

# 2018 Annual Report



**Southern Cross  
University**

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CRICOS Provider: 01241G

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17 April 2019

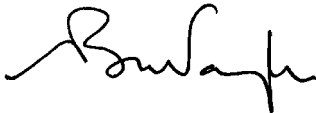
The Hon Rob Stokes MP  
Minister for Education  
Parliament House  
Sydney NSW 2000

Dear Minister

The Council of Southern Cross University submits the University's Annual Report of proceedings for the year ending 31 December 2018 for presentation to Parliament.

The Annual Report has been prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984 (NSW)* and the *Public Finance and Audit Act 1983 (NSW)*.

Yours sincerely



Mr Nick Burton Taylor AM  
Chancellor Southern Cross University



Professor Adam Shoemaker  
Vice Chancellor Southern Cross University

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## Management and Activities/ Major Works

**The University reviewed key elements of its performance and recommitted to its long-term strategy at the annual Senior Staff Conference in February 2018. The senior leadership group continued to focus University efforts on a set of short, medium and long-term actions geared towards maximising sustainable growth.**

In December 2017 the government effectively ended the demand driven funding system by capping CGS funding at 2017 levels for the 2018-20 triennium. Despite this, Southern Cross enrolments exceeded 11,000 equivalent full-time students for the first time. This was largely due to a 49% increase in commencing and continuing international onshore load at main campuses, as well as strong performance by The Hotel School and education collaboration partners EduCo and Keypath.

Southern Cross University rose to 98th in the world in the 2018 Times Higher Education (THE) Young University Rankings.

Flood research continued to be an important area for Southern Cross and its community. The Inaugural Symposium of the National Centre for Flood Research was held in October at Lismore. The event was well attended by participants from across Australia, including industry partners, government, other university collaborators and not-for-profit organisations.

Also in October, the University hosted the Regional Universities Network/Higher Education Services conference entitled 'Regional Universities as Anchor Institutions', drawing experts from New Zealand, the United Kingdom, Canada and the USA.

The University's Gold Coast campus environs were significantly expanded with the official opening of Building C – and its adjacent 500-space carpark – in December 2018. The visual amenity of the campus benefited dramatically from the completion of internationally-renowned artist and Southern Cross University alumnus, Guido van Helten's 10 storey-high exterior artwork on Building B.

The University continued its engagement with leading student accommodation experts in relation to developing new student accommodation facilities at the Gold Coast campus – anticipated for completion by Session 1, 2021.

At the University's Coffs Harbour campus, construction commenced mid-year on the new allied health building. This important development will enable a suite of new allied health courses to be delivered from the Coffs Harbour campus.

After seven months of cordial and in-depth negotiation, the University reached agreement with the Community and Public Sector Union and the National Tertiary Education Union on a new Enterprise Agreement. The agreement was subsequently voted upon and endorsed by staff, and submitted to the Fair Work

Commission for ratification – an outcome which is expected to occur in the first quarter of 2019.

The National Centre for Naturopathic Medicine was launched in November with the University's largest ever philanthropic donation of \$10 million received from one of Australia's leading figures in naturopathic medicine, Marcus Blackmore AM, together with his wife Caroline. The Centre will be an internationally-recognised centre of excellence in naturopathic medicine education and associated research, providing the highest quality of postgraduate naturopathic education.

At its November 2018 meeting, University Council formally restated foundational commitment to Academic Freedom. Also in late 2018, a strategic planning process was commenced by Management, with a view to refreshing the University's strategies and plans for the period 2019-2024.

## At a Glance 2018

### 2018

#### Total Number of Students

Total (Persons)	18,931
Total (EFTSL)	11,309.9

#### Persons by Location

Lismore Campus	2,501
Gold Coast Campus	4,970
Coffs Harbour Campus	1,074
Other Australian Locations	2,852
Online	6,790
Offshore	739

#### International Students (Persons)

Onshore	4,341
Offshore	790

#### Total Staff (FTE)\*

Academic Staff (FTE)	301.0
General Staff (FTE)	536.5

EFTSL – Equivalent Full-Time Student Load

FTE – Full-Time Equivalent

\* The total FTE figure does not include Sessional or Casual FTE

Source: MIS Government Student Statistics Cube and MIS Government Staff Cube

# Teaching and Learning

## Two new student leadership programs launched this year: Peer Support and Study Buddi.

### TEACHING STAFF SUPPORT

A number of initiatives support, recognise and reward excellence in teaching at the University. These include the *Foundations of University Teaching* program, professional development workshops and support to embed academic skills in curricula. Support is also available to increase awareness of academic integrity issues and university learning and teaching policies and procedures. Teachers are assisted to transform their teaching through the use of innovative learning and assessment design, and the use of state-of-the-art learning technologies.

An annual teaching symposium provides an avenue for staff to share and learn from one another about the scholarship of learning and teaching.

Excellence in teaching is recognised through the Australian Awards for University Teaching, the Vice Chancellor's Citations for Outstanding Contributions to Student Learning, and our 5-Star Staff/ 5-Star Learning initiative.

### Teaching Symposium

The annual Scholarship of Teaching Symposium was held on Tuesday 16 October 2018 at Lismore campus. The theme, *Culturally Inclusive Teaching and Learning* provided an opportunity for staff to learn about culturally inclusive pedagogies. Indigenous and multicultural representation on the Steering Group guided planning and helped to ensure a truly inclusive event.

Associate Professor Sally Sargeant, School of Health and Human Sciences, presented a keynote on the topic 'Immersion, diversion, conversion: Appreciating cultural difference within the context of health professions education'. Equally appreciated was a student panel chaired by Janine Dunleavy. The students included a domestic, international and online student – who participated via Zoom.

Four parallel sessions addressed the four Symposium sub-themes, each incorporating staff presentations and a yarning circle through which discussions occurred. Participant feedback was positive and noted that the format and content provided a thought-provoking and intriguing event.

### STUDENT SUPPORT

Students are also supported in their learning journey through a range of initiatives offered by our Academic Skills team. The focus is on supporting student development based on self-management, language, learning and critical thinking skills as well as the development of academic literacy, numeracy and academic integrity skills. The Academic Skills team embeds academic literacy and numeracy resources in curricula, delivers assignment-specific and study skill tutorials in lectures and online, and consults with individual and small groups of students. The team has created a suite of online resources including Quick Guides, 'How to ...' videos, numeracy modules, Studying in the Sciences,

# Teaching and Learning

workshop recordings, as well as Academic Integrity clips and Quick Guides. Student support strategies also include an online assignment review service, an Academic English Screening Test and after-hours online study support.

Two new student leadership programs launched this year: Peer Support and Study Buddi. Peer Support is aimed at first year students with peer-led study groups run by students, for students. The study groups offer new students a place to connect with peers, develop study skills and gain study confidence. The second program, Study Buddi, is an academic, peer-to-peer support program located in the library. Study Buddies are available on a just-in-time, drop-in basis to discuss questions about assignments and academic skills such as referencing. Both peer support programs encourage student leaders from various disciplines to support their peers in a relaxed environment, using social constructivist principles and building communities of learning. The Study Buddi drop-in began as a pilot on the Gold Coast campus and, following its success, expanded to Lismore and Coffs Harbour campuses and was offered online to online students. Both peer support programs are popular, contribute to the overall student experience, and build student success.

## Teaching Awards

### 2018 Australian Awards for University Teaching Citations

*Amanda Reichelt-Brushett, School of Environment, Science and Engineering*

For innovative chemistry teaching that uses scientific enquiry and creative thinking to motivate students to develop multifaceted problem-solving skills.

### 2018 Vice Chancellor's Citations for Outstanding Contributions to Student Learning

*Peter Cook, School of Education*

For developing innovative approaches to teaching Dance through online delivery that motivates and inspires students for their future classrooms.

*Angela Turner, School of Education*

For preparing students for successful Design and Technology teaching careers through online learning, facilitated through highly accomplished interpersonal skills, well-structured, informative and engaging learning experiences.

*Marketing Principles Teaching Team: Tania von der Heide (Team Leader), Joanne Phythian, David Spriggs, Kirstie McClean, Maxine Hawker, Evi Lanasier, Noel Agustin, Emmanuel Aquino, Julie Francis, Janne Palthe, Sevasti Tshipidis, Vicki Hetherington, Peter Reynolds, Constantin Alba, Pauline Allin, Sarah Keast, Kenneth Yap, School of Business and Tourism*

For cultivating innovative learning and practice of creativity in a large, multi-location, diverse first year Marketing Principles unit.

### 5-Star Staff/5-Star Learning

In 2018, students were invited to nominate staff who had provided them with a 5-Star Learning experience. Each nomination required a description of 50-200 words. These comments were forwarded to the individual or team as well as their Head of School. In total, 260 nominations were received, all of which spoke to excellence in learning and teaching at the University, and to the quality of and care provided by our staff.

# Research

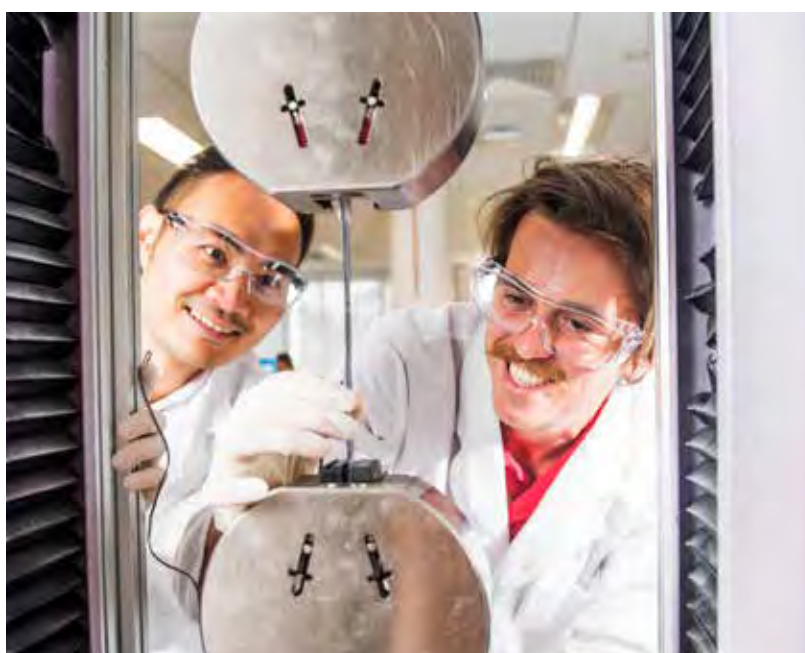
**Southern Cross University is recognised locally and internationally as a leading regional university in research and teaching. Our research is both discipline-specific and interdisciplinary, strongly aligned to our teaching, reflects the needs of the communities we serve and is sustainably funded from a variety of sources. The recent move nationally to formally encourage and measure engagement and impact outcomes demonstrates the way that our innovative research improves peoples' lives by reducing inequalities, supporting environmental sustainability and promoting technological, service and educational innovation.**

Southern Cross University has held an enviable reputation as one of the strongest regional research universities in Australia, built on our considerable strengths in geoscience, plant science and marine science. These strengths are underpinned by significant infrastructure including the National Marine Science Centre, Environmental Analysis Laboratory, Analytical Research Laboratory (in Southern Cross Plant Science), health clinics, world-class engineering laboratories, as well as considerable regional social capital within our staff and our local communities.

The local environment is a rich source of research opportunity and collaboration, and has provided inspiration for the recently developed National

Centre for Flood Research, Centre for Organics Research, medicinal cannabis research, as well as strong emerging opportunities in the areas of composting and recycling; services and support for an ageing community including technology, housing and health innovations; tourism; and enormous potential to build on our involvement with regionally based creative and performing arts, from local, skilled artisans to the flourishing festival scene. Further opportunities exist thanks to the close proximity to airports at all three campuses, both in terms of research subject matter, but also as a way to bring new opportunities and prosperity to our regions.

These foundations, and a commitment to investment in key infrastructure, have led to the





# Research

development of demonstrated research excellence. In the 2015 Excellence in Research for Australia (ERA) national report our research quality was rated at world standard and above in 24 key areas, up from 10 in ERA 2012. These areas included geochemistry, oceanography, environmental science and management, zoology, crop and pasture production, forestry sciences, ecology, fisheries sciences, civil engineering, resources engineering and extractive metallurgy, complementary and alternative medicine, nursing, human movement and sports science, tourism, education and policy and administration.

One focus in 2018 was the development of sustainable funding approaches to further support the growth of our

research activity. In particular, expansion of the Environmental Analysis Laboratory and Analytical Research Laboratory as well as the initiation of commercialisation frameworks to support increased commercial research activity for the National Marine Science Centre. In addition, we introduced new governance for leveraged research funding, such as Cooperative Research Centres (CRCs). This has seen a substantial increase in return on investment from these research activities, and has developed a more coordinated internal infrastructure strategy, and external infrastructure engagement program with national partners. In addition, research governance structures were reviewed with a view to increasing administrative efficiency and transparency in research.

Research capacity building was enhanced through expended training and mentorship, the introduction of a range of new research training programs, increased support of HDR supervisors, and the continuation of the Mid-Career Research Program, increased funding for PhD scholarships, and re-investing new research income to build project-based research capacity, and working with Schools to develop staff research capacity through internal growth and new recruitment (e.g. supporting applications at Southern Cross University for new Future Fellows and Discovery Early Career Researcher Awards currently based in other institutions) as well as benchmarking individual research performance.



# Engagement

**The engagement portfolio continues to bring to life the University's vision to 'enrich our communities through the excellence of our scholarship and the achievements of our graduates'.**

The establishment of a new executive portfolio under the leadership of the Vice President (Engagement) reflected the importance placed upon strategic partnering and positioning with communities for mutual benefit and public impact. The Engagement portfolio spans three intersecting teams: Partnerships; Marketing, Media and Communications; and Strategic Projects.

A series of key first appointments were made to the new Engagement portfolio, namely the Chief Marketing Officer, Director of Partnerships, and Manager of Alumni and Giving.

## Partnerships

### OUR ALUMNI COMMUNITY

This year we welcomed more members into our Alumni community, a community now greater than 62,000 in number. There were 1,671 alumni memberships activated in 2018, representing around half the total graduates. In 2018, the Alumni of the Year Awards gathered over 120 members of the Southern Cross community at the Enterprise Lab in Lismore to recognise graduates for their remarkable professional, academic, research and community achievements. New Zealand Member of Parliament Poto Williams and internationally acclaimed mural artist Guido van Helten were named the 2018 Outstanding Alumnus and the Young Alumnus of the Year respectively. Entrepreneur and author Bella Zanesco received the Vice Chancellor's Alumnus of the Year Award.

Our Alumni community continued to contribute to the University as mentors, through our annual Bright Futures mentoring program. The program paired students with alumni in relevant industries as a key part of our Careers and Employability service. In 2018, our Alumni community contributed 242 mentors for the Bright Futures program. Of this group, 149 matched sessions were completed with Southern Cross students, who reported high levels of satisfaction with the experience.

### STUDENT SCHOLARSHIPS

The University continued to grow the volume of scholarships available to students. An important component of our student scholarships are those provided by private donors, who represent local philanthropic businesses, agencies and individuals. In 2018, 35 valued donors gifted a total of \$237,336, representing an annual increase of 19 per cent. This enabled the University to administer 56 scholarships funded by private donors in addition to other government-funded targeted scholarships.

In August 2018, our student scholarship recipients were celebrated through the Rising Star presentation ceremonies held at Gold Coast, Lismore and Coffs Harbour campuses. A total of 220 guests attended, from scholarships recipients and their respective families, as well as our donors and staff.

# Engagement

This year we welcomed more members into our Alumni community, a community now greater than 62,000 in number.

## GIVING AND PHILANTHROPY

A historic personal gift was received from the Blackmore Foundation, representing an initial three-year commitment of \$10 million in total. This significant milestone is an investment in the establishment of the National Centre for Naturopathic Medicine to deliver education, research and professional engagement in naturopathic medicine, holistic health and wellness. In November, the University hosted the announcement and signing ceremony with Mr Marcus Blackmore AM and Mrs Caroline Blackmore from the Blackmore Foundation in Sydney. The event received strong media interest from national and international news media given it was the largest single personal donation ever made by the donor, and similarly, the largest ever received by the University.

The newly formed Alumni and Giving team developed the foundations for the establishment of a concerted focus on donor raising and giving. University Council approved a suite of policy and delegation changes to streamline gift acceptance and management practices.

The first stages of implementation were completed for a University Online Giving Gateway, to enable individual payments and donations to the University. A pilot workplace giving campaign 'Every Gift Matters' was completed as a first step to raising awareness of the University's new student-focused giving strategy. In unison, a series of new Student Opportunities Funds were launched, encompassing equity,

entrepreneurship and research. The combined value of the Student Opportunities Funds was \$42,885 at year's end.

## LIVE IDEAS

The flagship partnering program, Live Ideas, continued to expand in 2018. Live Ideas has increased the University's connectivity with industry and community partners across our regions for mutual benefit. Live Ideas provides a wide range of opportunities for staff and students to undertake engaged learning and research, including collaboration with project partners remotely in order to transcend the traditional limitations with face-to-face placement. The technology platform underpinning Live Ideas was refreshed and integrated with the University's customer relationship management system, a first step towards creating an institution-wide partner management platform.

In 2018, 226 applications to collaborate on projects were received from Southern Cross staff and students, a 45% increase in engagement compared to 2017. 170 Live Ideas projects were submitted by community and industry partners in 2018, a 46% increase in engagement from 2017. The source for projects continued to be strongest in our campus regions Northern Rivers NSW (56%), South East QLD (14%), Mid North Coast NSW (11%), others across Australia (6%) and overseas (13%). Over 40 projects were completed by students in 2018, providing whole classes with real world learning experiences, work placements for individual students and more in-

depth research projects creating impact across our communities.

The University introduced a new events series in Lismore as part of its enhanced partnership with Lismore City Council and the Lismore Regional Gallery. Thursday Night Live is an ongoing talks program held at the gallery's event space on the second Thursday of every month, featuring alumni, academic staff and community leaders. The talks delve into the latest, sometimes dangerous, ideas in art, culture, science, politics and the lives behind those driving the scene. During 2018 there were 10 events, with a total of over 5,000 participants across the year.

## EXCELLENCE IN ENGAGEMENT AWARDS

The eighth annual Southern Cross Excellence in Engagement Awards were celebrated in November 2018. The awards acknowledge and showcase the contribution of University staff and community partners who have enriched our communities during the previous 12 months through engaged scholarship and research. The Awards reception recognises the University's commitment and understanding of the critical connection between universities and communities and the full contribution that a university can and does make to communities. Inversely, it recognises the impact that meaningful engagement with communities has on the University.

Awards were conveyed in the categories of Community Impact, Engaged Learning and Engaged Research. Associate

# Engagement

Professor Steven Purcell and a project team from the National Marine Science Centre received the Community Impact Award having demonstrated significant community impact on Pacific Island fishers through technical capacity building on improved post-harvest processing of fishery catches. In 2018, a new sponsor partnership was formed with UniSuper, with award recipients receiving funding to contribute to furthering their impact at Southern Cross University. The full list of recipients can be found here: <https://www.scu.edu.au/engage/partnerships-and-engagement/excellence-in-engagement-awards/2018-engagement-awards/>

## ENTREPRENEURSHIP

In 2018, the University expanded its network of Enterprise Labs with the addition of the Digital Enterprise Lab at our Gold Coast campus. The Digital Enterprise Lab is a specialist node of the University's existing enterprise network, which includes the Southern Cross Enterprise Lab at the Lismore campus and the Coffs Coast Innovation Hub at the Coffs Harbour campus.

The Southern Cross Enterprise Lab network focuses on cultivating future entrepreneurs through vibrant collaboration between entrepreneurs, researchers, students, and mentors. The Enterprise Labs provide access to resources, knowledge, talent and space to turn ideas into action. Funded by the NSW Government, the Southern Cross Enterprise Lab continued its role as one of 11 state-wide innovation and

entrepreneurship focal points, as a part of the 11-university collaboration that underpins the Sydney School of Entrepreneurship.

In 2018, the Enterprise Lab held more than 15 events across the Lismore and Gold Coast campuses, and throughout the Northern Rivers region, engaging with approximately 400 community members, students and partners. A first in regional Australia was the partnership with clean tech accelerator the Energy Lab, to form and nurture a new wave of clean tech energy businesses in the Northern Rivers. A young entrepreneurs program for school students, a Startup-in-Residence program, and a suite of masterclasses for regional businesses were all hallmarks of a successful program of activity that has positioned the University at the centre of innovation and entrepreneurship in Northern NSW.

## Marketing, Media & Communications

The new Marketing, Media and Communications (MMC) unit was established in 2018 as part of a drive to reimagine and reinvigorate the University's marketing function. This unit brought together professional skills around content-creation, message amplification and building a narrative about Southern Cross University that helps drive demand for our degrees as well as enhancing the reputation of the institution locally, nationally, internationally and throughout the sector.

The appointment of the University's first Chief Marketing

Officer (CMO) was a significant step in this process, bringing the seniority and level of expertise required to steer MMC towards the University's strategic objectives.

## REFINED STRATEGY

This expanded capacity added momentum to a refined marketing strategy that increased above-the-line visibility of Southern Cross University, leveraging Open Day as a key call to action. This also worked to profile the University as a prominent choice for prospective students.

With the guidance of creative agency partners, the 'Where Could Go?' theme was established as the key student recruitment platform.

