

ANNUAL 2017+ REPORT

to the Parliament and the community

**CHARLES STURT UNIVERSITY
ANNUAL REPORT 2017**

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A copy of the 2017 Annual Report is available on the internet at
csu.edu.au/about/publications

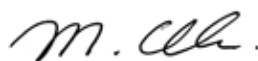
FOR THE PERIOD 1 JANUARY 2017 TO 31 DECEMBER 2017

The Hon. Rob Stokes MP
Minister for Education
52 Martin Place
SYDNEY NSW 2000

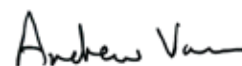
Dear Minister,

In accordance with the provisions of the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983* we have pleasure in presenting to Parliament the Annual Report of Charles Sturt University for the year 2017.

Yours faithfully,



Dr Michele Allan
Chancellor



Professor Andrew Vann
Vice-Chancellor and President

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Message from the Chancellor

“

I am immensely proud of the achievements of 2017 and will continue to Chair an effective and dynamic Council to support the future of CSU in 2018 and beyond.

”



2017 has been a year of equal success and challenges for Charles Sturt University (CSU). The University has continued to lead the way for graduate employment outcomes and graduate salaries. Similarly, Indigenous enrolments and completions have continued to grow. Our academics and researchers have delivered on the world stage, and partnerships have been formed that will support the regions and deliver innovation in ways that would not be possible without the support of CSU.

This year has also been focused on ensuring the development of the next University Strategy is robust and futureproof, while considering policy frameworks and changes to higher education funding. This has created a complex operating environment for the University that will make growth and regional opportunities challenging. It will also force the University to make big decisions about its priorities in 2018 and beyond.

From a governance perspective the University Council, with the Vice-Chancellor's Leadership Team, has taken an innovative and considered approach to strategic planning that will go some way to responding to these challenges. The University will work hard to realise this strategy over the coming years, and I look forward to supporting management in making decisions that actively ensure the long-term sustainability of one of Australia's leading regional universities.

2018 will be a year of celebration with CSU reaching its 30-year milestone. In this time, the University has delivered quality, work-ready graduates that industries have celebrated and sought out for decades. It has delivered research that has provided real impact for our regions and across the world. Importantly, it has also contributed to the communities of regional New South Wales through employment,

support and delivering skilled graduates for the professions. Similarly, it has sought growth and active opportunities to enhance regional New South Wales through the opening of the Port Macquarie Campus and the drive to deliver a Medical School.

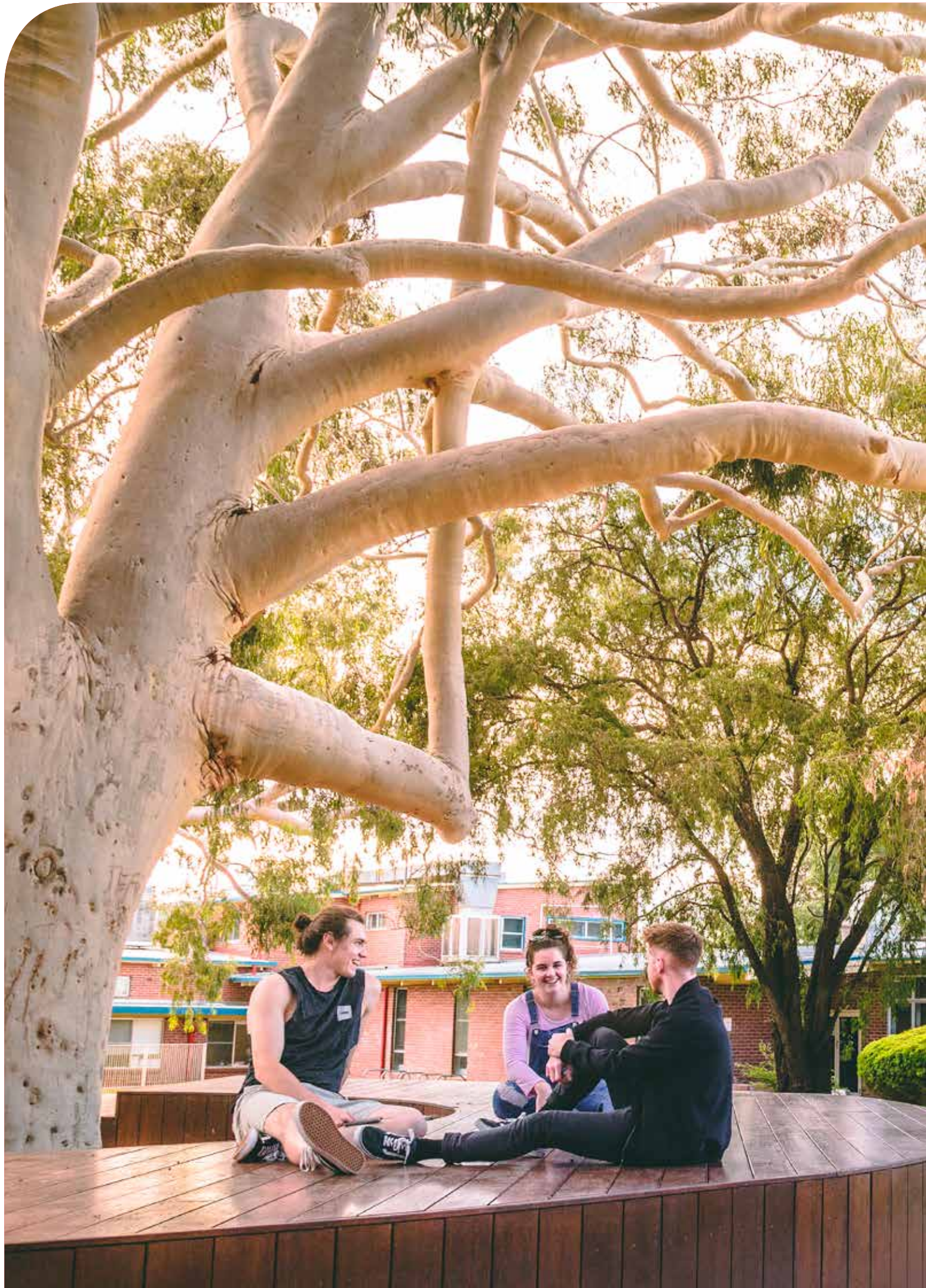
These opportunities for the regions provide vast positive economic outcomes that our regions need to be sustained into the future. Continued investment and support for CSU is essential to not only its mission, but also the long-term outcomes of the regions. This also ensures CSU is true to its goal of standing with and by regional communities to help them grow and flourish.

The policy and funding settings in higher education are going to have an impact on CSU as they are imposed over the coming years. It will be particularly important for myself as Chancellor to ensure the University continues to lobby for growth in regional higher education and ensuring the needs of regional students, industry and professions can be delivered by CSU for generations to come.

An approach to policy and funding that supports the unique challenges faced by regional Australia is essential to achieving this.

I am immensely proud of the achievements of 2017 and will continue to Chair an effective and dynamic Council to support the future of CSU in 2018 and beyond.

Dr Michele Allan
Chancellor





About Charles Sturt University



Charles Sturt University (CSU) is the largest regionally based university in Australia, enrolling nearly 43,000 students from across Australia and more than 120 countries around the world. CSU is a leader in online-supported distance learning and the largest and one of the most experienced providers of courses delivered by innovative online education. We offer one of the most comprehensive suites of courses of any university in the country, with the majority of

our professional programs delivered in areas of identified national and regional labour market skill shortages.

Our campuses in Albury-Wodonga, Bathurst, Canberra, Dubbo, Goulburn, Orange, Parramatta, Port Macquarie and Wagga Wagga serve the distinct needs of regional communities from northern New South Wales (NSW) to central Victoria, while our CSU Study Centres in Melbourne, Sydney and Brisbane provide on-campus education to international students in a range of undergraduate and postgraduate programs. We also deliver programs internationally in collaboration with leading partner institutions in Europe and Asia, as well as through online education.

At CSU, we believe in making a difference. We are proud of our international research across many disciplines, including agricultural science, horticultural production, food and wine sciences, crop and pasture production, veterinary science, animal production, education, curriculum and pedagogy, environmental science, applied ethics, philosophy, religious studies, criminology, nursing and marketing.

The university's researchers work in consultation and collaboration with end users, industry, the professions and communities for the public

good. CSU has a proud tradition of delivering high-quality research that creates new knowledge, benefits people's lives, enhances the profitability of regional industries and helps communities grow and flourish. Our academics are proven experts in their fields, and our research connections span the globe.

Through its Higher Degree by Research Programs, CSU is training the next generation of researchers and professionals who use critical thinking and seek to influence the world for the better. We believe wisdom transforms communities. With tenacity, we help to shape resilient, sustainable regions for the future. Together, our diversity and unique perspectives will create a world worth living in.

For the public good

We are a university of the land and people of our regions. True to the character of regional Australia we have gumption, we have soul and we collaborate with others.

We develop holistic, far-sighted people who help their communities grow and flourish.

Acknowledging the culture and insight of Indigenous Australians, CSU's ethos is described by this phrase from the Wiradjuri, the traditional custodians of the land of our original campuses, Yindymarra Winhanganha, meaning the wisdom of respectfully knowing how to live well in a world worth living in.

Our ethos is underpinned by four values:

- insightful
- inclusive
- impactful
- inspiring

These values are the principles and aspirations that guide our decision-making and underpin our ways of working. By living these values, we want to make this a world worth living in. As a university we strive to understand people and the world; to embrace our differences and recognise the strength and value of working together; to make a difference in society through the work we do; and to lead for a bright and sustainable future.

Our mission is to build skills and knowledge in our regions. We offer choice and flexibility to students and work hand-in-hand with our industries and communities in teaching, research and engagement. Growing from our historical roots, we share our knowledge and expertise as a significant regional export industry and we bring strength and learning from this back to our regions.

We are a market-oriented university and express our intent through our goal to be the dominant provider of higher education for on-campus students in our regions and in Australian online higher education.

Andrew Vann
Vice-Chancellor and President

OUR VALUES



Insightful

Understanding people and the world



Inclusive

Stronger together



Impactful

Outcome driven



Inspiring

Leading for the future

UNIVERSITY STRATEGY

The university's aspirations are elaborated through these enduring and long-term objectives for each of our key stakeholders. The university developed a revised strategy that commenced in 2017 and will be delivered through key programs and projects through to 2022.

Enduring strategic objectives for:

OUR COMMUNITIES

Strong, vibrant regional communities with intellectual capital, social capital and infrastructure

OUR STUDENTS

Accessible and flexible pathways to a wide range of degrees that can be studied on or off campus in full-time or part-time modes

A sense of belonging and engagement with support for progress in learning, professional placements and success

The knowledge, skills, attitudes, habits and professional networks for a meaningful life and successful career

Strategic focus: 2017–2022
Programs and projects

REGIONAL IMPACT

Programs for stakeholder impact

We will develop and implement high-impact programs for our communities that deliver lasting economic, social and environmental outcomes. Existing examples include the Murray Darling Medical School (MDMS) and AgriPark initiatives.

Organise for community impact

We will harness the efforts of our staff, students and alumni to partner with others through projects to effect positive, bold change in our communities. We will work to ensure we have towns, cities, regions and a world worth living in. We will focus our research, intellectual capital and assets to create long-term impact. We will inspire our communities and ensure we work with and by them to deliver real benefits.

TRANSFORM LEARNING AND TEACHING

Transform online

We will ensure we are at the forefront of innovative, quality online teaching and learning that delivers a rewarding and flexible student experience. CSU Online will be the largest provider of online higher education in Australia through to 2030.

Transform on campus

We will transform our campuses to make them an engaging place for all students, no matter how they study, live or travel. Our campuses will have a strong community presence and provide a space to learn, engage, belong and have fun.

Transform quality and distinctiveness

We will strengthen the foundations for our graduates through high-quality authentic curriculum, learning and assessment that embed professional practice and lifelong learning. Our graduates will be highly employable and skilled change agents that make meaningful contributions to their communities.

We will build organisational capability to fulfil the university's strategic objectives. We will implement frameworks to assess and enhance our competencies and capabilities. We will reinforce our values throughout the employee lifecycle and improve leadership development. We will reward and recognise our people and ensure we value the full diversity of all professional/general and academic roles.



OUR INTERNAL CAPABILITIES

Strategic workforce capability

We will build organisational capability to fulfil the university's strategic objectives. We will implement frameworks to assess and enhance our competencies and capabilities. We will reinforce our values throughout the employee lifecycle and improve leadership development. We will reward and recognise our people and ensure we value the full diversity of all professional/general and academic roles.

Deep understanding of operations

We will ensure a deeper understanding of the way the university works from the bottom to the top. Everyone will be able to harness data to improve their operational performance and make insightful and evidence-based decisions. We will build knowledge management to support innovation and internal cooperation.

Collaborate with others

We will embed collaboration with others as a core capability across the university. We will nurture high-quality, inclusive relationships with our communities, alumni, peers, suppliers and the government.

Market oriented organisation

We will be a consistently market-oriented organisation. We will adapt our courses, offerings and research to meet the needs of our students, communities, professions and industry.

PEOPLE AND COMMUNITY

Item 1. University Council

The Council is constituted to ensure the proper stewardship and strategic direction of the university, and is directly accountable to the stakeholders of the university for creating and delivering value and improved performance through effective governance. During 2017, the membership of the Council reflected the perspectives and capabilities of our various stakeholders – our staff, students, graduates and communities.

Members of Council during 2017

*Note: Other directorships are as at 31 December 2017.

Dr Michele Allan

BAppSc (UTS), MMgtTec (Melb), DBA (RMIT),
MComLaw (Deakin), FAICD, FATSE



Chancellor (s 8I(a))

Term: 3 December 2014 to 2 December 2023
Second term commences: 3 December 2018

Chair – Chancellor's Foresighting Committee
Chair – Nomination and Remuneration Committee
Member – Investment Committee

Other directorships:

- Chair – Apple and Pear Australia Limited
- Chair – Meat & Livestock Australia
- Chair – Council of Rural Research and Development Corporations
- Non-Executive Director – CSIRO
- Non-Executive Director – Grain Growers Limited
- Non-Executive Director – Innovation and Science Australia
- Non-Executive Director – Nuffield Australia
- Non-Executive Director – Food Innovation Australia Ltd

Professor Andrew Vann

BEng(Hons) (NTU), PhD (Bristol), GradCertBusAd (USC),
FAIM, FAICD, FIEAust, CPEng Eng Exec, AFARLF



Vice-Chancellor (s 8I(b))

Term: 31 December 2011 to 24 December 2021
Most recent appointment: 1 January 2017

Member – Chancellor's Foresighting Committee
Member – Nomination and Remuneration Committee

Other directorships:

- President – Executive Committee of Australian Higher Education Industrial Association
- Member – Talloires Network Steering Committee
- Board Member – World Association for Cooperative Education (WACE)
- Director – Higher Ed Services Board
- Deputy Chair – Universities Australia
- Director – Education Services Australia Limited Board
- Alternate Director – Somerville Collection Board
- Board Member – CSU-DPI Alliance Executive Committee

Mr Peter Hayes

BSc (Melb), DipEd (Monash), BAppSc (CSturt),
MSc(Hort) (UCD), FASVO



Deputy Chancellor, graduate member (s 8F(1))

Term: 1 July 2007 to 30 June 2019
Most recent appointment: 1 June 2015

Deputy Chair – Chancellor's Foresighting Committee
Deputy Chair – Nomination and Remuneration Committee
Member – Finance, Audit and Risk Committee

Other directorships:

- Chair – Irriscan Australia Pty Ltd
- Board Member – Irrigation Australia Limited
- Honorary President – International Organisation of Vine and Wine (OIV)

Professor Jo-Anne Reid

BA, DipEd (Qld), GCertEd (FedUni),
BEd, PhD (Deakin)



Presiding Officer, Academic Senate (s 8I(c))

Term: 12 March 2014 to 30 June 2016
Most recent appointment: 12 March 2014

Member – Chancellor's Foresighting Committee
Member – Nomination and Remuneration Committee

Other directorships:

- Director – St Stanislaus' College Bathurst



Mr Neville Page

BCom, MCom (UNSW), FCPA, FIPA

Council appointee (s 8G(1))

Term: 1 July 2007 to 30 June 2019

Most recent appointment: 1 July 2017

Chair – Finance, Audit and Risk Committee

Other directorships:

- President – Australian Native Plants Society
- Executive – Australian Native Plants Society
- Member – ACT Treasury Investment Advisory Board
- Director – Abels Music Associates Pty Ltd



Mr Graeme Bailey

BCom (UNSW), FCA

Council appointee (s 8G(1))

Term: 19 September 2014 to 30 June 2018

Most recent appointment: 19 September 2014

Chair – Investment Committee

Other directorships:

- Director – The Simmer Deep Pty Limited
- Director – Taverner Nominees Pty Ltd
- President and Director – Royal Sydney Golf Club



Ms Saranne Cooke

BCom (ANU), MBUS(Mkt) (CSturt), MComLaw (Deakin)

Ministerial appointee (s 8H(1))

Term: 14 September 2013 to 30 June 2021

Most recent appointment: 1 September 2017

Member – Finance, Audit and Risk Committee

Other directorships:

- Non-Executive Director and Audit and Risk Committee Member – Racing NSW
- Finance Council Deputy Chair Catholic Education Office Finance & Resources Sub-Committee Member – Catholic Diocese of Bathurst
- Chair – Australian Institute of Company Directors Western Region NSW Committee
- Non-Executive Director and Chair, Finance, Audit and Risk Management Committee – Western Health Alliance Ltd
- Non-Executive Director and Chair, Finance Audit and Risk Management Committee – Leading Age Services Australia
- Member – CPA Australia New South Wales (NSW) Not-for-Profit Committee



Mrs Jennifer Hayes

BBus(Acc), MBus (CSturt), CPA, GAICD

Ministerial appointee (s 8H(1)) (previously appointed under s 8F(1))

Term: 1 July 2013 to 30 June 2019

Most recent appointment: 1 July 2015

Member – Finance, Audit and Risk Committee

Other directorships:

- Director – Hunter Primary Care Ltd
- Chair – Hunter Primary Care Ltd Finance, Audit and Risk Committee
- Member – Upper Hunter Shire Council, Audit Advisory Committee
- Chair – Cessnock City Council, Audit Committee
- Member, Catholic Diocese of Maitland-Newcastle, Catholic School Council
- Member – Catholic Diocese of Maitland-Newcastle, Finance, Audit and Risk Committee
- Member – Catholic Diocese of Maitland-Newcastle, Special Needs Steering Group
- Co-Founder and Member – City2City, Community Foundation for Albury-Wodonga Region Ltd (Border Trust)



Ms Elise McMahon

Elected member (s 8E(2)(c))

Term: 1 July 2016 to 30 June 2018

Most recent appointment: 1 July 2016



Mr Jamie Newman

BHlthSc(Community and PubHlth) (CSturt)

Council appointee (s 8F(1))

Term: 1 July 2013 to 30 June 2021

Most recent appointment: 1 July 2017

Member – Nomination and Remuneration Committee

Other directorships:

- Director – Western Health Alliance Ltd, Non-Executive
- Chair – Orange Local Aboriginal Land Council
- Chair – Bila Muuji Aboriginal Corporation Health Service Inc.

