii) Other long-term obligations**

The liability for other long-term benefits are those that are not expected to be settled wholly before 12 months after the end of the annual reporting period. Other long-term employee benefits include such things as annual leave and long service leave liabilities.

It is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

**(iii) Retirement benefit obligations**

Refer to note 31.

## 17 Other financial liabilities

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Current</b>				
Other financial liabilities at amortised cost	2,537	2,428	2,537	2,428
<b>Total current other financial liabilities</b>	<b>2,537</b>	<b>2,428</b>	<b>2,537</b>	<b>2,428</b>

## 18 Other liabilities

**Current**

Australian Government unspent financial assistance	23,720	13,714	23,720	13,714
Student Fees received in advance	12,222	9,755	12,222	9,755
Other liabilities	191	11	45	11
<b>Total current other liabilities</b>	<b>36,133</b>	<b>23,480</b>	<b>35,987</b>	<b>23,480</b>

**Non-current**

Australian Government unspent financial assistance	1,784	-	1,784	-
Other liabilities	137	-	137	-
<b>Total non-current other liabilities</b>	<b>1,921</b>	<b>-</b>	<b>1,921</b>	<b>-</b>
<b>Total other liabilities</b>	<b>38,054</b>	<b>23,480</b>	<b>37,908</b>	<b>23,480</b>

**Accounting Policy**

Any Australian Government contract liabilities in scope of AASB 15 are disclosed in Note 14.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 19 Reserves and retained earnings

## (a) Reserves

Note	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Reserves</b>				
Financial asset reserve	7,309	18,987	7,309	18,987
<b>Total Reserves</b>	<b>7,309</b>	<b>18,987</b>	<b>7,309</b>	<b>18,987</b>
<b>Movements</b>				
<b>Financial asset reserve</b>				
Balance 1 January	18,987	57,561	18,987	57,561
Gain/(loss) on revaluation	(11,678)	43,209	(11,678)	43,209
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	19(b) -	(81,783)	-	(81,783)
<b>Balance 31 December</b>	<b>7,309</b>	<b>18,987</b>	<b>7,309</b>	<b>18,987</b>
<b>Total reserves</b>	<b>7,309</b>	<b>18,987</b>	<b>7,309</b>	<b>18,987</b>

## (b) Retained earnings

Movements in retained earnings were as follows:

Retained earnings at 1 January	303,625	214,010	303,464	213,851
Net result from continuing operations	(6,711)	10,615	(6,761)	10,613
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	19(a) -	81,783	-	81,783
Remeasurement of defined benefit plans	31(e) 29	(2,783)	29	(2,783)
<b>Retained earnings at end of the financial year</b>	<b>296,943</b>	<b>303,625</b>	<b>296,732</b>	<b>303,464</b>

## (c) Nature and purpose of reserves

The financial asset reserve reflects the difference between the carrying value and fair value of investments in non-listed companies.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 20 Key management personnel disclosures

## (a) Names of responsible persons

The following persons were responsible persons of Southern Cross University during the financial year:

**Official Council Members**

Sandra McPhee AM, Chancellor  
Professor Tyrone Carlin, Vice-Chancellor  
Professor Andrew Rose, Chair Academic Board

**Ministerial Appointments**

Murray d'Almeida  
Jonathan Rourke

**Elected Council Members**

Associate Professor Renaud Joannes-Boyau  
Graham Lancaster  
Dr Alessandro Pelizzon  
Gabiella Wayne  
Gurpreet Singh  
Prue Berry  
Lucy Shinnars  
Olivia Noffke

**Council Appointed Members**

Dr Austin Curtin AM  
Julie Granger  
Scott Noble  
Geoffrey Stalley

**Council members whose term concluded in 2022 are as follows:**

Graham Lancaster  
Dr Alessandro Pelizzon  
Gabiella Wayne  
Gurpreet Singh

## (b) Names of executive officers

The following persons had executive authority and responsibility for planning, directing and controlling the activities of Southern Cross University during the financial year:

Professor Tyrone Carlin	Vice-Chancellor
Professor Mary Spongberg	Deputy Vice Chancellor (Research)
Professor Erica Wilson	Pro Vice Chancellor (Academic Innovation)
Professor Thomas Roche	Pro Vice Chancellor (Academic Quality)
Allan Morris	Vice President (Operations)
Travis Walker	Vice President (Finance)
Ben Roche	Vice President (Engagement)
Brendon Nelson	Vice President (Students) and Registrar
Jack Williamson	Vice President (Strategy and Implementation)

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 20 Key management personnel disclosures (continued)

##### (c) Remuneration of board members and executives

	Consolidated		Parent	
	2022 Number	2021 Number	2022 Number	2021 Number
<b>Remuneration of Board Members</b>				
Nil to \$14,999	12	9	12	9
\$105,000 to \$119,999	1	-	1	-
\$120,000 to \$134,999	1	-	1	-
\$165,000 to \$179,999	1	1	1	1
\$180,000 to \$194,999	-	1	-	1
\$210,000 to \$224,999	-	1	-	1
\$225,000 to \$239,999	1	1	1	1
\$735,000 to \$749,999	1	1	1	1
<b>Remuneration of executive officers</b>				
\$30,000 to \$44,999	-	2	-	2
\$270,000 to \$284,999	-	1	-	1
\$285,000 to \$299,999	1	-	1	-
\$300,000 to \$314,999	1	-	1	-
\$315,000 to \$329,999	1	1	1	1
\$330,000 to \$344,999	-	1	-	1
\$345,000 to \$359,999	-	2	-	2
\$360,000 to \$374,999	1	-	1	-
\$375,000 to \$389,999	1	1	1	1
\$390,000 to \$404,999	2	-	2	-
\$435,000 to \$449,999	1	1	1	1
\$735,000 to \$749,999	1	1	1	1

Remuneration bands for the Vice Chancellor appear in both tables above as this management position is a member of both Council and Executive Committee.

The Vice-Chancellor's remuneration package is unchanged.

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 20 Key management personnel disclosures (continued)

##### (d) Key management personnel compensation

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Short-term employee benefits	3,591	3,361	3,591	3,361
Post-employment benefits	597	544	597	544
Other long-term benefits	145	162	145	162
	<b>4,333</b>	<b>4,067</b>	<b>4,333</b>	<b>4,067</b>

#### 21 Remuneration of auditors

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

##### Audit the Financial Statements

Fees paid to the Audit Office of NSW

	215	210	193	189
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##### Total paid for audit

	<b>215</b>	<b>210</b>	<b>193</b>	<b>189</b>
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##### Other audit and assurance services

Fees paid to the Audit Office of NSW

	9	8	9	8
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Fees paid to firms unrelated to the Audit Office of NSW

	90	125	90	125
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##### Total paid for audit and assurance

	<b>99</b>	<b>133</b>	<b>99</b>	<b>133</b>
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#### 22 Contingencies

##### (a) Contingent liabilities

###### Bank Guarantees

The University has a bank guarantee facility in place with a facility limit of \$1,000,000 of which \$167,868 was utilised at 31 December 2022 (2021: \$167,868). These guarantees are in respect of leased premises.

###### Claims

From time to time, the University is subject to claims arising from activities undertaken in the normal course of business. Such claims may result in litigation. The University has considered those claims of which it was aware as at 31 December 2022 by reference to the disclosure criteria of contingent liabilities. The University is satisfied that none of the contingent liabilities are material for disclosure in the University's financial statements.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 22 Contingencies (continued)

## (a) Contingent liabilities (continued)

**Letter of comfort to subsidiary**

The University has provided its subsidiary (Southern Cross Campus Services Ltd) a letter of comfort guaranteeing the liabilities of the controlled entity. At the date of this report the net assets of the controlled entity total \$103,461 (2021: net liabilities of (\$1,064,567)).

## (b) Contingent assets

The University did not have any contingent assets as at 31 December 2022 (2021: \$Nil).

## 23 Commitments

## (a) Capital commitments

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

	Consolidated		Parent	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Property, plant and equipment</b>				
Within one year	2,336	2,857	2,336	2,857
<b>Total property, plant and equipment commitments</b>	<b>2,336</b>	<b>2,857</b>	<b>2,336</b>	<b>2,857</b>

## 24 Related Parties

## (a) Parent entities

The ultimate parent entity is Southern Cross University, which is incorporated in Australia.

## (b) Subsidiaries

Interests in subsidiaries are set out in note 25.

## (c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 20.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 24 Related Parties (continued)

## (d) Transactions with related parties

The following transactions occurred between related parties:

	Parent	
	2022 \$'000	2021 \$'000
Sale of goods and services		
Facilities hire and other costs	(297)	(1)
Purchase of goods		
Catering services	16	5
Other transactions		
Forgiveness of related party loan	1,113	-
Impairment of related party loan	-	(299)
<b>(e) Loans to related parties</b>		
<b>Loans to associates</b>		
Beginning of the year	16	16
<b>End of year</b>	<b>16</b>	<b>16</b>

No expected credit losses have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

## (f) Outstanding balances

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

Current receivables		
Subsidiaries	289	1,113
<b>Total current receivables</b>	<b>289</b>	<b>1,113</b>

During the year, the University forgave the outstanding balance of the loan payable by Southern Cross Campus Services Limited of \$1,112,670.

No provisions for doubtful debts have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 24 Related Parties (continued)

##### (g) Guarantees

There have been no guarantees given by the parent entity to its subsidiary as at balance date (2021: Nil)

A letter of unconditional financial support has been provided by Southern Cross University to Southern Cross Campus Services Limited. The ultimate parent entity will support the entity financially to ensure that the entity can pay its debts as and when they fall due.

##### (h) Terms and Conditions

Related party outstanding balances are unsecured and have been provided on interest-free terms.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

#### 25 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described below:

Name of Entity	Principal place of business	Ownership interest	
		2022	2021
		%	%
Southern Cross Campus Services Ltd	Australia	100.00	100.00

##### Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of the subsidiary of Southern Cross University ("parent entity") as at 31 December 2022 and the results of all subsidiary for the year then ended. Southern Cross University and its subsidiary together are referred to in this financial report as the University or the consolidated entity.

Subsidiaries are all those entities (including structured entities) over which the University has control. The University has control over an investee when it 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. Power over the investee exists when the Group has existing rights that give it current ability to direct the relevant activities of the investee. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the University controls another entity.

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 Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the University.

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 26 Joint Operations

The University has entered into the following joint operations.

Name of joint operation	Nature of relationship	Principle place of business	Controlling Interest	
			2022	2021
			%	%
The Hotel School	Represents a partnership with Mulpha Education Group Pty Ltd for the purpose of the education and development of students who are either employed, or wishing to be employed, in the hotel and tourism industries.	Sydney, Melbourne, Brisbane & Hayman Island	50.00	50.00
Coffs Harbour Education Campus	Represents the development and continued operation of a joint educational precinct with Coffs Harbour Senior College and North Coast TAFE at the Coffs Harbour campus	Coffs Harbour	33.33	33.33

Under AASB 11 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 each joint operation have been incorporated in the financial statements under the appropriate headings.