This theme was used across a number of campaigns:

### Timely Preferences

Reach 27million (m)

Digital click-through-rate (CTR) of 0.24%

### Session 3

Total Reach 3.25m

Digital CTR 0.02%

### Change of Preferences

Total Reach 11.4m

Digital CTR 0.24%

### Coffs Harbour New Courses

Total Reach 3.4m

Digital CTR 0.13%

## WEBSITE IMPROVEMENTS

The performance of the main scu.edu.au website was also addressed in 2018. The industry benchmarking firm Global Review

## Engagement

The University successfully delivered the national pilot program Farming Together which engaged 28,500 primary producers.

assessed the Southern Cross University website as improving its satisfaction levels by 3% to record a 65% result. The top performing website (Deakin University) scored 72%. Total page views of the website from external sources were 12.67million. The ourcourses.scu.edu.au site was established in 2018 to optimise digital lead-nurturing and conversion, resulting in 321,000 page views from 221,000 unique users.

### PRODUCTION EFFICIENCY

The MMC implemented the design and production platform Outfit during the year to deliver efficiencies and empowerment across the academic schools, research centres and professional units. Outfit allows for the production of documents and graphics from a library of templates. More than 1,500 new projects were created via these templates with more than 700 published or printed across the University.

New Projects created – 267

New Documents created – 1,554

Exported Projects – 725

### Strategic Projects

The University successfully delivered the national pilot program – Farming Together – which engaged 28,500 primary producers against a target of 2,000 and supported 730 groups (from 23 different industry categories), against a target of 100. It saw 51 projects funded, against a target of 15 and exceeded targets on average by more than 300 per cent. It also helped form at least 69



new agricultural cooperatives and supported 94 cooperative directors through two cooperative education programs.

In addition to its initial \$13.9 million funding, the three-year program secured a further \$250,000 for ongoing mentoring and dissemination activities. Groups assisted by the program reported increased revenue, export sales and additional external funding – all adding to boosted margin return.

In 2018, the program achieved a conventional media reach of 2m+ and the monthly ebulletin recorded a 13% increase in sign-ups to a total 10,039 recipients. By the end of 2018, the program had achieved 179,249 Twitter impressions and a total

Facebook reach of 361,352. The annual national forum, held in Canberra, attracted more than 200 attendees and secured speakers such as the Minister for Agriculture and Water Resources, the Hon David Littleproud, and the Australian Competition and Consumer Commission (ACCC) chair Mick Keogh.

The work of the Farming Together team was also recognised with the program director Lorraine Gordon named as 2018 ABC Kondinin Rural Community Leader of the Year.

# People

The University's Enterprise Agreement is the primary document governing the employment conditions of staff. The Enterprise Agreement expired in June 2018, and as a result the University engaged in bargaining with employee representatives for a replacement Agreement. The bargaining process was conducted in a collegial manner, and delivered a new Agreement that meets the needs of the University, whilst at the same time providing staff with fair employment conditions. The new Agreement, having been supported by a strong majority of staff, is currently awaiting approval from the Fair Work Commission.

The University continues to prioritise learning and development as an effective means of building capability, enhancing performance and engaging with our staff. In 2018, approximately 520 staff participated in a learning and development program delivered by, or supported by, the University. Priorities included leadership development, the rollout of the new 'Performance Review and Planning' process, as well as the continued promotion and refinement of the Professional Learning Calendar. Many of the learning and development programs were created and presented by internal staff, however, where necessary, the University also engages experienced and expert facilitators to deliver these programs.

Three senior positions were recruited during 2018 – Deputy Vice Chancellor (Academic),

Deputy Vice Chancellor (Research), and the Chief Marketing Officer.

The full breakdown of current Southern Cross University staff is included at *Appendix A*. The number of executives is included at *Appendix B*.

HR Services continued to implement a range of initiatives to support Workplace Health, Safety (WHS) and Wellbeing. A key priority has been the implementation of tools and resources to support a safe and healthy workplace and to optimise the psychological wellbeing of our staff.

In 2018, over 1,500 staff accessed health and wellbeing initiatives across three campuses. These include:

- Employee Assistance Program, which has had a 4.18% increase in utilisation
- The new digital wellbeing platform, Mindrazr, with staff accessing over 500 mental and physical wellbeing exercises
- Free flu vaccinations
- Wellness Vouchers to subsidise gym and natural therapy consultations
- The Thrive Wellness Expos, attended by over 300 staff members.

Three hundred employees attended workplace health and safety training programs including Mental Health Awareness, First Aid, Dangerous Goods, Emergency Warden, Emergency Response, Spill Response, Manual Handling, Risk Assessments, Responding to Sexual Assault, Quad Bike Safety, Health and

Safety Representative Training, X-ray Safety, Safe Use of Sealed and Unsealed Radiation Sources.

A suite of online training WHS programs were also introduced in 2018, and provide staff with practical and relevant strategies that can be applied in a flexible and more accessible way.

All University campuses became smoke free in 2018. Feedback from staff and students has been very positive. Support has been made available to staff who smoke through the offering of quit smoking programs.

## Workforce Diversity Report 2018

The Southern Cross University Equity and Diversity Plan 2016-2020 plays a significant role in leading the University's commitment to address issues of student and staff equity, social inclusion and diversity.

Key achievements in 2018 included:

- Continued implementation of the University's Aboriginal and Torres Strait Islander Employment Strategy 2016-2020
- Participated in the Science in Australia Gender Equity (SAGE) pilot of the Athena SWAN Charter Australia
- Continued delivery of professional development workshops: *Understanding Gender and Sexuality Diversity* (offered to all staff) and *Courageous Conversations about Race* (offered to supervisors, managers and all staff)

# People

The University continues to prioritise learning and development as an effective means of building capability, enhancing performance and engaging with our staff.

- Continued delivery of equal opportunity and anti-discrimination training as a compulsory part of new staff induction
- Continued support to affirm staff and student awareness of equal opportunity and cultural diversity through cultural celebrations, workshops, promotional materials and events
- Review of the Southern Cross University Disability Action Plan 2014-2017
- Revised policies and guidelines include the Equal Employment Opportunity Policy and the Workforce Flexibility Guidelines.

#### Key strategies for 2019

- Continued delivery of the *Respectful Workplace* program, providing staff and managers with an understanding of how to eliminate bullying, harassment and discrimination from the workplace
- Develop a revised staff mentoring program
- Launch an Ally Program to support LGBTIQ staff and students
- Working group to conduct community consultations for the development of a new Disability Action Plan
- Revise guidelines to highlight the support available to staff who experience domestic and family violence, including the provision of paid leave.

The trends in the representation of employees in diversity groups is included at Appendix C.

## Southern Cross University Multicultural Plan 2018 Report

### Focus Areas Outcomes Targets Results

#### 1. Service delivery

In 2018, the proportion of domestic students speaking a language other than English in the home grew to 3.8%, up from 3.2% in 2015. Students are required to meet a level of English language proficiency before being admitted into an award program, and English language programs are delivered through SCU College (both English for Academic Purposes and General English).

In addition, a range of support services were available for all students, including counselling, medical services, childcare services, support for students with disability, loans, career advice and pastoral care and support. Supports offered to new international students include orientation, conversation groups, and local families hosting students to welcome them to the area.

The UniMentor peer mentoring program was offered to all commencing first year undergraduate students studying on campus or online. Around seven percent of mentees were from culturally diverse backgrounds. Almost 35% of all commencing undergraduate Aboriginal and Torres Strait Islander students requested a mentor (56 mentees), with 26 available mentors identifying as Aboriginal and Torres Strait Islander (6.7% of all available mentors).

#### Settlement Services

During 2018, 155 students were enrolled in the Graduate Certificate of Australian Nursing (EPIQ – Education Program for Internationally Qualified Nurses), designed for internationally qualified registered nurses who wish to practise as a registered nurse in Australia. Enrollments in this program have grown substantially since it was first delivered in 2016 (9 enrollments). 15 students completed the course in 2017.

#### Disability Services

The Southern Cross University Disability Action Plan 2014-2017 was reviewed during 2018 with the vast majority of strategies identified as achieved. A working group has been established to conduct community consultation, both internal and external to the University during early 2019, prior to the preparation of a new plan. The Student Access and Inclusion team provides staff with disability awareness training on an annual basis, focussing on developing a deep understanding of the intersectional nature of the disability experience.

#### 2. Planning

The University's Equity and Diversity Plan 2016-2020 includes strategies on supporting and promoting an inclusive culture for students and staff, and embracing a knowledge of, and respect for, equity and diversity. A mid-term Report setting out progress against the KPIs was finalised in June 2018.

Southern Cross University's Disability Action Plan will be updated during 2019 with input

# People

from the disability community, including those from culturally diverse backgrounds.

These plans continue to align with the University's Strategic Plan 2016-2020 and its values, including:

- Engaging with diverse cultural and Indigenous perspectives in both global and local settings
- Engaging with our local and global communities and partners for mutual benefit
- Advancing human rights and our commitment to providing opportunities for students and staff in an inclusive, culturally safe environment.

### 3. Leadership

The Equity and Diversity Committee was responsible for ensuring comprehensive integration of equity and cultural diversity matters across the University in 2017. The Committee was chaired by the Deputy Vice Chancellor (Students), with a diverse membership.

The Courageous Conversations About Race anti-racism and cultural competency staff training program was held twice, with 19 participants. It specifically addresses a model of cultural competence training for the Australian higher education context. Equal Opportunity training (EO Online) was a compulsory part of induction for all new employees, with 184 staff completing the main module during 2018. 34 staff completed the second module, aimed at staff with new supervisory or managerial responsibilities.

### 4. Engagement

During 2018, the annual Diversity Calendar was actively promoted across the University community. Harmony Day celebrations were held at each campus, in collaboration with the respective student associations, the Multifaith and Pastoral Care Service, TAFE Student Central (Coffs Harbour campus) and the Gold Coast City Council (Gold Coast campus). Refugee Week was acknowledged at each campus with a Library display and a screening of a short film 'A Sense of Place', with an associated talk. This included contributions by Southern Cross University students about their respective refugee journeys.

The University's annual Fusion Festival was held in late August. The Fusion festival provided opportunities to acknowledge, learn from, and celebrate our diverse communities across the University's three main campuses. Students from culturally diverse backgrounds were employed by the University to help coordinate festival events and activities. At each campus, students, staff and the community came together to enjoy international cuisine food tasting, cultural displays, performances and exchanges as well as music and cultural dances. 'Couch conversations' were held at the Lismore campus, investigating themes of belonging, connectedness and the significance of cultural observances in one's sense of identity.

A Muslim student club was established in 2018, with the aim of promoting Muslim activities

and intercultural understanding, including celebrating the Ramadhan Iftar with Muslim students and members of the community preparing the food and hosting the evening.

### Strategies for 2019 include:

- Offering student peer mentoring to support students from non-English speaking backgrounds in their transition to University
- Encouraging all staff to access relevant training including equal opportunity training (*EO Online*), *Respectful Workplace* and anti-racism training (*Courageous Conversations About Race*)
- Promoting a University culture (including online) that is free from discrimination and supportive of diversity, to attract and retain staff and students from culturally and linguistically diverse backgrounds
- Delivering cultural festivals and diversity symposia to students, staff and the wider community to promote diversity and harmony, in partnership with people from culturally diverse backgrounds and reflecting the different communities at each campus
- Providing alternative entry pathways to encourage participation of students from culturally and linguistically diverse backgrounds.



# Student Feedback and Consumer Response

## Complaints Framework

The University's Complaints 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 2018, a total of 119 complaints were received by the Complaints Assistance Officer.

76 complaints were resolved informally and 43 were formalised and actioned pursuant to the Complaints Policy.

Of the 43 formal complaints:

- Seven complaints were resolved to the student's satisfaction and recommendations were made for changes and improvements to University procedures
- Six complaints were not upheld and advice and information was provided to the complainant as to the reasons for the decision
- 29 complaints were referred to be dealt with under other policies
- 1 complaint was withdrawn.

## Academic Appeals

The Academic Board Appeals Committee is a committee of the University's Academic Board that assists in assuring quality and integrity in academic outcomes for students by considering



potential irregularities in academic assessment and progression processes.

During 2018, 34 academic appeals were lodged with the Secretary to the Academic Board Appeals Committee. Of the 34 appeals received:

- No appeals went to hearing before the Committee
- Nine appeals were rejected by the Chair of the Committee as frivolous or vexatious or because the academic decision seemed to the Chair to have been properly taken and the student had not presented sufficient evidence to justify

further consideration of the appeal

- 13 appeals were made prematurely with the students being advised that they needed to take other steps to have the decision reviewed before lodging an appeal
- 11 appeals were referred to the relevant Head of School with an invitation to reconsider the matter raised
- One appeal did not proceed after the student was provided with information on alternative options.

# Governance

**Southern Cross University was established under the Southern Cross University Act 1993 (NSW). Under the Act, 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.**

## GOVERNANCE

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, four 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 OF BEST PRACTICE FOR THE GOVERNANCE OF AUSTRALIAN PUBLIC UNIVERSITIES

In 2013, the University Council adopted the Voluntary Code of Best Practice for the Governance of Australian Public Universities. In September 2018, the University Council adopted the revised Voluntary Code.

In November 2018, the University Council reviewed the University's standing against the revised Voluntary Code. The University is substantially compliant with the Voluntary Code. The Council endorsed some recommendations to ensure that the University is fully compliant with the Code's requirements. This included updating governing documents so that they align with the changes to the Voluntary Code and enhancing governance processes for Council's oversight of the University's controlled entity.

# Governance

## MANAGEMENT AND STRUCTURE

As at 31 December 2018

### UNIVERSITY COUNCIL

#### Vice Chancellor and President

Campuses	Governance Services
HR Services	

#### Deputy Vice Chancellor (Academic)

Planning, Quality and Review	School of Business and Tourism
SCU College	School of Arts and Social Sciences
School of Environment, Science and Engineering	Gnibi College of Indigenous Australian Peoples
School of Health and Human Sciences	School of Law and Justice

#### Vice President (Global)

SCU International	Enterprise
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#### Deputy Vice Chancellor (Research)

Office of Research	Graduate School
Southern Cross Plant Sciences	Environmental Analysis Laboratory
Southern Cross Geoscience	Centre for Organics Research

#### Vice President (Operations)

Technology Services	Property Services
Library Services	Student Administration Services

#### Vice President (Financial)

Financial Operations	Management Accounting
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#### Vice President (Engagement)

Alumni and Giving	Campus Services
Strategic Projects	Engagement and Partnerships
Marketing, Media and Communications	

#### Deputy Vice Chancellor (Students) & Dean of Education

School of Education	Student Success
Employability	Equity and Diversity
Teaching and Learning	

# Governance

## Management and Structure

### UNIVERSITY COUNCIL MEMBERS FOR THE PERIOD 1 JANUARY 2018 TO 31 DECEMBER 2018

Chancellor and Chair of Council

**Mr Nicholas Burton Taylor AM, BEc(Syd), FCA, FCPA, FFin, FAICD**

Current term expires 25 September 2022

Deputy Chancellor

**Mr Murray d'Almeida FAICD**

Ministerially appointed member

Current term expires 31 December 2021

Vice Chancellor

**Professor Adam Shoemaker BA (Hons) (Queen's Canada), PhD (ANU)**

Current term expires 23 September 2021

Chair of Academic Board

**Prof Mark Hughes BSW(Hons)(JCU), PhD(UQ)**

Retiring as of 22 March 2019

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

Council appointed member

Current term expires 11 September 2022

**Professor William Boyd BSc(Hons)(StAnd), MEd-Lead(HigherEd)(MACQU), DSc(StAnd), PhD(Glas)**

Elected member – academic staff

Current term expires 9 September 2020

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

Council appointed member

Current term expires 9 November 2022

**Mr Graham Lancaster BAppSc(Hons)(UNENR)**

Elected member – non-academic staff

From 10 September 2018. Current term expires 9 September 2020

**Ms Lynda O'Grady BCom(Hons)(UQ), FAICD**

Council appointed member

Current term expires 16 February 2021

**Associate Professor Adele Wessell BA(Hons) (UNSW), PhD(UNSW), GradCertHed(L&T)(SCU)**

Elected member – academic staff

Current term expires 9 September 2020

**Mr Michael Jones DipCommServ(Mental/Hlth) NSW TAFE**

Elected member - student representative

Current term expires 9 September 2020

**Mr Scott Noble BBus(SCU), MAppFin(FINSIA), FCA, F.Fin, GAICD**

Council appointed member (Graduate) From 11 June 2018. Current term expires 10 June 2022

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

Ministerially appointed member

From 1 January 2018. Current term expires 31 December 2021

Council Secretary

**Ms Belinda Atkinson BComm(UQ), LLB(UQ)**

**The following member's appointment concluded during 2018**

**Ms Toni Ledgerwood ADipAppSc(LibTech)(ECU)**

Elected member – non-academic staff

Term expired 9 September 2018

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

### EXECUTIVE OFFICERS

**Vice Chancellor**

Professor Adam Shoemaker BA (Hons) (Queen's Canada), PhD (ANU)

**Deputy Vice Chancellor (Research)**

Professor Susan Nancarrow BAppSc(Pod)(QUT), MAppSc(QUT), PhD(ANU), GAICD

**Deputy Vice Chancellor (Academic)**

Professor John Jenkins GAICE, BA(Hons)(NE), PhD(UNE)

To 1 June 2018

Associate Professor Erica Wilson, BAdmin(Tourism) (Hons)(JCU), GradDip(EnvStud)(Adel), PhD(Griff)  
From 1 June 2018 to 11 November 2018

Professor Tyrone Carlin, BComm(UNSW), LLB(Hons) (SYDNEY), LLM(Sydney), MComm(Hons)(UNSW), PhD(Macq)

From 12 November 2018

**Vice President (Global)**

Mr Monty Singh, BSci(OS), GradDip(CompSci)(UC), MIT(Macq)

**Vice President (Operations)**

Mr Allan Morris, GradDipInfoTech(Monash)

**Vice President (Finance)**

Travis Walker B Bus(Accounting)(RMIT), MBA(LaT)

**Vice President (Engagement)**

Mr Ben Roche, BSc(Hons)(UNSW), Med(UTS)

**Deputy Vice Chancellor (Students) and Dean of Education**

Prof Nan Bahr, DipEd(Adelaide), BA(Flinders), BEd, BMus(Adelaide), MEd(UQ), PhD(UQ)

# Governance

## LEGAL CHANGES

Legal changes occurring during 2018, with the most direct impact on the University are set out below.

*Copyright Act 1968 (Cth),*

A number of changes came into effect in 2017 but were implemented during 2018, including:

- A streamlined statutory licence providing greater flexibility over what can be negotiated, including copying and communication limits for works
- More flexibility in the display of copyright notices under the Copyright Regulations 2017
- New provisions related to disability access, designed to ensure that copyright material can be converted into the most accessible format(s) available
- Extension of the exam copying exemption to online exams. The exemption has also been extended to all copyright material including audio-visual content
- Simplification of provisions related to preservation, research and administration; and
- Technological Protection Measures (TPM) exceptions
- Extension of “safe harbour” measures to a number of organisations, including universities and libraries, providing them with the same certainty and protection against breach of copyright through online activities as is currently provided to commercial

Internet Service Providers (ISPs); and

- Provision of fixed-term protection for unpublished works, and certainty for “orphan works”, i.e. where the identity of the author is not known.

*Privacy Amendment (Notifiable Data Breaches) Act 2017 (Cth)*

This Act established the Notifiable Data Breaches Scheme (NDB Scheme) which came into operation on 22 February 2018. Under the scheme, the University is obliged to notify individuals whose personal information is involved in a data breach that is likely to result in serious harm, including recommendations about the steps individuals should take in response to the breach. The Australian Information Commissioner must also be notified of eligible data breaches.

*European Union General Data Protection Regulation (GDPR)*

This legislation came into force on 25 May 2018 and has extra-territorial jurisdiction. Therefore, it may have an impact on the University if it processes the data of individuals living in the EU as a result of offering goods or services. While similar in scope to the *Privacy Act 1998 (Cth)*, the GDPR strengthens the requirements for consent, and includes a number of individual rights not currently found in Australian privacy legislation, such as the right to be forgotten (data erasure) and data portability.

*Modern Slavery Act 2018 (NSW) and Modern Slavery Act 2018 (Cth)*

The *Modern Slavery Act 2018 (NSW)* received assent on 27

June 2018 but is not yet in force. Professor Jennifer Burn has been appointed Interim Anti-Slavery Commissioner to drive the implementation.

The *Modern Slavery Act 2018 (Cth)* commenced on 1 January 2019 and requires that the University report annually on the risks of modern slavery in its operations and supply chains, and actions taken to address those risks.

*Government Information (Public Access) Amendment Act 2018*

A number of amendments to the *Government Information (Public Access) Act 2009 (“GIPA Act”)* commenced on 28 November 2018 including:

- When calculating the value of a government contract for the purpose of the GIPA Contract register, GST must now be included
- Applicants for information under section 41 of the GIPA Act must now provide a name, a postal or email address, and disclose whether they have applied for the same information from another agency
- The University can now require an applicant to provide his or her identity before providing them with personal information
- A new section (60(3A)) provides a non-exhaustive list of factors that decision-makers can take into account in deciding whether an application would involve an unreasonable and substantial diversion of resources
- The Information Commissioner now has a review period of

# Governance

40 working days in which to complete an external review and make recommendations

- The University may only submit its annual GIPA Report to the Information Commissioner after its annual report has been tabled in Parliament; and
- The definition of “working day” has been amended to exclude the public service Christmas close down period.

*Government Information (Public Access) Regulation 2018 (NSW)*

This Regulation replaces the *Government Information (Public Access) Regulation 2009 (NSW)*. The Regulation provides detail on the information about access applications that is to be included in the University’s Annual Report, and provides for a reduction in the processing charge that may be payable in connection with an access application for some applicants.