Dr Rowan O'Hagan

BAgricSc (Melb), MAgricSc (La Trobe), MAcc (CSturt),
PhD (Melb), FAICD



Council appointee (s 8F(1))

Term: 25 August 2014 to 30 June 2018

Most recent appointment: 25 August 2014

Member – Nomination and Remuneration Committee

Member – Finance, Audit and Risk Committee

Other directorships:

- Director – Coliban Water

Ms Lisa Schofield

BA(Comm) (CSturt)



Council appointee (s 8F(1))

Term: 1 January 2016 to 31 December 2019

Most recent appointment: 1 January 2016

Member – Investment Committee

Ms Liz Smith

DipT (CSturt), BEd (CSturt), GradCertInstDesign (Deakin),
GradDipAppSci (Deakin), MEd (USQ)



Elected member (s 8E(2)(b))

Term: 1 July 2016 to 30 June 2018

Most recent appointment: 1 July 2016

Other directorships:

- Executive Committee Member – University of Southern Queensland,
National Association of Enabling Educators of Australia

Dr Susan Wood

DipTeach (STC), BA (CSturt), MA (CSturt),
PhD (RMIT)



Elected member (s 8E(2)(a))

Term: 1 July 2016 to 30 June 2018

Most recent appointment: 1 July 2016

Member – Nomination and Remuneration Committee

Table 1.1: Attendance by members at meetings of University Council

Member	University Council		Nomination and Remuneration Committee		Finance, Audit and Risk Committee		Investment Committee		Chancellor's Foresighting Committee	
	A	B	A	B	A	B	A	B	A	B
Dr Michele Allan	8	7	4	4	-	-	6	5	18	18
Mr Peter Hayes	8	8	4	4	5	4	-	-	18	18
Professor Andrew Vann ¹	8	8	4	4	5	5	6	3 ²	18	17 ³
Professor Jo-Anne Reid	8	8	4	4	-	-	-	-	18	18
Mr Graeme Bailey	8	8	-	-	-	-	6	6	-	-
Ms Saranne Cooke	8	8	-	-	5	5	-	-	-	-
Mrs Jennifer Hayes	8	8	-	-	5	5	-	-	-	-
Ms Elise McMahon	8	7	-	-	-	-	-	-	-	-
Mr Jamie Newman	8	6	4	2	-	-	-	-	-	-
Dr Rowan O'Hagan	8	8	4	4	5	5	-	-	-	-
Mr Neville Page	8	8	-	-	5	5	-	-	-	-
Ms Lisa Schofield	8	7	-	-	-	-	6	6	-	-
Ms Liz Smith	8	8	-	-	-	-	-	-	-	-
Dr Susan Wood	8	8	4	3	-	-	-	-	-	-

A = number of meetings held during the time the member held office or was a member of the committee during the year

B = number of meetings attended

1. The Vice-Chancellor was an attendee of the Finance, Audit and Risk Committee and Investment Committee meetings.
2. Three meetings of the Investment Committee were held by Flying Minute attended by members only.
3. One meeting was attended by the Acting Vice-Chancellor.

Table 1.2: Council member remuneration

Note: This table does not include any Council and member expenses relating to items such as equipment, data/communications, meeting venue and catering, and associated expenses.

Name	Position	Remuneration	Additional expenses incurred				
Honarium			Training and development	Graduations (including Attestation)	University ceremonies and events	Official meetings	Others ³
		Super					
Dr Michele Allan	Chancellor (s 8(a))	\$4,355.00	-	-	\$1,959.70	\$5,933.18	-
Mr Peter Hayes	Deputy Chancellor (s 8F(1))	\$2,840.24	\$7,359.25	\$591.11	\$467.49	\$6,628.01	\$1,353.28
Professor Andrew Vann	Vice-Chancellor (s 8(b))	Ineligible ¹	-	-	-	N/A ⁴	-
Professor Jo-Anne Reid	Presiding Officer, Academic Senate (s 8(c))	Ineligible ¹	-	-	\$458.44	\$2,056.78	\$1,188.88
Mr Graeme Bailey	Council appointee (s 8G(1))	\$2,177.50	-	-	\$889.33	\$4,091.00	-
Mrs Jennifer Hayes	Ministerial appointee (s 8H(1))	\$1,609.40	-	-	\$1,348.47	\$4,292.63	-
Ms Saranne Cooke	Ministerial appointee (s 8H(1))	\$1,609.40	-	-	\$357.20	\$2,596.87	-
Mr Jamie Newman	Graduate member (s 8F(1))	\$1,609.40	-	-	\$883.24	\$1,566.74	-
Dr Rowan O'Hagan	Graduate member (s 8F(1))	\$1,609.40	\$2,081.82	\$242.49	\$64.13	\$3,919.87	-
Mr Neville Page	Council appointee (s 8G(1))	\$2,177.51	\$956.51	-	\$161.02	\$779.24	-
Ms Lisa Schofield	Council appointee (s 8G(1))	\$1,609.40	-	-	-	\$194.40	-
Dr Susan Wood ^{1, 2}	Elected member (s 8E(2)(a))	-	-	-	\$220.86	\$1,851.25	-
Ms Liz Smith ¹	Elected member (s 8E(2)(b))	-	\$2,966.13	-	\$554.33	\$2,168.27	-
Ms Elise McMahon	Elected member (s 8E(2)(c))	\$1,609.40	-	-	\$132.44	\$3,519.20	-
Totals		\$21,206.65	\$13,363.71	\$833.60	\$7,496.65	\$39,597.44	\$2,542.16

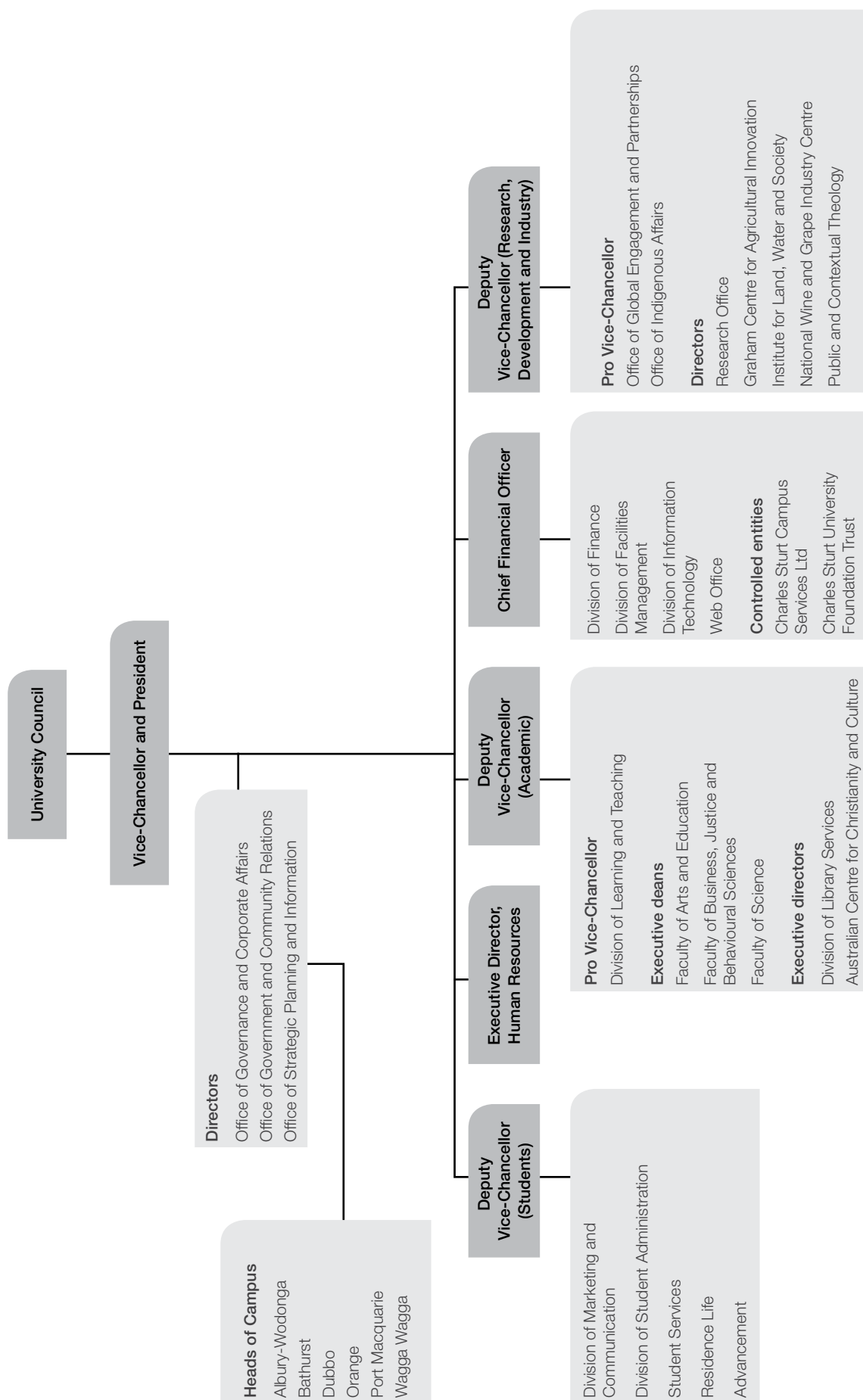
1. This Council member is a remunerated member of staff at CSU.

2. In accordance with Section 48 of the University Governance Charter, an honorarium amount equivalent to the base honorarium rate may be paid to the elected staff member's divisional unit to assist that area with the costs of the Council member attending official meetings. During the reporting period, \$17,000 was paid to the School of Communication and Creative Industries in lieu of Sue Wood's attendance at Council meetings.

3. 'Other' includes approved events (i.e. media events, launches, other industry meetings and consultations).

4. All expenses for this official member relate to the position and as such are met by the respective cost centre attached to the position.

Management and structure



Item 2. Senior executive performance and remuneration

VICE-CHANCELLOR AND PRESIDENT

Professor Andrew Vann

BEng(Hons) (NTU), PhD (Bristol),
GradCertBusAd (USC), FAIM, FAICD, FIEAust,
CPEng Eng Exec, AFARLF



The Vice-Chancellor and President, as principal executive officer of the university, is responsible to the University Council for:

- developing and articulating a clear vision, mission and strategic direction for the university to secure the university's future as a strong and progressive institution
- fostering excellence of learning and teaching, with a particular emphasis on emerging technologies to support the online education environment
- building the university's research profile
- implementing the university's strategic plan as approved by the University Council
- establishing and maintaining relationships with key stakeholders including government, professional bodies, alumni, and community and industry leaders.

Key achievements in the reporting year

- Key market research completed to inform the overarching strategy as well as specific strategic programs
- Restructured the senior portfolio to have an end-to-end student-focused Deputy Vice-Chancellor (Student) portfolio to improve the university's focus on market orientation and customer service
- Worked closely with the Chief Financial Officer on the movement of corporate service functions as part of the restructure to produce an expanded Chief Financial Officer portfolio
- Continued lobbying for a medical school at the highest levels of government, representing an ongoing commitment to regional NSW
- Sector leadership roles including Deputy Chair of Universities Australia and Chair of the Australian Higher Education Industry Association Steering Committee
- Presented management information to the University Council in line with compliance requirements to support good governance

DEPUTY VICE-CHANCELLOR AND VICE-PRESIDENT (RESEARCH, DEVELOPMENT AND INDUSTRY)

Professor Mary Kelly

BSc(Hons) PhD (University of Georgia)



The Deputy Vice-Chancellor and Vice-President (Research, Development and Industry) is responsible to the Vice-Chancellor and President for the development, promotion and overall leadership of research; research training; partnership with industry and end users to enhance research and maximise research impact; the commercialisation agenda; national and international education partnerships; research ethics; and Indigenous education and research leadership.

Specific responsibilities for 2017 included establishment of the Office of Global Engagement and Partnerships, delivery of a Compliance Improvement Program for research ethics, sponsorship of the *Our Communities* component of the University Strategy 2017–2022, expansion of the university's commercialisation and innovation agenda and commencement of the 'Our CSU RAP' Reconciliation Action Plan Project including consultations and establishment of governance framework.

Key achievements in the reporting year

- Rejuvenation of the university's research direction under a revised Research Narrative focused on Resilient People, Flourishing Communities and Sustainable Environments
- Partnership into three new cooperative research centres: Food Agility CRC, High Performance Soils CRC and Cyber Security CRC
- Commencement of 95 new Higher Degree by Research students and 92 Higher Degree by Research student completions
- Delivery of innovation programs through three new incubators: AgriTech, CenWest Innovate and Walan Mayinygu
- Enrolment growth of 30.7% with Global Engagement Partners, representing 22% of total CSU enrolments, and revenue growth to more than \$27 million annually
- Twenty-seven international students commenced studies in the first year intake at the Port Macquarie campus, and 695 CSU students undertook short courses in 47 countries across the globe
- Office of Indigenous Affairs, together with a small team of retired principals, successfully piloted a strategic research initiative in a small cohort of remote schools, delivering a new capacity building education program at both executive and teacher levels, in order to enhance capacity of schools to deliver quality education to children living in isolated locations

DEPUTY VICE-CHANCELLOR AND VICE-PRESIDENT (ACADEMIC)

Professor Toni Downes

BEd, MEd, PhD



The Deputy Vice-Chancellor and Vice-President (Academic) is responsible to the Vice-Chancellor for the academic development of CSU and for assisting the Vice-Chancellor generally in the administration, management and leadership of the university.

Specific strategic responsibilities for 2017 included oversight of the Transform Online Learning (TOL) and Transform On Campus (TOC) programs within the University Strategy 2017–2022.

Key achievements in the reporting year

- Establishment of the Three Rivers University Department of Rural Health to work in partnership with local councils, educators and healthcare providers to support allied health, nursing, midwifery and dentistry student placements in central and southern NSW
- Expansion of the course profile and the maturing of course offerings at Port Macquarie to achieve campus capacity
- Development of the framework for institutional reporting on compliance with the Higher Education Standards Framework
- Oversight of the Common Support Model including embedding new faculty administration teams and procedures
- Sponsor of the Small Campus Strategy (within TOC) including the appointment of the Campus Development Manager (Dubbo/Orange) and the refurbishment and revitalisation of the Dubbo Learning Commons and 24/7 zone
- Development of a framework for the ongoing strategic evaluation of the university's profile of courses and subjects
- Implementation of the Online Learning Model to inform the 2017+ TOL strategy
- Ongoing review of the Academic Staff Promotion Policy and Procedure resulting in improved clarity and transparency of the academic promotions policy and process, increased applications and success rates

DEPUTY VICE-CHANCELLOR AND VICE-PRESIDENT (ADMINISTRATION)*

Professor Ken Dillon

BADipEd (Macq), GDipLib (Riverina CAE),
MEd(Hons) (CSturt), PhD (USQ)



The Deputy Vice-Chancellor and Vice-President (Administration) was responsible to the Vice-Chancellor and President for the delivery of an integrated and efficient university administration and in assisting the Vice-Chancellor generally in the administration, management and leadership of the university.

Specific responsibilities for 2017 included completing activities implemented through the Markets, Services and Support and Infrastructure – Physical and Virtual Sub-Plans within the University Strategy 2015–2016, preparing the administration portfolio for the 2017–2022 Strategy and transition to a new portfolio structure.

Key achievements in the reporting year

- Significant improvements to prospective student processes including overhaul of the self-help knowledge base, credit and pathway management system and degree-planning tool upgrade
 - Significant upgrades to several enterprise applications including the student administration system
 - Significant improvement to the university website (including online course brochures) and overhaul of the Web Policy
 - Installation of a 1.77MW Solar photovoltaic battery on the Wagga Wagge Campus (largest in the Southern Hemisphere at time of installation)
 - Awarded \$1.3 million in CSU Foundation scholarships to students, with \$100,000 raised from staff giving through CSU Give and 22% increase in donations for the CSU Foundation Trust
 - Mandatory Information Technology (IT) security awareness training implemented for all staff
 - Emergency and crisis management review and renewed warden training program implemented
-

DEPUTY VICE-CHANCELLOR AND VICE-PRESIDENT (STUDENTS)^

Ms Jenny Roberts

BBusAdmin (CQU), MTertEdMgt (Melb)



The Deputy Vice-Chancellor and Vice-President (Students) is responsible to the Vice-Chancellor and President for leading and driving a student-centred culture across the student lifecycle, from awareness through to graduation and alumni, and assisting the Vice-Chancellor in providing strong and positive leadership and management for the university.

This portfolio supports the university's objectives to provide sector-leading student recruitment and engagement practices, to ensure our students feel well supported on their learning journey, while developing a lifelong connection to the CSU community. This new portfolio includes the Divisions of Student Administration, Student Services, Marketing and Communication; Residence Life and the Advancement Office.

Specific responsibilities for 2017 (July–December) included establishing a new Office and Portfolio of the Deputy Vice-Chancellor (Students), and the sponsorship of the Market Oriented Organisation Strategy within the University Strategy with a focus on acquisition, technology roadmap, functional capability and Student Strategy.