The assets and liabilities employed in the above jointly controlled operations, including the Southern Cross University's share of any assets and liabilities held jointly, are detailed below.

The amounts are included in the financial statements under their respective categories.

	2022	2021
	\$'000	\$'000
Assets (including share of jointly held assets)	22,865	23,839
Liabilities (including jointly incurred)	3,497	4,883

The revenue and expenses raised or incurred in the above jointly controlled operations, including the Southern Cross University's share of any revenue or jointly incurred expenses, are detailed below. The amounts are included in financial statements under their respective categories.

	2022	2021
Share of revenue from joint operation	5,743	6,199
Expenses (including jointly incurred)	4,847	5,094

#### 27 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the University, the results of those operations, or the state of affairs of the University in future financial years.



## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 28 Reconciliation of net result to net cash provided by / (used in) operating activities

	Note	Consolidated		Parent	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Net result from continuing operations		(6,711)	10,615	(6,761)	10,613
Depreciation and amortisation	5	16,504	16,899	16,498	16,888
Impairment loss on assets	7	3,218	1,062	3,195	1,361
Net gain on sale of non-current assets		15	(60)	15	(60)
Fair value losses on other financial assets at fair value through profit or loss		129	-	129	-
Share of joint venture entity net profit after income tax and dividends	5	6	-	-	-
<b>Change in operating assets and liabilities:</b>					
(Increase) / decrease in trade and other receivables		22,892	12,564	23,124	12,234
(Increase) / decrease in inventories		8	6	-	-
(Increase) / decrease in contract assets		697	(1,475)	697	(1,475)
(Increase) / decrease in other assets		2,865	357	2,866	356
Increase / (decrease) in trade payables and accruals		(1,464)	(3,095)	(1,894)	(2,787)
Increase / (decrease) in other provisions		(23,147)	(11,885)	(23,129)	(11,855)
Increase / (decrease) in other operating liabilities		14,573	9,384	14,427	9,384
Increase / (decrease) in contract liabilities		2,075	4,692	2,013	4,697
Increase / (decrease) in other financial liabilities		109	1,656	109	1,656
<b>Net cash provided by operating activities</b>		<b>31,768</b>	<b>40,726</b>	<b>31,289</b>	<b>41,012</b>

## 29 Financial risk management

The University'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's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the University. The University uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, and ageing analysis for credit risk.

The University is exposed to a variety of financial risks including market risk, credit risk and liquidity risk. The University's overall risk management program focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the University.

The University's principal financial instruments are cash and cash equivalents, as well as investments in listed and unlisted equities, managed investment funds and other held to maturity investments.

The main purpose of the investment funds are to earn an income stream and provide long term growth to support the objectives of the University.

The University also has various other financial instruments such as receivables, payables and finance leases.

Risk management is carried out by a central group treasury department under policies approved by the University Council. The University does not enter into or trade financial instruments for speculative purposes.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 29 Financial risk management (continued)

## (a) Market risk

## (i) Foreign exchange risk

The University undertakes transactions with other educational institutions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. At reporting date the transactions were insignificant and the movement in rates throughout the year was not considered high risk.

## (ii) Price risk

Price risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market.

The University is exposed to securities price risk arising from financial assets at fair value.

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

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

The University's exposure to market interest rates relates primarily to the University's long term borrowings and investments held as interest bearing deposits and on-call bank deposits. It is policy to protect part of the borrowings from exposure to increasing interest rates.

Any gain or loss from remeasuring the hedging instruments at fair value is deferred in equity in the hedging reserve, to the extent that the hedge is effective, and reclassified to income statement when the hedged interest expense is recognised. The ineffective portion is recognised in the income statement immediately.

## (iv) Summarised sensitivity analysis

The following table summarises the sensitivity of the University's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

31 December 2022	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-1%		+1%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>													
Cash and cash equivalents	57,688	(509)	(509)	509	509	-	-	-	-	-	-	-	-
Trade and other receivables	117,810	-	-	-	-	8	8	(8)	(8)	-	-	-	-
Other financial assets	133,299	-	-	-	-	-	-	-	-	-	(13,330)	-	13,330
<b>Financial liabilities</b>													
Trade and other payables	(14,241)	-	-	-	-	1	1	(1)	(1)	-	-	-	-
Other liabilities	(23,720)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total increase/(decrease)</b>		(509)	(509)	509	509	9	9	(9)	(9)	-	(13,330)	-	13,330

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 29 Financial risk management (continued)

##### (a) Market risk (continued)

31 December 2021	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-1%		+1%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Financial assets</b>													
Cash and cash equivalents	41,401	(327)	(327)	327	327	-	-	-	-	-	-	-	
Trade and other receivables	143,018	-	-	-	-	-	-	-	-	-	-	-	
Other financial assets	122,299	-	-	-	-	-	-	-	-	(12,230)	-	12,230	
<b>Financial liabilities</b>													
Trade and other payables	(14,747)	-	-	-	-	4	4	(4)	(4)	-	-	-	
Other liabilities	(13,714)	-	-	-	-	-	-	-	-	-	-	-	
<b>Total increase/(decrease)</b>		(327)	(327)	327	327	4	4	(4)	(4)	-	(12,230)	-	

##### (b) Credit risk

Credit risk is the risk of financial loss to the University if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from receivables from customers and investments.

##### Receivables

The University's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Receivables are mainly attributable to sales transactions with a single customer. Apart from the Deferred Government receivable, the University does not have any material risk exposure to any other single debtor or group of debtors.

##### Investments

The University limits its exposure to credit risk through its Treasury Policy which establishes eligible counterparties with credit limits based upon counterparty credit ratings. An eligible counterparty must be rated from Standard and Poors or Moodys at a minimum level of BBB+ or above. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations.

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 29 Financial risk management (continued)

##### (c) Liquidity risk

Liquidity risk is the risk that the University will not be able to meet its financial obligations as they fall due. The University's approach to managing liquidity is to ensure that it will have liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or reputational risk.

The University manages liquidity risk by maintaining adequate cash reserves, banking facilities and continuously monitoring forecast and actual cash flows to ensure that there is adequate liquidity to meet the University's obligations over the near term.

The interest bearing deposits and deposits at call have an average maturity of 108 days. There has been no variation to the objectives, policies and processes for liquidity risk since the prior period.

The following tables summarise the maturity of the University's financial assets and financial liabilities:

	Average interest rate	Variable interest rate		Non interest bearing		Within 1 year		1 - 5 years		5+ years		Total	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets:</b>													
Cash and cash equivalents	1.40 %	57,674	41,383	14	18	57,688	41,401	-	-	-	-	57,688	41,401
Trade and other receivables	-	-	-	117,810	143,018	117,810	143,018	-	-	-	-	117,810	143,018
Other financial assets	2.88 %	-	-	133,299	122,299	133,299	122,299	-	-	-	-	133,299	122,299
<b>Total financial assets</b>		<b>57,674</b>	<b>41,383</b>	<b>251,123</b>	<b>265,335</b>	<b>308,797</b>	<b>306,718</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>308,797</b>	<b>306,718</b>
<b>Financial Liabilities:</b>													
Trade and other payables	-	-	-	14,241	14,747	14,241	14,747	-	-	-	-	14,241	14,747
Borrowings	3.91 %	76,361	76,298	-	-	9,462	6,691	11,978	12,359	54,922	57,549	76,362	76,599
Other liabilities	-	-	-	23,720	13,714	23,720	13,714	-	-	-	-	23,720	13,714
<b>Total financial liabilities</b>		<b>76,361</b>	<b>76,298</b>	<b>37,961</b>	<b>28,461</b>	<b>47,423</b>	<b>35,152</b>	<b>11,978</b>	<b>12,359</b>	<b>54,922</b>	<b>57,549</b>	<b>114,323</b>	<b>105,060</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 30 Fair value measurements

## (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 value of the University's financial assets approximates their fair value at balance date.

The University measures and recognises financial assets at fair value through other comprehensive income at fair value on a recurring basis.

## (b) Fair value hierarchy

The University 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)

*(i) Recognised fair value measurements*

Fair value measurements recognised in the statements of financial position are categorised into the following levels at 31 December 2022.

## Fair value measurements at 31 December 2022

Consolidated	Note	2022 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Investments in equity instruments designated at fair value through other comprehensive income	11	51,888	42,951	-	8,937
Other financial assets at fair value through other comprehensive income	11	22,265	22,265	-	-
Other financial assets at fair value through profit & loss	11	34,936	21,515	12,521	900
<b>Total financial assets</b>		<b>109,089</b>	<b>86,731</b>	<b>12,521</b>	<b>9,837</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 30 Fair value measurements (continued)

## (b) Fair value hierarchy (continued)

## Fair value measurements at 31 December 2021

Consolidated	Note	2021 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Investments in equity instruments designated at fair value through other comprehensive income	11	83,385	13,398	60,806	9,181
Other financial assets at fair value through other comprehensive income	11	16,666	16,666	-	-
Other financial assets at fair value through profit & loss	11	21,508	21,508	-	-
<b>Total financial assets</b>		<b>121,559</b>	<b>51,572</b>	<b>60,806</b>	<b>9,181</b>

There was a transfer from level 2 to 1 for recurring fair value measurements during the year due to a change in the valuation methodology (no longer discounted) due to escrow period ending.

There were no transfers in or out of level 3 measurement for the year.

The University's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

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

*(i) Recognised fair value measurements*

The fair value of financial instruments that are not traded in an active market is 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.

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.

The University uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices discounted to reflect the limited liquidity in the market for shareholders to sell their holding and the likely impact of a trade sale should the shareholders realise the value of their equity interests;
- Share of the net assets of unlisted entities;

All of the resulting fair value estimates are included in level 2 except for unlisted and private equity securities. These are explained in (d) below.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 30 Fair value measurements (continued)

## (d) Fair value measurements using significant unobservable inputs (level 3)

The following table is a reconciliation of level 3 items for the periods ended 31 December 2022 and 2021.

## Consolidated

	Unlisted securities \$'000	Total \$'000
<b>Level 3 Fair Value Measurement 2022</b>		
Opening balance	9,181	9,181
Acquisitions	914	914
Recognised in profit or loss	(14)	(14)
Recognised in other comprehensive income	(244)	(244)
<b>Closing balance</b>	<b>9,837</b>	<b>9,837</b>
<b>Level 3 Fair Value Measurement 2021</b>		
Opening balance	8,177	8,177
Transfers from level 2	1,052	1,052
Recognised in profit or loss*	-	-
Recognised in other comprehensive income	(48)	(48)
<b>Closing balance</b>	<b>9,181</b>	<b>9,181</b>

## (i) Transfers between levels 2 and 3 and changes in valuation techniques

There were no transfers between levels 2 and 3 for changes in valuation techniques.