The University continues its commitment to complying with its obligations under the *Privacy and Personal Information Protection Act 1998 (NSW)* (“PIIP Act”) and the *Health Records and Information Privacy Act 2002 (NSW)* (“HRIP Act”).

Throughout 2018, the University continued to promote a culture of understanding of, and compliance with, privacy legislation by providing specific advice on privacy-related legal requests, drafting and reviewing privacy statements, and assisting Technology Services in the prevention and management of data breaches. Staff information sessions on the operation of the PIIP and HRIP Acts, and

appropriate management of personal information, have also been provided.

The University received no applications for internal review under Part 5 of the PIIP Act in the 2018 calendar year.

*Program for the release of information*

Throughout 2018, the University continued to make information of public interest available via its website. The University added to its Register of Government Contracts and Policy Library and reviewed all information released under access applications for inclusion in its Disclosure Log.

The information and forms available on the University’s website for accessing personal and government information were reviewed and are continuing to be updated to facilitate easier access for members of the public.

*Number of access applications received*

In 2018, the University received six valid access applications under the *Government Information (Public Access) Act 2009 (NSW)* (GIPA Act). Statistical information relating to the number and type of applications received by the University within the reporting period is provided in Appendix E.



# Governance

The University did not refuse any applications on the basis that the information requested was information referred to in Schedule 1 of the GIPA Act.

## Public Interest Disclosures

The *Public Interest Disclosures Act 1994 (NSW)* ("PID Act") establishes a system for public officials to report serious wrongdoing. The University's Public Interest Disclosures (PID) Policy establishes an internal system for receiving, assessing and dealing with reports of wrongdoing under the PID Act. The PID Policy is available to staff in the University's online policy library.

In 2018, the list of Disclosures Officers and others to whom disclosures can be made was updated, and information sessions on the PID Policy and PID reporting were provided to staff from a range of different work units. Staff are also provided with information on reporting corrupt conduct, maladministration and serious or substantial waste of public resources in accordance with the PID Act in the Code of Conduct. 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 2018 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:	0
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

## Insurance

The University maintains an appropriate comprehensive insurance program to cover the financial effects of insurable risks. The principal areas of cover include, but are not limited to; property protection, general and products liability, professional liability, malpractice, clinical trials, corporate travel, motor vehicle insurance, and workers compensation. The University's risk profile, including new and emerging risks and the University's exposure to such risks, is taken into account when determining the limits of insurance, policy deductibles and classes of cover. The University's insurance program is renewed annually.

## Risk Management

The University's approach to risk management aligns with the risk management standard *ISO 31000:2018 Risk Management - Guidelines*. Oversight of the University's Risk Management framework is provided by Council and the Audit and Risk Management Committee.

During 2018 there was continued focus on:

- Regular reporting and review of the strategic risk profile
- Supporting Operational units to monitor and review operational risks
- Business Continuity planning.

# Financial Performance

**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 profit of \$493,557 for the year ending 31 December 2018 (2017: \$4.2 million loss). The University reported a net profit of \$98,864 (2017: \$3.8 million loss).

Net cash from operating activities was \$34.3 million (2017: \$23.8 million).

Total University revenue, grew by 15% compared to the previous year while total expenses rose by 13%. Total salaries and wages grew by 7%.

Cash and cash equivalents at year end were \$35 million (2017: \$16 million).





# Southern Cross University and Controlled Entities

ABN 41 995 651 524

## Financial Statements for the 2018 Reporting Period

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# Statement by the Members of Council

31 December 2018

In accordance with a resolution of the Council of Southern Cross University and pursuant to Section 41 C (1B) and (1C) of the *Public Finance and Audit Act 1983*, we state that:

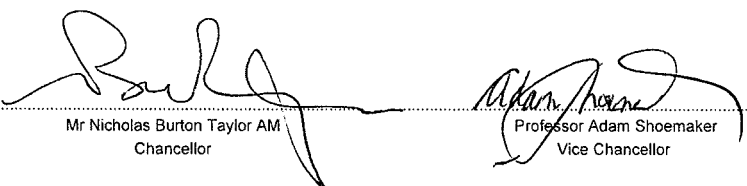
(a) The financial statements of Southern Cross University and Controlled Entity exhibit a true and fair view of the financial position as at 31 December 2018 and financial performance of the University for the financial year ended on that date;

(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 provisions of the *Public Finance and Audit Act 1983*, *Public Finance and Audit Regulation 2015* and the Financial Statement Guidelines for Australian Higher Education Providers 2018;

(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.



Mr Nicholas Burton Taylor AM  
Chancellor

Professor Adam Shoemaker  
Vice Chancellor

Dated 17 April 2019

# Income Statement

For the Year Ended  
31 December 2018

	Note	Consolidated		Parent	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Income from continuing operations</b>					
Australian Government financial assistance					
Australian Government grants		<b>98,620</b>	100,498	<b>98,620</b>	100,498
HELP - Australian Government payments	2(b)	<b>61,851</b>	59,578	<b>61,851</b>	59,578
State and local government financial assistance	3	<b>1,788</b>	1,628	<b>1,788</b>	1,628
HECS-HELP - Student payments		<b>1,989</b>	1,944	<b>1,989</b>	1,944
Fees and charges	4	<b>81,749</b>	52,894	<b>81,749</b>	52,894
Investment income	5	<b>2,580</b>	906	<b>2,579</b>	904
Royalties, trademarks and licences		<b>827</b>	852	<b>827</b>	852
Consultancy and contracts	6	<b>7,708</b>	6,526	<b>7,708</b>	6,526
Other revenue	7	<b>14,696</b>	12,191	<b>13,110</b>	10,594
Share of profit or loss on investments accounted for using the equity method	14	<b>(5)</b>	(11)	-	-
<b>Total income from continuing operations</b>		<b>271,803</b>	237,006	<b>270,221</b>	235,418
<b>Expenses from continuing operations</b>					
Employee related expenses	8	<b>142,652</b>	133,741	<b>140,673</b>	132,000
Depreciation and amortisation	9	<b>15,716</b>	13,218	<b>15,673</b>	13,183
Repairs and maintenance		<b>4,354</b>	3,317	<b>4,270</b>	3,311
Borrowing costs		<b>373</b>	583	<b>373</b>	583
Impairment of assets	10	<b>411</b>	1,238	<b>1,631</b>	1,238
Losses on disposal of assets		<b>98</b>	119	<b>94</b>	113
Other expenses	11	<b>107,705</b>	88,948	<b>107,408</b>	88,756
<b>Total expenses from continuing operations</b>		<b>271,309</b>	241,164	<b>270,122</b>	239,184
<b>Net result from continuing operations</b>		<b>494</b>	(4,158)	<b>99</b>	(3,766)

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

## Statement of Comprehensive Income

For the Year Ended  
31 December 2018

	Note	Consolidated		Parent	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Net result from continuing operations</b>		<b>494</b>	(4,158)	<b>99</b>	(3,766)
<b>Items that will not be reclassified to profit or loss</b>					
Gain on equity instruments designated at fair value through OCI		13,712	4,673	13,712	4,673
Remeasurement relating to defined benefit plans	33(e)	<b>(182)</b>	(141)	<b>(182)</b>	(141)
<b>Total</b>		<b>13,530</b>	4,532	<b>13,530</b>	4,532
<b>Total other comprehensive income</b>		<b>13,530</b>	4,532	<b>13,530</b>	4,532
<b>Total comprehensive income attributable to members of Southern Cross University</b>		<b>14,024</b>	374	<b>13,629</b>	766

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

# Statement of Financial Position

As At 31 December 2018

	Note	Consolidated		Parent	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	12	35,424	16,617	35,337	16,545
Receivables	13	12,364	10,587	12,344	11,119
Inventories		155	191	132	161
Prepayments		2,854	2,912	2,846	2,912
<b>Total current assets</b>		<b>50,797</b>	<b>30,307</b>	<b>50,659</b>	<b>30,737</b>
<b>Non-current assets</b>					
Receivables	13	101,747	92,175	101,747	92,175
Investments accounted for using the equity method	14	296	301	175	175
Other financial assets	15	29,412	15,700	29,412	15,700
Property, plant and equipment	16	261,328	270,997	261,235	270,859
Prepayments		711	976	711	976
<b>Total non-current assets</b>		<b>393,494</b>	<b>380,149</b>	<b>393,280</b>	<b>379,885</b>
<b>Total assets</b>		<b>444,291</b>	<b>410,456</b>	<b>443,939</b>	<b>410,622</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	17	19,639	18,283	19,471	18,200
Borrowings	18	-	2,440	-	2,440
Employee benefit provisions	19	27,069	25,903	26,937	25,798
Other liabilities	20	35,396	17,901	35,353	17,860
<b>Total current liabilities</b>		<b>82,104</b>	<b>64,527</b>	<b>81,761</b>	<b>64,298</b>
<b>Non-current liabilities</b>					
Borrowings	18	-	7,580	-	7,580
Employee benefit provisions	19	105,515	95,751	105,498	95,743
Other liabilities	20	1,488	1,542	1,488	1,542
<b>Total non-current liabilities</b>		<b>107,003</b>	<b>104,873</b>	<b>106,986</b>	<b>104,865</b>
<b>Total liabilities</b>		<b>189,107</b>	<b>169,400</b>	<b>188,747</b>	<b>169,163</b>
<b>Net assets</b>		<b>255,184</b>	<b>241,056</b>	<b>255,192</b>	<b>241,459</b>
<b>Equity</b>					
Reserves	21	29,412	15,700	29,412	15,700
Retained earnings	21	225,772	225,356	225,780	225,759
<b>Total equity</b>		<b>255,184</b>	<b>241,056</b>	<b>255,192</b>	<b>241,459</b>

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

## Statement of Changes in Equity

For the Year Ended  
31 December 2018

	Parent			
	Note	Retained Earnings \$'000	Reserves \$'000	Total \$'000
<b>Balance at 1 January 2018</b>	21	225,759	15,700	241,459
Retrospective changes AASB 9	1(h)	104	-	104
<b>Balance as restated</b>		225,863	15,700	241,563
Net result from continuing operations		99	-	99
Gain on revaluation of financial assets at fair value		-	13,712	13,712
Remeasurement of defined benefit plans		(182)	-	(182)
<b>Total comprehensive income</b>		(83)	13,712	13,629
<b>Balance at 31 December 2018</b>		225,780	29,412	255,192
<b>Balance at 1 January 2017</b>		229,666	11,027	240,693
Net result from continuing operations		(3,766)	-	(3,766)
Gain on revaluation of available-for-sale financial assets		-	4,673	4,673
Remeasurement of defined benefit plans		(141)	-	(141)
<b>Total comprehensive income</b>		(3,907)	4,673	766
<b>Balance at 31 December 2017</b>		225,759	15,700	241,459
	Consolidated			
	Note	Retained Earnings \$'000	Reserves \$'000	Total \$'000
<b>Balance at 1 January 2018</b>	21	225,356	15,700	241,056
Retrospective changes AASB 9	1(h)	104	-	104
<b>Balance as restated</b>		225,460	15,700	241,160
Net result from continuing operations		494	-	494
Gain on revaluation of financial assets at fair value		-	13,712	13,712
Remeasurement of defined benefit plans		(182)	-	(182)
<b>Total comprehensive income</b>		312	13,712	14,024
<b>Balance at 31 December 2018</b>		225,772	29,412	255,184
<b>Balance at 1 January 2017</b>		229,655	11,027	240,682
Net result from continuing operations		(4,158)	-	(4,158)
Gain on revaluation of available for sale financial assets		-	4,673	4,673
Remeasurement of defined benefit plans		(141)	-	(141)
<b>Total comprehensive income</b>		(4,299)	4,673	374
<b>Balance at 31 December 2017</b>		225,356	15,700	241,056

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

## Statement of Cash Flows

For the Year Ended  
31 December 2018

	Note	Consolidated		Parent	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Cash flows from operating activities:</b>					
Australian Government Grants		156,876	168,005	156,876	168,005
OS-HELP (net)		33	(150)	33	(150)
State Government Grants		1,788	1,628	1,788	1,628
HECS-HELP - Student payments		1,989	1,944	1,989	1,944
Receipts from student fees and other customers		131,393	77,381	129,552	74,871
Dividends received		500	-	500	-
Payments to suppliers and employees		(266,323)	(232,132)	(263,077)	(228,575)
Interest received		603	415	602	413
Interest and other costs of finance paid		(393)	(880)	(393)	(880)
GST recovered/paid		7,839	7,599	7,839	7,719
<b>Net cash provided by operating activities</b>	30	<b>34,305</b>	23,810	<b>35,709</b>	24,975
<b>Cash flows from investing activities:</b>					
Proceeds from sale of property, plant and equipment		491	690	491	674
Payments for property, plant and equipment		(5,969)	(25,847)	(5,969)	(25,792)
Loans to related parties		-	-	(1,419)	(1,206)
<b>Net cash used in investing activities</b>		<b>(5,478)</b>	(25,157)	<b>(6,897)</b>	(26,324)
<b>Cash flows from financing activities:</b>					
Repayment of borrowings		(10,020)	(2,440)	(10,020)	(2,440)
<b>Net cash used in financing activities</b>		<b>(10,020)</b>	(2,440)	<b>(10,020)</b>	(2,440)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>18,807</b>	(3,787)	<b>18,792</b>	(3,789)
Cash and cash equivalents at beginning of the financial year		16,617	20,404	16,545	20,334
<b>Cash and cash equivalents at the end of the financial year</b>	12	<b>35,424</b>	16,617	<b>35,337</b>	16,545

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

# Notes to the Financial Statements

For the Year Ended  
31 December 2018

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## 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 as the parent entity and the consolidated entity consisting of Southern Cross University and its subsidiary.

Southern Cross University is a Higher Education Provider 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 *Public Finance and Audit Act 1983* and the *Public Finance and Audit Regulation 2015*.

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 in the following accounting treatments:

- the offsetting of impairment losses within a class of assets
- the timing of the recognition of non-reciprocal revenue.

### Date of authorisation for issue

The financial statements were authorised for issue by the members of Southern Cross University on 17 April 2019.

### Historical cost convention

These financial statements have been prepared under the historical cost convention, except for equity financial assets that have been measured at fair value through other comprehensive income and library rare book collection.

### 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 9)
- Measurement and recognition of employee benefits provisions (note 19)
- Impairment of trade and other receivables (note 10)
- Measurement of financial assets (note 32)

### (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 statement.

### (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.

**1 Summary of Significant Accounting Policies (continued)****(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 statement of financial position.

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

**(g) Revision of estimates**

During the year the estimated total useful lives of certain plant and equipment was revised. The net effect of the changes in the current financial year was an increase in depreciation expense of \$998,207. Assuming the assets are held until the end of their useful lives, depreciation in future years in relation to these assets is expected to change by the following amounts:

Year ending	\$'000
2019	(10)
2020	(18)
2021	(18)
2022	(18)
2023	(18)
Later than 2023	(918)

**(h) Initial Application of AASB 9**

Adoption of AASB 9 is made in accordance with the transitional provisions.

AASB 9 Financial Instruments replaces AASB139 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The adoption of AASB9 from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transitional provisions, comparative figures have not been restated.

The following table shows the adjustments recognised for each individual line item:

Statement of Financial Position (extract)		31-Dec-17 \$'000	AASB 9 \$'000	1-Jan-18 restated \$'000
<b>Current assets</b>				
Other financial assets at amortised cost	(a)	-	104	104
<b>Non-current assets</b>				
Available-for-sale financial assets	(b)	15,700	(15,700)	-
Other financial assets at fair value through other comprehensive income (FVTOCI)	(b)	-	21,685	21,685

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

The nature of these adjustments are described below:

**(i) Classification and measurement****(a) Reclassification from trade receivables to other financial asset at amortised cost**

Trade receivables and other non-current financial assets classified as loans and receivables as at 31 December 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as debt instruments at amortised cost beginning 1 January 2018.

**(b) Equity investments previously classified as available-for-sale**

Equity investments in non-listed companies classified as available for sale assets as at 31 December 2017 are classified and measured as equity instruments designated at fair value through other comprehensive income beginning 1 January 2018. The University elected to classify irrevocably its non-listed equity investments under this category at the date of initial application as it intends to hold these investments for the foreseeable future. There were no impairment losses recognised in profit or loss for these investments in prior periods.

	Effect on AFS \$'000	Effect on FVTOCI \$'000
The impact of these changes on the University's equity is as follows:		
<b>Other reserves</b>		
Opening balance - AASB 139	15,700	-
Reclassifications of unlisted securities from available-for-sale (AFS) to FVTOCI	(15,700)	15,700
Fair value adjustment	-	5,985
<b>Opening balance - AASB 9</b>	<b>-</b>	<b>21,685</b>
<b>Retained earnings</b>		
Opening balance - AASB 139	225,759	225,759
Retained earnings transfer of impairment losses to reserves (refer to Note 1 (h) (ii))	-	104
<b>Opening balance - AASB 9</b>	<b>225,759</b>	<b>225,863</b>

As a result of the change in classification of the University's listed equity investments, the available for sale reserve of \$15,700,000 at 1 January 2018 was reclassified to fair value of financial assets through other comprehensive income.

The University has not designated any financial liabilities as at fair value through profit or loss. There are no changes in classification and measurement for the University's financial liabilities.

In summary, upon the adoption of AASB 9, the University had the following required or elected reclassifications as at 1 January 2018.

	Measurement category	Measurement category	Carrying amount	Carrying amount	Carrying amount
	Original (AASB 139)	New (AASB 9)	Original \$'000	New \$'000	Difference \$'000
<b>Non-current assets</b>					
Other financial assets	Available-for-sale	FVTOCI	15,700	15,700	-

Unlisted equity securities	Available-for-sale	FVTOCI	-	5,985	5,985
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## 1 Summary of Significant Accounting Policies (continued)

### (ii) Impairment

The adoption of AASB 9 has fundamentally changed the University's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach.

AASB 9 requires the University to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss and contract assets.

Upon adoption of AASB 9 the University recognised additional impairment on the University's trade receivables, which resulted in an increase in retained earnings of \$104,523 1 January 2018. Impairment losses do not reduce the carrying amount of debt instruments at fair value through OCI in the statement of financial position, which remains at fair value.

Set out below is the reconciliation of the ending impairment allowances in accordance with AASB 139 to the opening loss allowances determined in accordance with AASB 9:

	Allowance for impairment under AASB 139 as at 31 December 2017 \$'000	Remeasurement \$'000	ECL under AASB 9 as at 1 January 2018 \$'000
Loans and receivables under AASB 139/Financial assets at amortised cost under AASB 9	2,313	(104)	2,209

**1 Summary of significant Accounting Policies (continued)****(i) New Accounting Standards and Interpretations**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The University has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the University where the standard is relevant:

Standard Name	Mandatory Application Date	Requirements	Impact
AASB15 Revenue from Contracts with Customers and amending standards	1 Jan 2019	AASB 15 establishes a single and comprehensive framework which sets out how and when revenue is recognised. The core principle of AASB 15 is that revenue is recognised when transfers of goods or services to customers occur in exchange for consideration which the vendor expects to be entitled to in exchange for the provision of those goods or services (i.e. fulfillment of performance obligations). Revenue will only be recognised when control over the goods or services is transferred to the customer, which is either over time or at a point in time.	<p>The University has conducted a review of its material contracts with customers in order to assess the impact of the new standard. The University has identified that contracts relating to grants and other payments relating to student tuition services will be recognised as revenue over time, as the performance obligation relating to those services is satisfied.</p> <p>The University has identified \$6.2 million of income received from government financial assistance in 2018, will be adjusted against retained earnings under the new standard at the date of initial application.</p> <p>The University is currently reviewing the impact to its research contracts and expects the majority to be recognised overtime.</p> <p>The University has identified that funds received relating to contractual obligations to deliver scholarship payments to students and third party grant transfers, will now be recognised as financial liabilities until its obligation to provide cash to the student or third party is settled.</p> <p>The University will apply this Standard retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application.</p> <p>The University will recognise the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application. Under this transition method, the University will elect to apply this Standard only to contracts that are not completed contracts at the date of initial application.</p>

**1 Summary of significant Accounting Policies (continued)**

Standard Name	Mandatory Application Date	Requirements	Impact
AASB1058 Income of Not-for-Profit Entities and amending standards	1 Jan 2019	<p>Furthermore, AASB 1058 amends the income recognition requirements that apply to not-for-profit entities and establishes principles for not-for-profit entities that apply to:</p> <p>(a) transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not-for-profit entity to further its objectives;</p> <p>(b) the receipt of volunteer services; and</p> <p>(c) transfers made to enable an entity to acquire or construct a non-financial asset for its own use.</p>	<p>The University has conducted a review of material contracts where consideration to acquire an asset is significantly less than fair value. The University has identified that contracts relating to government financial assistance in the form of capital funding and other payments such as gifts, which are principally provided to enable the University to further its objectives, will be recognised as income on receipt, subject to the existence of specific material obligations and conditions.</p> <p>In regard to capital funding, as the obligation to construct the asset is satisfied over time (i.e. as it is constructed), income is recognised as the obligation is satisfied using either the input or output method.</p> <p>In 2018, the University entered into a capital funding agreement for approximately \$12 million for the purpose of constructing a building and will recognise this as income over the period of time it is constructed.</p>

**1 Summary of significant Accounting Policies (continued)**

<b>Standard Name</b>	<b>Mandatory Application Date</b>	<b>Requirements</b>	<b>Impact</b>
AASB1058 Income of Not-for-Profit Entities and amending standards (Cont'd)	1 Jan 2019	(Cont'd)	<p>Conversely, a gift creates no material obligations or conditions and therefore cannot include sufficiently specific performance obligations or create a contractual obligation to provide cash to a recipient. The University will recognise income immediately when the University has the contractual right to receive the Gift.</p> <p>In 2018, the University entered into an agreement to receive \$10 million as a gift to further its research objectives. The University will recognise this as income immediately when it is paid.</p> <p>The University intends to adopt the modified retrospective approach under paragraph C3(b) on transition to AASB1058.</p> <p>Consequently, the University will not restate comparative information. Instead, the University will recognise the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings at the date of initial application.</p>
AASB16 Leases	1 Jan 2019	AASB 16 was issued in February 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low-value leases. The accounting for lessors will not significantly change.	<p>The standard will primarily affect the accounting for the University's operating leases. As at the reporting date, the University has non-cancellable operating lease commitments of \$84.4 million, see note 25.</p> <p>The University conducted a review of all material leases that were previously classified as operating leases. The University has identified that an estimated \$24 million in right-of-use assets and \$36.8 million in related financial lease liabilities will qualify for recognition under the new standard and its transitional provisions.</p> <p>The University intends to adopt the modified retrospective approach under paragraph C (b) (i) on transition to AASB 16, thereby recognising the lease liability at the present value of the remaining lease payments, and a right-of-use asset calculated as if the Standard had been applied since the commencement date.</p> <p>Consequently, the University will not restate comparative information. Instead, the University will recognise the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings at the date of initial application.</p>

**1 Summary of significant Accounting Policies (continued)**

<b>Standard Name</b>	<b>Mandatory Application Date</b>	<b>Requirements</b>	<b>Impact</b>
AASB 2018-8 Amendments to Australian Accounting Standards: Right-of-use Assets of Not-for-profit Entities	1 Jan 2019		The University is party to leases that have significantly below-market terms and conditions, principally to enable the entity to further its objectives. AASB 2018-8 provides a temporary option for not-for-profit entities, to not apply the fair value initial measurement requirements for such leases. The University is unlikely to take up this option for its class of right to use land assets. The University is likely to elect to value this class assets at fair value
AASB1059 Service Concession Arrangements: Grantors	1 Jan 2020		The potential impact of this standard is currently being determined.