Key achievements in the reporting year

- Successful graduations – 25 ceremonies, 10 locations, 11 days, 10,197 graduates, 15,390 guests
- Welcomed back 1874 of our alumni who returned to study with us – 19% increase
- Increase of 44% in students using the Academic Literacy, Learning and Numeracy (ALLaN) services
- The Indigenous Academic Success Program (IASP) had a 15% increase, with participation from 39% of eligible Indigenous students
- Supported 91 Indigenous students during residential schools
- Successful Student Leadership Conference, Indigenous Student Conference and pilot of the STRIVE student leadership program
- Over 5000 welcome packs sent to students during orientation
- Funded 55 SSAF projects
- Increase of 40% in the registration for the CSU Elite Athlete program
- Benchmarking and Satisfaction Survey for CSU Residences highlighted strengths in Safety and Security, Sense of Community and Residence Support Staff
- CSU students raised over \$15,000 for charity
- Sold 160,000 coffees, 50% in re-usable cups
- Successful launch of the 'Start Now' Advertising Campaign – online/digital, TV, radio and outdoor advertising

EXECUTIVE DIRECTOR, HUMAN RESOURCES

Mr Adam Browne

BAAAdminHR (UC)



The Executive Director, Human Resources is responsible to the Vice-Chancellor and President for the provision of strategic human resource advice in the context of the higher education environment and the University Strategy.

The Executive Director, Human Resources, is accountable for the development, implementation and monitoring of policies and procedures relating to human resource management, including building organisational capability.

The Executive Director is responsible for administering the Division of Human Resources and its operations including the oversight of the Strategic Workforce Capability project within the University Strategy 2017–22.

Key achievements in the reporting year

- Implemented initiatives from the Strategic Workforce Capability project: change management support and capability building; drafted a Universal Competency Framework; Effective Leadership Conversations pilot program for 90 people leaders
 - Staff culture initiatives undertaken: 'your voice' staff culture survey conducted, results rolled out and priorities for action established; Ngulway conference for Indigenous staff; Wellness Expo across seven locations with over 2600 staff and students registering
 - Negotiated a new workers compensation scheme (\$456,000 savings in the first year)
 - Human Resources systems landscape improvements: Academic Workload Manager system; undertook a recruitment review and began implementation of PageUp recruitment and onboarding system; extensive investigation for human resources information system replacement
-

CHIEF FINANCIAL OFFICER

Mr Paul Dowler

BBus (*MitchellCAE*), MBA (*CSturt*), CPA



The Chief Financial Officer is responsible for providing strategic advice to the Vice-Chancellor, University Council and the Vice-Chancellor Leadership Team across the portfolio with an emphasis on finance and resource management in the context of the higher education environment and the University Strategy.

Following the restructure in July 2017, additional responsibilities from the Deputy Vice-Chancellor (Administration) portfolio transitioned to the Chief Financial Officer's portfolio. The portfolio now incorporates the functions of Finance, Information Technology, Facilities Management and the Web Office and focuses on the delivery of professional services and support to the university community commanding the management and deployment of a significant asset base.

This portfolio has the overarching responsibility and commitment to lead the physical and technological development of the university and to lead organisational change and development in the service and support areas of the university as part of the University Strategy 2017–2022.

Key achievements in the reporting year

- Portfolio restructuring
- Exceeded university benchmark for annual operating surplus
- Implemented new investment strategy
- Disposed of South Campus
- Completed and commissioned largest rooftop solar PV
- Completed 3-year information and communication technology (ICT) network upgrade
- Developed plan for major business systems renewal
- Developed Information Security Management System
- Completed major refurbishment of student spaces at Dubbo and Orange campuses

* For the period 1 January 2017 to 21 July 2017 at which point the Deputy Vice-Chancellor (Administration) portfolio ceased and the Deputy Vice-Chancellor (Students) portfolio commenced under a revised university structure.

^ Debra Farrelly acted in the role of Deputy Vice-Chancellor (Students) for the period 24 July 2017 to 17 November 2017.

Table 2.1: Executive remuneration

Name	Position	Remuneration for the period	\$	Gender
Professor Andrew Vann	Vice-Chancellor	Salary	544,020	M
		Bonus	81,883	
		Motor vehicle allowance	13,679	
		Superannuation	94,809	
		Accommodation	23,400	
		Total remuneration	757,791	
Professor Toni Downes	Deputy Vice-Chancellor (Academic)	Salary	363,793	F
		Superannuation	61,845	
		Total remuneration	425,638	
Professor Ken Dillon	Deputy Vice-Chancellor (Administration)	Salary	325,324	M
		Motor vehicle allowance	13,679	
		Superannuation	57,198	
		Total Remuneration	396,201	
Ms Debra Farrelly	Acting Deputy Vice-Chancellor (Students)*	Salary	87,231	F
		Superannuation	8,287	
		Total remuneration	95,518	
Ms Jenny Roberts	Deputy Vice-Chancellor (Students)^	Salary	36,653	F
		Motor vehicle allowance	1,526	
		Superannuation	6,490	
		Total remuneration	44,669	
Professor Mary Kelly	Deputy Vice-Chancellor (Research, Development and Industry)	Salary	332,714	F
		Motor vehicle allowance	13,679	
		Superannuation	58,887	
		Total remuneration	405,280	
Mr Paul Dowler	Chief Financial Officer	Salary	283,444	M
		Motor vehicle allowance	13,679	
		Superannuation	46,429	
		Total remuneration	343,552	
Mr Adam Browne	Executive Director, Human Resources	Salary	258,275	M
		Motor vehicle allowance	13,679	
		Superannuation	25,836	
		Total remuneration	297,790	

* For the period 24 July 2017 to 17 November 2017.

^ For the period 20 November 2017 to 31 December 2017.

Table 2.2: Number of executive staff of the university by gender as at 31 December 2016

	2016	2017
Female	2	3
Male	4	3
Total	6	6

Table 2.3: Percentage of total employee-related expenditure as it relates to senior executives

	2016	2017
% of total relating to senior executives	1%	1%

Item 3. Human resources

Employees / employee wage movement

Table 3.1: Full-time equivalent (FTE) staff (continuing and fixed term)

	Academic	Professional/General
2015	817.95	1228.99
2016	815.91	1195.20
2017	840.11	1227.69

Table 3.2: Academic staff by classification (FTE)

Position level	2015	2016	2017
Below Lecturer	70.15	68.40	71.46
Lecturer	431.74	429.16	429.52
Senior Lecturer	164.07	177.20	184.82
Above Senior Lecturer	151.99	141.15	154.31
Total	817.95	815.91	840.11

Table 3.3: Professional/general staff by classification (FTE)

	2015	2016	2017
Level 1	24.17	22.90	12.29
Level 2	26.28	23.50	20.88
Level 3	71.60	50.90	50.37
Level 4	252.03	238.00	234.88
Level 5	251.78	239.40	271.78
Level 6	258.51	252.00	247.00
Level 7	163.18	163.70	193.78
Level 8	80.54	93.40	90.86
Level 9	42.80	51.00	55.50
Level 10 and above	58.10	60.40	50.35
Total	1228.99	1195.20	1227.69

Employee wage movement

Staff covered by Charles Sturt University's Enterprise Agreement have not received any salary increase during the 2017 calendar year due to enterprise bargaining, which has not yet been finalised.

Personnel and industrial relations policies and practices

- Academic Institutional Leadership Positions Policy and Procedure
- Academic Staff Probation Policy, Procedure and Guidelines
- Academic Staff Promotion Policy, Procedure and Guidelines
- Academic Staff Salary Payment Guidelines – Above Salary
- Academic Staff Teaching Qualifications and Equivalent Professional Experience Policy
- Accountability Statements – Senior Management
- Alcohol and Other Drugs Policy
- Anti-Racism Policy
- Attendance at Work Policy
- Balancing Work and Study with Family and Caring Responsibilities Policy
- Blood and Bodily Fluids Handling Guidelines
- Breastfeeding Policy
- Children on Campus Policy and Procedure
- Code of Conduct
- Communicating without Bias Guidelines
- Conflict of Interest Procedure
- Coursework Masters Support Scheme Policy and Procedure – Academic Staff
- Disability and Work or Study Adjustment Policy
- Disability – Workplace Adjustment Procedure
- Domestic Violence Policy and Procedure
- Driving Hours Policy and Guidelines
- Employment Equity Plan 2012–2015
- Employment Plan – People with a Disability
- Enrolment of Academic Staff in CSU Courses and Subjects Policy
- Equal Opportunity Policy
- Executive Remuneration and Appointment Policy and Procedure
- First Aid Procedure
- Flexible Hours of Work Scheme Guidelines
- Gifts Guidelines – Receipt by Staff
- Graduate Certificate in University Leadership and Management Guidelines
- Harassment and Bullying Prevention Policy and Guidelines
- Health and Safety Committee – Membership and Terms of Reference
- Human Biological Specimens Laboratory Use Policy
- Indigenous Academic Staff Leadership Development Scheme Guidelines
- Indigenous Employment Strategy 2016–2017
- Indigenous Language Allowance Guidelines
- Indigenous Staff Study Support Scheme Guidelines
- Induction and Development Program Guidelines
- Industrial Action Policy
- Infectious Diseases Policy and Procedure
- Injury Management Procedure
- Leave Manual
- Mentoring Guidelines
- Motor Vehicle Guidelines – Executive Managers
- Personal Allowances Policy and Payment Determination Procedure
- Personal Files Access Policy
- Professional Enhancement Program Procedure
- Recognition of Service Guidelines
- Remote Work Policy
- Return to Work Program Policy
- Safety Management Plan Procedure
- Secondment Appointment Policy and Procedure
- Smoking in the Workplace Policy
- Social Media Use Policy for Staff
- Special Studies Program Policy and Procedure – Academic Staff
- Staff Development Activities Guidelines – Supporting Attendance
- Staff Generic Responsibilities Policy
- Staff Professional Development Support Guidelines
- Staff Recruitment and Selection Policy and Procedure
- Staff Recruitment and Selection Guidelines – Indigenous Australian Staff
- Staff Recruitment and Selection Guidelines – People with a Disability
- Staff Recruitment Guidelines – Targeting Women for Senior Positions
- Staff Who Seek Election to Parliament or Local Government Body Policy
- Standards, Expectations and Qualifications Policy – Academic Staff
- Study Leave Policy
- Study Support Scheme Policy and Procedure – Postgraduate for General Staff
- Teaching and Professional Work Function Policy and Guidelines – Professional Activity Workload
- Traineeships and Apprenticeships Management Guidelines
- University Safety and Health Management Committee – Membership and Terms of Reference
- Unsatisfactory Performance – Management Procedure
- Vice-Chancellor's Award Guidelines
- Visiting and Adjunct Appointments Policy and Procedure
- Work Health and Safety Annual Return Guidelines
- Work Health and Safety Policy and Roles and Responsibilities Guidelines
- Workforce Planning Guidelines
- Working with Children Check Procedure
- Workplace Adjustment Procedure
- Workplace Inspections and Reports Procedure

Item 4. Workforce diversity

Statistical information (data as at 31 March 2017)

Table 4.1: Trends in representation of equal employment opportunity (EEO) groups (academic staff – % of total staff)

EEO group	% of total staff						
	Benchmark or target*	2012	2013	2014	2015	2016	2017
Women	50	46	48	49	49	51	52
Indigenous Australians	3	1	1.6	2	1.9	2	2
People whose first language was not English	10	14	16	16	17	18	19
People with a disability	n/a	3	3	3	3	2	2
People with a disability requiring work-related adjustment	1.1 (2011) 1.3 (2012) 1.5 (2013)	2	1.3	1	0.9	1	1

* Benchmark or target is for academic and professional staff combined.

Table 4.2: Trends in representation of equal employment opportunity (EEO) groups (professional staff – % of total staff)

EEO group	% of total staff						
	Benchmark or target*	2012	2013	2014	2015	2016	2017
Women	50	66	67	69	69	69	69
Indigenous Australians	3	3	3.1	3	3.2	3	3
People whose first language was not English	10	4	4	4	4	5	5
People with a disability	n/a	4	4	4	4	4	4
People with a disability requiring work-related adjustment	1.1 (2011) 1.3 (2012) 1.5 (2013)	1	1.2	1	1.1	1	1

* Benchmark or target is for academic and professional staff combined.

Table 4.3: Trends in distribution of equal employment opportunity (EEO) groups (academic staff)

EEO group	Benchmark or target	2012	2013	2014	2015	2016	2017
Women	100	82	82	82	82	83	86
Indigenous Australians	100	n/a	n/a	n/a	n/a	n/a	n/a
People whose first language was not English	100	92	97	95	96	97	97
People with a disability	100	119	105	103	98	n/a	n/a
People with a disability requiring work-related adjustment	100	n/a	n/a	n/a	n/a	n/a	n/a

Table 4.4: Trends in distribution of equal employment opportunity (EEO) groups (professional staff)

EEO group	Benchmark or target	2012	2013	2014	2015	2016	2017
Women	100	87	87	87	86	86	86
Indigenous Australians	100	94	94	90	94	90	91
People whose first language was not English	100	108	110	108	109	108	108
People with a disability	100	92	91	93	91	92	91
People with a disability requiring work-related adjustment	100	n/a	n/a	n/a	n/a	n/a	n/a

Explanatory notes

1. Staff numbers are as at 31 March 2017.
2. Excludes casual staff.

Achievements in 2017

- The proportion of women in senior management positions has increased significantly from the previous year (51%) and now sits at 76%. Women are represented among Deputy Vice-Chancellors (3/3), Executive Deans (2/3), Pro Vice-Chancellors (3/3), Deans (1/1) and Executive Directors (3/7).
- CSU continued to support gender equity through the Athena SWAN (Science in Australia Gender Equity) project, the Senior Women's Forum and other monthly events.
- The gender pay gap for total remuneration decreased from 16% to 14.2%.
- CSU continued to support and grow our Indigenous Australian staff and build a culturally safe workplace, with Indigenous staff numbers continuing to be at least two times the sector average at 3%.
- One (1) Indigenous Academic Fellow completed their fellowship and secured employment at another university, two (2) continued their fellowship and another staff member commenced an Indigenous Academic Fellowship (March 2017).
- Over 30 staff attended Nguluway, the Indigenous Australian staff conference, in October 2017. The conference provides networking and professional development opportunities for Indigenous staff at CSU.
- The online Indigenous Cultural Competency Program has been completed by 737 staff since 2015 in total (2015 – 402; 2016 – 248; 2017 – 87).
- The Ally Network gained momentum by holding meetings for all staff who were part of the Ally Network in the lead-up to the marriage equality vote. On 21 September 2017, the Vice-Chancellor officially stated his support for marriage equality, in part in response to submissions from members of the Ally Network (<https://blog.csu.edu.au/csu-institutional-support-for-marriage-equality/>).

Activities planned for 2018

- CSU will make an application for Employer of Choice for Gender Equality through the Workplace Gender Equality Agency. A project manager has been employed in the Equity and Diversity Unit to coordinate this application.
- CSU will make an application for an Athena SWAN Bronze Institutional Award for promoting women's employment in science, technology, engineering, mathematics and medicine (STEMM) areas.
- Contributions to workforce planning to achieve improvements in equity indicators, specifically for women, Indigenous, CALD and staff with disability continue.
- Implementation of strategies and programs to support leadership development for women, women in STEMM (Athena SWAN) and a culture where women are valued as leaders and to decrease the gender pay gap continue.
- Review of the Indigenous Academic Fellowship Program and continued support for Indigenous Academic Fellows.
- Research into opportunities for the appointment of Indigenous Australian students at CSU to cadetship positions within the university, with a goal to commence a pilot cadetship program in 2019.
- Continued implementation, monitoring and evaluation of the Racism. It Stops With Me campaign and Courageous Conversations About Race training.
- Training for staff in disability awareness and unconscious bias, with a focus on staff in areas that will increase accessibility for CSU students, will be undertaken.

Item 5. Disability inclusion action plans

Achievements in 2017

Key achievements

- The CSU Disability Service provides advice, support and adjustments for students with a disability to ensure that they can fully participate in their studies. To continue to improve service delivery to students with a disability, an external review of the service was commissioned in 2016. In 2017 the implementation of recommendations from the review commenced. The most significant steps were in relation to the management of the service. A new position of Team Leader was created and recruited, with the successful applicant commencing in November. Recommendations around the use of the customer relationship management (CRM) system to capture all interactions with students were also fully implemented.
- A review of the Disability Action Plan was proposed in order to identify and resolve the service gaps in the 2016–19 plan. The review is scheduled to commence in 2018. In order to inform the impending review, an appeal was made to all employees with disability to share their lived experiences in terms of working at CSU with disability. Fourteen employees responded and one-on-one interviews were conducted with each employee. Information from these discussions was collated, analysed and reported to the working party. The confidentiality of each employee was maintained.

Activities planned for 2018

Planned activities

- In 2018 the Disability Service will continue to implement recommendations from the disability service review. In particular, focus will be placed on the creation and rollout of a communication strategy to increase student and staff awareness of the service and issues faced by students with a disability. In addition, implementation of additional modules in the CRM will further improve service delivery to students via an online booking system.
- Plans to review the Disability Action Plan 2016–2019, with an emphasis on setting concrete goals for organisational change. Priorities include: leadership endorsement and institutional ownership of inclusive practice for people with disability; greater awareness across the organisation of the benefits of diversity as well as our obligations to provide an equitable experience for all within the CSU community; raised awareness and confidence in working with people with disability; embedding universal access as an aspiration for all planning processes. If we are successful, we should see measurable improvements in the experience of people with disability.

Item 6. Multicultural Policies and Services Program

Charles Sturt University is committed to raising awareness and promoting practice and attitudes that ensure an inclusive approach which values diversity. We have adopted a range of strategies and initiatives to support this approach and this section highlights some of our achievements in this area. Progress in implementing the university's Multicultural Policies and Services Program is divided into four key areas:

- **service delivery** – ensuring that people from diverse cultural backgrounds receive high-quality services that meet their needs
- **planning** – better planning, including using data to plan services and policies
- **leadership** – ensuring that all leaders value diversity and strive to support diversity in its various forms
- **engagement** – ensuring that agencies have effective processes for engaging with people from culturally diverse communities to inform service and policy design and to provide mechanisms for feedback.

Programs and services 2017

Acknowledging the culture and insight of Indigenous Australians, CSU's ethos is clearly described by the Wiradjuri phrase Yindymarra Winhanganha, translated as 'the wisdom of respectfully knowing how to live well in a world worth living in'. Identified as important to multiculturalism are key enduring long-term CSU objectives for our regional and professional communities, students and ourselves. CSU has a whole-of-university approach to inclusive practice, and in particular to Indigenous Australian engagement with tertiary study. Our demonstrated strong commitment to facilitating the success of Indigenous Australians is evidenced through the strategies implemented in education and research, and through our work with communities.