## (ii) Valuation inputs and relationships to fair value

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

Consolidated Description	Fair value at 31 December 2022 \$'000	Unobservable inputs*	Range of inputs	Relationship of unobservable inputs to fair value
Unlisted equity securities	9,837	Asset-based valuation approach	Book value of net assets assumed to reflect fair value	A market-based and income based valuation approach may produce a different fair value
<b>Total</b>	<b>9,837</b>			

\*There were no significant inter-relationship between unobservable inputs that materially affects fair value

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 31 Retirement benefit obligations

All University employees, including casuals, receive superannuation benefits equal or exceeding the government superannuation guarantee levy.

## Defined Contribution Plan (Unisuper)

The University contributes to the UniSuper Defined Benefit Plan ('Unisuper') (formerly Superannuation Scheme for Australian Universities) SSAU for academic staff appointed since 1 March 1988 and all other staff from 1 July 1991. Unisuper is a post employment defined contribution plan into which the University pays fixed contributions. The Unisuper Defined Benefit Division (DBD) is a defined benefit plan under Superannuation Law but, as a result of Clause 34 of the Unisuper Trust Deed, a defined contribution plan under Accounting Standard AASB 119.

## Defined Benefit Plans (State Funds)

The University contributes to three closed state pension schemes (as detailed in Note 31(a)), which are subject to reimbursement arrangements under the Higher Education Support Act 2003 in the proportion of 78:22 (\$3,867,087 : \$1,090,717) from the Commonwealth and the NSW State Government respectively.

A non-current receivable for deferred government superannuation benefits are the amounts recognised as reimbursement rights as they are the amounts expected to be received from the Australian and New South Wales (NSW) Governments for the emerging costs of the superannuation funds for the life of the liability.

A liability in respect of defined benefit superannuation plans is recognised in the statements of financial position, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the superannuation fund's assets at that date. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statements of changes in equity and in the statements of financial position. Past service costs are recognised in profit or loss immediately.

The liabilities recorded in the statement of financial position under provisions, for all NSW Universities, have been determined by Mercer (Australia) Pty Ltd using consistent valuation techniques.

## (a) Fund specific disclosure

## i) Nature of the benefits provided

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Authorities Superannuation Scheme (SASS)
- State Superannuation Scheme (SSS)
- State Authorities Non-Contributory Superannuation Scheme (SANCS)

These schemes are all defined benefit schemes - at least a component of the final benefit is derived from a multiple of member salary and years of membership. Members receive a lump sum or pension benefits on retirement, death, disablement and withdrawal. All schemes are closed to new members.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 31 Retirement benefit obligations (continued)

## (a) Fund specific disclosure (continued)

## ii) Description of the regulatory framework

The schemes in the Pooled Fund are established and governed by the following NSW legislation:

- *Superannuation Act 1916*
- *State Authorities Superannuation Act 1987*
- *State Authorities Non-Contributory Superannuation Scheme Act 1987*, and their associated regulations

The schemes in the Pooled Fund are exempt public sector superannuation schemes under the *Commonwealth Superannuation Industry (Supervision) Act 1993* (SIS). The SIS Legislation treats exempt public sector superannuation funds as complying funds for concessional taxation and superannuation guarantee purposes.

Under a Heads of Government agreement, the New South Wales government undertakes to ensure that the Pooled Fund will conform with the principles of the Commonwealth retirement incomes policy relating to preservation, vesting and reporting to members and that members' benefits are adequately protected.

The New South Wales government prudentially monitors and audits the Pooled Fund and the Trustee Board activities in a manner consistent with the prudential controls of the SIS legislation. These provisions are in addition to other legislative obligations on the Trustee Board and internal processes that monitor the Trustee Board's adherence to the principles of the Commonwealth's retirement incomes policy.

An actuarial investigation of the Pooled Fund is performed every three years. The last actuarial investigation was performed as at 30 June 2021. The next actuarial investigation will be performed at 30 June 2024.

## iii) Description of other entities' responsibilities for the governance of the funds

The Fund's Trustee is responsible for the governance of the Fund. The Trustee has a legal obligation to act solely in the best interests of fund beneficiaries. The Trustee has the following roles:

- Administration of the fund and payment to the beneficiaries from fund assets when required in accordance with the fund rules;
- Management and investment of the fund assets; and
- Compliance with other applicable regulations.

## iv) Description of risks

There are a number of risks to which the Fund exposes the Employer. The more significant risks relating to the defined benefits are:

- Investment risk: the risk that investment returns will be lower than assumed and the Employer will need to increase contributions to offset this shortfall;
- Longevity risk: The risk that pensioners live longer than assumed, increasing future pensions;
- Pension indexation risk: the risk that pensions will increase at a rate greater than assumed, increasing future pensions;
- Salary growth risk: The risk that wages or salaries (on which future benefit amounts for active members will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions;
- Legislative risk: the risk is that Legislative changes could be made which increase the cost of providing the defined benefits.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 31 Retirement benefit obligations (continued)

## (a) Fund specific disclosure (continued)

The defined benefit fund assets are invested with independent fund managers and have a diversified asset mix. The Fund has no significant concentration of investment risk or liquidity risk.

The Trustee monitors its asset-liability risk continuously in setting its investment strategy. It also monitors cashflows to manage liquidity requirements. No explicit asset-liability matching strategy is used by the Trustee.

## v) Description of any plan amendments, curtailments and settlements

There were no fund amendments, curtailments or settlements during the year.

## vi) Expected Contributions

The Southern Cross University expects to make employer contribution's of \$52,658 (2021: \$104,227) to the defined benefit plan during the next financial year.

## vii) Maturity Profile

The weighted average duration of the defined benefit obligation is 10.1 years (2021 11.5 years). The expected maturity analysis of undiscounted benefit obligations is as follows:

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Total \$'000
Defined benefit obligations - 31 December 2022	4,922	4,970	14,666	81,688	106,246
Defined benefit obligations - 31 December 2021	5,801	5,600	16,281	88,224	115,906

## (b) Categories of plan assets

The analysis of the plan assets at the end of the reporting period is as follows:

	2022 (%)		2021 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Short term securities	13.70	-	14.20	-
Australian fixed interest	0.30	-	1.60	-
International fixed interest	3.80	0.10	3.90	0.10
Australian equities	13.50	5.70	17.50	1.00
International equities	37.90	0.10	35.50	-
Property	-	2.30	-	6.30
Alternatives	4.10	18.60	6.60	13.20
<b>Total</b>	<b>73.30</b>	<b>26.80</b>	<b>79.30</b>	<b>20.60</b>

The fair value of the Pooled Fund assets as at 31 December 2022 includes Nil (2021: \$49.8 million) in NSW Government bonds.

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

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 31 Retirement benefit obligations (continued)

##### (b) Categories of plan assets (continued)

	2022	2021
	%	%
Discount rate(s)	4.09	1.68
Expected rate of return on fund assets backing current pension liabilities	7.00	6.50
Expected rate of return on fund assets backing other liabilities	6.20	5.7
Expected rate(s) of salary increase	2.74 to 3.68	2.74 to 3.20
Expected rate of CPI increase	2.50 to 5.30	2.00

##### (c) Actuarial assumptions and sensitivity

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

	Change in assumption	Impact on defined obligation	
		Increase in assumption	Decrease in assumption
Discount rate	0.50 %	Increase by 6%	Decrease by -5%
Rate of CPI	0.50 %	Increase by 6%	Decrease by -5%
Salary inflation rate	0.50 %	Increase by 0.1%	Decrease by -0.1%
Pensioner mortality	5.00 %	Decrease by 1%	Increase by -1%

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.

The methods and types of assumptions used in the preparation of the sensitivity analysis did not change compared to the prior period.

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 31 Retirement benefit obligations (continued)

##### (d) Statement of financial position amounts

Amounts recognised in the statements of financial position - 2022

##### Liabilities

Provision for deferred government benefits for superannuation  
Add: Oncosts on pension entitlements

**Total liabilities recognised in the statement of financial position**

##### Assets

Receivable for deferred government benefit for superannuation

**Total assets recognised in the statement of financial position**

**Net liability recognised in the statements of financial position**

##### Net liability reconciliation - 2022

Defined benefit obligation  
On-cost on pension entitlements  
Fair value of plan assets

##### Net liability

Reimbursement right

**Total net liability/(asset)**

Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
	967	17	83,437	84,421
	24	-	2,051	2,075
16	991	17	85,488	86,496
	994	23	83,381	84,398
10	994	23	83,381	84,398
	3	6	(2,107)	(2,098)
	2,064	322	87,313	89,699
	24	-	2,051	2,075
	(1,099)	(303)	(3,876)	(5,278)
16	989	19	85,488	86,496
10	994	24	83,380	84,398
	(5)	(5)	2,108	2,098

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 31 Retirement benefit obligations (continued)

##### (d) Statement of financial position amounts (continued)

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
<b>Reimbursement rights - 2022</b>					
Opening value of reimbursement right		1,221	944	103,439	105,604
Contributions received for super schemes		(275)	(484)	(2,445)	(3,204)
Actuarial losses/(gains) arising from changes in financial assumptions		48	(436)	(17,614)	(18,002)
<b>Closing value of reimbursement right</b>	10	<b>994</b>	<b>24</b>	<b>83,380</b>	<b>84,398</b>
<b>Present value of obligation - 2022</b>					
Opening defined benefit obligation		2,754	766	109,051	112,571
Current service cost		40	20	45	105
Interest expense		44	12	1,790	1,846
		<b>2,838</b>	<b>798</b>	<b>110,886</b>	<b>114,522</b>
<b>Remeasurements</b>					
Actuarial losses/(gains) arising from changes in financial assumptions		(163)	(38)	(20,662)	(20,863)
Actuarial losses/(gains) arising from liability experience		125	(432)	2,772	2,465
		<b>(38)</b>	<b>(470)</b>	<b>(17,890)</b>	<b>(18,398)</b>
<b>Contributions</b>					
Contributions by participants		32	-	25	57
<b>Payments from plan</b>					
Benefits paid		(647)	(95)	(5,186)	(5,928)
Taxes, premiums and expenses		(121)	89	(522)	(554)
		<b>(768)</b>	<b>(6)</b>	<b>(5,708)</b>	<b>(6,482)</b>
<b>Closing defined benefit obligation</b>		<b>2,064</b>	<b>322</b>	<b>87,313</b>	<b>89,699</b>
<b>Present value of plan assets - 2022</b>					
Opening fair value of plan assets		1,517	(210)	5,334	6,641
Interest (income)		26	(1)	83	108
		<b>1,543</b>	<b>(211)</b>	<b>5,417</b>	<b>6,749</b>
<b>Remeasurements</b>					
Return on fund assets less interest income		(43)	4	(55)	(94)
<b>Contributions</b>					
Employers		334	516	4,197	5,047
Fund participants		33	-	25	58
		<b>367</b>	<b>516</b>	<b>4,222</b>	<b>5,105</b>
<b>Payments from plan</b>					
Benefits paid		(647)	(95)	(5,186)	(5,928)
Taxes, premiums and expenses		(121)	89	(522)	(554)
		<b>(768)</b>	<b>(6)</b>	<b>(5,708)</b>	<b>(6,482)</b>
<b>Closing fair value of plans assets</b>		<b>1,099</b>	<b>303</b>	<b>3,876</b>	<b>5,278</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 31 Retirement benefit obligations (continued)