**2 Australian government financial assistance including Australian government loan programs (HELP)****(a) Commonwealth Grants Scheme and Other Grants**

Note	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Commonwealth Grants Scheme	<b>79,209</b>	78,081	<b>79,209</b>	78,081
Access and Participation Fund	<b>2,806</b>	2,861	<b>2,806</b>	2,861
Promotion of Excellence in Learning and Teaching	-	10	-	10
Disability Performance Funding	<b>83</b>	96	<b>83</b>	96
Australian Maths & Science Partnership Program	-	32	-	32
Improving the Quality of Maths & Science Teaching Program	-	72	-	72
Indigenous Student Success Program	<b>2,027</b>	2,053	<b>2,027</b>	2,053
<b>Total Commonwealth Grants Scheme and Other Grants</b> 34(a)	<b>84,125</b>	83,205	<b>84,125</b>	83,205
<b>(b) Higher Education Loan Programs</b>				
HECS - HELP	<b>48,073</b>	48,314	<b>48,073</b>	48,314
FEE - HELP	<b>12,653</b>	10,148	<b>12,653</b>	10,148
SA-HELP payments	<b>1,125</b>	1,116	<b>1,125</b>	1,116
<b>Total Higher Education Loan Programs</b> 34(b)	<b>61,851</b>	59,578	<b>61,851</b>	59,578
<b>(c) EDUCATION Research</b>				
Research Training Program	<b>4,357</b>	4,417	<b>4,357</b>	4,417
Research Support Program	<b>3,171</b>	3,270	<b>3,171</b>	3,270
<b>Total EDUCATION Research Grants</b> 34(c)	<b>7,528</b>	7,687	<b>7,528</b>	7,687
<b>(d) Other Capital Funding</b>				
Linkage Infrastructure, Equipment and Facilities grant	-	552	-	552
<b>Total Other Capital Funding</b> 34(e)	-	552	-	552
<b>(e) Australian Research Council</b>				
Discovery	<b>1,231</b>	916	<b>1,231</b>	916
Linkages	<b>423</b>	621	<b>423</b>	621
<b>Total ARC</b> 34(f)	<b>1,654</b>	1,537	<b>1,654</b>	1,537

**2 Australian government financial assistance including Australian government loan programs (HELP) (continued)****(f) Other Australian Government financial assistance**

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Non-capital</b>				
Department of Agriculture and Water Resources	3,344	6,563	3,344	6,563
Great Barrier Reef Authority	400	-	400	-
Aust'n Ctr for International Agricultural Research	770	502	770	502
Other	516	452	516	452
<b>Total non-capital</b>	<b>5,030</b>	<b>7,517</b>	<b>5,030</b>	<b>7,517</b>
<b>Capital</b>				
Department of Infrastructure, Regional Development and Cities	284	-	284	-
<b>Total capital</b>	<b>284</b>	<b>-</b>	<b>284</b>	<b>-</b>
<b>Total other Australian Government financial assistance</b>	<b>5,314</b>	<b>7,517</b>	<b>5,314</b>	<b>7,517</b>
<b>Total Australian Government financial assistance (a+b+c+d+e+f)</b>	<b>160,472</b>	<b>160,076</b>	<b>160,472</b>	<b>160,076</b>

The University recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the University and specific criteria have been met for each of the University's activities as described below. In some cases this may not be probable until consideration is received or an uncertainty is removed. The University bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. This applies to revenue items recognised in notes 2 through to 7.

The University recognises grants received from the Australian government as income when the University obtains control of the right to receive the grant, it is probable that economic benefits will flow to the University and it can be reliably measured.

Revenue from HELP is categorised into those received from the Australian Government (note 2 (a)) and those received directly from students (note 2 (b)). Revenue is recognised and measured in accordance with the above disclosure.

### 3 State and local government financial assistance

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Non-capital</b>				
New South Wales	1,317	1,323	1,317	1,323
Queensland	281	51	281	51
Victoria	158	227	158	227
South Australia	9	12	9	12
Western Australia	23	15	23	15
<b>Total Non-capital</b>	<b>1,788</b>	1,628	<b>1,788</b>	1,628
<b>Total State and Local Government financial assistance</b>	<b>1,788</b>	1,628	<b>1,788</b>	1,628

The University recognises contributions and grants received from State governments as revenue when the University obtains control of the right to receive the grant, it is probable that economic benefits will flow to the University and it can be reliably measured.

### 4 Fees and charges

Course Fees and Charges		Consolidated		Parent	
Note		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
	Fee-paying onshore overseas students	71,587	44,997	71,587	44,997
	Fee-paying offshore overseas students	2,409	2,008	2,409	2,008
	Continuing education	9	47	9	47
	Fee-paying domestic postgraduate students	4,593	3,680	4,593	3,680
	Fee-paying domestic undergraduate students	518	542	518	542
	Fee-paying domestic non-award students	32	71	32	71
	<b>Total Course Fees and Charges</b>	<b>79,148</b>	51,345	<b>79,148</b>	51,345
	<b>Other Non-Course Fees and Charges</b>				
	Student services and amenities fees 34(h)	961	895	961	895
	Student accommodation	472	335	472	335
	Other non-course fees and charges	1,168	319	1,168	319
	<b>Total Other Fees and Charges</b>	<b>2,601</b>	1,549	<b>2,601</b>	1,549
	<b>Total Fees and Charges</b>	<b>81,749</b>	52,894	<b>81,749</b>	52,894

Fees and charges are recognised as income in the year of receipt, except to the extent that fees and charges relate to courses to be held in future periods. Such receipts (or portion thereof) are treated as income in advance in liabilities. Conversely, fees and charges relating to debtors are recognised as revenue in the year to which the prescribed course relates.

**5 Investment income**

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Interest</b>				
Held-to-maturity investments	680	406	679	404
<b>Dividends</b>				
Equity instruments designated at fair value through OCI	1,900	500	1,900	500
<b>Total investment income</b>	<b>2,580</b>	<b>906</b>	<b>2,579</b>	<b>904</b>

Interest revenue is recognised as it is earned. Dividends are recognised when the dividend is declared.

**6 Consultancy and contracts**

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Consultancy	4,174	2,575	4,174	2,575
Contract research	3,534	3,951	3,534	3,951
<b>Total consultancy and contracts</b>	<b>7,708</b>	<b>6,526</b>	<b>7,708</b>	<b>6,526</b>

Consultancy revenue and contract research is recognised when the service is provided.

**7 Other revenue**

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Donations and bequests	3,164	129	3,164	129
Scholarships and prizes	251	218	251	218
Sale of goods	638	777	135	149
Rental and facilities hire	685	642	655	623
Service fees	3,022	3,817	3,019	3,815
Memberships & registrations	1,241	1,165	236	275
Laboratory services	4,719	4,244	4,719	4,244
Conferences and workshops	5	102	5	102
Other revenue	971	1,097	926	1,039
<b>Total other revenue</b>	<b>14,696</b>	<b>12,191</b>	<b>13,110</b>	<b>10,594</b>

Contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which the group obtains control over them. Where grants are received that are reciprocal in nature, revenue is recognised over the term of the funding arrangements.

Other revenue is recognised when the goods and services are provided.

**8 Employee related expenses**

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Academic</b>				
Salaries	52,956	48,748	52,956	48,748
Contributions to funded superannuation schemes	8,009	7,434	8,009	7,434
Payroll tax	3,388	3,231	3,388	3,231
Worker's compensation	160	320	160	320
Long service leave	1,299	1,258	1,299	1,258
Annual leave	3,151	3,086	3,151	3,086
Other	538	590	538	590
<b>Total academic</b>	<b>69,501</b>	<b>64,667</b>	<b>69,501</b>	<b>64,667</b>
<b>Non-academic</b>				
Salaries	54,114	51,308	52,486	49,877
Contributions to funded superannuation schemes	8,662	8,191	8,507	8,053
Payroll tax	3,577	3,356	3,472	3,262
Worker's compensation	177	341	169	325
Long service leave	1,663	1,335	1,652	1,329
Annual leave	3,776	3,477	3,704	3,422
Other	1,182	1,066	1,182	1,065
<b>Total non-academic</b>	<b>73,151</b>	<b>69,074</b>	<b>71,172</b>	<b>67,333</b>
<b>Total employee related expenses</b>	<b>142,652</b>	<b>133,741</b>	<b>140,673</b>	<b>132,000</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 19 for accounting policies on employee benefits and note 33 for retirement benefit obligations.

## 9 Depreciation and amortisation

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Depreciation</b>				
Buildings	6,766	6,198	6,766	6,198
Infrastructure	1,867	687	1,867	687
Plant and equipment	7,081	6,258	7,038	6,223
Leasehold improvements	2	2	2	2
<b>Total depreciation</b>	<b>15,716</b>	<b>13,145</b>	<b>15,673</b>	<b>13,110</b>
<b>Amortisation</b>				
Computer software	-	73	-	73
<b>Total depreciation and amortisation</b>	<b>15,716</b>	<b>13,218</b>	<b>15,673</b>	<b>13,183</b>

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Depreciable assets	2018	2017
	Useful Lives (Years)	Useful Lives (Years)
Buildings	10-60	10-60
Plant and equipment	2-30	2-30
Improvements	5	5
Infrastructure	7-70	7-70

## 10 Impairment of assets

	Note	Consolidated		Parent	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Receivables	13,31	338	1,238	338	1,238
Related party receivables	26	-	-	1,220	-
<b>Impairment of financial assets</b>		<b>338</b>	<b>1,238</b>	<b>1,558</b>	<b>1,238</b>
Plant and equipment	16	73	-	73	-
<b>Impairment of non-financial assets</b>		<b>73</b>	<b>-</b>	<b>73</b>	<b>-</b>
<b>Total impairment of assets</b>		<b>411</b>	<b>1,238</b>	<b>1,631</b>	<b>1,238</b>

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, other than goodwill, that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

For further information on accounting policies of impairment of financial assets, refer to Note 13 and Note 15.

**11 Other expenses**

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Advertising, marketing and promotional expenses	4,435	2,804	4,426	2,800
Audit fees, bank charges, insurance & taxes	1,650	1,624	1,575	1,540
Books and subscriptions	3,736	4,038	3,735	4,037
Consulting and professional fees	14,147	13,050	14,014	12,927
External education services	42,265	28,091	42,265	28,091
Grants & contributions	3,712	4,178	3,712	4,178
Leased asset charges	4,045	4,234	4,045	4,234
Non-capitalised equipment	2,432	3,036	2,372	2,979
Printing and stationery	1,235	1,285	1,229	1,278
Property and facility costs	6,324	6,980	6,042	6,674
Scholarships, grants and prizes	6,967	4,877	6,965	4,875
Software expenses	5,313	3,790	5,313	3,790
Telecommunications	1,060	1,302	1,048	1,293
Travel, entertainment and staff development	4,974	4,660	5,148	4,820
Other expenses	5,410	4,999	5,519	5,240
<b>Total other expenses</b>	<b>107,705</b>	<b>88,948</b>	<b>107,408</b>	<b>88,756</b>

Leased asset charges in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (note 25).

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis, over the period of the lease.

**12 Cash and cash equivalents**

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Cash at bank and on hand	5,874	5,067	5,787	4,995
Short term deposits at call	29,550	11,550	29,550	11,550
<b>Total cash and cash equivalent in the statement of financial position and cashflows</b>	<b>35,424</b>	<b>16,617</b>	<b>35,337</b>	<b>16,545</b>

**(a) Cash at bank and on hand**

Cash on hand is non-interest bearing. Cash at bank earned a floating interest rate of 1.30% (2017:1.30%).

**(b) Deposits at call**

The deposits are bearing floating interest rates between 1.78% and 2.70% (2017: 1.50% and 2.31%). The deposits have an average maturity of 92 days.

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

### 13 Receivables

	Note	Consolidated		Parent	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Current</b>					
Trade receivables		4,637	5,506	4,622	5,482
Student fees receivable		5,913	5,145	5,913	5,145
Less: Provision for impaired receivables		(1,752)	(2,313)	(1,752)	(2,313)
		<b>8,798</b>	8,338	<b>8,783</b>	8,314
Related party receivables	26(e)(f)	16	16	16	578
OS-HELP Receivable	34(g)	7	-	7	-
Other receivables		3,543	2,233	3,538	2,227
<b>Total current receivables</b>		<b>12,364</b>	10,587	<b>12,344</b>	11,119
<b>Non-current</b>					
Deferred government benefit for superannuation	33(d)	101,747	92,175	101,747	92,175
<b>Total non-current receivables</b>		<b>101,747</b>	92,175	<b>101,747</b>	92,175
<b>Total receivables</b>		<b>114,111</b>	102,762	<b>114,091</b>	103,294

#### 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 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.

Set out below is the movement in the allowance for expected credit losses of trade receivables:

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
At 1 January	2,313	1,870	2,313	1,870
Provision for expected credit losses	185	1,228	185	1,228
Write-off	(746)	(785)	(746)	(785)
<b>At 31 December</b>	<b>1,752</b>	2,313	<b>1,752</b>	2,313

The information about the credit exposures are disclosed in Note 31 Financial risk management.



**14 Investments accounted for using the equity method****(a) Associates**

Name of Entity	Place of business/ Country of incorporation	Measurement method	Quoted fair value \$		Ownership Interest %	
			2018	2017	2018	2017
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:

	2018	2017
	\$'000	\$'000
<b>Financial Position</b>		
Current assets	125	101
Non-current assets	886	921
<b>Total assets</b>	<b>1,011</b>	<b>1,022</b>
Current liabilities	30	25
Non-current liabilities	95	96
<b>Total liabilities</b>	<b>125</b>	<b>121</b>
<b>Net assets</b>	<b>886</b>	<b>901</b>
<b>Share of associates' net assets</b>	<b>296</b>	<b>301</b>
<b>Reconciliation of carrying amounts:</b>		
Balance at 1 January	301	312
Share of profit/(loss) for year	(5)	(11)
<b>Balance at 31 December</b>	<b>296</b>	<b>301</b>
<b>Financial Performance</b>		
Income	122	110
<b>Profit/(loss) from continuing operations</b>	<b>(15)</b>	<b>(34)</b>
<b>Total comprehensive income</b>	<b>(15)</b>	<b>(34)</b>
<b>Share of associates' profit/(loss)</b>	<b>(5)</b>	<b>(11)</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 statement, and its share of post acquisition movements in reserves is recognised in reserves. The cumulative post acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised in the parent entity's income statement, while in the consolidated financial statements they reduce the carrying amount of the investment.

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

**15 Other financial assets**

	Consolidated		Parent	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>Non-current</b>				
Other financial assets at fair value through other comprehensive income	29,412	-	29,412	-
Available-for-sale	-	15,700	-	15,700
<b>Total non-current other financial assets</b>	<b>29,412</b>	<b>15,700</b>	<b>29,412</b>	<b>15,700</b>

**(a) Equity instruments elected to be at fair value through other comprehensive income****Investments in equity instruments designated at fair value through other comprehensive income**

Upon initial recognition, the University has elected to classify irrevocably the above investments, as equity instruments designated at fair value through other comprehensive income, as they meet the definition of equity under AASB132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the income statement when the right of payment has been established, except when the University benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment. The University has recognised \$1,900,000 as Dividends from these unlisted equity securities.

16 Property, plant and equipment

Parent	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Improvements \$'000	Library collections \$'000	Capital Works in Progress \$'000	Total \$'000
<b>At 1 January 2017</b>								
At cost	11,974	220,036	62,105	25,790	43	8,827	30,938	359,713
Accumulated depreciation	-	(52,610)	(30,994)	(5,166)	(7)	(8,027)	-	(96,804)
Accumulated impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)
<b>Net book amount</b>	<b>11,974</b>	<b>167,314</b>	<b>31,111</b>	<b>19,361</b>	<b>36</b>	<b>117</b>	<b>30,938</b>	<b>260,851</b>
<b>Year ended 31 December 2017</b>								
Opening net book amount	11,974	167,314	31,111	19,361	36	117	30,938	260,851
Additions	-	-	4,932	79	-	-	18,893	23,904
Disposals	-	-	(786)	-	-	-	-	(786)
Depreciation charge	-	(6,198)	(6,223)	(687)	(2)	-	-	(13,110)
Transfers	-	33,927	9,463	900	-	-	(44,290)	-
<b>Closing net book amount</b>	<b>11,974</b>	<b>195,043</b>	<b>38,497</b>	<b>19,653</b>	<b>34</b>	<b>117</b>	<b>5,541</b>	<b>270,859</b>
<b>At 31 December 2017</b>								
At cost	11,974	253,963	72,359	26,770	43	8,827	5,541	379,477
Accumulated depreciation	-	(58,808)	(33,862)	(5,854)	(9)	(8,027)	-	(106,560)
Accumulated impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)
<b>Net book amount</b>	<b>11,974</b>	<b>195,043</b>	<b>38,497</b>	<b>19,653</b>	<b>34</b>	<b>117</b>	<b>5,541</b>	<b>270,859</b>

16 Property, plant and equipment (continued)

Parent	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Improvements \$'000	Library collections \$'000	Capital Works in Progress \$'000	Total \$'000
<b>At 1 January 2018</b>								
At cost	11,974	253,963	72,359	26,770	43	8,827	5,541	379,477
Accumulated depreciation	-	(58,808)	(33,862)	(5,854)	(9)	(8,027)	-	(106,560)
Accumulated impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)
<b>Net book amount</b>	<b>11,974</b>	<b>195,043</b>	<b>38,497</b>	<b>19,653</b>	<b>34</b>	<b>117</b>	<b>5,541</b>	<b>270,859</b>
<b>Year ended 31 December 2018</b>								
Opening net book amount	11,974	195,043	38,497	19,653	34	117	5,541	270,859
Additions	-	27	3,299	-	-	-	3,414	6,740
Disposals	-	-	(444)	(168)	(3)	-	(3)	(618)
Depreciation expense	-	(6,766)	(7,038)	(1,867)	(2)	-	-	(15,673)
Impairment loss	-	-	(73)	-	-	-	-	(73)
Transfers	-	205	512	6,456	-	-	(7,173)	-
<b>Closing net book amount</b>	<b>11,974</b>	<b>188,509</b>	<b>34,753</b>	<b>24,074</b>	<b>29</b>	<b>117</b>	<b>1,779</b>	<b>261,235</b>
<b>At 31 December 2018</b>								
At cost	11,974	254,194	73,322	32,888	40	8,827	1,779	383,024
Accumulated depreciation	-	(65,573)	(38,569)	(7,551)	(11)	(8,027)	-	(119,731)
Accumulated Impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)
<b>Net book amount</b>	<b>11,974</b>	<b>188,509</b>	<b>34,753</b>	<b>24,074</b>	<b>29</b>	<b>117</b>	<b>1,779</b>	<b>261,235</b>

16 Property, plant and equipment (continued)

Consolidated	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Improvements \$'000	Library collections \$'000	Capital Works in Progress \$'000	Total \$'000
<b>At 1 January 2017</b>								
At cost	11,974	220,036	62,313	25,790	43	8,827	30,938	359,921
Accumulated depreciation	-	(52,610)	(31,062)	(5,166)	(7)	(8,027)	-	(96,872)
Accumulated impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)
<b>Net book amount</b>	<b>11,974</b>	<b>167,314</b>	<b>31,251</b>	<b>19,361</b>	<b>36</b>	<b>117</b>	<b>30,938</b>	<b>260,991</b>
<b>Year ended 31 December 2017</b>								
Opening net book amount	11,974	167,314	31,251	19,361	36	117	30,938	260,991
Additions	-	-	4,986	79	-	-	18,893	23,958
Disposals	-	-	(807)	-	-	-	-	(807)
Depreciation expense	-	(6,198)	(6,258)	(687)	(2)	-	-	(13,145)
Transfers	-	33,927	9,463	900	-	-	(44,290)	-
<b>Closing net book amount</b>	<b>11,974</b>	<b>195,043</b>	<b>38,635</b>	<b>19,653</b>	<b>34</b>	<b>117</b>	<b>5,541</b>	<b>270,997</b>
<b>At 31 December 2017</b>								
At cost	11,974	253,963	72,598	26,770	43	8,827	5,541	379,716
Accumulated depreciation	-	(58,808)	(33,963)	(5,854)	(9)	(8,027)	-	(106,661)
Accumulated impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)
<b>Net book amount</b>	<b>11,974</b>	<b>195,043</b>	<b>38,635</b>	<b>19,653</b>	<b>34</b>	<b>117</b>	<b>5,541</b>	<b>270,997</b>

16 Property, plant and equipment (continued)

Consolidated	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Improvements \$'000	Library collections \$'000	Capital Works in Progress \$'000	Total \$'000
<b>At 1 January 2018</b>								
At cost	11,974	253,963	72,598	26,770	43	8,827	5,541	379,716
Accumulated depreciation	-	(58,808)	(33,963)	(5,854)	(9)	(8,027)	-	(106,661)
Accumulated impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)
<b>Net book amount</b>	<b>11,974</b>	<b>195,043</b>	<b>38,635</b>	<b>19,653</b>	<b>34</b>	<b>117</b>	<b>5,541</b>	<b>270,997</b>
<b>Year ended 31 December 2018</b>								
Opening net book amount	11,974	195,043	38,635	19,653	34	117	5,541	270,997
Additions	-	27	3,301	-	-	-	3,414	6,742
Disposals	-	-	(448)	(168)	(3)	-	(3)	(622)
Depreciation expense	-	(6,766)	(7,081)	(1,867)	(2)	-	-	(15,716)
Impairment (loss)/income	-	-	(73)	-	-	-	-	(73)
Transfers	-	205	512	6,456	-	-	(7,173)	-
<b>Closing net book amount</b>	<b>11,974</b>	<b>188,509</b>	<b>34,846</b>	<b>24,074</b>	<b>29</b>	<b>117</b>	<b>1,779</b>	<b>261,328</b>
<b>At 31 December 2018</b>								
At cost	11,974	254,194	73,549	32,888	40	8,827	1,779	383,251
Accumulated depreciation	-	(65,573)	(38,703)	(7,551)	(11)	(8,027)	-	(119,865)
Accumulated impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)
<b>Net book amount</b>	<b>11,974</b>	<b>188,509</b>	<b>34,846</b>	<b>24,074</b>	<b>29</b>	<b>117</b>	<b>1,779</b>	<b>261,328</b>

**16 Property, plant and equipment (continued)**

Property, plant & equipment is shown at 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 statement 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.