Complementing the CSU staff Code of Conduct and the CSU Student Charter are a number of key plans that inform our approach to multiculturalism. In 2017, the university continued to develop programs and initiatives that ensure students from a variety of different cultural and linguistically diverse backgrounds are successful. Importantly, CSU was an integral member of the NSW Coordinator General for Refugee Resettlement (CGRR) roundtable to establish key initiatives used by universities that have a demonstrated benefit for refugee students and their communities. As a result, the university implemented the CSU Refugee and Asylum Seeker Student Program which seeks to develop and implement services and support for identified commencing and continuing students who hold a refugee and asylum seeker visa or humanitarian visa. Our pilot program enhanced the programs and services for refugee students provided by the Division of Student Services and developed strategies to support refugee and asylum seeker students by enhancing the understanding of the barriers to accessing higher education including:

- temporary/humanitarian visa restrictions
- Commonwealth support issues (for those with no option of HECS deferral or Centrelink assistance)
- financial hardship and employment
- mental health and wellbeing
- English language course requirements (IELTS), support and recognition of previous studies in English.

In line with the Multicultural Policies and Services Program, CSU is actively increasing its usage of student data to ensure our programs and services align to a core planning strategy to improve the student experience.

Examples of key initiatives in 2017

- We have continued to strengthen our services for English language and literacy, numeracy and career development support. To enable successful participation, support is offered to students from culturally and linguistically diverse backgrounds.
- We have continued to expand the number of weekend and evening services for students from culturally and linguistically diverse backgrounds which has enhanced access for students needing additional support in literacy, numeracy and online learning.
- We launched the CSU international student welcome pack which included over 149 international welcome packs sent to commencing onshore international students on the Albury-Wodonga, Bathurst, Orange, Port Macquarie and Wagga Wagga campuses. The welcome packs include a travel wallet, luggage tag, USB stick, postcard and welcome certificate to assist with their arrival to Australia.
- We established a tailored communication plan for international students which included dedicated communication campaigns for students during their pre-departure to commencement for onshore international students on the Albury-Wodonga, Bathurst, Orange, Port Macquarie and Wagga Wagga campuses. The communication included valuable information on the student portal, campus cities, accommodation, living and working in Australia, bringing your family, pre-departure checklist and Australia culture. Welcome emails from the student liaison officers (international) were also updated and the International Student Support web pages reviewed and updated to provide a more individual approach to studying with CSU.
- The Division of Student Services continues to develop important international student social and cultural events and activities to ensure an inclusive experience while studying at CSU. These events are wide ranging, but include welcome and farewell events, coffee catch-up meetings and excursions to places of local interest (wildlife parks, the Blue Mountains and whale watching).

Item 7. Work health and safety

Charles Sturt University is committed to providing a workplace that is safe and healthy for all workers including staff, students, contractors and visitors; is without risk to the environment; and complies with the *Work Health and Safety Act 2011 (NSW)* and other relevant legislation, regulations, national standards and codes of practice. The university manages work health and safety (WHS) through the Division of Human Resources, Workplace Relations, Culture and Capability WHS Unit.

WHS management

The WHS Unit staff continued to update the Work Health Safety Management System (WHSMS). The WHSMS Manual, together with an extensive suite of draft procedures and guidelines, has been developed in preparation for consultation in mid-2018. A new position created and filled within the WHS Unit, WHS Systems and Compliance Officer, will assist in the promotion and implementation of the system throughout 2018 and beyond.

A review of all first-aid services through a comprehensive risk assessment process was completed in 2017 to ensure CSU is meeting its obligations for staff and students.

CSU has continued to expand the suite of ELMO training modules to allow greater flexibility and opportunities for training for all staff and students. Staff will now complete a refresher of their 'Safety at CSU' and 'WHS for Managers' modules every two years. Managers and supervisors are also able to track the progress of their teams and download reports via the ELMO platform.

Throughout 2017 CSU monitored changes in WHS and/or injury management legislation that would affect the university and its operations. Updates were provided to CSU's Senior Executive and the university's Finance, Audit and Risk Committee wherever changes occurred.

Health and wellbeing

The WHS team continued to promote and offer a series of wellbeing initiatives for all staff and students. The position of Program Coordinator (Diversity and Wellbeing) was created and filled in September 2017 and will see further programs offered throughout 2018.

CSU's annual Wellness and Wellbeing Expo was held at seven CSU campuses/sites during March 2017. The expo aims to improve staff and student attitudes towards their personal health and wellbeing and provides an opportunity for all participants to engage with service providers in their local area. Over 2600 staff and students registered their attendance. Improvements to the Health, Safety and Wellbeing website were also completed including the development of extensive wellness and wellbeing resources to complement the offerings at the annual expo.

Other wellbeing activities included:

- annual Flu Vaccination Program
- Stepathlon – 10,000-step program
- Fitness Passport – corporate health and fitness program
- Optum – employee assistance service
- WHS website offering comprehensive information and links to service providers
- Red Cross Blood Challenge / Donor Mobile to Bathurst Campus
- BreastScreen NSW information sessions at Bathurst and Orange campuses
- mindfulness program – weekly session commenced at Bathurst Campus.

Incident and workers compensation claims management

Proactive management of the university's workers compensation claims throughout 2017 has achieved the following results:

- continued positive trends in Workers Compensation Claims resulting in a reduction in claims and lost-time injuries
- lodgement of 114 claims (126 claims – 2016) resulting in 12 lost-time claims, 42 medical-only claims and 59 notifications; a total of 18 open claims as at 31 December 2017
- acceptance into the Loss Prevention and Recovery (LPR) Workers Compensation System for 2018 resulting in significant reduction in workers compensation premium for 2018 of \$456,000, increasing in subsequent years.

WHS performance

- There were no employee, student or visitor fatal incidents during the reporting period.
- There were no WorkCover NSW (or similar regulators from other relevant jurisdictions, for example the Australian Capital Territory or Victoria) prosecutions during the reporting period.

Table 7.1: Occupational health and safety (OHS) performance indicators (employees)

Year	Total number of incidents ¹	Number of fatal incidents	Total lost-time claims	Total employees
2017	132	Nil	12 ²	2179 ⁵
2016	186	Nil	15 ³	2115 ⁶
2015	165	Nil	20 ⁴	2072 ⁷

Table 7.2: Occupational health and safety (OHS) performance indicators (students, visitors, service company and contractors)

Year	Total number of student incidents	Total number of visitor incidents	Total number of service company incidents	Total number of contractor incidents
2017	181	17	43	7
2016	172	25	53	12
2015	213	19	37	14

Explanatory notes

1. As per recognised reporting standards, the above performance indicators do not include near-miss incidents or commuting injuries (injury does not occur through the course of employment or during a recess period).
2. Total number of lost-time workers compensation claims received under the Charles Sturt University policy (Policy No. MWR0024606033) for the period of 1 January 2017 to 31 December 2017 (excludes incident-only reports where no cost was incurred as a result of the incident/injury).
3. Total number of lost-time workers compensation claims received under the Charles Sturt University policy (Policy No. MWR0024606033) for the period of 1 January 2016 to 31 December 2016 (excludes incident-only reports where no cost was incurred as a result of the incident/injury).
4. Total number of lost-time workers compensation claims received under the Charles Sturt University policy (Policy No. MWR0024606033) for the period of 1 January 2015 to 31 December 2015 (excludes incident-only reports where no cost was incurred as a result of the incident/injury).

5. Total employees is headcount from Alesco as at 31 December 2017. It does not include casual employees.
6. Total employees is headcount from Alesco as at 31 December 2016. It does not include casual employees.
7. Total employees is headcount from Alesco as at 31 December 2015. It does not include casual employees.

Activities planned for 2018

- Finalise the draft CSU Work Health and Safety Management System in line with AS:4801 / ISO:45001 and commence consultation and implementation of the system.
- Complete due diligence training for senior manager/executive of the university.
- Complete lead auditor training of all WHS Unit staff and commence WHS Audit program.
- Review current online WHS online incident and hazard reporting system (SCRIM Safety First) in conjunction with risk and compliance.
- Review online training for staff and students including incident investigation, hazard identification and assessment and risk management.
- Move to the Loss Prevention and Recovery (LPR) Workers Compensation System.
- Continue to promote the university's Employee Assistance Program (EAP) to ensure appropriate usage both in terms of volume and primary presenting problems.
- Continue to support the university's agreed OHS consultation arrangements, including health and safety representatives (HSR) and Health and Safety Committees.
- Continue to run standard programs including first-aid training and flu vaccination service for staff.
- Plan and conduct CSU's 2018 Wellness and Wellbeing Conference and Expo across seven sites of the university and use the feedback provided to offer ongoing wellness and wellbeing initiatives throughout 2018.

Item 8. Promotion (overseas travel)

The university paid \$2.3 million for staff overseas travel in 2017 (2016: \$2.7 million). This travel supported a very wide range of activities including attendance and presentation of research papers at international conferences, staff development, meetings, and research and teaching at affiliated institutions. There were 470 individual trips made by staff covering most continents.

Item 9. Funds granted

Charles Sturt University makes significant contributions to community activities and initiatives related to its core educational mission. Funding for non-government community organisations is drawn from resources made available for regional engagements, with \$112,560 in funds granted to such initiatives in 2017 as detailed below.

Key: CUP = community university partnerships, HOC = head of campus

Table 9.1: Funds granted listing

Non-government community organisation	Funds granted 2017	Description	Program
Albury High School	\$100.00	CSU Prize for Senior Student Citizenship	CUP HOC Small Grants Program
Albury High, James Fallon High and Murray High	\$410.00	Bump it up program	CUP HOC Small Grants Program
Albury Public P&C	\$500.00	Welcome to School sausage sizzle	CUP HOC Small Grants Program
Albury Wodonga Triathlon Club	\$1000.00	Australian Deaf Games	CUP Sports Development (Winter) Program
All Saints Anglican Cathedral	\$550.00	Commemorative service for nurse	CUP HOC Small Grants Program
Anglican Parish of Wagga Wagga	\$500.00	Grand piano	CUP HOC Small Grants Program
Ashmont Public School	\$1100.00	Learn to Swim Scheme	CUP Sports Development (Summer) Program
Associated Media Group Pty Ltd	\$2200.00	Advertise in the NSW Police Legacy <i>Child Safety Handbook</i> (CSU26354)	CUP HOC Small Grants Program
Bathurst Business Chamber	\$900.00	Business Awards Sponsorship – Education	CUP HOC Small Grants Program
Bathurst Giants ARFC	\$750.00	A Giant Leap for Reconciliation	CUP Sports Development (Summer) Program
Bathurst Regional Council	\$1100.00	Bathurst Writer's & Reader's Festival	CUP Rural and Regional Arts and Culture Program
Bathurst Regional Council – Fossil Museum	\$16500.00	Fossil Museum	CUP Rural and Regional Arts and Culture Program
Bearley NAIDOC Celebrations (Birpai Local Aboriginal Lands Council)	\$1100.00	Bearley 2017 Community NAIDOC Celebrations	CUP Rural and Regional Arts and Culture Program
Bendigo Special Developmental School	\$1100.00	Mildura All Abilities Cricket Camp	CUP Sports Development (Summer) Program
Bishop Druitt College	\$1100.00	The Hub Project	CUP Education Development Program
Blayney Rams Rugby Union Club	\$1000.00	Blayney Rams Rugby Union Training Equipment (Hit pads)	CUP Sports Development (Summer) Program
Camden Haven High School	\$550.00	Leaving Tracks on Country – Indigenous Bush Tucker Arts and Culture Project	CUP Rural and Regional Arts and Culture Program
Canobolas Public School	\$1100.00	Robotics Challenge Enhancement	CUP Education Development Program
Canowindra Arts Inc	\$1000.00	Young Artist Development & Exhibition	CUP Rural and Regional Arts and Culture Program
Canowindra Public School Artists in Residence	\$1100.00	Canowindra Public School Artists in Residence	CUP Rural and Regional Arts and Culture Program
Chess World Australia Pty Ltd (ChessKids)	\$1100.00	CSU Schools Chess Challenge 2017	CUP HOC Small Grants Program
Cobram Secondary College	100.00	CSU Prize for Senior Student Citizenship	CSU Prize for Senior Student Citizenship – HOC AW
Condobolin High School	\$499.99	Front gates for school	CUP HOC Small Grants Program
Country NSW Juniors	\$2750.00	Country NSW Juniors	CUP HOC Small Grants Program
Cudal Public School Parents and Citizens Association	\$1000.00	Community Production	CUP Rural and Regional Arts and Culture Program
Denison College of Secondary Education	\$1100.00	NSW Combined High Schools United Kingdom Cricket Tour – Ryan Peacock	CUP Sports Development (Summer) Program
Forbes High School	\$1000.00	21st Century Technologies	CUP Education Development Program
Forbes High School	\$750.00	FHS Reaching Western Region Athletics and Cross-Country Events	CUP Sports Development (Summer) Program
Forbes North Public School	\$1000.00	Social skills engagement project	CUP Indigenous Community Engagement Program

Non-government community organisation	Funds granted 2017	Description	Program
Fully Alive Cathedral Youth Group	\$550.00	Equipment and stock for café	CUP HOC Small Grants Program
Giilangyaldhaanygalang	\$1500.00	NAIDOC Week 1972–2017 – a 45-year story	CUP Indigenous Community Engagement Program
Grace Christian College – Parents and Friends	\$1100.00	Chess clocks for school chess events	CUP Education Development Program
Harrison Carter	\$1000.00	Oceania Track Championships	CUP Sports Development (Winter) Program
Hastings Secondary College – Westport Campus	\$500.00	STEM Robotics team – assistance to Houston	CUP HOC Small Grants Program
Hastings Secondary College – Westport Campus	\$500.00	Sistas Speak Space and Program	CUP HOC Small Grants Program
Henry Lawson Festival of Arts	\$1000.00	Henry Lawson Festival of Arts – Short Story & Verse Competition	CUP Rural and Regional Arts and Culture Program
Hills United Brumbies Football Club	\$1000.00	Country Football (Soccer) Player Meets the National Premier League Competition	CUP Sports Development (Summer) Program
Holman Place Public School	\$1100.00	Special Needs Sensory Area	CUP Education Development Program
Indigenous Marathon Foundation	\$1500.00	Port Macquarie Indigenous Marathon Foundation Running and Walking Group participate in the Sydney Running Festival	CUP Indigenous Community Engagement Program
Indigenous Student Centre	\$500.00	NAIDOC week barbecue catering	CUP HOC Small Grants Program
James Sheahan Catholic High School	\$400.00	Payment for Bus to transport students to CSU for Study Skills day	CUP HOC Small Grants Program
Jayden Bonk	\$550.00	David Battersby Award 2017 for Student Citizenship	CUP HOC Small Grants Program
Kendall Public School P and C Association	\$1000.00	Support students to be fit, healthy and active	CUP Indigenous Community Engagement Program
Kinross Wolaroi School	\$200.00	CAMKids movie night	CUP HOC Small Grants Program
Koorringal Public School	\$1000.00	Introducing robotics and coding in the classroom	CUP Education Development Program
Lower Macleay Preschool	\$1000.00	Art in the preschool	CUP Rural and Regional Arts and Culture Program
Macquarie Conservatorium of Music	\$1100.00	Macquarie Conservatorium of Music	CUP HOC Small Grants Program
Macquarie Philharmonia Association Inc.	\$1000.00	Macquarie Symphony Orchestra Mentoring Project and Concerto Prize	CUP Rural and Regional Arts and Culture Program
Men At Work Traffic Services	\$165.00	Traffic Control Guidance Plan – for traffic management during graduation procession	CUP HOC Small Grants Program
Mount Austin High School	\$1000.00	Aboriginal Dance Company Performing Arts Under the instruction of Bangarra Dancers	CUP Rural and Regional Arts and Culture Program
Mount Austin High School	\$1500.00	Schools Spectacular 2017	CUP Indigenous Community Engagement Program
National Association for Loss and Grief	\$500.00	Outreach to preschools after a loss Project	CUP HOC Small Grants Program
Orana Heights Public School – Early Intervention Support Class	\$909.10	Early Intervention Support Class resources	CUP Education Development Program
Orana Heights Public School – Special Education Playground	\$1000.00	Special Education Program – purchase playground equipment and activities to engage with students with disabilities and individual needs	CUP Education Development Program
Orange District Early Ed program	\$750.00	iPad purchase	CUP HOC Small Grants Program
Orange District Softball Association	\$1000.00	Under 15 Australian Regional Softball Championships	CUP Sports Development (Winter) Program
Orange Regional Conservatorium	\$1100.00	Composition workshops for local HSC students	CUP HOC Small Grants Program
Orange Waratah Cricket Club	\$1000.00	Orange Waratah Cricket Club Equipment and Playing Shirt Purchase	CUP Sports Development (Summer) Program
Parkes High School	\$1000.00	Dash and Dot Maker Space	CUP Education Development Program

(cont.)