##### (d) Statement of financial position amounts (continued)

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
<b>Amounts recognised in the statements of financial position - 2021</b>					
<b>Liabilities</b>					
Provision for deferred government benefits for superannuation		1,237	976	103,717	105,930
Provision for pension entitlements		30	24	2,545	2,599
<b>Total liabilities recognised in the statement of financial position</b>	16	<b>1,267</b>	<b>1,000</b>	<b>106,262</b>	<b>108,529</b>
<b>Assets</b>					
Receivable for deferred government benefit for superannuation		1,221	944	103,440	105,605
<b>Total assets recognised in the statements of financial position</b>	10	<b>1,221</b>	<b>944</b>	<b>103,440</b>	<b>105,605</b>
<b>Net liability recognised in the statements of financial position</b>		<b>(46)</b>	<b>(56)</b>	<b>(2,822)</b>	<b>(2,924)</b>
<b>Net liability reconciliation - 2021</b>					
Defined benefit obligation		2,754	766	109,051	112,571
On-cost on pension entitlements		30	24	2,545	2,599
Fair value of plan assets		(1,517)	210	(5,334)	(6,641)
<b>Net liability</b>	16	<b>1,267</b>	<b>1,000</b>	<b>106,262</b>	<b>108,529</b>
Reimbursement right	10	1,220	945	103,440	105,605
<b>Total net liability/(asset)</b>		<b>47</b>	<b>55</b>	<b>2,822</b>	<b>2,924</b>
<b>Reimbursement rights - 2021</b>					
Opening value of reimbursement right		5,555	1,079	110,089	116,723
Contributions received for super schemes		(3,932)	(69)	(270)	(4,271)
Actuarial losses/(gains) arising from changes in financial assumptions		(271)	(40)	(3,777)	(4,088)
Derecognition of payroll tax reimbursement right		(132)	(25)	(2,602)	(2,759)
<b>Closing value of reimbursement right</b>	10	<b>1,220</b>	<b>945</b>	<b>103,440</b>	<b>105,605</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 31 Retirement benefit obligations (continued)

##### (d) Statement of financial position amounts (continued)

	\$'000	\$'000	\$'000	\$'000
	SASS	SANCS	SSS	Total
<b>Present value of obligation - 2021</b>				
Opening defined benefit obligation	8,284	1,600	114,980	124,864
Current service cost	126	44	91	261
Interest expense	69	14	1,094	1,177
	<u>8,479</u>	<u>1,658</u>	<u>116,165</u>	<u>126,302</u>
<b>Remeasurements</b>				
Actuarial losses/(gains) arising from changes in demographic assumptions	31	8	(327)	(288)
Actuarial losses/(gains) arising from changes in financial assumptions	(65)	(17)	(4,911)	(4,993)
Experience (gains)/losses	36	(38)	1,565	1,563
	<u>2</u>	<u>(47)</u>	<u>(3,673)</u>	<u>(3,718)</u>
<b>Contributions</b>				
Plan Participants	74	-	43	117
<b>Payments from plan</b>				
Benefits paid	(4,892)	(890)	(4,067)	(9,849)
Taxes, premiums and expenses	(909)	45	583	(281)
	<u>(5,801)</u>	<u>(845)</u>	<u>(3,484)</u>	<u>(10,130)</u>
<b>Closing defined benefit obligation</b>	<u>2,754</u>	<u>766</u>	<u>109,051</u>	<u>112,571</u>
<b>Present value of plan assets - 2021</b>				
Opening fair value of plan assets	2,834	512	7,227	10,573
Interest (income)	36	4	56	96
	<u>2,870</u>	<u>516</u>	<u>7,283</u>	<u>10,669</u>
<b>Remeasurements</b>				
Return on fund assets less interest income	283	(4)	93	372
<b>Contributions</b>				
Employers	4,091	123	1,399	5,613
Plan participants	74	-	43	117
	<u>4,165</u>	<u>123</u>	<u>1,442</u>	<u>5,730</u>
<b>Payments from plan</b>				
Benefits paid	(4,892)	(890)	(4,067)	(9,849)
Taxes, premiums and expenses	(909)	45	583	(281)
	<u>(5,801)</u>	<u>(845)</u>	<u>(3,484)</u>	<u>(10,130)</u>
<b>Closing fair value of plans assets</b>	<u>1,517</u>	<u>(210)</u>	<u>5,334</u>	<u>6,641</u>

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 31 Retirement benefit obligations (continued)

##### (e) Amounts recognised in other statements

##### Amounts recognised in other comprehensive income - 2022

The amounts recognised in the statements of comprehensive income are restricted to the the following schemes and are included in retained earnings (note 19).

	\$'000	\$'000	\$'000	\$'000
	SASS	SANCS	SSS	Total
<b>Remeasurements</b>				
Actuarial losses (gains) arising from changes in financial assumptions	(163)	(38)	(20,662)	(20,863)
Actuarial losses (gains) arising from experience adjustments	125	(432)	2,772	2,465
Remeasurement of reimbursement right	(48)	436	17,887	18,275
Return on fund assets less interest income	43	(4)	55	94
<b>Total remeasurements in OCI</b>	<u>(43)</u>	<u>(38)</u>	<u>52</u>	<u>(29)</u>

##### Amounts recognised in other comprehensive income - 2021

The amounts recognised in the statements of comprehensive income are restricted to the the following schemes and are included in retained earnings (note 19).

	\$'000	\$'000	\$'000	\$'000
	SASS	SANCS	SSS	Total
<b>Remeasurements</b>				
Actuarial losses (gains) arising from changes in demographic assumptions	31	8	(327)	(288)
Actuarial losses (gains) arising from changes in financial assumptions	(65)	(17)	(4,911)	(4,993)
Actuarial losses (gains) arising from experience adjustments	36	(38)	1,565	1,563
Actual return on plan assets less interest income	(283)	4	(93)	(372)
Remeasurement of reimbursement right	400	65	6,408	6,873
<b>Total remeasurements in OCI</b>	<u>119</u>	<u>22</u>	<u>2,642</u>	<u>2,783</u>



## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 32 Acquittal of Australian government financial assistance

##### (a) Education - CGS and other Education grants Commonwealth Grants Scheme #1

Parent Entity (University) Only Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program) Net adjustments	Note	2021		2022		Indigenous, Regional and Low SES Attainment Fund #2		National Priorities and Industry Linkage Fund		Promotion of Excellence in Learning and Teaching		Higher Education Disability Support Program #3		Indigenous Student Success Program #4		Total
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		89,470	98,076	6,045	5,704	3,279	3,250	-	-	97	114	1,934	2,009	100,825	109,153	
		(1,478)	(12,300)	-	-	50	(132)	-	-	-	-	-	-	(1,428)	(12,432)	
Revenue for the period	2.1(a)	87,992	85,776	6,045	5,704	3,329	3,118	-	-	97	114	1,934	2,009	99,397	96,721	
Surplus/(deficit) from the previous year		-	-	-	-	-	-	-	13	-	-	56	125	56	138	
<b>Total revenue including accrued revenue</b>		<b>87,992</b>	<b>85,776</b>	<b>6,045</b>	<b>5,704</b>	<b>3,329</b>	<b>3,118</b>	<b>-</b>	<b>13</b>	<b>97</b>	<b>114</b>	<b>1,990</b>	<b>2,134</b>	<b>99,453</b>	<b>96,859</b>	
Less expenses including accrued expenses		(87,992)	(85,776)	(6,045)	(5,704)	(3,329)	(3,118)	-	(13)	(97)	(114)	(1,990)	(2,078)	(99,453)	(96,803)	
<b>Surplus/(deficit) for reporting period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56</b>	<b>-</b>

#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.

#3 Higher Education Disability Program includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education & Training

#4 Indigenous Student Success Program has replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2017. The reported surplus for this program of \$Nil (2021: \$56,085) is expected to be approved to be rolled over for future use by the University.

## Southern Cross University

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## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 32 Acquittal of Australian government financial assistance (continued)

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

Parent Entity (University) Only Cash Payable/(Receivable) at the beginning of the year Financial assistance received in CASH during the reporting period	Note	2022		2021		HECS-HELP (Australian Government payments only)		FEE-HELP #5		SA-HELP		Total
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		2,589	(148)	4,028	2,320	2,320	2,320	(59)	(14)	6,558	2,158	
		51,215	51,839	15,529	20,000	1,468	1,486	1,468	1,486	68,212	73,325	
<b>Cash available for period</b>		<b>53,804</b>	<b>51,691</b>	<b>19,557</b>	<b>22,320</b>	<b>1,409</b>	<b>1,472</b>	<b>1,472</b>	<b>1,472</b>	<b>74,770</b>	<b>75,483</b>	
Revenue earned net of adjustments	2.1(b)	45,043	49,103	15,399	18,292	1,567	1,531	1,567	1,531	62,009	68,926	
<b>Cash Payable/(Receivable) at end of year</b>		<b>8,761</b>	<b>2,588</b>	<b>4,158</b>	<b>4,028</b>	<b>(158)</b>	<b>(59)</b>	<b>(158)</b>	<b>(59)</b>	<b>12,761</b>	<b>6,557</b>	

#5 Program is in respect of Fee-HELP for Higher Education only, and excludes funds received in respect of VET FEE-HELP.