**17 Trade and other payables**

	Note	Consolidated		Parent	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Current</b>					
Trade creditors		16,578	14,474	16,410	14,391
Australian Government unspent financial assistance		3,061	3,783	3,061	3,783
OS-HELP liability to Australian Government	34(g)	-	26	-	26
<b>Total current trade and other payables</b>		<b>19,639</b>	<b>18,283</b>	<b>19,471</b>	<b>18,200</b>

Foreign currency risk

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

	2018	2017	2018	2017
Australian Dollars	19,581	18,272	19,413	18,189
US Dollars	23	11	23	11
Danish Krone	35	-	35	-

For an analysis of the sensitivity of trade and other payables to foreign currency risk, refer to note 31.

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.

**18 Borrowings**

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Current</b>				
Unsecured bank loans	-	2,440	-	2,440
<b>Total current borrowings</b>	<b>-</b>	<b>2,440</b>	<b>-</b>	<b>2,440</b>
<b>Non-Current</b>				
Unsecured bank loans	-	7,580	-	7,580
<b>Total non-current borrowings</b>	<b>-</b>	<b>7,580</b>	<b>-</b>	<b>7,580</b>
<b>Total borrowings</b>	<b>-</b>	<b>10,020</b>	<b>-</b>	<b>10,020</b>

**18 Borrowings (continued)****(a) Assets pledged as security**

The University has no assets pledged as security for borrowings drawn during the year ended 31 December 2018 (2017: Nil).

**(b) Financing arrangements**

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

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Credit standby arrangements</b>				
Total facilities	5,000	5,000	5,000	5,000
Used at balance date	(168)	(168)	(168)	(168)
<b>Total unused at balance date</b>	<b>4,832</b>	<b>4,832</b>	<b>4,832</b>	<b>4,832</b>
<b>Bank loan facilities</b>				
Total facilities	30,950	34,000	30,950	34,000
Used at balance date	-	(10,020)	-	(10,020)
<b>Total unused at balance date</b>	<b>30,950</b>	<b>23,980</b>	<b>30,950</b>	<b>23,980</b>

**(c) Bank loans**

On 21 December 2017, Southern Cross University re-negotiated its loan facility with the ANZ Banking Group Limited to reduce its facility to \$34 million for a term of 5 years.

**(d) Fair value**

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

**(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	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Between one and five years	-	10,020	-	10,020
<b>Total borrowings</b>	<b>-</b>	<b>10,020</b>	<b>-</b>	<b>10,020</b>
Current borrowings	-	2,440	-	2,440
Non-current borrowings	-	7,580	-	7,580
<b>Total borrowings</b>	<b>-</b>	<b>10,020</b>	<b>-</b>	<b>10,020</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 31.



**18 Borrowings (continued)****(f) Reconciliation of liabilities arising from financing activities**

	<b>2017</b>	<b>Cash flows</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Long-term borrowings	10,020	<b>(10,020)</b>	-
<b>Total liabilities from financing activities</b>	<b>10,020</b>	<b>(10,020)</b>	<b>-</b>

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

Borrowings are classified as current liabilities unless the University has an unconditional right to defer settlement of the liability for at least 12 months after the 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.

**19 Provisions**

	Note	<b>Consolidated</b>		<b>Parent</b>	
		<b>2018</b>	2017	<b>2018</b>	2017
		<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
<b>Current provisions expected to be settled within 12 months</b>					
<b>Employee benefits</b>					
Annual leave		<b>7,291</b>	6,919	<b>7,226</b>	6,873
Long service leave		<b>4,823</b>	4,738	<b>4,817</b>	4,733
		<b>12,114</b>	11,657	<b>12,043</b>	11,606
<b>Current provisions expected to be settled after more than 12 months</b>					
<b>Employee benefits</b>					
Annual leave		<b>2,072</b>	1,803	<b>2,037</b>	1,772
Long service leave		<b>12,883</b>	12,443	<b>12,857</b>	12,420
		<b>14,955</b>	14,246	<b>14,894</b>	14,192
<b>Total current provisions</b>		<b>27,069</b>	25,903	<b>26,937</b>	25,798
<b>Non-current provisions</b>					
<b>Employee benefits</b>					
Long service leave		<b>3,399</b>	3,389	<b>3,382</b>	3,381
Defined benefit obligation	33(d)	<b>102,116</b>	92,362	<b>102,116</b>	92,362
<b>Total non-current provisions</b>		<b>105,515</b>	95,751	<b>105,498</b>	95,743
<b>Total provisions</b>		<b>132,584</b>	121,654	<b>132,435</b>	121,541

**19 Provisions (continued)**

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, 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.

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

The liability for other long-term benefits are those that are not expected to be settled wholly before twelve 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 33.

**20 Other liabilities**

	Consolidated		Parent	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Student Fees received in advance	30,491	14,083	30,448	14,042
Other income received in advance	4,851	3,764	4,851	3,764
Lease incentive	54	54	54	54
<b>Total current other liabilities</b>	<b>35,396</b>	<b>17,901</b>	<b>35,353</b>	<b>17,860</b>
<b>Non-current</b>				
Lease incentive	1,488	1,542	1,488	1,542
<b>Total non-current other liabilities</b>	<b>1,488</b>	<b>1,542</b>	<b>1,488</b>	<b>1,542</b>
<b>Total other liabilities</b>	<b>36,884</b>	<b>19,443</b>	<b>36,841</b>	<b>19,402</b>

**21 Reserves and retained earnings****(a) Reserves**

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Reserves</b>				
Available-for-sale investments revaluation surplus	-	15,700	-	15,700
Financial Asset Reserve	<b>29,412</b>	-	<b>29,412</b>	-
<b>Total Reserves</b>	<b>29,412</b>	15,700	<b>29,412</b>	15,700
<b>Movements</b>				
<b>Available-for-sale investments revaluation surplus</b>				
Balance 1 January	<b>15,700</b>	11,027	<b>15,700</b>	11,027
Gain on revaluation of available for sale financial assets	-	4,673	-	4,673
Transfers out	<b>(15,700)</b>	-	<b>(15,700)</b>	-
<b>Balance 31 December</b>	-	15,700	-	15,700
<b>Financial asset reserve</b>				
Balance 1 January	-	-	-	-
Transfers in	<b>15,700</b>	-	<b>15,700</b>	-
Gain on revaluation	<b>13,712</b>	-	<b>13,712</b>	-
<b>Balance 31 December</b>	<b>29,412</b>	-	<b>29,412</b>	-
<b>Total reserves</b>	<b>29,412</b>	15,700	<b>29,412</b>	15,700

**(b) Retained earnings**

Movements in retained earnings were as follows:

	Note	Consolidated		Parent	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Retained earnings at 1 January		<b>225,356</b>	229,655	<b>225,759</b>	229,666
Retrospective changes (AASB 9)	1(h)	<b>104</b>	-	<b>104</b>	-
<b>Restated opening balance</b>	1(h)	<b>225,460</b>	229,655	<b>225,863</b>	229,666
Net result from continuing operations		<b>494</b>	(4,158)	<b>99</b>	(3,766)
Remeasurement of defined benefit plans	33(e)	<b>(182)</b>	(141)	<b>(182)</b>	(141)
<b>Retained earnings at end of the financial year</b>		<b>225,772</b>	225,356	<b>225,780</b>	225,759

**(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.

## 22 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

Mr Nicholas Burton Taylor AM, Chancellor

Professor Adam Shoemaker, Vice Chancellor

Professor Mark Hughes, Chair Academic Board

#### Ministerial Appointments

Murray d'Almeida

#### Elected Council Members

Professor William Boyd

Michael Jones

Toni Ledgerwood

Graham Lancaster

Associate Professor Adele Wessell

#### Council Appointed Members

Dr Austin Curtin

Julie Granger

Lynda O'Grady

Jonathan Rourke

Scott Noble

#### Council members whose term concluded in 2018 are as follows:

Toni Ledgerwood

### (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 Adam Shoemaker	Vice Chancellor
Professor Susan Nancarrow	Deputy Vice Chancellor (Research)
Professor John Jenkins	Deputy Vice Chancellor (Academic)
Associate Professor Erica Wilson	Deputy Vice Chancellor (Academic)
Professor Tyrone Carlin	Deputy Vice Chancellor (Academic)
Professor Nanette Bahr	Deputy Vice Chancellor (Students)
Ben Roche	Vice President (Engagement)
Travis Walker	Vice President (Finance)
Monty Singh	Vice President (Global)
Allan Morris	Vice President (Operations)

At the reporting date of 31 December 2018, Professor John Jenkins and Associate Professor Erica Wilson were no longer executive officers.

**22 Key management personnel disclosures (continued)****(c) Remuneration of board members and executives**

	Consolidated		Parent	
	2018 Number	2017 Number	2018 Number	2017 Number
<b>Remuneration of Board Members</b>				
Nil to \$14,999	8	11	8	11
\$15,000 to \$29,999	-	1	-	1
\$30,000 to \$44,999	1	-	1	-
\$45,000 to \$59,999	1	-	1	-
\$90,000 to \$104,999	1	1	1	1
\$120,000 to \$134,999	-	1	-	1
\$180,000 to \$194,999	-	2	-	2
\$210,000 to \$224,999	2	-	2	-
\$750,000 to \$764,999	-	1	-	1
\$810,000 to \$824,999	1	-	1	-

	Consolidated		Parent	
	2018 Number	2017 Number	2018 Number	2017 Number
<b>Remuneration of executive officers</b>				
\$45,000 to \$59,999	1	-	1	-
\$75,000 to \$89,999	-	1	-	1
\$90,000 to \$104,999	-	1	-	1
\$120,000 to \$134,999	1	1	1	1
\$135,000 to \$149,999	1	-	1	-
\$180,000 to \$194,999	-	1	-	1
\$195,000 to \$209,999	-	1	-	1
\$255,000 to \$269,999	1	-	1	-
\$270,000 to \$284,999	-	1	-	1
\$300,000 to \$314,999	1	-	1	-
\$315,000 to \$329,999	2	-	2	-
\$330,000 to \$344,999	-	4	-	4
\$345,000 to \$359,999	2	-	2	-
\$450,000 to \$464,999	-	1	-	1
\$750,000 to \$764,999	-	1	-	1
\$810,000 to \$824,999	1	-	1	-

Remuneration bands for the Vice Chancellor appear in both tables above as this management position is a responsible person and an executive officer. Two executive officers ceased in 2018.

**22 Key management personnel disclosures (continued)****(d) Key management personnel compensation**

	Consolidated		Parent	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Short-term employee benefits	3,011	3,219	3,011	3,219
Post-employment benefits	541	480	541	480
Other long-term benefits	133	78	133	78
Termination benefits	-	354	-	354
	<b>3,685</b>	<b>4,131</b>	<b>3,685</b>	<b>4,131</b>

**23 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:

	Consolidated		Parent	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>Audit the Financial Statements</b>				
Fees paid to the Audit Office of NSW	210	201	182	173
<b>Total paid for audit</b>	<b>210</b>	<b>201</b>	<b>182</b>	<b>173</b>
<b>Other audit and assurance services</b>				
Fees paid to the Audit Office of NSW	11	11	11	11
Fees paid to firms unrelated to the Audit Office of NSW	115	115	115	115
<b>Total paid for audit and assurance</b>	<b>126</b>	<b>126</b>	<b>126</b>	<b>126</b>

**24 Contingencies****(a) Contingent liabilities***Bank Guarantees*

The University has entered into bank guarantees with ANZ Banking Group Limited for \$167,868 (2017: \$167,868). These guarantees are in respect of leased premises at the University's Gold Coast and Sydney campuses.

*Claims*

There are no litigation claims in progress against the University at balance date.

*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 liabilities of the controlled entity total (\$74,175) (2017: (\$530,491)).

**(b) Contingent assets***Bonds and guarantees*

The University entered into a construction contract in 2015. The parties agreed to enter into a performance bond up to \$84,916 in favour of the University. This performance bond is in respect to obligations for the construction of a building.

The University has entered into a construction contract in 2018. The parties agreed to enter into a performance bond up to \$229,949 and a maintenance bond up to \$229,949, both in favour of the University. These bonds are in respect to obligations for the construction of a building.

## 25 Commitments

### (a) Capital commitments

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

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Property, plant and equipment</b>				
Within one year	<b>9,468</b>	2,355	<b>9,468</b>	2,355
<b>Total property, plant and equipment commitments</b>	<b>9,468</b>	2,355	<b>9,468</b>	2,355

### (b) Lease commitments

#### (i) Operating Leases

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

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within one year	<b>3,343</b>	3,532	<b>3,343</b>	3,532
Between one year and five years	<b>8,969</b>	8,114	<b>8,969</b>	8,114
Later than five years	<b>72,063</b>	67,253	<b>72,063</b>	67,253
<b>Total future minimum lease payments</b>	<b>84,375</b>	78,899	<b>84,375</b>	78,899

## 26 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 27.

### (c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 22.

### (d) Transactions with related parties

The following transactions occurred between related parties:

	Parent	
	2018 \$'000	2017 \$'000
Sale of goods and services		
Service fees	<b>3</b>	2
Purchase of goods		
Catering services	<b>205</b>	177
External labour hire and cost recoveries	<b>550</b>	705
Equipment hire	<b>9</b>	9
Other transactions		
Forgiveness of related party loan	<b>1,220</b>	-

**26 Related Parties (continued)****(e) Loans to related parties**

	Consolidated		Parent	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>Loans from associates</b>				
Beginning of the year	16	16	16	16
<b>End of year</b>	<b>16</b>	16	<b>16</b>	16

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:

	Parent	
	2018	2017
	\$'000	\$'000
Current receivables		
Subsidiaries	-	562
<b>Total current receivables</b>	<b>-</b>	<b>562</b>

The University forgave the outstanding balance of the loan payable by Southern Cross Campus Services Limited of \$1,219,523 effective 31 December 2018.

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.

**(g) Guarantees**

There have been no guarantees given by the parent entity to its subsidiary as at balance date. (2017: 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.



## 27 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	
		2018%	2017%
Southern Cross Campus Services Ltd	Australia	<b>100.00</b>	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 2018 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.

## 28 Joint Operations

The University has entered into the following joint operations.

Name of joint operation	Nature of relationship	Principle place of business	Controlling Interest	
			2018%	2017%
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	<b>50.00</b>	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	<b>33.33</b>	33.33

Under AASB11 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.

**28 Joint Operations (continued)**

	<b>2018</b>	2017
	<b>\$'000</b>	\$'000
Assets (including share of jointly held assets)	<b>20,681</b>	20,591
Liabilities (including jointly incurred)	<b>1,640</b>	944

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.

Share of revenue from joint operation	<b>6,378</b>	5,150
Expenses (including jointly incurred)	<b>3,921</b>	3,956

**29 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.

**30 Reconciliation of net result to net cash provided by / (used in) operating activities**

		<b>Consolidated</b>		<b>Parent</b>	
	<b>Note</b>	<b>2018</b>	2017	<b>2018</b>	2017
		<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Net result from continuing operations		<b>494</b>	(4,158)	<b>99</b>	(3,766)
Depreciation and amortisation	9	<b>15,716</b>	13,218	<b>15,673</b>	13,183
Impairment loss on assets	10	<b>411</b>	1,238	<b>1,631</b>	1,238
Net loss on sale of non-current assets		<b>98</b>	119	<b>94</b>	113
Net foreign exchange differences		<b>15</b>	108	<b>15</b>	108
Share of associate net profit after income tax and dividends		<b>5</b>	11	-	-
<b>Change in operating assets and liabilities:</b>					
(Increase) / decrease in trade and other receivables		<b>(2,130)</b>	3,430	<b>(1,656)</b>	3,380
(Increase) / decrease in inventories		<b>36</b>	(62)	<b>29</b>	(62)
(Increase) / decrease in other assets		<b>322</b>	78	<b>331</b>	78
Increase / (decrease) in trade payables and accruals		<b>539</b>	4,406	<b>732</b>	5,317
Increase / (decrease) in other provisions		<b>1,358</b>	951	<b>1,322</b>	930
Increase / (decrease) in other operating liabilities		<b>17,441</b>	4,471	<b>17,439</b>	4,456
Net cash provided by / (used in) operating activities		<b>34,305</b>	23,810	<b>35,709</b>	24,975

**31 Financial risk management**

The University's activities expose it to a variety of financial risks such as: 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 may use derivative financial instruments such as interest rate swaps to hedge certain risk exposures. 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.

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.

**(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 arises on financial instruments because of changes in equity prices in shares in unlisted entities.

**(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 2018	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-1%		+1%		-10%		+10%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
<b>Financial assets</b>													
Cash and cash equivalents	35,424	(296)	(296)	296	296	-	-	-	-	-	-	-	-
Receivables	113,541	-	-	-	-	4	4	(4)	(4)	-	-	-	-
Other financial assets - unlisted shares	29,412	-	-	-	-	-	-	-	-	-	(2,941)	-	2,941
<b>Financial liabilities</b>													
Trade and other payables	(17,033)	-	-	-	-	(1)	(1)	1	1	-	-	-	-
<b>Total</b>		<b>(296)</b>	<b>(296)</b>	<b>296</b>	<b>296</b>	<b>3</b>	<b>3</b>	<b>(3)</b>	<b>(3)</b>	<b>-</b>	<b>(2,941)</b>	<b>-</b>	<b>2,941</b>

**31 Financial risk management (continued)****(a) Market risk (continued)****(iv) Summarised sensitivity analysis**

31 December 2017	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-1%		+1%		-10%		+10%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
<b>Financial assets</b>													
Cash and cash equivalents	16,617	(116)	(116)	116	116	-	-	-	-	-	-	-	-
Receivables	102,316	-	-	-	-	-	-	-	-	-	-	-	-
Other financial assets - Available for sale	15,700	-	-	-	-	-	-	-	-	-	(1,570)	-	1,570
<b>Financial liabilities</b>													
Trade and other payables	(15,933)	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	(10,020)	100	100	(100)	(100)	-	-	-	-	-	-	-	-
<b>Total</b>		(16)	(16)	16	16	-	-	-	-	-	(1,570)	-	1,570

**(b) Credit risk**

The carrying amount of financial assets (as contained in the table in subnote 32(a)) represents the University's maximum exposure to credit risk.

**Receivables**

Credit risk is managed at group level subject to the University's established policy, procedures and control relating to credit risk management. Credit quality of a customer is assessed based on individual credit limits. Outstanding receivables are regularly monitored.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity.