Non-government community organisation	Funds granted 2017	Description	Program
Port Macquarie Community College	\$1100.00	Purchasing a set of African Djembe for new school	CUP Education Development Program
Port Macquarie Magpies Junior AFL Club	\$1000.00	Girls football team uniform purchase	CUP Sports Development (Summer) Program
Prestige Embroidery (Office for Students)	\$100.00	Sponsorship for CSU team in MS Sydney to Wollongong ride	CUP HOC Small Grants Program
Red Bend Catholic College	\$1650.00	Dreaming Art Program	CUP Indigenous Community Engagement Program
Red Bend Catholic College	\$1100.00	Swim for fitness, fun and life	CUP Sports Development (Summer) Program
Relationships Australia	\$500.00	Contribution to Headspace for the Youth Mental Health Forum	CUP HOC Small Grants Program
Riverina Concert Band	\$300.00	Town and Gown Parade 2017	CUP HOC Small Grants Program
Riverina Sistas	\$1000.00	Women's rugby league team to participate in the NSW annual rugby league knockout event	CUP Sports Development (Summer) Program
Riverina Summer School for Strings	\$3300.00	Summer School of Strings event January 2018	CUP HOC Small Grants Program
Rockley Public School Parents and Citizens Association	\$1100.00	Opera House Sydney – Combined Schools Recorder Performance	CUP Rural and Regional Arts and Culture Program
Rotary Club of Orange Inc.	\$1000.00	Creative poetry workshops in schools	CUP Rural and Regional Arts and Culture Program
Rotary Club of South Wagga	\$180.00	Circus Quirkus tickets	CUP HOC Small Grants Program
Rutherglen High School	\$100.00	Community Engagement Prize	CUP HOC Small Grants Program
Sheila Smith	\$550.00	David Battersby Award 2017 for Student Citizenship	David Battersby Award for Student Citizenship
Sofala Progress Association, Junior	\$1000.00	Turon Art Group Youth & Children's Art Exhibition/Competition	CUP Rural and Regional Arts and Culture Program
St Anne's School	\$1000.00	Take a look, at our new books	CUP Education Development Program
St Brendan's Primary School, Ganmain	\$825.00	Pad the Posts & Participate	CUP Sports Development (Summer) Program
St John's Catholic Primary School Trangie	\$1000.00	The Extending Mathematical Understanding Program	CUP Education Development Program
St Joseph's Regional College	\$1000.00	Off the Ropes: boys boxing and self-esteem mentoring program	CUP Sports Development (Summer) Program
St Joseph's Regional College	\$500.00	Under 15 Girls Basketball Team – School Nationals	CUP HOC Small Grants Program
St Mary MacKillop College	\$1100.00	Whole class reading: Whole class learning	CUP Education Development Program
St Mary's Primary School	\$1100.00	Coding, Robotics & STEM in the primary classrooms	CUP Education Development Program
St Michael's Primary School	\$1100.00	Targeting Mathematics to Improve Teaching and Learning	CUP Education Development Program
St Raphaels Catholic School	\$1100.00	Interactive Outdoor Learning Area 'Move and Groove' music wall	CUP Education Development Program
St Stanislaus' College	\$1100.00	Rocketman Bottle Rocket Launcher	CUP Education Development Program
St. Philomena's Primary School	\$1000.00	National PSSA Tournament – Henry Miller	CUP Sports Development (Winter) Program
Summer Hill Creek Care Inc.	\$100.00	Summer Hill Creekcure membership	CUP HOC Small Grants Program
Tacking Point Hockey Club Inc.	\$1000.00	Contribute to hockey club uniforms	CUP HOC Small Grants Program
Tacking Point Public School	\$1100.00	Cultural Dancing and Music Tuition	CUP Rural and Regional Arts and Culture Program
Telegraph Point Public School P&C Association	\$1000.00	MaKey MaKey Music: Exploring Ideas and Reinventing The Everyday With Music	CUP Education Development Program
The Henry Lawson High School	\$1650.00	THLHS Koori Time	CUP Indigenous Community Engagement Program
Trinity Preschool Orange	\$750.00	iPad purchase for the preschool	CUP HOC Small Grants Program
Uranquinty Preschool	\$1100.00	STEM resources for Uranquinty Preschool	CUP Education Development Program

Non-government community organisation	Funds granted 2017	Description	Program
Uranquinty Preschool	\$1650.00	Embedding Aboriginal and Torres Strait Islander perspectives into the curriculum	CUP Indigenous Community Engagement Program
Uranquinty Preschool	\$1100.00	Music from around the World	CUP Rural and Regional Arts and Culture Program
Wagga City Rugby Male Choir	\$1000.00	Provision of Sound and amplification equipment for Choir and Concert Band	CUP Rural and Regional Arts and Culture Program
Wagga Lake Run and Ride	\$1000.00	Community annual fun run and ride	CUP Sports Development (Summer) Program
Weeroona College Bendigo	\$1000.00	Weeroona College Bendigo – Australian Schools Basketball Championships 2017	CUP Sports Development (Summer) Program
Wellington Public School P&C	\$1000.00	Playground beautification	CUP Education Development Program
Western Plains Regional Development Inc	\$1100.00	Understanding Education	CUP Indigenous Community Engagement Program
Western Region Academy of Sport (WRAS)	\$687.50	For a WRAS Athlete to represent NSW at National (Under 16) Basketball Championships in Perth	CUP Sports Development (Summer) Program
WRAS	\$687.50	The project of focus is the AON National University Rugby Seven's Series	CUP Sports Development (Summer) Program
Wodonga Basketball Association	\$1100.00	U12 Representative Wodonga Wolves Boys National Championships – Dandenong	CUP Sports Development (Summer) Program
Wodonga Hockey Club	\$1000.00	New uniforms for our Under 9's Team	CUP Sports Development (Summer) Program
Wodonga Hockey Club	\$500.00	Aaron Sonter sponsorship FHE Cup in Perth November 2017	CUP HOC Small Grants Program
Wodonga Senior Secondary College	\$1650.00	Indigenous garden	CUP Indigenous Community Engagement Program
Wodonga Senior Secondary College	\$110.00	CSU Prize for Senior Student Citizenship	CUP HOC Small Grants Program
Wodonga Senior Secondary College	\$550.00	STEM Education Conference	CUP HOC Small Grants Program
Yenda Preschool	\$1000.00	Science Resources	CUP Education Development Program
Total	\$116,024.09		

Item 10. Consumer response

Complaints management

The University Ombudsman is responsible for the management, resolution and reporting of complaints and concerns.

The University Ombudsman maintains a register of complaints and concerns and provides reports to the Vice-Chancellor's Leadership Team, Faculty Executive Deans and Division Executive Directors identifying systemic issues and recommendations. The level of complaint activity during 2017 remained stable from the preceding year. The management of formal complaints does not account for first-line management of issues that are dealt with locally (i.e. through Student Central or through the Division of Information Technology Help Desk), in accordance with the university's Complaints Policy.

There were several complaints of discrimination, one of which was found and resolved through conciliation. Several matters were escalated by the complainants to external agencies such as the Australian Human Rights Commission or the NSW Ombudsman when they remained dissatisfied with the university's response; no further action has been required of the university as a result of these reviews by external agencies.

Changed reporting of matters now categorises complaints by themes linked to the Higher Education Standards (Threshold Standards) 2015 and supports the university in reviewing activity against these Standards for ongoing quality improvement and development. The major themes in complaints continue to reflect concerns with communication difficulties. These difficulties include student concerns about failures to receive timely responses from academic and professional staff and course advice regarding progression and enrolment patterns.

The University Ombudsman has actively engaged with various work units of the university and with the student community to address the processes of dealing with complaints and grievances. Presentations have been made at staff meetings and a general communication was made to all active students to provide staff development in the management of the process and contacts for complaints management.

The University Ombudsman has also actively participated in the current review of misconduct policies and processes of the university. The University Ombudsman has also been active in the implementation of the Respect, Now, Always campaign to address complaints and reports of sexual harassment on campus. This activity has included adjustment of reporting and recording practices that support the recommendations made under the Universities Australia action plan.

In collaboration with the Student Ombudsman from the Queensland University of Technology, the University Ombudsman was able to present research and findings to the national conference of Student Ombuds in Newcastle. The findings of the research were that complaints can be used as a risk alert as well as a management tool.

GOVERNANCE

Item 11. Risk management and insurance activities

Charles Sturt University has adopted a risk management framework that aligns with the Australian and New Zealand Standard for Risk Management, AS/NZS ISO 31000:2009. The Risk Management Policy establishes the expectations and approach to risk management at the university as part of the institution's governance responsibilities and obligations under the *Charles Sturt University Act 1989* (NSW) and also in accordance with the Voluntary Code of Best Practice for the Governance of Australian Universities.

Effective risk management, supported by efficient, effective and robust business processes, is necessary to successfully achieve the university's strategic and operational objectives. This allows the university to identify risks to be managed to acceptable levels or capitalise on arising opportunities which support the long-term sustainability and advancement of the university. Strategic and operational risks associated with individual projects/initiatives are assessed and managed by staff across all levels of the university in accordance with the Risk Register Procedure, using the Risk Appetite Statement, Risk Ratings and Consequence matrices and Risk Likelihood Ratings Guide.

Principal opportunities and risks that were actively monitored and managed during the reporting period included:

- planned strategic and organisational changes
- government policy impacts
- maintaining information and insight necessary to realise strategic goals
- quality of teaching and academic process
- establishment of distinctive learning models
- course profile and pathways
- research profile
- workforce capacity
- marketing advantages
- physical and virtual infrastructure capacity and constraints
- financial performance and sustainability of operations
- compliance with legislation and governing bodies
- poor risk management processes and maturity.

Following a comprehensive review of the university's risk management framework in 2016, a number of activities occurred during 2017 to aid continuous improvement and further embed a risk management culture and processes in the university. These included:

- a full review of all risks captured in the university's Risk Register which significantly reduced the number of material operational and management-level risks, resulting in a more succinct and focused risk profile that provides greater visibility on the separation between controls and treatments, as well as increasing the focus on the ownership and accountability for risks
- establishment of a new Organisational Risk Management website
- introduction of a new risk assessment tool (that mirrors the structure of the Risk Register and adheres to processes outlined in the current Standard)
- increased education around the identification, management and documentation of risks to better support a culture of speaking openly about risks
- requested inclusion of Risk Management as a standing agenda item at faculty/divisional leadership meetings
- commencement of linking Higher Education Standards Framework (HESF) requirements to risk management
- investigation of new software that will facilitate a whole-of-organisation response to Risk Management, Work Health and Safety, Internal Audit, and Business Continuity, with the possibility of extension to Crisis Management
- implementation of 'Heat Maps' in reporting of high-level risks
- supporting the Internal Audit Plan using the Three Lines of Defence model.

On behalf of the Finance, Audit and Risk Committee of Council, the Internal Auditor conducts an annual program of audits that are prioritised on the basis of risk and the operation of other assurance processes within the university.

Table 11.1: Insurance policy listing

Class of insurance	Insurer/broker	Policy number	Expiry date	Protection/comments
Clinical Trials Protection	Unimutual/Gallagher	CSU 18 CT	31 Oct 2018	\$30 million per claim \$120 million aggregate*
General and Product Liability	Unimutual/Gallagher	CSU 18 GPL	31 Oct 2018	\$250 million each claim \$250 in the aggregate for Product Liability
Professional Liability Protection	Unimutual/Gallagher	CSU 18 PL	31 Oct 2018	\$30 million per claim \$120 million aggregate*
Malpractice Protection	Unimutual/Gallagher	CSU 18 MM	31 Oct 2018	\$30 million per claim \$120 million aggregate*
Cyber Protection	Unimutual/Gallagher	CSU 18 CYB	31 Oct 2018	\$2 million any one claim and in the aggregate
Environmental Liability Protection	Unimutual/Gallagher	CSU 18 ENV	31 Oct 2018	\$2.5 million any one claim and in the aggregate
Property Protection	Unimutual/Gallagher	CSU 18 PR	31 Oct 2018	\$1.2 million; subject to sublimits

(cont.)

Class of insurance	Insurer/broker	Policy number	Expiry date	Protection/comments
NON-UNIMUTUAL NON-CORE COVERS BELOW				
Contract Works	Allianz/Gallagher	99-0106949-CMD	31 Oct 2018	\$25 million any one occurrence any one location; subject to sublimits
Corporate Travel (overseas only)	AIG Australia Ltd/Gallagher	2200103601	31 Oct 2018	Staff Capital Benefit up to \$500,000 Weekly max. \$1500 Council Members: Capital Benefit up to \$500,000 Weekly max. \$1500
Expatriate Medical & Additional Expenses	CHUBB/Gallagher	01PX530477	31 Dec 2018	\$1 million Medical Expenses & Emergency Evacuation
Farm Insurance	Allstate Underwriting Agency Pty Ltd/Peter Brown & Associates	AUS0030110FAR	31 Oct 2018	Grain on Farm \$315,000 Farm Buildings \$20,000 Farm Theft \$20,000
Group Personal Accident & Sickness (Council & Committee members)	AIG Australia Ltd/ Gallagher	2200103646	1 Nov 2018	Death & Capital \$300,000 Weekly max. \$2000
Group Personal Accident & Sickness (Police College)	CHUBB/Gallagher	02PO014230	31 Dec 2018	Death & Capital \$300,000 Weekly max. \$1300
Group Personal Accident & Sickness (Students)	CHUBB/Gallagher	01PO533297	31 Dec 2018	Death & Capital \$55,000 Weekly max. \$450
Group Personal Accident & Sickness (Journey)	CHUBB/Gallagher	01PJ531368	31 Dec 2018	Death & Capital \$500,000 Weekly max. \$4000
Management Liability	Chubb Unimutual/Gallagher	93315347	1 Nov 2018	\$10 million any one claim; \$20 million in the aggregate
Excess Crime	Dual-Lloyds/Gallagher	EVO10218516I3	1 Nov 2018	\$3 million (underlying limit \$2 million in Management Liability Policy)
Marine Transit	QBE/Gallagher	M6 M028864 CAN	31 Oct 2018	\$400,000 Transit Cover any one loss
Motor Vehicles-Australia	CGU/Gallagher	24F 2045359	31 Oct 2018	Comprehensive market value; Third-party Legal Liability \$35 million
Workers Compensation NSW – Charles Sturt University	icare workers insurance/ Gallagher	121135701	31 Dec 2018	As per NSW legislation
Workers Compensation NSW – CSCS Ltd	icare workers insurance/ Gallagher	124009101	31 Dec 2018	As per NSW legislation
Workers Compensation ACT – CSCS Ltd	CGU/Gallagher	O/16-3523	1 Jan 2019	As per ACT legislation
Workers Compensation – CSU ACT	QBE/Gallagher	CA1899851GWC	31 Dec 2018	As per ACT legislation
Workers Compensation – CSU Northern Territory	Allianz/Gallagher	TWY0008726	31 Dec 2018	As per NT legislation
Workers Compensation – CSU Queensland	WorkCover Queensland	WCA150569240	30 June 2018	As per Queensland legislation
Workers Compensation – CSU Tasmania	Allianz/Gallagher	LWL0007915	31 Dec 2018	As per Tasmanian legislation
Workers Compensation – CSU Western Australia	Allianz/Gallagher	WWH0050599	31 Dec 2018	As per WA legislation
Workers Compensation – CSU Victoria	Victorian Workcover Authority / Gallagher Bassett	13790637	30 June 2018	As per Victorian legislation
Workers Compensation – CSU South Australia	ReturntoWorkSA / WorkCover Corporation of South Australia	26407609	30 June 2018	As per SA legislation

* The aggregate of \$120 million refers to a combined single limit across Professional Liability, Malpractice Liability and Clinical Trials Liability.

Explanatory notes

CTP (GreenSlip) Insurance is arranged by Fleet, Division of Finance. The insurer currently used is Allianz.

Crop and stock insurance is arranged on an 'as needs' basis through reputable brokers.

Item 12. Consultants

Table 12.1: Consultants engagement costing equal to or > \$50,000 – actual costs for 2017

Consultant	Project	Actual cost \$
ANATAS Pty Ltd	Webmethods Consultancy	102,795.00
AssetVal Pty Ltd	Major Asset Revaluation	64,000.00
Robin Navarre Austin	Common Support Model Consultancy	141,111.00
Billard Leece Partnership Pty Ltd	Student Housing Consultancy	1,117,690.00
CIN Educational Consulting	Educational Services Rural and Remote Project	146,231.00
Cultivate Solutions Pty Ltd	Murray Darling Medical School Consultancy Work	91,079.00
Elementary Holdings Pty Ltd	Deputy Vice-Chancellor (Students) Consultancy Work	57,263.00
The Trustee for Firesoft Consulting Unit Trust	Research Master & Subject Outline Projects	106,028.00
Heidrick & Struggles Australia Pty Ltd	Executive Recruitment Deputy Vice-Chancellor (Academic)	99,000.00
KPMG	Major Systems Review, TOL and Education Services for Overseas Students (ESOS) Projects	785,117.00
Newgate Communications Pty Ltd	CSU Communications Consultancy	129,828.00
PPB Advisory	Murray Darling Medical School Consultancy Work	252,521.00
Savills Project Management Pty Ltd	South Campus Disposal and AgriPark Projects	163,705.00
Tanner Kibble Denton Architects Pty Ltd	Learning & Teaching Hub Projects	403,613.00
Taylor Nelson Sofres Australia Pty Ltd	Qualitative Market Research and TOL Projects	470,767.00
The Trustee for Endeavour Consulting Group Unit Trust	Murray Darling Medical School Consultancy Work	121,000.00
The Trustee for Pearl Business Solutions Trust	Customer Relationship Management Project	97,099.00
Trinity P3 Pty Ltd	Market Oriented Organisation Project	101,530.00
Wilde & Woollard Pacific Pty Ltd	Various Construction Consultancy	145,902.00
Grand total > \$50,000		4,596,279.00

Consultant engagements < \$50,000

275 vendors for a total cost of \$2,108,045

Item 13. Land disposals

In 2017 there were nil transacted land and property disposals that exceed \$5 million.

Access to documents relating to all disposals can be obtained under the *Government Information (Public Access) Act 2009* (NSW).

Item 14. Major works

Category	Campus	Project	Budget	Status
On-Campus Learning and Teaching	Dubbo	Learning Commons Revitalisation	\$4,765,000	Completed 2017
On-Campus Learning and Teaching	Orange	Entrance Walkway and Building 1000 Refurbishment	\$3,172,000	Completed 2017
Enabling Infrastructure	Wagga Wagga	Landscaping Compound Relocation	\$300,000	Completed 2017
Estate Planning and Management	Port Macquarie	Land Purchases	\$920,000	Completed 2017
Commercial Services	Bathurst	Building 1255–1262 Diggings Kitchens	\$750,000.00	Completed 2017
Commercial Capital	Wagga Wagga	Solar PV Stage 1	\$3,237,000.00	Completed 2017

Item 15. Legal change

Changes in Acts and subordinate legislation and significant judicial decisions affecting the university or users of its services – 2017

Legislative changes

Privacy Amendment (Notifiable Data Breaches) Act 2017 (Cwlth)

The *Privacy Amendment (Notifiable Data Breaches) Act 2017 (Cwlth)* (**NDB Scheme**) which amended the *Privacy Act 1988 (Cwlth)* (**Privacy Act**) was enacted on 22 February 2017, but will not take effect until 22 February 2018. It established a mandatory data breach notification scheme that applies to all agencies and organisations with existing personal information security obligations under the *Privacy Act 1988*, including the university. The university has been preparing for the new NDB Scheme, but as the scheme applies from 22 February 2018 details of the new requirements will be outlined in the 2018 annual report.