##### (c) Department of Education and Training Research

Parent Entity (University) Only Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	Note	Research Training Program		Research Support Program		Total	
		2022	2021	2022	2021		2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		3,326	4,120	2,827	5,965	6,153	10,085
	2.1(c)	3,326	4,120	2,827	5,965	6,153	10,085
<b>Revenue for the period</b>		<b>3,326</b>	<b>4,120</b>	<b>2,827</b>	<b>5,965</b>	<b>6,153</b>	<b>10,085</b>
<b>Total revenue including accrued revenue</b>		<b>(3,326)</b>	<b>(4,120)</b>	<b>(2,827)</b>	<b>(5,965)</b>	<b>(6,153)</b>	<b>(10,085)</b>
Less expenses including accrued expenses		-	-	-	-	-	-
<b>Surplus/(deficit) for reporting period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 32 Acquittal of Australian government financial assistance (continued)

##### (d) Total Higher Education Provider Research Training Program expenditure

Total domestic students \$'000	Total overseas students \$'000
1,824	119
1,200	168
-	15
<b>3,024</b>	<b>302</b>

##### (e) Australian Research Council Grants

Parent Entity (University) Only	Discovery		Linkages		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	1,326	857	1,161	867	2,487	1,724
Net accrual adjustments	(364)	(163)	(604)	(131)	(968)	(294)
<b>Revenue for the period</b>	<b>962</b>	<b>694</b>	<b>557</b>	<b>736</b>	<b>1,519</b>	<b>1,430</b>
Surplus/(deficit) from the previous year	644	244	90	154	734	398
<b>Total revenue including accrued revenue</b>	<b>1,606</b>	<b>938</b>	<b>647</b>	<b>890</b>	<b>2,253</b>	<b>1,828</b>
Less expenses including accrued expenses	(799)	(294)	131	(800)	(668)	(1,094)
<b>Surplus/(deficit) for reporting period</b>	<b>807</b>	<b>644</b>	<b>778</b>	<b>90</b>	<b>1,585</b>	<b>734</b>

2.1(d)

## Southern Cross University

ABN 41 995 651 524

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 32 Acquittal of Australian government financial assistance (continued)

##### (f) OS-HELP

###### Parent Entity (University) Only

Cash received during the reporting period  
Cash spent during the reporting period

###### Net cash received

Cash surplus/(deficit) from the previous period  
**Cash surplus/(deficit) for reporting period**

Note	2022 \$'000	2021 \$'000
	(73)	-
	(16)	-
	(89)	-
	723	723
14	<b>634</b>	<b>723</b>

##### (g) Higher Education Superannuation Program

###### Parent Entity (University) Only

Cash received during the reporting period  
University contribution in respect of current employees  
Cash available  
Cash surplus / (deficit) from the previous period  
Cash available for current period  
Contributions to specified defined benefit funds

###### Cash surplus/(deficit) this period

	3,569	4,664
	339	147
	3,908	4,811
	382	-
	4,290	4,811
31 / 10	<b>(4,290)</b>	<b>(4,429)</b>
	-	382

##### (h) Student Services and Amenities Fee

###### Parent Entity (University) Only

Unspent/(overspent) revenue from previous period  
SA-HELP revenue earned  
Student Services and Amenities Fees direct from students

###### Total revenue expendable in period

Student services expenses during period

###### Unspent/(overspent) student services revenue

	441	420
2.1(b)	1,567	1,531
2.3	1,134	1,131
	3,142	3,082
	(1,855)	(2,641)
	<b>1,287</b>	<b>441</b>



**INDEPENDENT AUDITOR'S REPORT**  
Southern Cross University

To Members of the New South Wales Parliament

**Opinion**

I have audited the accompanying financial statements of Southern Cross University (the University), which comprises the Statement by the Members of Council, the Responsible Person's Declaration, Income Statements and Statements of Comprehensive Income for the year ended 31 December 2022, the Statements of Financial Position as at 31 December 2022, the Statements of Changes in Equity and the Statements of Cash Flows for the year then ended, notes comprising a Summary of Significant Accounting Policies and other explanatory information of the University and the consolidated entity. The consolidated entity comprises the University and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act) and the Government Sector Finance Regulation 2018
- presents fairly, the financial position, financial performance and cash flows of the University and the consolidated entity
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

My opinion should be read in conjunction with the rest of this report.

**Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the University in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

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

**Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the year ended 31 December 2022. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, I do not provide a separate opinion on these matters. I have determined the matters described below to be the key audit matters to be communicated in my report.

Key Audit Matter	How my audit addressed the matter
<b>Valuation of defined benefit superannuation and long service leave liabilities</b>	
<p>At 31 December 2022, the University reported:</p> <ul style="list-style-type: none"> <li>• defined benefit superannuation liabilities totalling \$86.5 million</li> <li>• employee long service leave liabilities totalling \$19.9 million.</li> </ul> <p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> <li>• the defined benefit superannuation and long service leave liabilities are financially significant to the University's financial position</li> <li>• there is a risk the data used in the defined benefit superannuation and long service leave liability valuation models (the models) is not accurate and/or complete</li> <li>• the underlying models used to value the liabilities are complex due to a high level of judgement and estimation involved in the valuation assumptions, including discount rates and salary inflation</li> <li>• the value of the liabilities is sensitive to minor changes in key valuation inputs.</li> </ul> <p>Further information on the valuation of defined benefit superannuation and long service leave liabilities is included in Note 16 'Provisions' and Note 31 'Retirement benefit obligations'.</p>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• obtained an understanding of the processes and key controls in place for defined benefit superannuation liabilities supporting the: <ul style="list-style-type: none"> <li>– membership data used in the model</li> <li>– defined benefit superannuation liability calculation</li> </ul> </li> <li>• obtained an understanding of the processes and assessed key controls for long service leave liabilities</li> <li>• assessed the completeness and mathematical accuracy of the data used in the models</li> <li>• obtained management's actuarial reports and year-end adjustments, and for defined benefit superannuation liabilities engaged a qualified actuary ('auditor's expert') to assess the: <ul style="list-style-type: none"> <li>– competence, capability and objectivity of management's independent experts</li> <li>– appropriateness of the models</li> <li>– reasonableness of key assumptions used</li> <li>– reasonableness of the reported liability balances</li> </ul> </li> <li>• assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.</li> </ul>
<b>Valuation of other financial assets (investments)</b>	
<p>At 31 December 2022, the University held investments of \$109.1 million measured at fair value.</p> <p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> <li>• of the significance of the balance to the University's financial position</li> <li>• the University's holds a portfolio of assets classified as 'level 3' according to the fair value hierarchy under Australian Accounting Standards (i.e. where significant unobservable inputs are used in the valuation). The University's Level 3 assets of \$9.8 million include unlisted equity securities. Assessing the fair value of these assets requires judgment as the valuation inputs are not based on observable market transactions or other readily available market data</li> </ul>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• evaluated the design of relevant key controls over investments, and assessed on a sample basis whether these controls were implemented effectively</li> <li>• confirmed the existence and completeness of balances at 31 December 2022 with external counterparties</li> <li>• obtained valuation confirmations directly from the external fund managers and assessed the reliability of the information received</li> <li>• assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.</li> </ul>

## Key Audit Matter

## How my audit addressed the matter

- of the degree of judgement and estimation uncertainty associated with the valuation.

Further information on investments is included in Note 11 'Other financial assets' and Note 30 'Fair value measurements'.

## Other Information

The University's annual report for the year ended 31 December 2022, includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Members of Council of the University are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Annual Report.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

## Members of Council's Responsibilities for the Financial Statements

The Members of Council are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2022 Reporting Period', the *Australian Charities and Not-for-Profits Commission Act 2012*. The Members of Council's responsibilities also includes such internal control as the Members of Council determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar5.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar5.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the University carried out its activities effectively, efficiently and economically
- as to the appropriateness of the certifications in the Statement by the Members of Council that the:
  - amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended, and the University has complied with applicable legislation, contracts, agreements and program Guidelines in making the expenditure
  - University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* (HES Act) and the Administration Guidelines under the HES Act. Revenue from the fee was spent strictly in accordance with the HES Act and only on services and amenities specified in subsection 19 clause 38(4) of the HES Act
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Min Lee  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

19 April 2023  
SYDNEY



To the Vice-Chancellor  
Southern Cross University

### **Auditor's Independence Declaration**

As auditor for the audit of the financial statements of Southern Cross University for the year ended 31 December 2022, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Min Lee'.

Min Lee  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

19 April 2023  
SYDNEY

# Southern Cross Campus Services Limited

ABN 57 003 082 406

Financial Statements for the Year Ended 31 December 2022

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## Southern Cross Campus Services Limited

ABN 57 003 082 406

### Directors' Report

For the Year Ended 31 December 2022

The directors present their report on Southern Cross Campus Services Limited ("the Company") for the financial year ended 31 December 2022.

#### Information on directors

The names of each person who has been a director during the year and to the date of this report are:

<b>Paul Deegan</b>	Appointed to the Board on 29 July 2013
Qualifications	BBuild (UNSW), Licensed Real Estate Agent
Special responsibilities	Independent Director
<b>Professor Leslie Christidis</b>	Appointed to the Board on 21 June 2018
Qualifications	BSc(Hons), PhD(ANU)
Special responsibilities	Associate Deputy Vice Chancellor (Research) and Dean at Southern Cross University
<b>Allan Morris</b>	Appointed to the Board on 21 February 2019
Qualifications	Grad Dip InfoTech (Monash), GAICD, MACS (Senior)
Special responsibilities	Vice President (Operations) at Southern Cross University
<b>Travis Walker</b>	Appointed to the Board on 17 April 2019
Qualifications	BBus (Accounting) (RMIT), MBA (La Trobe), CPA
Special responsibilities	Vice President (Finance) at Southern Cross University

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### Company Secretary

Belinda Atkinson, Head, Governance Services at Southern Cross University was appointed to the position on 12 December 2017.

#### Principal activities

The principal activity of Southern Cross Campus Services Limited ("the Company") during the year was to provide on-campus amenities and services to students and staff of Southern Cross University ("the University"). These principal activities included operating catering services, fitness facilities and commencement managing residential accommodation. During the year, the Company ceased operating the Unibar and catering in Lismore.

No other significant changes in the nature of the Company's activities occurred during the financial year.

#### Company objectives and strategy

The Company's short and long term objective is to provide services and amenities to students and staff of the University. To achieve these objectives, the Company has adopted the strategy to provide high quality service in the provision of on-campus food and beverage services, fitness facilities and other amenities. The financial and operating performances are assessed against an approved budget, feedback received from the University and users of the Company's services and metrics relating to student and staff usage of facilities provided.

## Southern Cross Campus Services Limited

ABN 57 003 082 406

### Directors' Report

For the Year Ended 31 December 2022

#### Members guarantee

The Company is a not-for-profit entity, incorporated under the *Corporations Act 2001* and limited by guarantee. As the sole member, Southern Cross University, undertakes to contribute to the property of the Company, in the event of it being wound up, such an amount as may be required not exceeding \$20. At 31 December 2022, the collective liability of members was \$20 (2021: \$20).

#### Going concern

Notwithstanding the deficiency of net assets last year, the financial report has been prepared on a going concern basis as the directors have received a guarantee of continued financial support from the Company's ultimate parent entity, Southern Cross University, and the directors believe that such financial support will continue to be made available.