The University evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Set out below is the information about the credit risk exposure on the University's receivables using a provision matrix:

31 December 2018	Trade receivables					
	Day past due					Total
	Current %	<30 days %	30-60 days %	61-90 days %	>91 days %	%
Expected credit loss rate	-	2	9	5	54	17
Estimated total gross carrying amount at default (\$'000)	2,511	1,078	4,249	229	2,483	10,550
Expected credit loss (\$'000)	5	22	376	12	1,337	1,752
1 January 2018	Trade receivables					
Day past due						
Current %	<30 days %	30-60 days %	61-90 days %	>91 days %	%	
Expected credit loss rate	-	6	11	84	68	21
Estimated total gross carrying amount at default (\$'000)	4,517	921	2,609	648	1,956	10,651
Expected credit loss (\$'000)	5	51	279	546	1,328	2,209

**31 Financial risk management (continued)****(b) Credit risk (continued)****Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the University in accordance with the University's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the University's Audit & Risk Committee on an annual basis, and may be updated throughout the year subject to approval of the Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The University's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2018 and 2017 is the carrying amounts as illustrated in Note 15.

**(c) Liquidity 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 92 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		Within 1 year		1 - 5 years		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets:</b>												
Cash and cash equivalents	1.92	1.98	35,406	16,587	18	29	35,406	16,587	-	-	35,424	16,616
Receivables	-	-	-	-	113,541	102,316	-	-	-	-	113,541	102,316
<b>Total financial assets</b>			<b>35,406</b>	<b>16,587</b>	<b>113,559</b>	<b>102,345</b>	<b>35,406</b>	<b>16,587</b>	<b>-</b>	<b>-</b>	<b>148,965</b>	<b>118,932</b>
<b>Financial Liabilities:</b>												
Payables	-	-	-	-	17,033	15,933	-	-	-	-	17,033	15,933
Borrowings	3.60	3.70	-	10,020	-	-	-	2,440	7,580	-	-	10,020
<b>Total financial liabilities</b>			<b>-</b>	<b>10,020</b>	<b>17,033</b>	<b>15,933</b>	<b>-</b>	<b>2,440</b>	<b>7,580</b>	<b>-</b>	<b>-</b>	<b>25,953</b>

**32 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.

**32 Fair value measurements (continued)****(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 statement of financial position are categorised into the following levels at 31 December 2018.

**Fair value measurements at 31 December 2018**

Consolidated	Note	2018 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Other financial assets at fair value through other comprehensive income	15	29,412	-	22,934	6,478
Investments using the equity method	14	296	-	-	296
Total financial assets		29,708	-	22,934	6,774

**Parent****Recurring fair value measurements****Financial assets**

Other financial assets at fair value through other comprehensive income	15	29,412	-	22,934	6,478
Investments using the equity method	14	175	-	-	175
Total financial assets		29,587	-	22,934	6,653

**Fair value measurements at 31 December 2017**

Consolidated	Note	2018 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Available-for-sale financial assets	15	15,700	-	15,700	-
Investments using the equity method	14	301	-	-	301
Total financial assets		16,001	-	15,700	301

**Parent****Recurring fair value measurements****Financial assets**

Available-for-sale financial assets	15	15,700	-	15,700	-
Investments using the equity method	14	175	-	-	175
Total financial assets		15,875	-	15,700	175

There were no transfers between levels 1 and 2 for recurring fair value measurements during 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.

**32 Fair value measurements (continued)****(c) Valuation techniques used to derive level 2 and level 3 fair values****(i) Recurring 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 and associated companies.

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 Associates and equity securities explained in (d) below.

**(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 2018 and 2017.

**Consolidated**

<b>Level 3 Fair Value Measurement 2018</b>	<b>Unlisted securities \$'000</b>	<b>Other financial \$'000</b>	<b>Total \$'000</b>
Opening balance	-	301	301
Recognised in profit or loss	-	(5)	(5)
Recognised in other comprehensive income	6,478	-	6,478
Closing balance	6,478	296	6,774

**Consolidated**

<b>Level 3 Fair Value Measurement 2017</b>	<b>Unlisted securities \$'000</b>	<b>Other financial \$'000</b>	<b>Total \$'000</b>
Opening balance	-	312	312
Recognised in profit or loss	-	(11)	(11)
Closing balance	-	301	301

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

There were no transfers of assets/liabilities between levels 2 and 3 during the financial year ended 31 December 2018.

**32 Fair value measurements (continued)****(d) Fair value measurements using significant unobservable inputs (level 3) (continued)****(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 2018 \$'000	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Unlisted equity securities	<b>6,478</b>	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
Associated companies	<b>296</b>	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>6,774</b>			

**Parent**

Description	Fair value at 31 December 2018 \$'000	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Unlisted equity securities	<b>6,478</b>	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
Associated companies	<b>175</b>	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>6,653</b>			



### 33 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 33(a)), which are subject to reimbursement arrangements under the Higher Education Support Act 2003 in the proportion of 78:22 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 statement 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 statement of changes in equity and in the statement 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 Superannuation Scheme (SSS)
- State Authorities Non-Contributory Superannuation Scheme (SANCS)
- State Authorities Superannuation Scheme (SASS)

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.

##### *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 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 2018. The next actuarial investigation will be performed at 30 June 2021.

**33 Retirement benefit obligations (continued)****(a) Fund specific disclosure (continued)***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.

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 University expects to make employer contribution's of \$327,369 (2017: \$395,267) to the defined benefit plan during the next financial year.

*vii) Maturity Profile*

The weighted average duration of the defined benefit obligation is 12.6 years (2017 12.6 years). The expected maturity analysis of undiscounted benefit obligations is as follows:

	<b>Less than 1 year \$'000</b>	<b>Between 1 and 2 years \$'000</b>	<b>Between 2 and 5 years \$'000</b>	<b>Over 5 years \$'000</b>	<b>Total \$'000</b>
Defined benefit obligations - 31 December 2018	<b>5,521</b>	<b>5,774</b>	<b>16,486</b>	<b>104,918</b>	<b>132,699</b>
Defined benefit obligations - 31 December 2017	5,240	5,335	16,371	109,792	136,738

**33 Retirement benefit obligations (continued)****(b) Categories of plan assets**

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

	2018 (%)		2017 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Short term securities	9.80	-	9.50	-
Australian fixed interest	5.60	-	6.90	-
International fixed interest	3.50	-	3.60	-
Australian equities	19.30	-	22.40	-
International equities	26.20	-	29.60	-
Property	3.50	5.40	3.60	5.10
Alternatives	16.50	10.20	9.80	9.60
<b>Total</b>	<b>84.40</b>	<b>15.60</b>	<b>85.40</b>	<b>14.70</b>

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

	2018 %	2017 %
Discount rate(s)	2.33	2.65
Expected rate of return on fund assets backing current pension liabilities	7.40	7.40
Expected rate of return on fund assets backing other liabilities	6.40	6.40
Expected rate(s) of salary increase	2.70 to 3.20	2.70 to 3.20
Expected rate of CPI increase	2.20	2.20

**(c) Actuarial assumptions and sensitivity**

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

	Impact on defined obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	Increase by 14%	Decrease by -11%
Rate of CPI	0.50%	Increase by 6%	Decrease by -6%
Salary inflation rate	0.50%	Increase by 0.3%	Decrease by -0.3%
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.

**33 Retirement benefit obligations (continued)****(d) Statement of financial position amounts**

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
<b>Liabilities</b>					
Provision for deferred government benefits for superannuation		5,317	1,174	93,303	99,794
add: On-costs on pension entitlements		124	27	2,171	2,322
<b>Total liabilities recognised in the statement of financial position</b>	19	<b>5,441</b>	<b>1,201</b>	<b>95,474</b>	<b>102,116</b>
<b>Assets</b>					
Receivable for deferred government benefit for superannuation	13	5,378	1,155	95,214	101,747
<b>Total assets recognised in the statement of financial position</b>		<b>5,378</b>	<b>1,155</b>	<b>95,214</b>	<b>101,747</b>
<b>Net liability recognised in the statement of financial position</b>		<b>63</b>	<b>46</b>	<b>260</b>	<b>369</b>
<b>Net liability reconciliation - 2018</b>					
Defined benefit obligation		8,410	1,834	108,897	119,141
Fair value of plan assets		(2,969)	(633)	(13,423)	(17,025)
<b>Net liability</b>	19	<b>5,441</b>	<b>1,201</b>	<b>95,474</b>	<b>102,116</b>
Reimbursement right	13	(5,378)	(1,155)	(95,214)	(101,747)
<b>Total net liability/(asset)</b>		<b>63</b>	<b>46</b>	<b>260</b>	<b>369</b>
<b>Reimbursement rights - 2018</b>					
Opening value of reimbursement right		4,660	996	86,519	92,175
Return on reimbursement rights		169	28	2,355	2,552
Remeasurements		549	131	6,340	7,020
<b>Closing value of reimbursement right</b>	13	<b>5,378</b>	<b>1,155</b>	<b>95,214</b>	<b>101,747</b>

**33 Retirement benefit obligations (continued)****(d) Statement of financial position amounts (continued)**

	\$'000	\$'000	\$'000	\$'000
	SASS	SANCS	SSS	Total
<b>Present value of obligation - 2018</b>				
Opening defined benefit obligation	9,355	1,946	102,805	114,106
Current service cost	241	65	180	486
Interest expense	232	47	2,674	2,953
	<b>9,828</b>	<b>2,058</b>	<b>105,659</b>	<b>117,545</b>
<b>Remeasurements</b>				
Actuarial losses/(gains) arising from changes in demographic assumptions	(56)	(16)	487	415
Actuarial losses/(gains) arising from changes in financial assumptions	79	25	4,114	4,218
Experience (gains)/losses	409	114	(498)	25
	<b>432</b>	<b>123</b>	<b>4,103</b>	<b>4,658</b>
<b>Contributions</b>				
Plan Participants	117	-	94	211
<b>Payments from plan</b>				
Benefits paid	(2,042)	(377)	(3,507)	(5,926)
Taxes, premiums and expenses	(52)	3	377	328
	<b>(2,094)</b>	<b>(374)</b>	<b>(3,130)</b>	<b>(5,598)</b>
<b>Closing defined benefit obligation</b>	<b>8,283</b>	<b>1,807</b>	<b>106,726</b>	<b>116,816</b>
<b>Present value of plan assets - 2018</b>				
Opening fair value of plan assets	4,696	934	16,117	21,747
Interest (income)	111	21	378	510
Taxes, Premiums and expenses	(52)	3	377	328
	<b>4,755</b>	<b>958</b>	<b>16,872</b>	<b>22,585</b>
<b>Remeasurements</b>				
Return on plan assets, excluding amounts included in net interest expense	(54)	(9)	(159)	(222)
<b>Contributions</b>				
Employers	193	62	123	378
Plan participants	117	-	94	211
	<b>310</b>	<b>62</b>	<b>217</b>	<b>589</b>
<b>Payments from plan</b>				
Benefits paid	(2,042)	(377)	(3,508)	(5,927)
<b>Closing fair value of plans assets</b>	<b>2,969</b>	<b>634</b>	<b>13,422</b>	<b>17,025</b>

**33 Retirement benefit obligations (continued)****(d) Statement of financial position amounts (continued)**

Amounts recognised in the statement of financial position - 2017	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
<b>Liabilities</b>					
Provision for deferred government benefits for superannuation		4,661	1,012	86,689	92,362
<b>Assets</b>					
Receivable for deferred government benefit for superannuation		4,659	996	86,520	92,175
<b>Net liability recognised in the statement of financial position</b>		2	16	169	187
<b>Net liability reconciliation - 2017</b>					
Defined benefit obligation		9,070	1,891	100,906	111,867
Fair value of plan assets		(4,696)	(934)	(16,117)	(21,747)
<b>Net liability</b>	19	4,374	957	84,789	90,120
Reimbursement right	13	(4,660)	(996)	(86,519)	(92,175)
<b>Total net liability/(asset)</b>		(286)	(39)	(1,730)	(2,055)
<b>Reimbursement rights - 2017</b>					
Opening value of reimbursement right		4,266	626	82,169	87,061
Return on reimbursement rights		162	(5)	2,426	2,583
Remeasurements		232	375	1,924	2,531
<b>Closing value of reimbursement right</b>	13	4,660	996	86,519	92,175
<b>Present value of obligation - 2017</b>					
Opening defined benefit obligation		9,069	1,892	100,906	111,867
Current service cost		285	70	270	625
Interest expense		234	49	2,754	3,037
		9,588	2,011	103,930	115,529
<b>Remeasurements</b>					
Actuarial losses/(gains) arising from changes in financial assumptions		39	12	1,315	1,366
Experience (gains)/losses		428	380	953	1,761
<b>Contributions</b>					
Plan Participants		119	-	96	215
<b>Payments from plan</b>					
Benefits paid		(752)	(134)	(3,938)	(4,824)
Taxes, premiums and expenses		(67)	(323)	449	59
		(819)	(457)	(3,489)	(4,765)
<b>Closing defined benefit obligation</b>		9,355	1,946	102,805	114,106

**33 Retirement benefit obligations (continued)****(d) Statement of financial position amounts (continued)**

	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
	<b>SASS</b>	<b>SANCS</b>	<b>SSS</b>	<b>Total</b>
<b>Present value of plan assets - 2017</b>				
Opening fair value of plan assets	4,803	1,261	18,696	24,760
Interest (income)	119	33	470	622
	<b>4,922</b>	<b>1,294</b>	<b>19,166</b>	<b>25,382</b>
<b>Remeasurements</b>				
Return on plan assets, excluding amounts included in net interest expense	235	5	217	457
<b>Contributions</b>				
Employers	239	92	127	458
Plan participants	119	-	96	215
	<b>358</b>	<b>92</b>	<b>223</b>	<b>673</b>
<b>Payments from plan</b>				
Benefits paid	(752)	(134)	(3,938)	(4,824)
Settlements	(67)	(323)	449	59
	<b>(819)</b>	<b>(457)</b>	<b>(3,489)</b>	<b>(4,765)</b>
<b>Closing fair value of plans assets</b>	<b>4,696</b>	<b>934</b>	<b>16,117</b>	<b>21,747</b>

**(e) Amounts recognised in other statements****Amounts recognised in other comprehensive income - 2018**

The amounts recognised in the statement of comprehensive income are restricted to the following schemes and are included in retained earnings (note 21).

	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
		<b>SASS</b>	<b>SANCS</b>	<b>SSS</b>	<b>Total</b>
<b>Remeasurements</b>					
Actuarial losses (gains) arising from changes in demographic assumptions		56	16	(487)	<b>(415)</b>
Actuarial losses (gains) arising from changes in financial assumptions		(79)	(25)	(4,114)	<b>(4,218)</b>
Actuarial losses (gains) arising from experience adjustments		(409)	(114)	498	<b>(25)</b>
Actual return on plan assets less interest income		(54)	(9)	(159)	<b>(222)</b>
Remeasurement of reimbursement right		425	104	4,169	<b>4,698</b>
Total remeasurements in OCI		<b>(61)</b>	<b>(28)</b>	<b>(93)</b>	<b>(182)</b>
Total amounts recognised in the Statement of Comprehensive Income	21	<b>(61)</b>	<b>(28)</b>	<b>(93)</b>	<b>(182)</b>

**33 Retirement benefit obligations (continued)****(e) Amounts recognised in other statements (continued)****Amounts recognised in other comprehensive income - 2017**

The amounts recognised in the statement of comprehensive income are restricted to the following schemes and are included in retained earnings (note 21).

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
<b>Remeasurements</b>					
Actuarial losses (gains) arising from changes in financial assumptions		(39)	(12)	(1,315)	(1,366)
Actuarial losses (gains) arising from experience adjustments		(428)	(380)	(953)	(1,761)
Actual return on plan assets less interest income		234	5	217	456
Remeasurement of reimbursement right		231	375	1,924	2,530
<b>Total remeasurements in OCI</b>		(2)	(12)	(127)	(141)
<b>Total amounts recognised in the Statement of Comprehensive Income</b>	21	(2)	(12)	(127)	(141)



34 Acquittal of Australian government financial assistance

(a) Education - CGS and other Education grants

	Commonwealth Grants Scheme#1		Access and Participation Fund		Promotion of Excellence in Learning and Teaching		Disability Performance Funding #2		Australian Maths & Science Partnership Program	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Parent Entity (University) Only</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	78,146	81,050	2,806	2,861	-	10	83	96	-	-
Net accrual adjustments	1,063	(2,969)	-	-	-	-	-	-	-	32
Revenue for the period	79,209	78,081	2,806	2,861	-	10	83	96	-	32
Surplus/(deficit) from the previous year	-	-	-	-	33	24	-	-	-	-
Total revenue including accrued revenue	79,209	78,081	2,806	2,861	33	34	83	96	-	32
Less expenses including accrued expenses	(79,209)	(78,081)	(2,806)	(2,861)	(10)	(1)	(83)	(96)	-	(32)
Surplus/(deficit) for reporting period	-	-	-	-	23	33	-	-	-	-

	Improving the Quality of Maths & Science Teaching Program		Indigenous Student Success Program #3		Total	
	2018	2017	2018	2017	2018	2017
<b>Parent Entity (University) Only</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	-	-	2,027	1,865	83,062	85,882
Net accrual adjustments	-	72	-	188	1,063	(2,677)
Revenue for the period	-	72	2,027	2,053	84,125	83,205
Surplus/(deficit) from the previous year	-	-	250	10	283	34
Total revenue including accrued revenue	-	72	2,277	2,063	84,408	83,239
Less expenses including accrued expenses	-	(72)	(1,903)	(1,813)	(84,011)	(82,956)
Surplus/(deficit) for reporting period	-	-	374	250	397	283

#1 Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, CGS – Medical Student Loading, Allocated Places, Non Designated Courses and CGS - Special Advances from Future Years.

#2 Disability Performance Funding includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education & Training

#3 Indigenous Student Success Program has replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2018. Prior year programs should be combined and reported in Indigenous Student Success Program for 2017. The reported surplus for this program of \$374,085 for 2018 (2017: \$250,000) is expected to be approved to be rolled over for future use by the University.

**34 Acquittal of Australian government financial assistance (continued)**

**(b) Higher education loan programs (excl OS-HELP)**

	HECS-HELP (Australian Government payments only)		FEE-HELP		SA-HELP		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Parent Entity (University) Only	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Payable/(Receivable) at the beginning of the year	1,132	(1,443)	(279)	(2,282)	(18)	(49)	835	(3,774)
Financial assistance received in Cash during the reporting period	48,420	50,889	12,269	12,151	1,123	1,147	61,812	64,187
Cash available for period	49,552	49,446	11,990	9,869	1,105	1,098	62,647	60,413
Revenue earned	48,073	48,314	12,653	10,148	1,125	1,116	61,851	59,578
Cash Payable/(Receivable) at end of year	1,479	1,132	(663)	(279)	(20)	(18)	796	835

2(b)

**(c) Department of Education and Training Research #4**

	Research Training Program		Research Support Program		Total	
	2018	2017	2018	2017	2018	2017
Parent Entity (University) Only	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	4,357	4,417	3,171	3,270	7,528	7,687
Revenue for the period	4,357	4,417	3,171	3,270	7,528	7,687
Surplus/(deficit) from the previous year	-	318	-	65	-	383
Total revenue including accrued revenue	4,357	4,735	3,171	3,335	7,528	8,070
Less expenses including accrued expenses	(4,357)	(4,735)	(3,171)	(3,335)	(7,528)	(8,070)
Surplus/(deficit) for reporting period	-	-	-	-	-	-

2(c)

**3.4 Acquittal of Australian government financial assistance (continued)**

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

	Total domestic students \$'000	Total overseas students \$'000
Research Training Program Fees offsets	2,738	171
Research Training Program Stipends	1,218	163
Research Training Program Allowances	25	42
<b>Total for all types of support</b>	<b>3,981</b>	<b>376</b>

**(e) Other Capital Funding**

**Parent Entity (University) Only**

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

Revenue for the period

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for reporting period

	2018 \$'000	2017 \$'000	Total 2018 \$'000	2017 \$'000
Linkage Infrastructure, Equipment and Facilities Grant	-	552	-	552
	-	552	-	552
	-	552	-	552
	-	(552)	-	(552)
	-	-	-	-

Note

2(d)

**34 Acquittal of Australian government financial assistance (continued)**

**(f) Australian Research Council Grants**

	Note	Discovery		Linkages		Total	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Parent Entity (University) Only</b>		<b>1,231</b>	916	<b>423</b>	621	<b>1,654</b>	1,537
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	2(e)	<b>1,231</b>	916	<b>423</b>	621	<b>1,654</b>	1,537
Revenue for the period		<b>589</b>	299	<b>166</b>	555	<b>755</b>	854
Surplus/(deficit) from the previous year		<b>1,820</b>	1,215	<b>589</b>	1,176	<b>2,409</b>	2,391
Total revenue including accrued revenue		<b>(1,354)</b>	(626)	<b>(527)</b>	(1,010)	<b>(1,881)</b>	(1,636)
Less expenses including accrued expenses		<b>466</b>	589	<b>62</b>	166	<b>528</b>	755
Surplus/(deficit) for reporting period							

**(g) OS-HELP**

	Note	2018 \$'000	2017 \$'000
<b>Parent Entity (University) Only</b>		<b>790</b>	641
Cash received during the reporting period		<b>(823)</b>	(791)
Cash spent during the reporting period	2	<b>(33)</b>	(150)
Net cash received		<b>26</b>	176
Cash surplus/(deficit) from the previous period		<b>(7)</b>	26
Cash surplus/(deficit) for reporting period	13,17		

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

	Note	2018 \$'000	2017 \$'000
<b>Parent Entity (University) Only</b>		<b>(270)</b>	44
Unspent/(overspent) revenue from previous period		<b>1,125</b>	1,116
SA-HELP revenue earned	2(b)	<b>961</b>	895
Student Services and Amenities Fees direct from students	4	<b>1,816</b>	2,055
Total revenue expendable in period		<b>(1,695)</b>	(2,325)
Student services expenses during period		<b>121</b>	(270)
Unspent/(overspent) student services revenue			



## 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 comprise the Income Statement and Statement of Comprehensive Income for the year ended 31 December 2018, the Statement of Financial Position as at 31 December 2018, the Statements of Changes in Equity and the Statement 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:

- give a true and fair view of the financial position of the University and the consolidated entity, as at 31 December 2018, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015
- comply with the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2018 Reporting Period' (the Guidelines), issued by the Australian Government Department of Education and Training, pursuant to the *Higher Education Support Act 2003*, the *Higher Education Funding Act 1988* and the *Australian Research Council Act 2001*.