Copyright Amendment (Disability Access and Other Measures) Act 2017 (Cwlth)

The *Copyright Amendment (Disability Access and Other Measures) Act 2017 (CADM Act)* was enacted on 15 June 2017. Most amendments came into effect in December 2017 although amendments regarding unpublished works will come into effect in January 2019.

The amendments include:

- a simplified system of educational statutory licences, which permits educational institutions to copy or communicate works and broadcasts subject to paying an equitable remuneration to a collecting society
- two new standalone disability copying exceptions to replace the current disability copying provisions; the first is a fair dealing exception for persons with a disability and anyone assisting them; the second is an exception for organisations assisting persons with a disability
- extending the exam copying exception to apply to exams conducted online and to all 'copyright material', defined as 'anything in which copyright subsists' (prior to this amendment, the exception applied only to face-to-face exams and works).

Higher Education Standards Framework (Threshold Standards) 2015

The Higher Education Standards Framework (Threshold Standards) 2015 (**New Standards**) came into effect on 1 January 2017. Together with the *Tertiary Education Quality and Standards Agency Act 2011 (Cwlth)*, the New Standards are a definitive set of requirements for Australian higher education providers (**HEPs**). The New Standards introduced a number of substantive changes of which HEPs need to be aware, including in relation to the composition of HEP governing bodies and the requirements relating to third-party provider arrangements.

Under the New Standards certain requirements relating to corporate governing body composition have been relaxed. These particularly relate to the previous requirement that a majority of the HEP's governing board members needed to be 'external' to the HEP (that is, not employees, owners or officers of the HEP). It is noted that any adjustments to the composition of the corporate governing body through a Rule of the University Council must still comply with the requirements of the *Charles Sturt University Act 1989*.

In contrast to the increased flexibility in governance arrangements, the New Standards impose stricter requirements on HEPs relating to their arrangements for delivering awards in conjunction with a third party (that is, third-party provider arrangements).

These include additional requirements that:

- information resources be accessible by all students regardless of the mode of delivery or location, and whether the course is delivered directly by the HEP or by a third party
- academic and research integrity and accountability for academic and research integrity be maintained in arrangements with any other party involved in the provision of higher education, including placements, collaborative research, research training and joint awards of qualifications
- the HEP remains accountable for the course of study and verify continuing compliance of the course of study with the New Standards that relate to the specific arrangement with another party
- the provision of higher education and research training and the conduct of research, whether by the HEP or through an arrangement with another party, are governed by the HEP's institutional policies, and the operations of the HEP and any associated party or parties are consistent with those policies
- there be a repository of publicly available current information regarding the HEP's operations that includes details of its arrangements with other parties to deliver courses of study or to conduct research training.

Amendments to the Charles Sturt University Act 1989

Amendments to the *Charles Sturt University Act 1989 (CSU Act)* were introduced in 2017 by the *Universities Legislation Amendment (Planning Agreements) Act 2017 (NSW)* (**ULA Act**) and the *Statute Law (Miscellaneous Provisions) Act 2017 (NSW)*.

The ULA Act, which commenced on 1 July 2017, introduced amendments to universities legislation, including the *Charles Sturt University Act 1989*, with respect to planning agreements. Amendments to section 21 of the CSU Act, which sets out the powers of the University Council relating to property, empower Council to enter into voluntary planning agreements (VPAs) under the *Environmental Planning and Assessment Act 1979 (NSW)* without the need to obtain the Minister's approval, except where the VPA relates to land acquired by the university from the State at nominal or less than market value to be dedicated free of cost, in which case the Minister's approval is required. A VPA is an agreement or arrangement between a planning authority and a developer who has (a) sought a change to an environmental planning instrument or (b) made or proposes to make a development application or (c) or who has entered into an agreement with or is associated with a person to whom (a) or (b) applies. They are intended to facilitate the provision of planning benefits by developers by contributing part of the development profit for a public purpose.

The amendments to the CSU Act introduced by Schedule 1 of the *Statute Law (Miscellaneous Provisions) Act 2017*, which commenced on 8 June 2017, are intended to clarify provisions of the CSU Act that confer powers on the University Council with respect to financial management and the acquisition, management, disposal or other dealing of property. The changes include amendments to:

- make it clear that the existing power of the Council to oversee risk management and risk assessment across the university includes the power to effect financial adjustments for the management of financial risks (new section 19(1B)(e1))
- clarify the powers of the Council with respect to borrowing by expanding section 19(1)(d)) to make it clear that the Council's powers extend to any form of financial accommodation, empowering the Council to "*obtain financial accommodation (including, without limitation, by the borrowing or raising of money) and do all things necessary or convenient to be done in connection with obtaining financial accommodation*"
- put beyond doubt that the Council may dispose of or otherwise deal with personal property of the university by amending section 21(2) of the CSU Act.

Judicial decisions

There was one matter directly involving the university in 2017 before the NSW Civil and Administrative Tribunal (NCAT): *DDT v Charles Sturt University* [2017] NSWCATAD 329. In this matter the applicant sought a review of a decision by the university to refuse an application to information under the *Government Information (Public Access) Act 2009* (NSW) (**GIPA Act**). NCAT refused the application and the decision of the university was affirmed.

The information to which the applicant sought access was a copy of a report into an academic misconduct investigation by the university. The subject of the investigation was the former spouse of the applicant, and the applicant was the person who had made the initial allegations of academic misconduct. NCAT found that there was an overriding public interest against disclosure of the report and refused the application. NCAT in its decision mentioned as "very significant and strong factors" against disclosure, the disclosure of private information of the subject of the investigation and their potential exposure to further harassment if the report were disclosed.

The university continues to monitor other key judicial decisions and determinations that, although not directly involving the university, may have implications for the university or users of its services. For example, on 29 August 2017 the Fair Work Commission handed down its first enterprise bargaining agreement termination decision in the university sector in *Murdoch University* [2017] FWCA 4472. The Commission's decision to grant an application to terminate the Murdoch University Enterprise Agreement 2014, on the basis that it was not contrary to the public interest and was appropriate in the circumstances, is likely to influence future enterprise bargaining negotiations at other universities.

The university also gives due consideration to any changes to by-laws, policies, regulations, rules, procedures or guidelines that may be warranted as a result of changes in the law and significant decisions.

Item 16. Access to information

Government Information (Public Access) Act 2009

In 2017, two applications were received seeking disclosure of university information. Both applications were considered invalid under the *Government Information (Public Access) Act 2009* (GIPA Act) and contact was made with the applicants to support them in making valid applications or in addressing their information needs informally. Neither applicant chose to continue the process.

One application that had been made in 2016 was subject to an internal review in 2017 based on the applicant's dissatisfaction with the initial determination to withhold the information. This determination had been based on personal factors as allowed at section 55 of the GIPA Act and that there were no overriding public interest considerations as allowed at section 14 of the GIPA Act. An internal review was conducted and the determination was made to withhold the information. The matter progressed to the NSW Civil and Administrative Tribunal and the university's determination was upheld (refer to the Judicial Decisions section of Item 15 for further details regarding this matter).

Clause 7A: Details of the review carried out by the agency under section 7 (3) of the Act during the reporting year and the details of any information made publicly available by the agency as a result of the review

Reviews carried out by the agency	Information made publicly available by the agency
0	0

Clause 7B: The total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications)

Total number of applications received
1

Clause 7C: The total number of access applications received by the agency during the reporting year that the agency refused either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the Act (information for which there is conclusive presumption of overriding public interest against disclosure)

Number of applications	Refused	Wholly partly	Total
0	0	0	0
% of total	0%	0%	

Table 16.1: 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	Total	% of total
Media	0	0	0	0	0	0	0	0	0	0%
Members of Parliament	1	0	0	0	0	0	0	0	1	100%
Private sector business	0	0	0	0	0	0	0	0	0	0%
Not-for-profit organisations or community groups	0	0	0	0	0	0	0	0	0	0%
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0	0	0%
Members of the public (other)	0	0	0	0	0	0	0	0	0	0%
Total	1	0	0	0	0	0	0	0	1	
% of total	100%	0%	0%	0%	0%	0%	0%	0%		

* 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 16.2.

Table 16.2: 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	Total	% of total
Personal information applications*	0	0	0	0	0	0	0	0	0	0%
Access applications (other than personal information applications)	1	0	0	0	0	0	0	0	1	100%
Access applications that are partly personal information applications and partly other	0		0	0	0	0	0	0	0	0%
Total	1	0	0	0	0	0	0	0	1	
% of total	100%	0%	0%	0%	0%	0%	0%	0%		
Members of the public (other)	0	0	0	0	0	0	0	0	0	0%
Total	1	0	0	0	0	0	0	0	1	
% of total	100%	0%	0%	0%	0%	0%	0%	0%		

* A **personal information application** is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table 16.3: Invalid applications

Reason for invalidity	Number of applications	% of total
Application does not comply with formal requirements (section 41 of the Act)	2	0%
Application is for excluded information of the agency (section 43 of the Act)	0	0%
Application contravenes restraint order (section 110 of the Act)	0	0%
Total number of invalid applications received	2	0%
Invalid applications that subsequently became valid applications	0	0%

Table 16.4: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to the Act

	Number of times consideration used*	% of total
Overriding secrecy laws	0	0%
Cabinet information	0	0%
Executive Council information	0	0%
Contempt	0	0%
Legal professional privilege	0	0%
Excluded information	0	0%
Documents affecting law enforcement and public safety	0	0%
Transport safety	0	0%
Adoption	0	0%
Care and protection of children	0	0%
Ministerial code of conduct	0	0%
Aboriginal and environmental heritage	0	0%

Table 16.5: Other public interest considerations against disclosure: matters listed in table to section 14 of the Act

	Number of occasions when application not successful	% of total
Responsible and effective government	0	0%
Law enforcement and security	0	0%
Individual rights, judicial processes and natural justice	0	0%
Business interests of agencies and other persons	0	0%
Environment, culture, economy and general matters	0	0%
Secrecy provisions	0	0%
Exempt documents under interstate Freedom of Information legislation	0	0%

Table 16.6: Timeliness

	Number of applications	% of total
Decided within the statutory timeframe (20 days plus any extensions)	0	100%
Decided after 35 days (by agreement with applicant)	0	0%
Not decided within time (deemed refusal)	0	0%
Total	0	

Table 16.7: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	1	1
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of the Act	0	0	0
Review by NCAT	0	1	1
Total	0	2	2

* 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 16.8: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	1
Applications by persons to whom the subject of access application relates (see section 54 of the Act)	0

Table 16.9: 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	1
Applicant-initiated transfers	0

Item 17. Privacy and personal information

The University Ombudsman is the University's Privacy Officer.

One complaint of breach of privacy was raised in 2017 and no institutional privacy data breaches were reported during the period.

The complaint related to the publication of a class list that included student names, student numbers and grades and was determined to be an error on the part of the academic staff member who did not consider the issues of privacy when posting the class list. The academic staff member was counselled and an apology was made to the students of the class.

A further issue raised by a staff member and investigated by the Privacy Officer related to the publication of minutes of meetings of the Academic Senate and the potential to disclose the names of individual students whose activities may be mentioned in Academic Senate discussions. The finding was that the minutes of Academic Senate meetings are password protected and disclosure is not an issue.

A further issue raised was access to student data by the parent of a student who was not a minor. The parent requested that they be advised about issues being experienced by the student on the basis that they paid the residential fees and considered that the university had an obligation to inform them of any issues relating to their son/daughter. An explanation was provided to the parent in relation to the university's obligations under the *Privacy and Personal Information Protection Act 1998* (NSW) and consent was subsequently obtained from the student for this information to be disclosed by the university to the parent.

The university's Privacy Management Plan was due for review in 2017 and a full review was undertaken ensuring that reference was also made to the Australian Privacy Principles.

Item 18. Public interest disclosures

The university auditor is responsible for the coordination of any public interest disclosures (PID) with relation to the operation of the university. No PID disclosures were submitted during 2017.

Item 19. Information and communication technology (ICT) service delivery

During 2017, a number of significant activities were completed to improve asset health of core ICT infrastructure. In addition, a review of major business systems was undertaken and an approved roadmap developed covering the 2018–2022 horizon for the refresh and/or replacement of core business applications. The second half of the year saw the development of technology roadmaps as part of the CSU Strategy.

Highlights from 2017 include:

- the finalisation of the replacement of the CSU wired and wireless network in every campus and building across CSU, providing access to the latest available wireless technology
- the review of major business systems, which delivered a five-year roadmap for the renewal of core systems including CRM, Research, HR, Finance, Integration & Identity and Student Management
- the development of a technology roadmap for the Market Oriented Organisation Strategy
- the finalisation of an Information Security Management System and related policies and procedures
- the replacement of procurement and lecture capture, video management platforms and upgrades of Student Administration, Finance, HR and Learning Management systems.

Digital information and security policy attestation

Risks to the digital information and digital information system of CSU have been assessed, with an independent Information Security Management System (ISMS) developed in accordance with the NSW Government Digital Information Security Policy.

In 2017, with the assistance of an independent information technology (IT) security partner, CSU implemented an ISMS that includes the required governance structure, policy development and risk management framework.

CSU performed risk assessment activities on three key systems as they underwent major updates or changes, and commissioned two security penetration tests with no critical risks discovered. Testing demonstrates continual improvement in CSU's security posture.

The Audit Office of New South Wales identified a significant security issue which was known to CSU. This issue has a remediation program in place.

In 2017 CSU implemented a staff cyber security awareness program, with all staff required to complete online training.

Resources for IT security were increased for 2017. CSU continues to engage with information security communities of practice including AusCERT, AARNet and CAUDIT, and is a partner of Stay Smart Online.

Item 20. Compliance statement

Statement of Compliance with the Voluntary Code of Best Practice for the Governance of Australian Universities.

No	Item	Compliance
1	A university should have its objectives and/or functions specified in its enabling legislation.	The objects and functions of the university are set out in section 7 of the <i>Charles Sturt University Act 1989</i>. The university complies with this standard.
2	A university's governing body should adopt a statement of its primary responsibilities to include: (a) appointing the Vice-Chancellor as the Chief Executive Officer of the university and monitoring his/her performance (b) appointing other senior officers of the university as considered appropriate (c) approving the mission and strategic direction of the university, as well as the annual budget and business plan (d) overseeing and reviewing the management of the university and its performance (e) establishing policy and procedural principles, consistent with legal requirements and community expectations (f) approving and monitoring systems of control and accountability, including general overview of any controlled entities as defined in section 50AA of the <i>Corporations Act 2001</i> (Cwlth) (g) overseeing and monitoring the assessment and management of risk across the university, including commercial undertakings (h) overseeing and monitoring the academic activities of the university (i) approving significant commercial activities of the university. A university's governing body, while retaining its ultimate governance responsibilities, may have an appropriate system of delegations to ensure the effective discharge of these responsibilities.	The primary responsibilities of the Council are set out in section 19 of the <i>Charles Sturt University Act 1989</i> and the University Governance Charter. The University Governance Charter was first adopted in 2012 and is regularly reviewed to ensure it reflects best practice in governance. The Council appoints the Vice-Chancellor as Principal Executive Officer in accordance with section 12 of the <i>Charles Sturt University Act 1989</i>. The Council appoints key senior officeholders in accordance with the delegations conferred under section 20 of the <i>Charles Sturt University Act 1989</i> and as described in the Delegations and Authorisations Policy approved by the Council. The university complies with this standard.

No	Item	Compliance
3	A university should have the duties of the members of its governing body and sanctions for the breach of these duties specified in its enabling legislation. Other than the Chancellor, the Vice-Chancellor and Presiding Member of the Academic Board, each member should be appointed or elected <i>ad personam</i>. All members of the governing body should be responsible and accountable to the governing body. When exercising the functions of a member of the governing body, a member of the governing body should always act in the best interests of the university. Duties of members should include the requirements to: (a) act always in the best interests of the university as a whole, with this obligation to be observed in priority to any duty a member may owe to those electing or appointing him or her (b) act in good faith, honestly and for a proper purpose (c) exercise appropriate care and diligence (d) not improperly use their position to gain an advantage for themselves or someone else, and (e) disclose and avoid conflicts of interest (with appropriate procedures for that purpose similar to those for public companies). There should be safeguards, exemptions and protections from members of a university's governing body for matters or things done or omitted in good faith in pursuance of the relevant legislation. Without limitation, this should include safeguards, exemptions and protections as are the equivalent of those that would be available were the member a director under the <i>Corporations Act</i>. A university (with the exception of those subject to the <i>Corporations Act</i>) should have a requirement included in its enabling legislation that its governing body has the power (by a two-thirds majority) to remove any member of the governing body from office if the member breaches the duties specified above. A member should be required, automatically, to vacate the office if he or she is, or becomes disqualified from acting as a director of, a company or managing corporations under Part 2D.6 of the <i>Corporations Act</i>.	The duties of members are specified in section 24F and Schedule 3 of the <i>Charles Sturt University Act 1989</i>. Members are appointed <i>ad personam</i> and this duty is dealt with during induction of all new members. Sanctions for breach of a member's duties are set out in section 24G of the <i>Charles Sturt University Act 1989</i>. The Council may remove a member by a two-third majority under clause 24G of the <i>Charles Sturt University Act 1989</i>. Clause 5 of Schedule 1 of the <i>Charles Sturt University Act 1989</i> provides that a member will not be personally liable for any act or omission done in good faith. A member is required to vacate his or her position if he or she is disqualified from acting as a director of a company or managing a corporation. The university complies with this standard.
4	If permitted by its enabling legislation, a university should develop procedures to: (a) provide that the Chancellor and Deputy Chancellor hold office subject to retaining the confidence of the governing body, and (b) deal with removal from office if the governing body determines such confidence is no longer held.	Section 11A of the <i>Charles Sturt University Act 1989</i> provides for the removal of the Chancellor and/or Deputy Chancellor if they have lost the confidence of the Council. Charles Sturt University complies with this standard.
5	Each governing body should make available a program of induction and professional development for members to build the expertise of the governing body and to ensure that all members are aware of the nature of their duties and responsibilities.	A comprehensive induction process is undertaken for new members of Council. A number of resources, including an Induction Manual, are provided to members at the induction sessions for their records and future reference. Opportunities for professional development are identified annually and offered to members via an 'expression of interest' format. Charles Sturt University complies with this standard.
6	On a regular basis, at least once every two years, the governing body should assess its performance, the performance of its members and the performance of its committees. The Chancellor should have responsibility for organising the assessment process, drawing on external resources if required. On an annual basis, the governing body should also review its conformance with this Code of Best Practice and identify needed skills and expertise for the future.	The Council conducts a self-assessment of its performance at least every two years. The Council undertook a comprehensive self-assessment process using the Australian Institute of Company Director's Governance Analysis Tool (GAT) in August 2016. The next review is scheduled for August 2018. The University Council reviews its compliance with the Code of Best Practice on an annual basis. The university has a defined process for identifying needed skills and expertise for the future. The university complies with this standard.