#### Meetings of directors

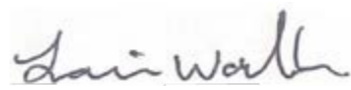
During the financial year, 1 meeting of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Paul Deegan	1	1
Leslie Christidis	1	1
Allan Morris	1	1
Travis Walker	1	1

#### Auditor's independence declaration

The auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Regulation 2013* (ACNC Regulation) for the year ended 31 December 2022 has been received and can be found on page 147 of the financial report.

Signed on behalf of and in accordance with the resolution of the Board of Directors:

Director: 

Travis Walker

Director: 

Allan Morris

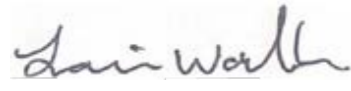
Dated this 18<sup>th</sup> day of April 2023


## Directors' Financial Declaration

The directors of the Company declare that:

1. The financial statements and notes, set out on pages 4 to 20, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and section 7.6(4) of the *Government Sector Finance Act 2018* and:
  - a. comply with Australian Accounting Standards, the *Government Sector Finance Act 2018*, the *Government Sector Finance Regulation 2018*, the *Australian Charities and Not-for-profit Commission Act 2012*, *Australian Charities and Not-for-profit Commission Regulation 2013* and other mandatory professional reporting requirements; and
  - b. presents fairly the financial position as at 31 December 2022 and the financial performance and cash flows for the year then ended.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013* and with a resolution of the Board of Directors.

  
 Director .....  
 Travis Walker

  
 Director .....  
 Allan Morris

Dated this 18<sup>th</sup> day of April 2023

## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2022

	2022	2021
Note	\$	\$
Revenue	2,721,200	1,302,478
Other income	1,112,670	77,300
Costs of goods sold	(360,419)	(317,152)
Employee benefits expense	(734,740)	(930,949)
Impairment expense	(23,432)	-
Depreciation expense	(6,281)	(10,882)
Other expenses	(1,540,970)	(410,794)
<b>Net gain/(loss) for the year</b>	<b>1,168,028</b>	<b>(289,999)</b>
<b>Total comprehensive income/(loss) for the year</b>	<b>1,168,028</b>	<b>(289,999)</b>

The accompanying notes form part of these financial statements.



**Southern Cross Campus Services Limited**

ABN 57 003 082 406

**Statement of Financial Position**

As At 31 December 2022

	Note	2022 \$	2021 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	884,607	129,733
Trade and other receivables	7	216,954	8,594
Inventories	8	3,803	11,753
Prepayments		1,283	-
<b>TOTAL CURRENT ASSETS</b>		<b>1,106,647</b>	150,080
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	30,732	24,609
<b>TOTAL NON-CURRENT ASSETS</b>		<b>30,732</b>	24,609
<b>TOTAL ASSETS</b>		<b>1,137,379</b>	174,689
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	781,167	1,176,212
Provisions	11	25,722	37,454
Other liabilities	12	145,787	-
Contract liabilities	13	78,067	15,861
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,030,743</b>	1,229,527
<b>NON-CURRENT LIABILITIES</b>			
Provisions	11	3,175	9,729
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>3,175</b>	9,729
<b>TOTAL LIABILITIES</b>		<b>1,033,918</b>	1,239,256
<b>NET ASSETS/ (NET LIABILITIES)</b>		<b>103,461</b>	(1,064,567)
<b>EQUITY/ (NET DEFICIENCY)</b>			
Retained earnings/ (Accumulated losses)	14	103,461	(1,064,567)
<b>TOTAL EQUITY/ (NET DEFICIENCY)</b>		<b>103,461</b>	(1,064,567)

The accompanying notes form part of these financial statements.

**Southern Cross Campus Services Limited**

ABN 57 003 082 406

**Statement of Changes in Equity**

For the Year Ended 31 December 2022

	Note	Retained Earnings/ (Accumulated losses) \$
<b>Balance at 1 January 2021</b>		(774,568)
Net loss for the year		(289,999)
<b>Balance at 31 December 2021</b>	14	<b>(1,064,567)</b>
<b>Balance at 1 January 2022</b>		(1,064,567)
Net gain for the year		1,168,028
<b>Balance at 31 December 2022</b>	14	<b>103,461</b>

The accompanying notes form part of these financial statements.

**Statement of Cash Flows**

For the Year Ended 31 December 2022

	2022	2021
Note	\$	\$
<b>Cash flows from operating activities:</b>		
Receipts from customers	2,876,298	1,458,360
Payments to suppliers and employees	(2,280,508)	(1,718,713)
Interest received	7,794	-
Government subsidies received	-	77,300
Net GST recovered/(paid)	(125,462)	(103,067)
<b>Net cash used in operating activities</b>	<b>15 478,122</b>	<b>(286,120)</b>
<b>Cash flows from investing activities:</b>		
Payments for property, plant and equipment	(12,404)	(5,312)
<b>Net cash (used in)/generated by investing activities</b>	<b>(12,404)</b>	<b>(5,312)</b>
<b>Cash flows from financing activities:</b>		
Amounts advanced from related parties	3,077,050	1,629,290
Repayments of loans to related parties	(2,787,894)	(1,330,000)
<b>Net cash generated by financing activities</b>	<b>289,156</b>	<b>299,290</b>
<b>Net increase in cash and cash equivalents held</b>	<b>754,874</b>	<b>7,858</b>
Cash and cash equivalents at beginning of year	129,733	121,875
<b>Cash and cash equivalents at end of financial year</b>	<b>884,607</b>	<b>129,733</b>

**Notes to the Financial Statements**

For the Year Ended 31 December 2022

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The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

### 1 Summary of Significant Accounting Policies

#### (a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (AAS) and Interpretations issued by the Australian Accounting Standards Board (AASB).

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

- *Government Sector Finance Act 2018* and the *Government Sector Finance Regulation 2018*
- *Australian Charities and Not-for-profit Commission Act 2012* and section 60-40 of the *Australian Charities and Not-for-profit Commission Regulation 2013* (ACNC Regulation)

Southern Cross Campus Services Limited ("the Company") is a not-for-profit entity and these statements have been prepared on that basis. Some of the AAS requirements for not-for-profit entities are inconsistent with the IFRS requirements.

#### *Date of authorisation for issue*

The financial statements were authorised for issue by the directors of Southern Cross Campus Services Limited on 18 April 2023.

#### *Historical cost convention*

These financial statements have been prepared under the historical cost convention.

#### *Critical accounting estimates*

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying Southern Cross Campus Services Limited's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

- Measurement and recognition of employee benefits provisions (Note 11)
- Impairment of trade and other receivables (Note 7)
- Estimated useful life assessments of property, plant and equipment assets (Note 9)

#### *Functional and presentation currency*

The Company's financial statements are presented in Australian dollars.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

### 1 Summary of Significant Accounting Policies (continued)

#### (a) Basis of Preparation (continued)

##### *Going concern*

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

A letter of unconditional financial support has been provided by Southern Cross University, the Company's ultimate parent entity. The parent entity will support the Company financially to ensure the Company can pay its debts as and when they fall due.

#### (b) Comparative Amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year.

#### (c) Income Tax

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

#### (d) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### (e) New Accounting Standards and Interpretations for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but do not expect any impact on the reported position or performance of the Company.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 2 Revenue and Other Income

	Note	2022 \$	2021 \$
<b>Revenue</b>			
Student accommodation		1,277,537	-
Interest		7,794	-
Membership revenue		737,742	646,194
Facilities hire revenue		18,450	10,115
Catering revenue		654,562	624,554
		<u>2,696,085</u>	<u>1,280,863</u>
Other revenue		25,115	21,615
<b>Total revenue</b>		<u>2,721,200</u>	<u>1,302,478</u>
<b>Other Income</b>			
Forgiveness of related party loan	17	1,112,670	-
Special purpose Commonwealth grants		-	77,300
<b>Total other income</b>		<u>1,112,670</u>	<u>77,300</u>

## Accounting policy

## Revenue from contracts with customers

The core principle of AASB 15 *Revenue from Contracts with Customers* is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

## Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

## (i) Rendering of services

Revenue from rendering of services is recognised over time in the accounting period in which the services are rendered. For fixed price contracts, revenue is recognised based on the actual services provided to the end of the reporting period as a proportion of the total services to be provided as the customer receives and uses the benefit simultaneously.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 2 Revenue and Other Income (continued)

## Accounting policy (continued)

## (ii) Sale of goods

Revenue from the sale of goods is recognised at the point of delivery to the customer as this is deemed to be the point in time when the performance obligation is satisfied.

## (iii) Membership and Residential Accommodation revenue

Membership and residential accommodation revenue is recognised as income in the year of receipt, except to the extent that revenue relates to future periods. Such periods (or portion thereof) are treated as contract liabilities in the statement of financial position.

## 3 Employee Related Expenses

	Note	2022 \$	2021 \$
Salaries		644,394	767,804
Superannuation		53,278	101,903
Payroll tax		38,596	38,891
Workers compensation		(2,032)	3,430
Long service leave		(6,557)	(6,140)
Annual leave		7,061	25,061
<b>Total employee related expenses</b>		<u>734,740</u>	<u>930,949</u>

## 4 Impairment of assets

Impairment of trade receivables	7	23,432	-
<b>Total impairment of receivables</b>		<u>23,432</u>	<u>-</u>

## Accounting Policy

When a trade receivable is uncollectible, the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within 'impairment expense'. Subsequent recoveries of amounts previously written off are credited to 'other revenue' in the statement of profit or loss and other comprehensive income.

## 5 Other expenses

Audit fees, bank charges, insurance & taxes		68,045	34,589
Fees and charges		18,947	20,929
Non-capitalised equipment & maintenance		43,284	49,162
Property & facility costs		1,320,208	279,517
Travel, entertainment & staff development		5,757	6,291
Other expenses		84,729	20,306
<b>Total other expenses</b>		<u>1,540,970</u>	<u>410,794</u>

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 6 Cash and cash equivalents

	2022	2021
	\$	\$
Cash at bank and on hand	884,607	129,733
<b>Total cash and cash equivalents in the statement of financial position and cashflows</b>	<b>884,607</b>	<b>129,733</b>

## Accounting policy

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

## 7 Trade and other receivables

## Current

Trade and other receivables	242,798	8,594
Less: Allowance for expected credit losses	(25,844)	-
	<b>216,954</b>	<b>8,594</b>
<b>Total current trade and other receivables</b>	<b>216,954</b>	<b>8,594</b>

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for expected credit losses. The Company's standard terms of trade receivables is 30 days from the date of recognition. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

## Movements in the provision for impaired receivables are as follows:

At 1 January	-	-
Provision for expected credit losses	23,432	-
Write-off	2,412	-
<b>At 31 December</b>	<b>25,844</b>	<b>-</b>

## Impairment

For trade receivables and contract assets, the Company applies a simplified approach in calculating expected credit losses ("ECLs"). Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company 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.