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' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with 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 believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **Other Information**

Other information comprises the information included in the University's annual report for the year ended 31 December 2018, other than the financial statements and my Independent Auditor's Report thereon. The members of the 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 Statement by the Members of Council.

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.

## **University Council's Responsibilities for the Financial Statements**

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the PF&A Act and the Guidelines and for such internal control as the Council determine(s) 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 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 except where the University will be dissolved by an Act of Parliament or otherwise cease operations.

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

My objectives are to:

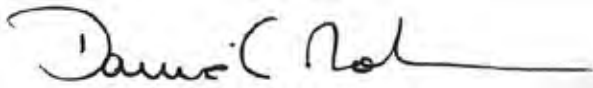
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

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/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the University 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.

A handwritten signature in black ink, appearing to read "David Nolan", with a long horizontal stroke extending to the right.

David Nolan  
Director, Financial Audit Services

17 April 2019  
SYDNEY

# Southern Cross Campus Services Limited

ABN 57 003 082 406

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For the Year Ended 31 December 2018**

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# Directors' Report

31 December 2018

The directors present their report on Southern Cross Campus Services Limited for the financial year ended 31 December 2018.

## 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>	
Qualifications	BBuild (UNSW), Licensed Real Estate Agent
Experience	Over thirty years experience in the property and construction industries.
Special responsibilities	Independent Director
<b>Les Christidis</b>	
Qualifications	BSc(Hons), PhD(ANU)
Experience	Professor Leslie Christidis is currently the Dean, Graduate Studies and Head of the Coffs Harbour Campus at Southern Cross University. Previously he was Director of the University's National Marine Science Centre. He was curator of birds at Museum Victoria and later became Head of Sciences where he led the development of a Planetarium, Children's Museum and five major exhibitions. He then went to the Australian Museum as its Deputy Director. Here he led the development of a 35 million dollar research and collections building and initiated the Intangible Cultural Heritage program at the Museum.
Appointed	21 June 2018
Special responsibilities	Head of the Coffs Harbour Campus, Southern Cross University
<b>Robin Stonecash</b>	
Qualifications	MSciEcon(Wisc), PhD(UNSW)
Experience	Professor Robin Stonecash is currently the Dean of Business and Head of the Gold Coast Campus at Southern Cross University. She has been an academic and consultant for 30 years, working at the University of Sydney Business School, the Macquarie Graduate School of Management, the Australian Graduate School of Management at UNSW and the School of Business at UTS. She also worked for the Centre for International Economics, a Canberra-based economic consulting firm, working on government policy and regulatory issues. Robin spent four years as Director of the Global Executive MBA and Director of Executive Education at the Business School at University of Sydney. She also developed Executive Education programs for the Human Rights Commission, the Royal Australian Navy, several Australia Awards programs, as well as for corporate clients. She has been Director of Rabobank's Executive Development Program and Farm Managers Program for a number of years.
Appointed	21 June 2018
Special responsibilities	Head of the Gold Coast Campus, Southern Cross University

# Directors' Report

31 December 2018

<b>Allan Morris</b>	
Qualifications	Grad Dip InfoTech (Monash), GAICD, MACS (Senior)
Experience	Allan Morris is currently the Vice President (Operations) at Southern Cross University. Previously, he was the Chief Information Officer at RMIT University, lectured in Information Technology and has held numerous Information Technology executive management positions in the private sector. He is a Meritorious of the Council of Australian University Directors of IT (CAUDIT), a senior member of the Australian Computer Society and a Graduate of the Australian Institute of Company Directors. Allan has served on a number of boards and advisory committees in the education sector.
Appointed	21 February 2019
Special responsibilities	Vice President (Operations) at Southern Cross University
<b>David Lynch</b>	
Qualifications	BEd (JCU), Med (School Admin) (JCU), DipTeach (JCU), EdD (CQU), FAACLM (OTHAUS)
Experience	Over thirty years experience in the public education sector.
Resigned	21 June 2018
Special responsibilities	Professor (School of Education) at Southern Cross University
<b>Benjamin Roche</b>	
Qualifications	BSc(Hons)(UNSW), MEd(UTS)
Experience	Ben Roche is currently the Vice President (Engagement) at Southern Cross University, a Senior Associate of the AtKisson Group of international sustainability thinkers and a Director of The Connect Project. He is Chair of the national Farming Together program, Chair of Engagement Australia and Deputy Chair of Regional Arts NSW. Ben has worked with a range of agencies from small not for profits to Universities, Government and the United Nations Environment Programme on strategic approaches to education and engagement.
Resigned	21 February 2019
Special responsibilities	Vice President (Engagement) at Southern Cross University
<b>Donna Moffitt</b>	
Qualifications	BCom (Griffith), MStratHRM (UOW)
Experience	Over thirteen years experience in the higher education sector.
Resigned	21 February 2019
Special responsibilities	Director of Student Services 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 is a Lawyer and the Head, Governance Services at Southern Cross University. Belinda was appointed Company Secretary of Southern Cross Campus Services Limited on 12 December 2017.

# Directors' Report

31 December 2018

## **Principal activities**

The principal activity of Southern Cross Campus Services Limited ('the Company') during the financial year was to provide on-campus amenities and services to students and staff of Southern Cross University. These principal activities include operating a licensed bar, function room, pool and gymnasium.

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

## **Short term and long term objectives**

The Company's short and long term objective is to provide services and amenities to students and staff of the University.

## **Strategy for achieving the objectives**

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 and other amenities.

## **Performance measure**

The Company measures performance through the analysis of metrics relating to student and staff usage of facilities provided.

## **Members guarantee**

The Company is incorporated under the *Corporations Act 2001* and is a Company 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 2018, the collective liability of members was \$ 20 (2017: \$ 20).

## **Going concern**

Notwithstanding the deficiency of net assets, 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.

# Directors' Report

31 December 2018

## Meetings of directors

During the financial year, 2 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

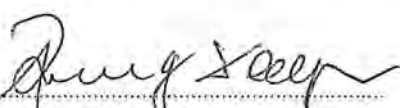
Directors' Meetings		
	Number eligible to attend	Number attended
Benjamin Roche	2	2
Donna Moffitt	2	1
Paul Deegan	2	2
Les Christidis	1	1
Robin Stonecash	1	-
David Lynch	1	-

## Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 December 2018 has been received and can be found on page 91 of the financial report.

Signed on behalf of and in accordance with the resolution of the Board of Directors in accordance with section 298(2)(a) of the *Corporations Act 2001*:

Director:



Paul Deegan

Director:



Allan Morris

Dated 19 March 2019



To the Directors  
Southern Cross Campus Services Limited

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

As auditor for the audit of the financial report of Southern Cross Campus Services Limited for the year ended 31 December 2018, I declare, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read "Margaret Crawford".

Margaret Crawford  
Auditor-General of NSW

13 March 2019  
SYDNEY

## Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended  
31 December 2018

	Note	2018 \$	2017 \$
Revenue	2	1,804,158	1,786,302
Other income	2	1,769,884	704,936
Costs of goods sold		(281,741)	(331,405)
Employee benefits expense		(2,025,988)	(1,743,189)
Impairment expense		-	152
Depreciation expense		(42,472)	(35,590)
Other expenses	3	(825,261)	(759,949)
<b>Net profit/(loss) for the year from continuing operations</b>		<b>398,580</b>	<b>(378,743)</b>
<b>Total comprehensive income</b>		<b>398,580</b>	<b>(378,743)</b>
<b>Net profit/(loss) attributable to members</b>		<b>398,580</b>	<b>(378,743)</b>

The accompanying notes form part of these financial statements.

# Statement of Financial Position

As At 31 December 2018

	Note	2018 \$	2017 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	87,613	71,565
Trade and other receivables	5	19,530	33,474
Inventories	6	23,028	29,139
Prepayments		4,349	1,655
<b>Total current assets</b>		<b>134,520</b>	135,833
<b>Non-current assets</b>			
Property, plant and equipment	7	92,203	138,848
<b>Total non-current assets</b>		<b>92,203</b>	138,848
<b>Total assets</b>		<b>226,723</b>	274,681
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	8	168,028	645,578
Provisions	9	131,273	105,612
Deferred revenue		42,996	45,319
<b>Total current liabilities</b>		<b>342,297</b>	796,509
<b>Non-current liabilities</b>			
Provisions	9	16,337	8,663
<b>Total non-current liabilities</b>		<b>16,337</b>	8,663
<b>Total liabilities</b>		<b>358,634</b>	805,172
<b>Net liabilities</b>		<b>(131,911)</b>	(530,491)
<b>Equity</b>			
Accumulated losses	10	(131,911)	(530,491)
<b>Total equity</b>		<b>(131,911)</b>	(530,491)

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity

For the Year Ended  
31 December 2018

	Accumulated losses \$
<b>Balance at 1 January 2017</b>	(151,748)
Net loss attributable to members	(378,743)
<b>Balance at 31 December 2017</b>	<b>(530,491)</b>
<b>Balance at 1 January 2018</b>	<b>(530,491)</b>
Net profit attributable to members	398,580
<b>Balance at 31 December 2018</b>	<b>(131,911)</b>

The accompanying notes form part of these financial statements.



## Statement of Cash Flows

For the Year Ended  
31 December 2018

	Note	2018 \$	2017 \$
<b>Cash flows from operating activities:</b>			
Receipts from customers		2,369,587	2,457,004
Payments to suppliers and employees		(3,653,062)	(3,556,537)
GST paid		(119,264)	(120,918)
<b>Net cash used in operating activities</b>	16	<b>(1,402,739)</b>	<b>(1,220,451)</b>
<b>Cash flows from investing activities:</b>			
Proceeds from sale of plant and equipment		-	16,364
<b>Net cash generated by investing activities</b>		<b>-</b>	<b>16,364</b>
<b>Cash flows from financing activities:</b>			
Amounts advanced from related parties		1,418,787	1,205,510
<b>Net cash generated by financing activities</b>		<b>1,418,787</b>	<b>1,205,510</b>
<b>Net increase in cash and cash equivalents held</b>		<b>16,048</b>	<b>1,423</b>
Cash and cash equivalents at beginning of year		71,565	70,142
<b>Cash and cash equivalents at end of financial year</b>	4	<b>87,613</b>	<b>71,565</b>

The accompanying notes form part of these financial statements.

## 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.

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:

- *Corporations Act 2001*
- *Public Finance and Audit Act 1983 and the Public Finance and Audit Regulation 2015*
- *Australian Charities and Not-for-profit Commission Act 2012 and Australian Charities and Not-for-profit Commission Regulations 2013*

Southern Cross Campus Services Limited is a not-for-profit entity and these statements have been prepared on that basis. Some of the requirements for not-for-profit entities are inconsistent with the IFRS requirements. The main impact is in the following accounting treatments:

- the offsetting of impairment losses within a class of assets
- the timing of the recognition of non-reciprocal revenue

#### *Date of authorisation for issue*

The financial statements were authorised for issue by the directors of Southern Cross Campus Services Limited on 19 March 2019.

#### *Historical cost convention*

These financial statements have been prepared on an accrual basis and under the historical cost convention, as modified by the revaluation of financial assets and liabilities and certain classes of property, plant and equipment and investment property, where applicable.

#### *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 judgment in the process of applying Southern Cross Campus Services Limited's accounting policies.

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

- Measurement and recognition of employee benefits provisions
- Impairment of trade and other receivables
- Estimated useful life assessments of property, plant and equipment assets
- Impairment of property, plant and equipment assets

#### *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.

## 1 Summary of Significant Accounting Policies (continued)

### (b) Comparative Amounts

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

### (c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

All revenue is stated net of the amount of goods and services tax (GST).

Revenue from the rendering of services is recognised when the outcome of the services provided can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery to the customer.

Revenue from the sale of goods is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Membership revenue is recognised as income in the year of receipt, except to the extent that membership revenue relates to future periods. Such receipts (or portion thereof) are treated as deferred revenue in the statement of financial position.

Interest revenue is recognised using the effective interest method.

### (d) Employee benefits

#### *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 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.

#### *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 terms to 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.

## 1 Summary of Significant Accounting Policies (continued)

### (e) Trade and other payables

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.

### (f) Leases

#### (i) Finance leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values.

Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Company will obtain ownership of the asset or over the term of the lease.

#### (ii) Operating leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

### (g) Cash and cash equivalents

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

### (h) Trade receivables

The average credit period on sales of goods is 30 days. No interest is charged on outstanding trade receivables.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL (Expected Credit Losses). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

### (i) Inventories

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.

**1 Summary of Significant Accounting Policies (continued)****(j) Property, Plant and Equipment**

All property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include gains or losses that were recognised in other comprehensive income on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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 on assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

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

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.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

**(k) 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*.

**(l) 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.

**(m) Impairment of assets**

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 other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

## 1 Summary of Significant Accounting Policies (continued)

### (n) Initial application of AASB 9

Adoption of AASB 9 is made in accordance with the transitional provisions. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

*AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting.

The Company has not restated the comparative information, which continues to be reported under AASB 139. The nature and effect of the changes as a result of the adoption of AASB 9 did not have a significant impact to the Company.

#### **Classification and Measurement**

Under AASB 9, debt instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through other comprehensive income. The classification is based on two criteria: the Company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Company's business model was made as of the date of initial application, 1 January 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of AASB 9 did not have a significant impact to the Company.

Trade receivables and other non-current financial assets classified as loans and receivables as at 31 December 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as debt instruments at amortised cost beginning 1 January 2018.

**1 Summary of Significant Accounting Policies (continued)****(o) New Accounting Standards and Interpretations**

The following standards have been issued but are not mandatory for 31 December 2018 reporting periods. The Company has elected not to early adopt any of these Standards. The Company's assessment of the impact of these new standards and interpretations is set out below:

Standard Name	Effective date for entity	Requirements	Impact
AASB15 Revenue from Contracts with Customers and amending standards	1 January 2019	AASB 15 establishes a single and comprehensive framework which sets out how and when revenue is recognised. The core principle of AASB 15 is that revenue is recognised when transfers of goods or services to customers occur in exchange for consideration which the vendor expects to be entitled to in exchange for the provision of those goods or services (i.e. fulfillment of performance obligations). Revenue will only be recognised when control over the goods or services is transferred to the customer, which is either over time or at a point in time.	<p>The Company has conducted a review of its material contracts with customers in order to assess the impact of the new standard. The Company has identified that all consideration received for membership, facilities hire and catering services will only be recognised as revenue when control over the goods or services is transferred to the customer, which is either over time or at a point in time. Furthermore, the Company has identified that contracts relating to government financial assistance in the form of grants will be recognised as revenue over time as each performance obligation relating to those services is satisfied.</p> <p>The Company will apply this Standard retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application. The Company will recognise the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application. Under this transition method, the Company will elect to apply this Standard only to contracts that are not completed contracts at the date of initial application.</p> <p>There is unlikely to be a material change.</p>

**1 Summary of Significant Accounting Policies (continued)****(o) New Accounting Standards and Interpretations (continued)**

<b>Standard Name</b>	<b>Effective date for entity</b>	<b>Requirements</b>	<b>Impact</b>
AASB1058 Income of Not-for-Profit Entities and amending standards	1 January 2019	Furthermore, AASB 1058 amends the income recognition requirements that apply to not-for-profit entities and establishes principles for not-for-profit entities that apply to: (a) transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not-for-profit entity to further its objectives; (b) the receipt of volunteer services; and (c) transfers made to enable an entity to acquire or construct a non-financial asset for its own use.	The Company has not identified any material contracts where consideration to acquire an asset is significantly less than fair value.
AASB 1059 Service Concession Arrangements: Grantors	1 January 2020		The potential impact of this standard is currently being determined.
AASB 16 Leases	1 January 2019		This standard will have no impact.



## 2 Revenue and Other Income

	2018	2017
	\$	\$
<b>Revenue</b>		
Membership revenue	1,005,611	888,851
Facilities hire revenue	39,079	28,858
Catering revenue	557,649	606,084
Bar sales	139,327	187,787
	<b>1,741,666</b>	1,711,580
Other revenue	62,492	74,722
<b>Total Revenue</b>	<b>1,804,158</b>	1,786,302
<b>Other Income</b>		
Cost recoveries	550,361	704,936
Forgiveness of related party loan	1,219,523	-
<b>Total Other income</b>	<b>1,769,884</b>	704,936

Southern Cross University forgave the outstanding balance of the loan payable by Southern Cross Campus Services Limited of \$1,219,523 effective 31 December 2018.

## 3 Other expenses

Utilities	223,134	241,029
Fees and charges	124,684	190,360
Audit fees	28,100	27,540
Cleaning services	46,058	43,410
Security costs	13,192	22,697
Net loss on disposal of plant and equipment	4,172	5,543
Other costs	385,921	229,370
<b>Total Other expenses</b>	<b>825,261</b>	759,949

## 4 Cash and cash equivalents

Cash at bank and in hand	87,613	71,565
<b>Total cash and cash equivalents</b>	<b>87,613</b>	71,565

**4 Cash and cash equivalents (continued)**

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

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

	<b>2018</b>	2017
	\$	\$
Balances as above	<b>87,613</b>	71,565
Statement of cash flows balance	<b>87,613</b>	71,565

(b) Cash at bank

Cash in operating accounts earns interest at variable interest rates.

**5 Trade and other receivables****Current**

Trade receivables	<b>15,112</b>	28,307
	<b>15,112</b>	28,307
Other receivables	<b>4,418</b>	5,167
<b>Total current trade and other receivables</b>	<b>19,530</b>	33,474

**Impaired receivables**

As at 31 December 2018 trade receivables of \$10,646 (2017:\$13,669) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

**Past due but not impaired receivables**

Between 0 to 3 months	<b>8,776</b>	13,669
Between 3 to 6 months	<b>870</b>	-
Over 6 months	<b>1,000</b>	-
	<b>10,646</b>	13,669

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

At 1 January	-	152
Unused amount reversed	-	(152)
<b>At 31 December</b>	<b>-</b>	<b>-</b>

**5 Trade and other receivables (continued)**

The creation and release of the provision for impaired receivables has been included in impairment expenses in the statement of profit or loss and other comprehensive income. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash.

The other amounts within receivables do not contain impaired assets and are not past due. Based on credit history, it is expected that these amounts will be received when due.

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

**6 Inventories**

	2018	2017
	\$	\$
<b>Current</b>		
At cost:		
Food and beverage stock	23,028	29,139
<b>Total inventories</b>	<b>23,028</b>	<b>29,139</b>

**7 Property, plant and equipment****Plant and equipment**

At cost	169,938	182,464
Accumulated depreciation	(120,318)	(97,544)
<b>Total plant and equipment</b>	<b>49,620</b>	<b>84,920</b>

**Motor vehicles**

At cost	56,725	56,725
Accumulated depreciation	(14,142)	(2,797)
<b>Total motor vehicles</b>	<b>42,583</b>	<b>53,928</b>
<b>Total property, plant and equipment</b>	<b>92,203</b>	<b>138,848</b>

**7 Property, plant and equipment (continued)**

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:

	<b>Plant and Equipment</b>	<b>Motor Vehicles</b>	<b>Total</b>
	\$	\$	\$
<b>Year ended 31 December 2017</b>			
Opening net book value	139,619	-	139,619
Additions	-	56,725	56,725
Disposals	(21,907)	-	(21,907)
Depreciation expense	(32,792)	(2,797)	(35,589)
<b>Closing net book amount</b>	<b>84,920</b>	<b>53,928</b>	<b>138,848</b>
<b>Year ended 31 December 2018</b>			
Opening net book value	<b>84,920</b>	<b>53,928</b>	<b>138,848</b>
Disposals	<b>(4,173)</b>	-	<b>(4,173)</b>
Depreciation expense	<b>(31,127)</b>	<b>(11,345)</b>	<b>(42,472)</b>
<b>Closing net book amount</b>	<b>49,620</b>	<b>42,583</b>	<b>92,203</b>

**8 Trade and other payables**

	Note	2018 \$	2017 \$
<b>Current</b>			
Trade payables		18,427	1,314
Related party payables	15(c)	-	561,952
Other payables		149,601	82,312
<b>Total current trade and other payables</b>		<b>168,028</b>	<b>645,578</b>

**9 Provisions****Current provisions expected to be settled wholly within 12 months****Employee benefits**

Annual leave		64,943	46,661
Long service leave		5,981	4,836
		<b>70,924</b>	<b>51,497</b>

**Current provisions expected to be settled wholly after more than 12 months****Employee benefits**

Annual leave		34,651	31,342
Long service leave		25,698	22,773
		<b>60,349</b>	<b>54,115</b>

**Total current provisions**

		<b>131,273</b>	<b>105,612</b>
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**Non-current provisions****Employee benefits**

Long service leave		16,337	8,663
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**Total non-current provisions**

		<b>16,337</b>	<b>8,663</b>
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**10 Accumulated losses**

Accumulated losses at the beginning of the financial year		(530,491)	(151,748)
Net result for the year		398,580	(378,743)
<b>Accumulated losses at end of the financial year</b>		<b>(131,911)</b>	<b>(530,491)</b>

**11 Remuneration of Auditors****Remuneration of the auditor of the Company, Audit Office of NSW, for:**

Auditing the financial report		28,100	27,540
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**12 Contingencies**

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2018 (31 December 2017: None).