No	Item	Compliance
7	The size of the governing body should not exceed 22 members. There should be at least two members having financial expertise (as demonstrated by relevant qualifications and financial management experience at a senior level in the public or private sector) and at least one member with commercial expertise (as demonstrated by relevant experience at a senior level in the public or private sector). Where the size of the governing body is limited to less than 10 members, one member with financial expertise and one with commercial expertise would be considered as meeting the requirements. There should be a majority of external members who are neither enrolled as a student nor employed by the university. There should not be current members of any State or Commonwealth parliament or legislative assembly other than where specifically selected by the governing body itself.	The size of the Council is constituted by a minimum of 11 and maximum of 22 members under the <i>Charles Sturt University Act 1989</i>, and in 2017 comprised of 15 members under the Governance (Constitution) Rule 2012. The Council must have a majority of external members. Two members must possess financial qualifications and expertise and one member must possess commercial expertise in conformance with the Code of Practice. The Council complies with this requirement with respect to its membership. The university complies with this standard.
8	A university should adopt systematic procedures for the nomination of prospective members of the governing body for those categories of members that are not elected. The responsibility for proposing such nominations for the governing body may be delegated to a nominations committee of the governing body that the Chancellor would ordinarily chair. Members so appointed should be selected on the basis of their ability to contribute to the effective working of the governing body by having needed skills, knowledge and experience, an appreciation of the values of a university and its core activities of teaching and research, its independence and academic freedom and the capacity to appreciate what a university's external community needs from it. To provide for the introduction of new members consistent with maintaining continuity and experience, members' terms should generally overlap and governing bodies should establish a maximum continuous period to be served. This should not generally exceed 12 years unless otherwise specifically agreed by the majority of the governing body.	The Council has systematic procedures for the nomination of prospective members to the Council. The Council has adopted selection criteria that require that members should be selected on the basis of their ability to contribute to the effective working of the governing body by having needed skills, knowledge and experience, an appreciation of the values of a university and its core activities of teaching and research, its independence and academic freedom and the capacity to appreciate what a university's external community needs from it. The Act requires that there must be a balance of new and experienced members, and that a member's term must not exceed 12 years unless otherwise specifically agreed by a majority of the Council. The university complies with this standard.
9	A university should codify its internal grievance procedures and publish them with information about the procedure for submitting complaints to the relevant ombudsman or the equivalent relevant agency.	The university's Complaints Policy sets out the policy for the management of concerns, complaints and grievances and is supported by codified procedures for dealing with such grievances. The Complaints Policy and related procedures are published in the Charles Sturt University Policy Library at www.csu.edu.au/policy The university complies with this standard.
10	The annual report of a university should be used for reporting on high-level outcomes.	The Annual Report details high-level objectives and outcomes of the university during the reporting period. The university complies with this standard.
11	The annual report of a university should include a report on risk management within the organisation.	The Annual Report includes a report on risk management within the university. The university complies with this standard.

No	Item	Compliance
12	The governing body should oversee controlled entities by: (a) ensuring that the entity's board possesses the skills, knowledge and experience necessary to provide proper stewardship and control of the entity (b) appointing some directors to the board of the entity who are not members of the governing body or officers or students of the university (c) ensuring that the board of the entity adopts and regularly evaluates a written statement of its own governance principles (d) ensuring that the board documents a clear corporate and business strategy that reports on and updates annually the entity's long-term objectives, and includes an annual business plan containing achievable and measurable performance targets and milestones (e) establishing and documenting clear expectations of reporting to the governing body, such as a draft business plan for consideration and approval before the commencement of the financial year and at least quarterly reports against the business plan.	Section 19A of the Act requires that the Council oversee controlled entities consistent with the standards. Reports from the university's controlled entities are provided to the Council through its Finance, Audit and Risk Committee. Financial operations of the entities are also incorporated into reports to the Finance, Audit and Risk Committee. The university complies with this standard.
13	A university should assess the risk arising from its involvement in the ownership of any entity (including an associated company as defined in the Accounting Standards issued by the Australian Accounting Standards Board), partnership and joint venture. The governing body of a university should, where appropriate in light of the risk assessment, use its best endeavours to obtain an auditor's report (including audit certification and management letter) of the entity by a State, Territory or Commonwealth Auditor-General or by an external auditor.	Refer to the Commercial Activities Policy in the Charles Sturt University Policy Library at www.csu.edu.au/policy Assessment of risk and the value of the controlled entities of the university is monitored through the Council's Finance, Audit and Risk Committee. The Audit Office of New South Wales is the appointed external auditor of the university and its controlled entities. It provides an audit opinion and certifies the annual financial statements of the university (and its controlled entities). A management report is submitted annually to the university and is reviewed by the Council's Finance, Audit and Risk Committee. The university complies with this standard.
14	A university should disclose in its annual report its compliance with this Code of Best Practice and provide reasons for any areas of non-compliance.	Charles Sturt University complies with this standard.

FINANCIAL REPORT

Item 21. Accounts payment performance

Table 21.1: Totals for 2017 (value)

	Paid in 30 days	Paid in 31–60 days	Paid in 61–90 days	Paid in 91+ days	Total
March	\$57,939,385.63	\$3,045,004.77	\$320,097.79	\$196,992.41	\$61,501,480.60
June	\$70,141,626.01	\$3,615,955.56	\$1,705,323.03	\$781,555.21	\$76,244,459.81
September	\$67,856,482.60	\$6,332,626.56	\$1,732,637.46	\$1,008,741.40	\$76,930,488.02
December	\$55,627,698.21	\$7,799,657.13	\$1,422,918.95	\$1,289,181.53	\$66,139,455.82
TOTAL	\$251,565,192.45	\$20,793,244.02	\$5,180,977.23	\$3,276,470.55	\$280,815,884.25

Table 21.2: Totals for 2017 (invoices)

	Paid in 30 days	Paid in 31–60 days	Paid in 61–90 days	Paid in 91+ days	Total
March	11,330	990	100	119	12,539
June	11,835	1,485	264	209	13,793
September	12,988	2,120	571	446	16,125
December	11,718	1,911	608	630	14,867
TOTAL	47,871	6,506	1,543	1,404	57,324

Table 21.3: Accounts paid on time within each quarter (value)

	Target	Actual	Paid in 30 days	Total amount paid
March	85%	94%	\$57,939,385.63	\$61,501,480.60
June	85%	92%	\$70,141,626.01	\$76,244,459.81
September	85%	88%	\$67,856,482.60	\$76,930,488.02
December	85%	84%	\$55,627,698.21	\$66,139,455.82
TOTAL	85%	90%	\$251,565,192.45	\$280,815,884.25

Table 21.4: Accounts paid on time within each quarter (invoices)

	Target	Actual	Paid in 30 days	Total amount paid
March	85%	90%	11,330	12,539
June	85%	86%	11,835	13,793
September	85%	81%	12,988	16,125
December	85%	79%	11,718	14,867
TOTAL	85%	84%	47,871	57,324

Note: There was one payment in 2017 where interest totalling \$222.39 had been charged for late payment.

Item 22. Disclosure of controlled entities and subsidiaries

Please refer to note 36 of the financial statements (page 130) for details of the university's subsidiaries.

Item 23. Investment performance

The weighted average return on all investments was 4.11% and totalled \$12.46 million, net of fees. Interest earnings were \$3.84 million while distributions from managed funds totalled \$8.36 million. Realised gains and losses totalled \$0.62 million while the net movement in unrealised gains and losses in the period totalled \$9.02 million.

Charles Sturt University's investment strategy is overseen by a committee of the University Council and has been using the current strategy since 2002. Prior to this, funds were generally invested in interest-bearing deposits and bank bills.

The university utilises the services of numerous institutional fund managers to administer its medium- and long-term portfolios, excluding the university's legacy investments and cash products. These fund managers adopt appropriate benchmarking facilities and CSU has accepted these in accordance with its investment strategy requirements.

One-year investment performance

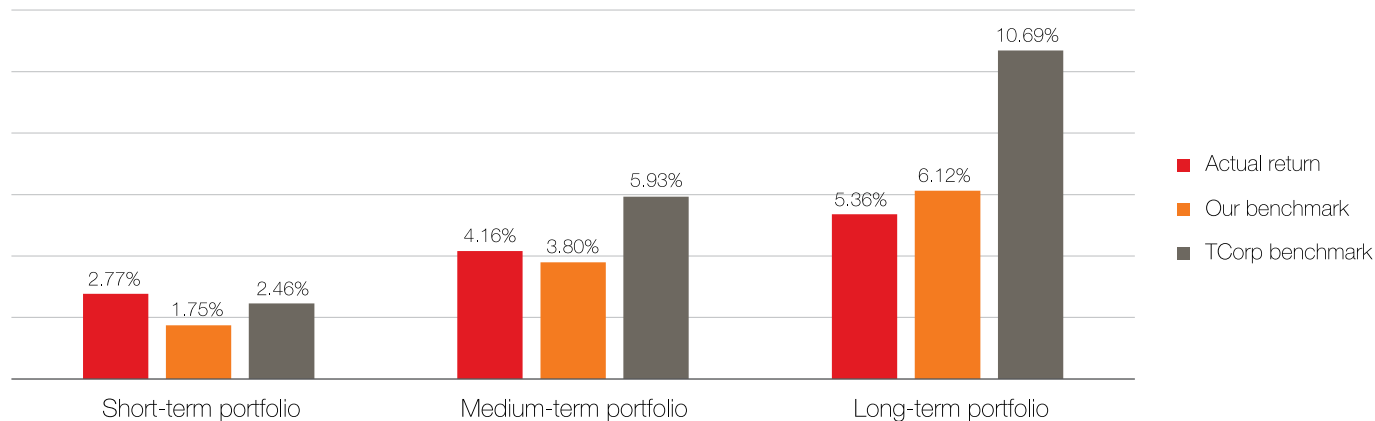


Table 23.1: Benchmarks

Portfolio	Our benchmark	TCorp benchmark
Short-term portfolio	Bloomberg AusBond Bank Bill Index	TCorp Strategic Cash Fund
Medium-term portfolio	90 day BBSW + 2%	TCorp Medium Term Fund
Long-term portfolio	CPI + 5%	TCorp Long Term Fund

Item 24. Economic or other factors

Domestic economic conditions improved during 2017, supported by low interest rates and growth in the global economy. The growth rate in the Australian economy has grown by 2.8% to 30 September 2017. The education sector has contributed 0.5% towards Australia's overall economic growth rate, and this is reflected in higher enrolment numbers at Charles Sturt University from overseas-based students.

The official cash interest rate has remained unchanged at 1.5% for 2017. The share market (All Ordinaries Index) climbed above 6000 points later in 2017 but the overall performance was subdued relative to larger economies including the United States.

Global economic conditions picked up further over the course of 2017 which has been largely underpinned by the continued solid growth of the Chinese economy and improvement of the United States' economy.

Inflation remains low at under 2% for 2017 and this is likely to continue for a while yet.

Labour market conditions have remained tight, characterised by very low growth in wages across Australia. This is also reflected in global labour markets.

These factors have contributed (generally positively) to the operational objectives being met in 2017.

Item 25. Credit card certification

The Vice-Chancellor certified that credit card use during 2017 was managed in accordance with established requirements and practices.

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Charles Sturt University

ABN 83 878 708 551

Budgeted Financial Statements for the year ending 31 December 2018

The budgeted financial statements for 2018 do not form part of the audited financial statements.

Charles Sturt University Budgeted Income Statement
For the year ending 31 December 2018

	Consolidated		Parent Entity	
	2018 Budget \$'000	2017 Actual \$'000	2018 Budget \$'000	2017 Actual \$'000
Income from continuing operations				
Australian Government Financial Assistance				
Australian Government grants	219,894	211,845	219,894	211,835
HELP – Australian Government payment	91,111	132,655	91,111	132,655
State and local Government financial assistance	-	3,525	-	3,525
HECS-HELP student payments	14,832	10,907	14,832	10,907
Fees and charges	236,895	201,083	229,873	200,705
Investment revenue	11,050	13,260	9,800	12,194
Royalties, trademarks and licences	-	14	-	14
Consultancies and contracts	3,341	7,719	3,341	7,719
Other revenue	32,100	16,715	31,520	15,900
Gain on disposal of available-for-sale financial investments	-	1,351	-	859
Other investment income	-	100	-	83
Total income from continuing operations	609,223	599,174	600,371	596,396
Expenses from continuing operations				
Employee-related expenses	278,870	288,527	272,737	283,056
Depreciation and amortisation	41,500	40,779	41,500	40,767
Repairs and maintenance	7,912	9,453	7,911	9,427
Borrowing costs	1,100	988	1,100	988
Impairment of assets	-	1,840	-	1,770
Loss on disposal of property, plant and equipment	-	87	-	
Deferred superannuation expense	-	(139)	-	(139)
Other expenses	281,332	226,611	278,759	230,609
Total expenses from continuing operations	610,714	568,146	602,007	566,478
Operating result for the year	(1,490)	31,028	(1,636)	29,918

Charles Sturt University Budgeted Statement of Financial Position
For the year ending 31 December 2018

	Consolidated		Parent Entity	
	2018 Budget \$'000	2017 Actual \$'000	2018 Budget \$'000	2017 Actual \$'000
Assets				
CURRENT ASSETS				
Cash and cash equivalents	7,554	19,372	5,696	16,916
Receivables	28,000	31,758	28,000	31,630
Inventories	4,000	2,975	4,000	2,975
Other financial assets	119,086	66,500	119,086	66,500
Other non-financial assets	312	9,690	312	9,690
Non-current assets held for sale	-	2,298	-	2,298
Total current assets	158,952	132,593	157,094	130,009
NON-CURRENT ASSETS				
Receivables	396,100	398,113	396,100	398,113
Other financial assets	223,544	256,192	206,009	238,785
Property, plant and equipment	811,160	763,997	811,056	763,881
Intangible assets	3,000	2,549	3,000	2,549
Other assets	5,000	5,554	5,000	5,554
Total non-current assets	1,438,804	1,426,405	1,421,165	1,408,882
Total assets	1,597,756	1,558,998	1,578,259	1,538,891
Liabilities				
CURRENT LIABILITIES				
Trade and other payables	29,000	20,714	29,000	20,627
Borrowings	4,100	1,753	4,100	1,753
Provisions	55,904	63,787	55,300	63,055
Other liabilities	38,300	32,850	38,300	32,850
Total current liabilities	127,304	119,104	126,700	118,285
NON-CURRENT LIABILITIES				
Borrowings	32,700	39,458	32,700	39,458
Provisions	410,528	405,795	410,400	405,795
Other liabilities	-	4,234	-	4,234
Total non-current liabilities	443,228	449,487	443,100	449,487
Total liabilities	570,532	568,591	569,800	567,772
Net assets	1,027,224	990,407	1,008,459	971,119
Equity				
Reserves	362,685	324,377	360,945	321,968
Retained earnings	664,539	666,030	647,514	649,151
Total equity	1,027,224	990,407	1,008,459	971,119

Charles Sturt University Budgeted Statement of Cash Flows
For the year ending 31 December 2018

	Consolidated		Parent Entity	
	2018 Budget \$'000	2017 Actual \$'000	2018 Budget \$'000	2017 Actual \$'000
Cash flows from operating activities				
Australian Government grants	325,837	344,500	325,837	344,490
OS-HELP (net)	-	(257)	-	(257)
State Government grants	-	3,525	-	3,525
HECS-HELP student payments	14,832	10,907	14,832	10,907
Receipts from student's fees and other customers	212,338	201,944	204,736	200,753
Distributions received	7,966	9,370	6,716	8,357
Interest received	3,084	3,890	3,084	3,837
GST recovered	22,000	19,034	22,000	19,034
Payments to suppliers	(252,720)	(255,296)	(250,146)	(259,327)
Payments to employees	(275,720)	(269,338)	(269,587)	(263,899)
Interest paid	(1,100)	(988)	(1,100)	(988)
Net cash provided by operating activities	56,517	67,291	56,372	66,432
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment	2,298	5,485	2,298	5,516
Payments for property, plant and equipment	(86,596)	(33,927)	(86,596)	(33,890)
Proceeds from sale of financial assets	-	282,070	-	278,536
Payments for financial assets	-	(356,598)	-	(351,863)
Net cash used in investing activities	(84,298)	(102,970)	(84,298)	(101,701)
Cash flows from financing activities				
Increase in finance lease commitments	-	(1,487)	-	(1,487)
Repayment of borrowings	-	(82)	-	(82)
Increase in loan facility	-	-	-	-
Net cash used in financing activities	-	(1,569)	-	(1,569)
Net increase (decrease) in cash and cash equivalents	(27,781)	(37,248)	(27,926)	(36,838)
Cash and cash equivalents at the beginning of the financial year	35,336	56,620	33,623	53,754
Cash and cash equivalents at the end of the financial year	7,555	19,372	5,697	16,916

Charles Sturt University

ABN 83 878 708 551

Audited Financial Statements for the year ending 31 December 2017



INDEPENDENT AUDITOR'S REPORT

Charles Sturt University

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Charles Sturt University (the University), which comprise the Statement by the Council, the Income statement, Statement of Comprehensive Income, and Statement of Changes in Equity for the year ended 31 December 2017, the Statement of Financial Position as at 31 December 2017, and the Statement of Cash Flows for the year then ended, Notes to the Financial Statements 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 2017, 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 2017 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*
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

Basis for Opinion

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

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

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

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

The PF&A Act further 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 but precluding the provision of non-audit services.

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

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, the Guidelines and the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Council determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council must assess the University's ability to continue as a going concern unless the University will be dissolved by an Act of Parliament or otherwise cease operations. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/auditors_responsibilities/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.



Ian Goodwin
Acting Auditor-General of NSW

17 April 2018
SYDNEY

**Report by the Members of the Council
For the Year Ended 31 December 2017**

The members of the University [governing body] present their report on the consolidated entity consisting of Charles Sturt University and the entities (the Group) it controlled at the end of, or during, the year ended 31 December 2017.