## 8 Inventories

## Current

Food and beverage stock - at cost	3,803	11,753
<b>Total current inventories</b>	<b>3,803</b>	<b>11,753</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 8 Inventories (continued)

## Accounting policy

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and are net of any rebates and discounts received. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

## 9 Property, plant and equipment

	2022	2021
	\$	\$
<b>Plant and equipment</b>		
At cost	202,607	190,203
Accumulated depreciation	(179,143)	(172,862)
<b>Total plant and equipment</b>	<b>23,464</b>	<b>17,341</b>
<b>Motor vehicles</b>		
At cost	28,248	28,248
Accumulated depreciation	(20,980)	(20,980)
<b>Total motor vehicles</b>	<b>7,268</b>	<b>7,268</b>
<b>Total property, plant and equipment</b>	<b>30,732</b>	<b>24,609</b>

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are as follows:

	Plant and Equipment \$	Motor Vehicles \$	Total \$
<b>Year ended 31 December 2021</b>			
Opening net book value	22,136	8,043	30,179
Additions	-	5,312	5,312
Disposals	-	-	-
Depreciation expense	(4,795)	(6,087)	(10,882)
<b>Closing net book amount</b>	<b>17,341</b>	<b>7,268</b>	<b>24,609</b>
<b>Year ended 31 December 2022</b>			
Opening net book value	17,341	7,268	24,609
Additions	12,404	-	12,404
Disposals	-	-	-
Depreciation expense	(6,281)	-	(6,281)
<b>Closing net book amount</b>	<b>23,464</b>	<b>7,268</b>	<b>30,732</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 9 Property, plant and equipment (continued)

## Accounting policy

All property, plant and equipment is stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, over their estimated useful lives, as follows:

Class of Asset	Useful life (yrs)
Plant and Equipment	5 - 10
Motor Vehicles	3 - 10

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

## 10 Trade and other payables

	Note	2022 \$	2021 \$
<b>Current</b>			
Trade payables		491,047	58,753
GST payable		964	4,789
Related party payables	17(c)	289,156	1,112,670
<b>Total current trade and other payables</b>		<b>781,167</b>	<b>1,176,212</b>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

## Accounting policy

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 11 Provisions

	2022 \$	2021 \$
<b>Current provisions expected to be settled wholly within 12 months</b>		
<b>Employee benefits</b>		
Annual leave	19,427	22,101
Long service leave	-	3
	<u>19,427</u>	<u>22,104</u>
<b>Current provisions expected to be settled wholly after more than 12 months</b>		
<b>Employee benefits</b>		
Annual leave	6,295	15,350
	<u>6,295</u>	<u>15,350</u>
<b>Total current provisions</b>	<u>25,722</u>	<u>37,454</u>
<b>Non-current provisions</b>		
<b>Employee benefits</b>		
Long service leave	3,175	9,729
	<u>3,175</u>	<u>9,729</u>
<b>Total non-current provisions</b>	<u>3,175</u>	<u>9,729</u>
<b>Total provisions</b>	<u>28,897</u>	<u>47,183</u>

## Accounting policy

Where the Company has no right to defer the payment of employee benefits beyond 12 months, these are classified as current provision.

## i) Wages and salaries

Liabilities for short-term employee benefits including wages and salaries, non-monetary benefits and profit-sharing bonuses which are expected to be settled wholly before 12 months after the end of the period are measured at the amount expected to be paid when the liability is settled and recognised in other payables.

## ii) Annual leave and sick leave

A current liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to reporting date.

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 11 Provisions (continued)

##### Accounting policy (continued)

##### iii) 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 using the projected unit credit method. An actuarial assessment is performed every year and gives consideration to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on Commonwealth government bonds with term maturity and currency that match, as closely as possible, the estimated future cash outflows.

##### iv) Termination benefits

Termination 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 company recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits not expected to be settled wholly before 12 months after balance date are discounted to present value.

#### 12 Other Liabilities

	2022	2021
	\$	\$
<b>Current</b>		
Security deposits	145,787	
<b>Total current other liabilities</b>	<u>145,787</u>	

#### 13 Contract liabilities

	2022	2021
<b>Current</b>		
Income received in advance	78,067	15,000
<b>Total current contract liabilities</b>	<u>78,067</u>	<u>15,000</u>

#### 14 Accumulated gains/(losses)

Accumulated losses at the beginning of the financial year	(1,064,567)	(774,000)
Net result for the year	1,168,028	(289,000)
<b>Accumulated gains/(losses) at end of the financial year</b>	<u>103,461</u>	<u>(1,064,000)</u>

## Notes to the Financial Statements

### For the Year Ended 31 December 2022

#### 15 Cash flow information

##### Reconciliation of net income for the year to net cash generated by/(used in) operating activities

	2022	2021
	\$	\$
Net result for the year	1,168,028	(289,999)
Non-cash flows in net result:		
Forgiveness of related party loan	(1,112,670)	-
Depreciation expense	6,281	10,882
Impairment of trade receivables	23,432	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(231,792)	30,033
(Increase)/decrease in inventories	7,950	6,486
(Increase)/decrease in other assets	(1,283)	830
Increase/(decrease) in trade and other payables	428,469	(9,452)
Increase/(decrease) in provisions	(18,286)	(29,837)
Increase/(decrease) in other liabilities	145,787	-
Increase/(decrease) in contract liabilities	62,206	(5,063)
<b>Cash flows used in operating activities</b>	<u>478,122</u>	<u>(286,120)</u>

#### 16 Key Management Personnel Disclosures

##### (a) Directors

The names of directors of Southern Cross Campus Services Limited who held office during the year are:

Paul Deegan  
Professor Les Christidis  
Allan Morris  
Travis Walker

The above persons have been in office since the start of the year unless otherwise stated.

##### (b) Directors and responsible officers' remuneration

No income is paid or payable, or otherwise made available, to board members by the Company in connection with the management of affairs of the Company.

The independent board member, Paul Deegan, is external to the Company and is not remunerated. The remaining board members and responsible officers are remunerated by the Company's ultimate parent entity, Southern Cross University.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 17 Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

## (a) Ultimate Parent Entity

The Company is a wholly owned subsidiary of its ultimate parent entity, Southern Cross University.

## (b) Transactions with related parties

The following transactions occurred with related parties:

	2022	2021
	\$	\$
<b>Parent</b>		
Catering services	16,011	5,567
Facilities hire and other costs	(297,200)	(810)
Forgiveness of related party loan	1,112,670	-

During the year, Southern Cross University forgave the prior year outstanding balance of the loan payable by the Company \$1,112,670 (2021: Nil).

## (c) Balances to related parties

The parent entity, Southern Cross University, meets expenses of the Company that are processed through inter-entity loan accounts with the University. These are treated as payments and receipts for the purpose of the statement of cash flows. The balance of these transactions at the end of the reporting period are:

	2022	2021
	\$	\$
<b>Current</b>		
Amount payable to:		
Ultimate parent entity	10 <u>289,156</u>	1,112,670
<b>Total current balances to related parties</b>	<u>289,156</u>	1,112,670

The outstanding balances are unsecured and have been provided on interest-free terms.

## (d) Related party services not recognised

Southern Cross University provides the Company with a range of administrative, technology and other support services at no cost.

## Notes to the Financial Statements

For the Year Ended 31 December 2022

## 18 Remuneration of Auditors

	2022	2021
	\$	\$
<b>Remuneration of the auditor of the Company, Audit Office of NSW, for:</b>		
Auditing the financial report	21,966	21,430
<b>Total remuneration of auditor</b>	<u>21,966</u>	<u>21,430</u>

## 19 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding and obligations of the Company. At 31 December 2022 the number of members was 1 (2021: 1).

## 20 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2022 (31 December 2021: None).

## 21 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

## 22 Company Details

The registered office of and principal place of business of the Company is:

Southern Cross Campus Services Limited  
Southern Cross University  
Military Road  
EAST LISMORE NSW 2480





## INDEPENDENT AUDITOR'S REPORT

### Southern Cross Campus Services Limited

To Members of the New South Wales Parliament and Members of Southern Cross Campus Services Limited

#### Opinion

I have audited the accompanying financial statements of Southern Cross Campus Services Limited (the Company), which comprises the Directors' Financial Declaration, the Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2022, the Statement of Financial Position as at 31 December 2022, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes comprising a Summary of Significant Accounting Policies and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act) and the Government Sector Finance Regulation 2018 (GSF Regulation)
- presents fairly the Company's financial position, financial performance and cash flows of the Company
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013

My opinion should be read in conjunction with the rest of this report.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Company in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

#### Other Information

The Company's annual report for the year ended 31 December 2022 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The directors of the Company are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Directors' Report.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

#### Directors' Responsibilities for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and, the *Australian Charities and Not-for-Profits Commission Act 2012*. The directors' responsibility also includes such internal control as the directors' determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Company carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Min Lee  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

20 April 2023  
SYDNEY



To the Directors

Southern Cross Campus Services Limited

### **Auditor's Independence Declaration**

As auditor for the audit of the financial statements of Southern Cross Campus Services Limited for the year ended 31 December 2022, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



Min Lee  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

20 April 2023  
SYDNEY

# Southern Cross University and Controlled Entities

ABN 41 995 651 524

## Appendices for the 2022 Reporting Period

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Budget and Actual Performance  
(Parent entity only)

### All Staff FTE\*

Nominal FTE	2016	2017	2018	2019	2020	2021	2022
Academic	310.7	313.2	301.0	322.4	339.8	301.3	295.3
Professional	515.2	526.5	536.5	550.3	574.5	510.9	596.1
<b>Total</b>	<b>825.9</b>	<b>839.7</b>	<b>837.5</b>	<b>872.7</b>	<b>914.4</b>	<b>812.3</b>	<b>891.4</b>

\* This data excludes staff employed on a casual/sessional basis. Figures may not add exactly to the total FTE due to rounding.