**13 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.

**14 Key Management Personnel Disclosures**

## (a) Directors

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

Benjamin Roche	
Donna Moffitt	
Paul Deegan	
Les Christidis	Appointed 21 June 2018
Robin Stonecash	Appointed 21 June 2018
David Lynch	Resigned 21 June 2018

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.

**15 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.

Transactions with Southern Cross University for services provided are fully re-imbursed by the Company. The Company operates from premises owned by Southern Cross University at no charge and the Company is unable to determine the value for this charge.

## (b) Transactions with related parties

The following transactions occurred with related parties:

	<b>2018</b>	2017
	<b>\$</b>	\$
<b>Parent</b>		
Catering services	<b>204,900</b>	176,855
Cost recoveries	<b>550,361</b>	704,936
Equipment hire	<b>9,218</b>	9,445
Other costs	<b>(3,263)</b>	(1,715)
Forgiveness of related party loan	<b>1,219,523</b>	-

**15 Related Parties (continued)**

(c) Balances to related parties

	Note	2018 \$	2017 \$
<b>Current</b>			
Amount payable to:			
Ultimate parent entity	8	-	561,952

(d) Terms and Conditions

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

**16 Reconciliation of result for the year to cashflows from operating activities**

Reconciliation of net income to net cash generated by/(used) in operating activities:

Net result for the year	<b>398,580</b>	(378,743)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in net result:		
Forgiveness of related party loan	<b>(1,219,523)</b>	-
Depreciation expense	<b>42,472</b>	35,590
Net loss/(gain) on disposal of plant and equipment	<b>4,173</b>	5,543
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	<b>13,944</b>	(13,281)
(Increase)/decrease in inventories	<b>6,111</b>	1,475
(Increase)/decrease in other assets	<b>(2,694)</b>	(1,655)
Increase/(decrease) in trade and other payables	<b>(676,814)</b>	(909,111)
Increase/(decrease) in provisions	<b>33,335</b>	23,555
Increase/(decrease) in other liabilities	<b>(2,323)</b>	16,176
<b>Cash flows used in operating activities</b>	<b>(1,402,739)</b>	(1,220,451)

## 17 Fair Value Measurement

### (a) Fair value measurements

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

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

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

	Carrying Amount		Fair Value	
	2018	2017	2018	2017
	\$	\$	\$	\$
<b>Financial assets</b>				
Cash and cash equivalents	<b>87,613</b>	71,565	<b>87,613</b>	71,565
Trade and other receivables	<b>10,744</b>	28,415	<b>10,744</b>	28,415
<b>Total financial assets</b>	<b>98,357</b>	99,980	<b>98,357</b>	99,980
<b>Financial Liabilities</b>				
Trade and other payables	<b>95,205</b>	626,376	<b>95,205</b>	626,376
<b>Total financial liabilities</b>	<b>95,205</b>	626,376	<b>95,205</b>	626,376

## 18 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

## 19 Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company'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 entity.

The Company 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, ageing analysis for credit risk and daily assessment of investment portfolios to determine market risk.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

### (a) Market risk

#### (i) Foreign exchange risk

The company does not undertake transactions in foreign currency or hold any financial instruments in a foreign currency. As such the company is not exposed to currency risk.

#### (ii) Price risk

Price risk arises on financial instruments because of changes in commodity prices or equity prices. The Company is not exposed to any material commodity price risk.



**19 Financial Risk Management (continued)****(a) Market risk (continued)***(iii) Cash flow and fair value interest rate risk*

Interest rate risk refers to the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates.

The Company's exposure to market interest rates relates primarily to the Company's investments on-call bank deposits.

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

31 December 2018	Carrying amount \$	Interest rate risk			Equity \$
		-1% Result \$	Equity \$	+1% Result \$	
<b>Financial assets</b>					
Cash and cash equivalents	87,613	(876)	(876)	876	876
Trade and other receivables	10,744	-	-	-	-
<b>Financial liabilities</b>					
Trade and other payables	95,205	-	-	-	-
<b>Total increase/(decrease)</b>		<b>(876)</b>	<b>(876)</b>	<b>876</b>	<b>876</b>

31 December 2017	Carrying amount \$	Interest rate risk			Equity \$
		-1% Result \$	Equity \$	+1% Result \$	
<b>Financial assets</b>					
Cash and cash equivalents	71,565	(716)	(716)	716	716
Trade and other receivables	28,415	-	-	-	-
<b>Financial liabilities</b>					
Trade and other payables	626,376	-	-	-	-
<b>Total increase/(decrease)</b>		<b>(716)</b>	<b>(716)</b>	<b>716</b>	<b>716</b>

**19 Financial Risk Management (continued)****(b) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable. Trade receivables are assessed after 60 days and action taken to collect the debt. There has been no change in managing credit risk since the prior year.

**(c) Liquidity risk**

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company manages its liquidity needs by maintaining adequate reserves, banking facilities and continuously monitoring forecast and actual cash flows.

There have been no variations to the objects, policies and processes for liquidity risk since the prior period.

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


	Average Interest rate		Variable interest rate		Non-Interest Bearing		Within 1 year	
	2018	2017	2018	2017	2018	2017	2018	2017
	%	%	\$	\$	\$	\$	\$	\$
<b>Financial Assets:</b>								
Cash and cash equivalents	1.30	1.30	83,573	67,525	4,040	4,040	87,613	71,565
Trade and other receivables	-	-	-	-	10,744	28,415	10,744	28,415
<b>Total Financial Assets</b>			<b>83,573</b>	<b>67,525</b>	<b>14,784</b>	<b>32,455</b>	<b>98,357</b>	<b>99,980</b>
<b>Financial Liabilities:</b>								
Trade and other payables	-	-	-	-	95,205	626,376	95,205	626,376
<b>Total Financial Liabilities</b>	-	-	-	-	<b>95,205</b>	<b>626,376</b>	<b>95,205</b>	<b>626,376</b>

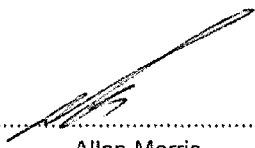
## Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, set out on pages 92 to 112, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards, the *Public Finance and Audit Act 1983*, *Public Finance and Audit Regulation 2015*, *Australian Charities and Not-for-profit Commission Act 2012* and *Australian Charities and Not-for-profit Commission Regulation 2013*; and
  - b. give a true and fair view of the financial position as at 31 December 2018 and of the performance for the year ended on that date of the Company.
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 with the continuing support of creditors.

This declaration is made in accordance with a resolution of the Board of Directors in accordance with section 295(5)(a) of the *Corporations Act 2001*.

Director .....  
  
Paul Deegan

Director .....  
  
Allan Morris

Dated 19 March 2019



## 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 Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2018, the Statement of Financial Position as at 31 December 2018, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In my opinion, the financial report:

- is in accordance with the *Corporations Act 2001*, including:
  - giving a true and fair view of the Company's financial position as at 31 December 2018 and its performance for the year ended on that date
  - complying with Australian Accounting Standards and the Corporations Regulations 2001
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015
- has 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 Report' section of my report.

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

- Australian Auditing Standards
- *Corporations Act 2001*
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with 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 confirm the independence declaration, required by the *Corporations Act 2001*, provided to the directors of Southern Cross Campus Services Limited on 13 March 2019, would be in the same terms if provided to the directors as at the time of this Independent Auditor's Report.

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

### **Other Information**

Other information comprises the information included in the Company's annual report for the year ended 31 December 2018, other than the financial report 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 Director's Report.

My opinion on the financial report 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 report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report 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 Report**

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the PF&A Act, *Corporations Act 2001* and *the Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, 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 unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

My objectives are to:

- obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error
- 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 report.

A description of my responsibilities for the audit of the financial report 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.

My opinion does not 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 report on any website where it may be presented
- about any other information which may have been hyperlinked to/from the financial report



Margaret Crawford  
Auditor-General of NSW

21 March 2019  
SYDNEY

## Appendix A

### Staff employment 2012-2018

ALL STAFF FTE\*

Nominal FTE	2012	2013	2014	2015	2016	2017	2018
Academic	347.3	363.7	326.0	319.0	310.7	313.2	301.0
Professional	563.1	575.0	553.4	519.0	515.2	526.5	536.5
<b>TOTAL</b>	<b>910.4</b>	<b>938.8</b>	<b>879.4</b>	<b>838.0</b>	<b>825.9</b>	<b>839.7</b>	<b>837.5</b>

\*This data excludes staff employed on a casual/sessional basis.  
Figures might not add exactly to the total FTE due to rounding.

#### Academic Staff

Nominal FTE	2012	2013	2014	2015	2016	2017	2018
Above Senior lecturer	73.0	75.6	68.6	77.1	73.0	75.3	78.1
Senior lecturer	88.0	91.4	79.0	80.2	84.0	82.8	83.2
Lecturer	147.2	152.8	142.0	122.4	118.9	123.9	114.4
Below lecturer	39.1	44.0	36.4	39.3	34.9	31.2	25.2
<b>TOTAL</b>	<b>347.3</b>	<b>363.7</b>	<b>326.0</b>	<b>319.0</b>	<b>310.7</b>	<b>313.2</b>	<b>301.0</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	2012	2013	2014	2015	2016	2017	2018
HEW 1	8.2	6.6	7.0	8.0	7.8	7.6	1.0
HEW 2	2.5	3.1	3.5	2.0	0.5	1.0	0.5
HEW 3	20.6	16.0	16.8	17.4	12.1	12.4	19.5
HEW 4	145.2	146.3	139.0	124.4	117.4	118.2	118.9
HEW 5	142.6	149.4	142.3	133.9	132.7	129.1	140.1
HEW 6	90.4	92.5	89.7	79.1	89.2	97.6	94.9
HEW 7	73.9	82.6	85.0	88.5	89.7	92.9	93.9
HEW 8	42.9	38.5	32.6	27.0	31.0	30.2	36.2
HEW 9	10.4	12.1	10.6	13.8	12.0	12.0	9.0
HEW 10	11.5	15.0	12.0	12.0	9.0	10.0	8.5
Above Level 10	15.0	13.0	15.0	12.9	13.9	15.5	14.0
<b>TOTAL</b>	<b>563.1</b>	<b>575.0</b>	<b>553.4</b>	<b>519.0</b>	<b>515.2</b>	<b>526.5</b>	<b>536.5</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 – 23rd January 2019

## Appendix B

### Senior Executives

Band	2018		2017	
	Female	Male	Female	Male
Band 1 (Executive)	2		1	1
Band 2 (Executive)		2	1	3
Band 3 (Executive)		3		1
Band 4 (Executive)				
Above Band 4 (Executive)		1		1
<b>Totals</b>	<b>2</b>	<b>6</b>	<b>2</b>	<b>6</b>
	<b>8</b>		<b>8</b>	

In 2018, 2.14% of the Southern Cross University's employee related expenditure in 2018 was related to senior executives, compared to 2.11% in 2017.

Band	Range \$	Average remuneration	
		2018 \$	2017 \$
Band 1 (Executive)	\$187,900 to \$268,000	\$0	\$252,550
Band 2 (Executive)	\$268,001 to \$337,100	\$313,350	\$317,150
Band 3 (Executive)	\$337,101 to \$475,150	\$358,900	\$340,900
Band 4 (Executive)	\$475,151 to \$548,950	\$0	\$0
Above Band 4 (Executive)	Over \$548,951	\$727,700	\$712,300



## Appendix C

### Trends in the representation of employees in diversity groups

Extract of data for 2017/2018 reporting period (as at 31 March 2018; excludes casual staff)

Academic Staff	Benchmark or target	2015	2016	2017	2018
Women	50%	50.3%	49.8%	49.3%	48.8%
Aboriginal people and Torres Strait Islanders	2.6%	1.5%	1.8%	1.8%	2.5%
People whose first language was not English	19%	7.4%	8.7%	8.4%	11.9%
People with a disability	NA	6.5%	6.3%	6.6%	7.2%
People with a disability requiring work-related adjustment	1.1%	0.6%	0.6%	0.6%	1.3%

Professional Staff	Benchmark or target	2015	2016	2017	2018
Women	50%	67.9%	67.1%	66.3%	67.2%
Aboriginal people and Torres Strait Islanders	2.6%	3.2%	3.2%	2.8%	2.9%
People whose first language was not English	19%	3%	2.8%	3.8%	5.1%
People with a disability	NA	3.5%	3.6%	3.3%	3.4%
People with a disability requiring work-related adjustment	1.1%	0.2%	0.2%	0.2%	0.5%

## Appendix C

### Trends in the distribution of employees in diversity groups #

Academic Staff	Benchmark or target	Distribution Index			
		2015	2016	2017	2018
Women	100	90	93	88	89
Aboriginal people and Torres Strait Islanders	100	139	120	107	95
People whose first language was not English	100	93	89	98	93
People with a disability	100	101	93	104	99
People with a disability requiring work-related adjustment	100	127	89	89	104

Professional Staff	Benchmark or target	Distribution Index			
		2015	2016	2017	2018
Women	100	90	89	91	90
Aboriginal people and Torres Strait Islanders	100	81	87	85	87
People whose first language was not English	100	94	92	93	94
People with a disability	100	105	102	100	99
People with a disability requiring work-related adjustment	100	106	104	104	94

# A Distribution Index of 100 indicates that the centre of the distribution of the EEO groups across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels.

## Appendix D

### Frequency of meetings and members' attendance at meetings

Council 2018						
	15 Feb	12 Apr	21 Jun	20 Sep	22 Nov	
B Boyd	✓	✓	✓			
N Burton Taylor	✓	✓		✓	✓	
A Curtin	✓	✓	✓	✓	✓	
M d'Almeida	✓	✓	✓	✓	✓	
J Granger	✓	✓	✓	✓	✓	
M Hughes	✓	✓	✓	✓		
M Jones	✓	✓	✓	✓	✓	
G Lancaster					✓	<i>Term commenced 10 Sept 2018</i>
T Ledgerwood	✓	✓	✓			<i>Term concluded 9 Sept 2018</i>
L O'Grady		✓	✓	✓	✓	
J Rourke		✓	✓	✓	✓	<i>Term commenced 1 Jan 2018</i>
A Shoemaker	✓	✓	✓	✓	✓	
A Wessell	✓	✓	✓	✓	✓	
S Noble				✓	✓	<i>Term commenced 11 June 2018</i>

#### Legend

Attended meeting	✓
Absent from meeting	

## Appendix E

### Statistical information about access applications – Clause 7(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								
Members of the public (application by legal representative)								
Members of the public (other)		2	1		1			2

\* 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*		1	1					1
Access applications (other than personal information applications)		1			1			1
Access applications that are partly personal information applications and partly other								

\* 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).

## Appendix E

**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
	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	0
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	3
Law enforcement and security	0
Individual rights, judicial processes and natural justice	3
Business interests of agencies and other persons	2
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

## Appendix E

**Table F: Timeliness**

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	2
Decided after 35 days (by agreement with applicant)	2
Not decided within time (deemed refusal)	0
Total	4

**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	1	2	3
Review by Information Commissioner*	2	0	2
Internal review following recommendation under section 93 of Act	1	1	2
Review by ADT	0	0	0
Total	4	3	7

\* 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	4
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	3

**Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)**

	Number of applications transferred
Agency-initiated transfers	0
Applicant-initiated transfers	0

## Appendix F

### Financial Compliance

#### Investment Performance

The University held investment funds of \$30 million as at 31 December 2018 which were made up of cash investments (maturing 94 days or less).

The average rate of return on term deposits is shown below in comparison to the TCorp Cash Hourglass Facility.

Cash Investments	2.70%
TCorp Hourglass Facility - Cash	2.02%

As investments are held as interest bearing deposits and on-call bank deposits the only impact of economic events has been on the future earning potential due to lower interest rates, with no impact on the invested values.

#### Credit card certification

During the 2018 financial year, credit card use was in accordance with the University's Corporate Credit Card and Procurement policies. These policies are based on the requirements of the New South Wales Treasurer's Directions.

#### Payment of Accounts

The University's payment terms in respect of its creditors are 30 days. In 2018, 81 per cent of invoices were paid in accordance with these terms. Interest of \$0 was incurred during 2018.

#### Aged analysis at the end of each quarter

Quarter	Mar-18	Jun-18	Sep-18	Dec-18
	\$	\$	\$	\$
Current	866,673	597,124	270,607	452,140
Between 30-60 days	291,912	26,795	10,653	72,331
Between 60-90 days	2,406	5,086	1,899	-
Over 90 days	11,133	1,273	3,077	416
<b>Total</b>	<b>1,172,123</b>	<b>630,278</b>	<b>286,237</b>	<b>524,887</b>

#### Accounts paid within each quarter

Measure	Mar-18	Jun-18	Sep-18	Dec-18	Annual
Number of accounts paid	991	986	1,090	1,036	<b>2,107</b>
Number of invoices paid on time	2,868	3,410	3,582	3,357	<b>13,217</b>
Actual percentage of invoices paid on time (based on number of invoices)	78%	82%	81%	84%	<b>81%</b>
Number of payments for interest on overdue accounts	-	-	-	-	-
Interest paid on overdue accounts	-	-	-	-	-
Total number of invoices paid	<b>3,669</b>	<b>4,162</b>	<b>4,409</b>	<b>3,999</b>	<b>16,239</b>

## Appendix F

### Land Disposal

The University did not dispose of any land holdings greater than \$5,000,000 in 2018.

### Overseas Travel

The University spent \$1.63 million on a variety of overseas visits in 2018 (\$1.47 million in 2017) for the purposes of promotion and marketing of the University and specific programs, visits to overseas partners and the development of new partner relationships, the attendance and presentation of research papers at international conferences, and research and teaching at affiliated universities.

### Consultants

The University engaged a range of consultants to provide recommendations or high level specialist or professional advice to assist in decision making by management. Table 1 lists the consultancies that were engaged by the University and the fees paid for their services during the year ended 31 December 2018. Table 2 lists those consultants costing greater than \$50,000.

Table 1: Consultancies costing less than \$50,000

Consultancy	No.	Amount \$'000
Architect & Engineering	4	75
Management Services	4	58
Planning & Environment	5	25
<b>Total Consultancies costing less than \$50,000</b>		<b>158</b>

Table 2: Consultancies costing more than \$50,000

Consultant Name	Description	Amount \$'000
Centium Group Pty Ltd	Cyber Security Review	66
Newton Denny Chapelle	Design Consultancy Fees	69
<b>Total Consultancies costing more than \$50,000</b>		<b>135</b>



## Appendix G



### Operations

#### **Digital Information Security Annual Attestation and Evidence of Certification Statement for 2018**

I, Allan Morris, Vice President (Operations), Southern Cross University, am of the opinion that Southern Cross University had an Information Security Management System in place during the financial year being reported on that is consistent with the Core Requirements set out in the *NSW Government Digital Information Security Policy*.

The controls in place to mitigate identified risks to the digital information and digital information systems of Southern Cross University are adequate.

There is no agency under the control of Southern Cross University which is required to develop an independent ISMS in accordance with the *NSW Government Digital Information Security Policy*.

A handwritten signature in black ink, appearing to read 'Allan Morris'.

Allan Morris  
Vice President (Operations)

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CRICOS Provider 01241G

## Appendix H

### Budget and Actual Performance (Parent entity only)

<b>Southern Cross University</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>
<b>Statement of Comprehensive Income</b>	<b>2018</b>	<b>2018</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Income from continuing operations</b>			
Australian Government financial assistance			
Australian Government grants	98,321	114,602	112,156
HELP - Australian Government payments	62,150	65,880	62,697
State and local government financial assistance	1,788	3,329	1,792
HECS-HELP - Student payments	1,989	1,650	2,100
Fees and charges	81,748	61,894	97,393
Investment income	2,579	200	328
Royalties, trademarks and licences	827	900	817
Consultancy and contracts	7,708	6,750	6,256
Other revenue	13,110	11,751	11,981
<b>Total income from continuing operations</b>	<b>270,221</b>	<b>266,956</b>	<b>295,520</b>
<b>Expenses from continuing operations</b>			
Employee related expenses	140,673	135,817	146,542
Depreciation and amortisation	15,673	14,676	14,177
Repairs and maintenance	4,270	3,500	3,483
Borrowing costs	373	1,180	120
Impairment of assets	1,631	1,032	3,873
Losses on disposal of assets	94	100	100
Other expenses	107,408	101,635	114,969
<b>Total expenses from continuing operations</b>	<b>270,122</b>	<b>257,940</b>	<b>283,264</b>
<b>Net result from continuing operations</b>	<b>99</b>	<b>9,016</b>	<b>12,256</b>

**Southern Cross University  
Annual Report 2018**

scu.edu.au

Production costs: **\$2,600**

**Locations**

Lismore campus  
Military Road  
East Lismore NSW 2480

Coffs Harbour campus  
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Coffs Harbour NSW 2450

Gold Coast campus  
Southern Cross Drive  
Bilinga QLD 4225

Business Hours  
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**Southern Cross  
University**

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