### Academic Staff

Nominal FTE	2016	2017	2018	2019	2020	2021	2022
Above Senior Lecturer	73.0	75.3	78.1	80.3	85.5	79.4	82.3
Senior Lecturer	84.0	82.8	83.2	94.3	103.0	82.8	53.7
Lecturer	118.9	123.9	114.4	119.4	111.2	103.3	128.1
Below Lecturer	34.9	31.2	25.2	28.4	40.2	35.9	31.2
<b>Total</b>	<b>310.7</b>	<b>313.2</b>	<b>301.0</b>	<b>322.4</b>	<b>339.8</b>	<b>301.3</b>	<b>295.3</b>

Above Senior Lecturer = Levels D, E (plus VC and DVC)  
Senior Lecturer = Level C  
Lecturer = Level B  
Below Lecturer = Level A

### Professional Staff

Nominal FTE	2016	2017	2018	2019	2020	2021	2022
HEW 1	7.8	7.6	1.0	15.7	2.0		
HEW 2	0.5	1.0	0.5		1.0	5.5	1.7
HEW 3	12.1	12.4	19.5	13.3	12.8	14.2	14.3
HEW 4	117.4	118.2	118.9	126.5	136.0	112.1	141.9
HEW 5	132.7	129.1	140.1	139.8	143.6	116.1	135.1
HEW 6	89.2	97.6	94.9	97.2	104.2	104.5	115.1
HEW 7	89.7	92.9	93.9	85.5	95.9	86.1	96.9
HEW 8	31.0	30.2	36.2	39.9	44.0	34.6	45.9
HEW 9	12.0	12.0	9.0	9.8	14.0	13.8	22.2
HEW 10	9.0	10.0	8.5	7.6	7.0	9.0	5.0
Non-Academic Above Level 10	13.9	15.5	14.0	15.0	14.0	15.0	18.0
<b>Total</b>	<b>515.2</b>	<b>526.5</b>	<b>536.5</b>	<b>550.3</b>	<b>574.5</b>	<b>510.9</b>	<b>596.1</b>

\* This data excludes staff employed on a casual/sessional basis. Figures might not add exactly to the total FTE due to rounding.

Source: MIS Government Staff Cube – 13 February 2022

### Senior Executives

Band	2022		2021	
	Female	Male	Female	Male
Band 1 (Executive)			1	
Band 2 (Executive)	1	2		3
Band 3 (Executive)	1	4	1	3
Band 4 (Executive)				
Above Band 4 (Executive)		1		1
	<b>2</b>	<b>7</b>	<b>2</b>	<b>7</b>
<b>Totals</b>	<b>9</b>		<b>9</b>	

Band	Range	Average Remuneration	
		2022 \$	2021 \$
Band 1 (Executive)	\$192,600 to \$274,700	\$0	\$255,000
Band 2 (Executive)	\$274,701 to \$345,550	\$317,933	\$320,567
Band 3 (Executive)	\$345,551 to \$487,050	\$382,200	\$369,925
Band 4 (Executive)	\$487,051 to \$562,650	\$0	\$0
Above Band 4 (Executive)	Over \$562,651	\$684,900	\$679,400

In 2022, 2.34% of the Southern Cross University's employee related expenditure was related to senior executives, compared to 2.57% in 2021.

The Vice-Chancellor's remuneration package is unchanged.

## Council 2022

	28 Feb	09 Mar	21 Apr	03 Jun	07 Aug	28 Sep	24 Nov	
<b>S McPhee</b>	✓	✓	✓	✓	✓	✓	✓	
<b>P Berry</b>						✓	✓	Term commenced 10 September 2022
<b>T Carlin</b>	✓	✓	✓	✓	✓	✓	✓	
<b>A Curtin</b>	✓	✓	✓	✓	✓	✓	✓	
<b>M d'Almeida</b>	✓	✓	✓	✓	✓	✓	✓	
<b>J Granger</b>	✓	✓	✓		✓	✓	✓	
<b>R Joannes-Boyau</b>	✓	✓			✓	✓	✓	
<b>G Lancaster</b>	✓	✓	✓	✓				Term concluded 9 September 2022
<b>S Noble</b>	✓	✓		✓	✓	✓	✓	
<b>O Noffke</b>						✓	✓	Term commenced 10 September 2022
<b>A Pelizzon</b>	✓	✓		✓	✓	✓	✓	Term concluded 9 September 2022
<b>A Rose</b>		✓	✓	✓		✓	✓	
<b>J Rourke</b>	✓	✓	✓	✓	✓	✓	✓	
<b>L Shinnars</b>						✓	✓	Term commenced 10 September 2022
<b>G Singh</b>	✓	✓	✓	✓	✓			Term commenced 25 February 2022 and concluded 9 September 2022
<b>G Wayne</b>								Term concluded 31 January 2022

### Legend:

Attended meeting ✓  
Absent from meeting ■

## Government Information Public Access

Throughout 2022, the University continued to make information of public interest available via its website. This included detailed information about the University's new learning model – the Southern Cross Model. The University maintained and added to its Register of Government Contracts and Policy Library.

The University received two valid access application under the *Government Information (Public Access) Act 2009 (NSW)* (GIPA Act). No applications were refused on the basis that the information requested was information referred to in Schedule 1 of the GIPA Act. Statistical information relating to the number and type of applications decided by the University in 2022 is provided in Appendix D.

Statistical information about access applications – Clause 8(d) and Schedule 2.

**Table A: Number of applications by type of applicant and outcome\***

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media								
Members of Parliament								
Private sector business								
Not for profit organisations or community groups						1		
Members of the public (application by legal representative)								
Members of the public (other)		1						

\* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

**Table B: Number of applications by type of application and outcome**

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*								
Access applications (other than personal information applications)						1		
Access applications that are partly personal information applications and partly other		1						

\* A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

**Table C: Invalid applications**

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

**Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act**

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	1
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

\* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

**Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act**

	Number of occasions when application not successful
Responsible and effective government	1
Law enforcement and security	0
Individual rights, judicial processes and natural justice	1
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

**Table F: Timeliness**

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	0
Decided after 35 days (by agreement with applicant)	1
Not decided within time (deemed refusal)	1
<b>Total</b>	<b>2</b>

**Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)**

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

\* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

**Table H: Applications for review under Part 5 of the Act (by type of applicant)**

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

**Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)**

	Number of applications for review
Agency-initiated transfers	0
Applicant-initiated transfers	0

## Investment Performance

The investment portfolio contributed \$3.1 million to the University's income in the year ended 31 December 2022. The University's investments had a negative return of -6.26 per cent (2021: +8.11 per cent) compared to TCorps medium term growth fund of -6.86 per cent (2021: +6.87 per cent). The negative growth in the portfolio during the year is dominated by the exposure to changes in market price of equities and fixed income assets.

Southern Cross University's investment strategy is overseen by the Finance and Investment Committee. During 2022, the University diversified the concentration risk arising from its holdings of IDP Education Limited (IEL).

## Payment of Accounts

The University's payment terms in respect of its creditors are 30 days. In 2022, 60 per cent of invoices were paid in accordance with these terms. Interest of \$0 was incurred during 2022.

## Aged analysis at the end of each quarter

Quarter	Mar-22	Jun-22	Sep-22	Dec-22
	\$	\$	\$	\$
Current	2,469,455	2,956,197	1,864,431	429,554
Between 30-60 days	458	6,466	158,799	7,408
Between 60-90 days	0	832	7,407	416
Over 90 days	847	847	9,036	10,832
<b>Total</b>	<b>2,470,759</b>	<b>2,964,342</b>	<b>2,039,673</b>	<b>448,210</b>

## Accounts paid within each quarter

Measure	Mar-22	Jun-22	Sep-22	Dec-22	Annual
Number of accounts paid	783	846	932	918	1,802
Number of invoices paid on time	1,981	2,156	2,238	2,157	8,532
Actual percentage of invoices paid on time (based on number of invoices)	61%	61%	62%	56%	60%
Number of payments for interest on overdue accounts	-	-	-	-	-
Interest paid on overdue accounts	-	-	-	-	-
<b>Total number of invoices paid</b>	<b>3,246</b>	<b>3,542</b>	<b>3,598</b>	<b>3,827</b>	<b>14,213</b>

## Overseas Travel

The University spent \$551,715 on overseas visits in 2022 (\$36,831 in 2021) for the purposes of specific programs and research.

## Consultants

**Table 1: Consultancies costing less than \$50,000**

Consultancy	No.	Amount \$'000
Architect/Engineering	1	41
IT	2	11
Management Services	1	44
Organisation Review	4	130
Training	1	27
Marketing and Communications	5	68
<b>Total Consultancies costing less than \$50,000</b>		<b>321</b>



Table 2: Consultancies costing more than \$50,000

Consultant Name	Description	Amount \$'000
Lilyfield Partners Pty Ltd	Financial and Regulatory Analysis	150
Terminalfour Solutions Ltd	Website Implementation	197
Dr Frances Stevens	Digital Research Strategy	61
Wells Advisory Pty Ltd	Partnership Reviews	240
ByMany Pty Ltd	Culture Change & Student Analysis	116
Milica Loncar	Brand Sentiment 2023	72
Ormadale Pty Ltd	Government Relations	93
Social Garden Pty Ltd	Marketing Campaign	90
<b>Total Consultancies costing more than \$50,000</b>		<b>1,019</b>

Southern Cross University	Budget	Actual	Budget
Statement of Comprehensive Income	2022	2022	2023
	\$'000	\$'000	\$'000
<b>Income from Continuing Operations</b>			
Australian Government Financial Assistance			
Australian Government Grants	108,769	110,211	110,701
HELP - Australian Government Payments	75,531	62,009	65,417
State & Local Government Financial Assistance	2,430	2,297	1,658
HECS-HELP - Student Payments	2,231	2,885	2,479
Fees & Charges	48,266	67,625	65,972
Investment Income	700	3,119	6,400
Royalties, trademarks & licenses	252	337	172
Consultancy & contracts	11,788	14,786	12,513
Other revenue	10,316	15,575	13,144
Gain on Disposal of assets	0	0	0
<b>Total Income from Continuing Operations</b>	<b>260,283</b>	<b>278,844</b>	<b>278,456</b>
<b>Expenses from continuing operations</b>			
Employee Related Expenses	152,718	151,276	156,084
Depreciation & Amortisation	16,700	16,498	16,260
Repairs & Maintenance	3,107	5,380	4,086
Borrowing Costs	1,870	1,950	2,284
Impairment of assets	1,752	3,195	1,100
Losses on Disposal of assets	0	15	0
Other Expenses	99,613	107,291	103,490
<b>Total expenses from continuing operations</b>	<b>275,762</b>	<b>285,605</b>	<b>283,305</b>
<b>Net Result from Continuing operations</b>	<b>-15,479</b>	<b>-6,761</b>	<b>-4,849</b>





# Southern Cross University Annual Report 2022

## Locations:

### Lismore

Military Road  
Lismore  
NSW 2480 Australia

### Coffs Harbour

Hogbin Drive  
Coffs Harbour  
NSW 2450 Australia

### Gold Coast

Southern Cross Drive  
Bilinga  
QLD 4225 Australia

## Business Hours:

### Monday – Friday

9am to 5pm  
T: 1800 005 687  
W: [scu.edu.au](http://scu.edu.au)

Production costs: \$12,000

CRICOS Provider: 01241G  
TEQSA Provider: PRV12043 Australian University