Members

The following persons were members of the University Council of Charles Sturt University (CSU) during the whole of the year and up to the date of this report:

Names	Position
Dr Michele Allan	Chancellor
Mr Peter Hayes AM	Deputy Chancellor
Professor Andrew Vann	Vice-Chancellor
Ms Saranne Cooke	Ministerial appointee
Mrs Jennifer Hayes	Ministerial appointee
Mr Graeme Bailey	Council appointee
Mr Neville Page	Council appointee
Professor Jo-Anne Reid	Presiding Officer, Academic Senate
Mr Jamie Newman	Council appointee
Dr Rowan O'Hagan	Council appointee
Ms Lisa Schofield	Council appointee
Dr Susan Wood	Elected Academic Staff member
Ms Liz Smith	Elected professional staff member
Ms Elise McMahon	Elected student member

**Report by the Members of the Council
For the Year Ended 31 December 2017**

Members

Meeting of Members

For the year ended 31 December 2017, the number of meetings of the University Council and committees, as well as these meetings attended by each member were;

	University Council		Nomination and Remuneration Committee		Finance, Audit and Risk Committee		Investment Committee		Chancellor's Foresighting Committee	
	A	B	A	B	A	B	A	B	A	B
Dr Michele Allan	8	7	4	4	-	-	6	5	18	18
Mr Peter Hayes	8	8	4	4	5	4	-	-	18	18
Professor Andrew Vann #1	8	8	4	4	5	5	6	3	18	17
Professor Jo-Anne Reid	8	8	4	4	-	-	-	-	18	18
Mr Graeme Bailey	8	8	-	-	-	-	6	6	-	-
Ms Saranne Cooke	8	8	-	-	5	5	-	-	-	-
Mrs Jennifer Hayes	8	8	-	-	5	5	-	-	-	-
Ms Elise McMahon	8	7	-	-	-	-	-	-	-	-
Mr Jamie Newman	8	6	4	2	-	-	-	-	-	-
Dr Rowan O'Hagan	8	8	4	4	5	5	-	-	-	-
Mr Neville Page	8	8	-	-	5	5	-	-	-	-
Ms Lisa Schofield	8	7	-	-	-	-	6	6	-	-
Ms Liz Smith	8	8	-	-	-	-	-	-	-	-
Dr Susan Wood	8	8	4	3	-	-	-	-	-	-

A = Number of meetings held. B = Number of meetings attended during the time the member held office or was a member of the committee during the year

#1 The Vice-Chancellor was an attendee of the Finance, Audit and Risk Committee and the Investment Committee meetings.

Principal Activities

Charles Sturt University is committed to achieving excellence in education for the professions and communities and to maintain national leadership in flexible and on-line education, industry relevant courses and workplace learning experiences support the University's learning and teaching objectives..

During the year, the principal continuing activities of the University and its controlled entities consisted of:

- Provision of distinctive education programs and the preparation of students for work and citizenship
- Strategic and applied research that impact our local communities
- Enhancement of communities of inland Australia, indigenous Australia and national and international institutions to which our staff and students are linked.

There were no significant changes in the nature of the Group's principal activities during the year.

**Report by the Members of the Council
For the Year Ended 31 December 2017**

Review of Operations

The Group recorded a net result from continuing operations of \$31.0 million for the year ended 31 December 2017, compared to \$33.2 million in 2016. Total assets as at 31 December 2017 were \$1,559 million compared to \$1,490 million as at December 2016.

Significant Changes in the State of Affairs

No significant changes in the Group's state of affairs occurred during the year.

Matter Subsequent to the End of the Financial Year

No matters or circumstances arose since the end of the financial year which significantly affected or could significantly affect the past results of the operations of the Group, or the future operating results or the state of affairs of the Group.

Likely Developments and Expected Results of Operations

There are no expected developments as at the reporting date that would likely impact the expected results of the operation for the University and its subsidiaries.

Environmental Regulation

Charles Sturt University has an obligation to report its scope 1 and 2 greenhouse gas emission and energy consumption to the Clean Energy Regulator under the National Greenhouse and Energy Reporting Act 2007.

CSU is working towards the implementation of a series of voluntary environmental sustainability targets as part of its University Strategy. In 2017, CSU established a roof-mounted solar energy system at the Wagga Wagga campus, which is the largest at a single site in Australia. CSU is working on the integration of sustainability content into all courses to contribute towards the Graduate Learning Outcomes (GLO's). CSU proactively seeks opportunities to partner with its local and regional communities to build a more sustainable future.

Insurance of Officers

Members of Council are covered by the following insurance policies:

Management Liability Policy

Chubb Insurance Company of Australian Limited - Policy No. 93315347 - Expiry date 1 November 2018

Group Personal Accident Policy

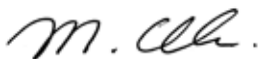
AIG Australia Limited - Policy number: 2200103646 - Expiry date 1 November 2018

**Report by the Members of the Council
For the Year Ended 31 December 2017**

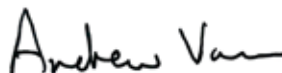
Proceedings on Behalf of Charles Sturt University

The Group is not aware of any legal proceedings.

This report is made in accordance with a resolution of the members of the [governing body].



.....
Dr Michele Allan
Chancellor



.....
Professor Andrew Vann
Vice-Chancellor

Bathurst, New South Wales, Australia

12 April 2018

Statement by the Council

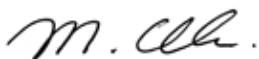
For the year ended 31 December 2017

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

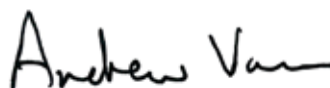
1. The financial reports present a true and fair view of the financial position of the University and its controlled entities at 31 December 2017 and the results of its operations and transactions of the Group for the year then ended;
2. The financial reports have been prepared in accordance with the provisions of the *New South Wales Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015*, the *Australian Charities and Not-for-profits Commission Act 2012* and the Financial Statement Guidelines for Australian Higher Education Providers for the 2015 Reporting Period;
3. The financial reports have been prepared in accordance with Australian Accounting Standards and Interpretations; and
4. We are not aware of any circumstances which would render any particulars included in the financial reports to be misleading or inaccurate.

In addition to the above, we state that:

1. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due;
2. The University charged Student Services and Amenities Fees strictly in accordance with the Higher Education Support Act 2003 and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act; and
3. The amount of Commonwealth financial assistance expended during the reporting period was for the purposes for which it was granted.



.....
Dr Michele Allan
Chancellor



.....
Professor Andrew Vann
Vice-Chancellor

Dated 12 April 2018

The accompanying notes form part of these financial statements.



To the Vice-Chancellor
Charles Sturt University

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Charles Sturt University for the year ended 31 December 2017, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'I. Goodwin'.

Ian Goodwin
Acting Auditor-General of NSW

17 April 2018
SYDNEY

Income Statement

For the Year Ended 31 December 2017

		Consolidated		Parent	
	Notes	2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	211,845	214,585	211,835	214,585
HELP - Australian Government Payment	2.b	132,655	128,610	132,655	128,610
State and local Government financial assistance	3	3,525	717	3,525	717
Fees and charges	4	201,083	162,017	200,705	161,549
HECS-HELP - Student Payments		10,907	10,956	10,907	10,956
Consultancy and contracts	7	7,719	6,547	7,719	6,547
Investment revenue	5	13,260	11,882	12,194	10,961
Royalties, Trademarks and Licences	6	14	9	14	9
Other revenue	8	16,715	19,341	15,900	15,570
Gains on disposal of assets		1,351	88	859	-
Other investment income	5	100	547	83	514
Total income from continuing operations		599,174	555,299	596,396	550,018
Expenses from continuing operations					
Employee Related Expenses	9	288,527	277,918	283,056	272,960
Depreciation and amortisation	10	40,779	38,424	40,767	38,424
Repairs and maintenance	11	9,453	7,225	9,427	7,193
Borrowing costs	12	988	819	988	819
Impairment of assets	13	1,840	1,586	1,770	1,586
Loss on disposal of assets		87	1,190	-	1,058
Deferred Superannuation expense	9	(139)	482	(139)	482
Other expenses	14	226,611	194,455	230,609	198,358
Total expenses from continuing operations		568,146	522,099	566,478	520,880
Net result from continuing operations		31,028	33,200	29,918	29,138

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income

For the Year Ended 31 December 2017

	Note	Consolidated		Parent	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Net result for the period		31,028	33,200	29,918	29,138
Items that may be reclassified to profit or loss					
Gain (loss) on value of available for sale financial assets		9,331	1,883	9,018	1,895
Items that will not be reclassified to profit or loss					
Gain(loss) on revaluation of land, buildings and infrastructure		12,616	(28,440)	12,616	(28,440)
Total other comprehensive income		21,947	(26,557)	21,634	(26,545)
Total comprehensive income		52,975	6,643	51,552	2,593

The accompanying notes form part of these financial statements.

Statement of Changes in Equity For the Year Ended 31 December 2017

2017		Parent		
	Notes	Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2017		300,334	619,233	919,567
Net result		-	29,918	29,918
(Loss)/Gain on revaluation of land, buildings and infrastructure		12,616	-	12,616
Gain/ (loss) on value of available for sale financial assets		9,018	-	9,018
Total comprehensive income		21,634	29,918	51,552
Balance at 31 December 2017		321,968	649,151	971,119

2016		Parent		
		Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2016		326,879	590,097	916,976
Net result		-	29,136	29,136
(Loss)/Gain on revaluation of land, buildings and infrastructure		(28,440)	-	(28,440)
Gain/ (loss) on value of available for sale financial assets		1,895	-	1,895
Total comprehensive income		(26,545)	29,136	2,591
Balance at 31 December 2016		300,334	619,233	919,567

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2017

2017	Consolidated		
	Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2017	302,430	635,002	937,432
Net result	-	31,028	31,028
(Loss)/Gain on revaluation of land, buildings and infrastructure	12,616	-	12,616
Gain/ (loss) on value of available for sale financial assets	9,331	-	9,331
Total comprehensive income	21,947	31,028	52,975
Balance at 31 December 2017	324,377	666,030	990,407

2016	Consolidated		
	Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2016	328,987	601,804	930,791
Net result	-	33,198	33,198
(Loss)/Gain on revaluation of land, buildings and infrastructure	(28,440)	-	(28,440)
Gain/ (loss) on value of available for sale financial assets	1,883	-	1,883
Total comprehensive income	(26,557)	33,198	6,641
Balance at 31 December 2016	302,430	635,002	937,432

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 31 December 2017

		Consolidated		Parent	
		2017	2016	2017	2016
	Note	\$'000	\$'000	\$'000	\$'000
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	15	19,372	56,620	16,916	53,754
Receivables	16	31,758	22,616	31,630	22,490
Inventories	17	2,975	3,628	2,975	3,628
Other financial assets	18	66,500	73,357	66,500	73,007
Other non-financial assets	21	9,690	7,734	9,690	7,734
Non-current assets held for sale		2,298	659	2,298	659
TOTAL CURRENT ASSETS		132,593	164,614	130,009	161,272
NON-CURRENT ASSETS					
Receivables	16	398,113	392,196	398,113	392,196
Other financial assets	18	256,192	157,408	238,785	142,214
Property, plant and equipment	19	763,997	767,256	763,881	767,196
Intangible assets	20	2,549	2,876	2,549	2,876
Other non-financial assets	21	5,554	5,518	5,554	5,518
TOTAL NON-CURRENT ASSETS		1,426,405	1,325,254	1,408,882	1,310,000
TOTAL ASSETS		1,558,998	1,489,868	1,538,891	1,471,272
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	22	20,714	17,289	20,627	17,258
Borrowings	23	1,753	1,360	1,753	1,360
Provisions	24	63,787	51,525	63,055	50,926
Other liabilities	25	32,850	46,038	32,850	46,038
TOTAL CURRENT LIABILITIES		119,104	116,212	118,285	115,582
NON-CURRENT LIABILITIES					
Borrowings	23	39,458	32,981	39,458	32,981
Provisions	24	405,795	399,444	405,795	399,343
Other liabilities	25	4,234	3,799	4,234	3,799
TOTAL NON-CURRENT LIABILITIES		449,487	436,224	449,487	436,123
TOTAL LIABILITIES		568,591	552,436	567,772	551,705
NET ASSETS		990,407	937,432	971,119	919,567
EQUITY					
Reserves	26	324,377	302,430	321,968	300,334
Retained Earnings	26	666,030	635,002	649,151	619,233
TOTAL EQUITY		990,407	937,432	971,119	919,567

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2017

		Consolidated		Parent	
	Note	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES:					
Australian Government Grants	2.g	344,500	343,193	344,490	343,193
OS-HELP (net)	2.g	(257)	482	(257)	482
State Government Grants		3,525	717	3,525	717
HECS-HELP - Student payments		10,907	10,956	10,907	10,956
Receipts from student fees and other customers		201,944	211,612	200,753	200,579
Distributions received		9,370	7,978	8,357	6,904
Interest received		3,890	4,148	3,837	4,073
GST recovered		19,034	19,080	19,034	19,080
Payments to suppliers		(255,296)	(227,756)	(259,327)	(225,005)
Interest paid		(988)	(819)	(988)	(819)
Payments to employees		(269,338)	(278,210)	(263,899)	(273,263)
Net cash provided by / (used in) operating activities	35	67,291	91,381	66,432	86,897
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from sale of plant and equipment		5,485	1,939	5,516	1,939
Proceeds from sale of investment		282,070	105,847	278,536	103,630
Purchase of property, plant and equipment		(33,927)	(54,658)	(33,890)	(54,592)
Payments for financial assets		(356,598)	(160,017)	(351,863)	(152,227)
Net cash provided by / (used in) investing activities		(102,970)	(106,889)	(101,701)	(101,250)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Repayment of borrowings		(82)	-	(82)	-
Net increase (decrease) in finance lease commitments		(1,487)	5,628	(1,487)	5,628
Net cash provided by / (used in) financing activities		(1,569)	5,628	(1,569)	5,628
Net increase (decrease) in cash and cash equivalents held		(37,248)	(9,880)	(36,838)	(8,725)
Cash and cash equivalents at beginning of year		56,620	66,500	53,754	62,479
Cash and cash equivalents at end of financial year	15	19,372	56,620	16,916	53,754

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years reported, unless otherwise stated. The financial statements include separate statements for Charles Sturt University as the parent and the consolidated entity consisting of Charles Sturt University and its subsidiaries.

Charles Sturt University applies Tier 1 reporting requirements.

The principal address of Charles Sturt University is Panorama Avenue, Bathurst, New South Wales, Australia.

a) Basis of Preparation

The annual financial statements are the general purpose financial statements of Charles Sturt University. They have been prepared on an accrual basis and comply with Australian Accounting Standards.

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

- *Higher Education Support Act 2003 (Financial Statement Guidelines)*
- *The Public Finance and Audit Act 1983*
- *The Public Finance and Audit Regulation 2015*
- Section 60.40 of the *Australian Charities and Not-for-profits Commission Regulation 2013* (ACNC Regulation)

Charles Sturt University is a not-for-profit entity and these statements have been prepared on that basis. Some of the Australian Accounting Standards requirements for not-for-profit entities are inconsistent with the IFRS requirements.

Date of authorisation for issue

The financial statements were authorised for issue by the members of Charles Sturt University Council on 12 April 2018.

Historical cost convention

These financial statements have been prepared under the historical cost convention, but modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) which are stated at fair value (and adjusted through profit or loss), and the revaluation of certain classes of property, plant and equipment and investment property.

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

a) Basis of Preparation

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 Charles Sturt University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, here are disclosed where applicable in the relevant note to the financial statements, specifically:

Note 20: Other financial assets

Note 21: Property, Plant and Equipment

Note 26: Provisions

Note 36: Defined Benefit Plans

b) Principles of Consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Charles Sturt University ("parent entity") as at 31 December 2017 and the results of all subsidiaries for the year then ended. Charles Sturt University and its subsidiaries together are referred to in this financial report as the Group or the Consolidated Entity.

Subsidiaries are all those entities (including structured entities) over which the University has control. The Group 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 Group controls another entity.

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

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

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 Group.

(ii) Joint Arrangements:

Under AASB 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

b) Principles of Consolidation

(iii) Joint operations:

The University's share of assets, liabilities, revenue and expenses of joint operations have been incorporated in the financial statements under the appropriate headings. Details of the joint operations are set out in note 37 and are incorporated in the relevant line item in the primary statements.

c) Foreign currency transactions and balances

(i) Functional and presentation currency

Items included in the financial statements of each of the Group'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 Charles Sturt 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. Qualifying cash flow hedges and qualifying net investment hedges in a foreign operation will be accounted for by recognising the portion of the gain or loss determined to be an effective hedge in other comprehensive income and the ineffective portion in profit or loss.

If gains or losses on non-monetary items are recognised in other comprehensive income, translation gains or losses are also recognised in other comprehensive income. Similarly, if gains or losses on non-monetary items are recognised in profit or loss, translation gains or losses are also recognised in profit or loss.

(iii) Group entities

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position.
- income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are accounted for by recognising the effective portion in other comprehensive income and the ineffective portion in the income statement. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the gain or loss relating to the effective portion of the hedge that has been recognised in other comprehensive income is reclassified from equity to the income statement as a reclassification adjustment.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

c) Foreign currency transactions and balances

the foreign entity and translated at the closing rate.

d) Revenue Recognition

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

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

Revenue is recognised for the major business activities as follows:

(i) Government Grants

Grants from the government are recognised at their fair value where the Group obtains control of the right to receive the grant, it is probable that economic benefits will flow to the Group and it can be reliably measured.

(ii) HELP payments

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

(iii) Student fees and charges

Fees and charges are recognised as income in the year of receipt, as long as the courses to which the fees relate have been delivered. If the fees and charges relate to courses to be held in future periods, the revenue received is treated as income in advance (because it is unearned). Fees and charges relating to debtors are recognised as revenue in the year to which the prescribed course relates.

(iv) Royalties, trademarks and licences

Revenue from royalties, trademarks and licences is recognised as income when earned.

(v) Consultancy and Contracts / Fee for Service

Contract revenue is recognised in accordance with the percentage of completion method. The stage of completion is measured by reference to labour hours incurred to date as a percentage of estimated total labour hours for each contract.

Other fee for service revenue is recognised when the service is provided.

(vi) Lease income

Lease income from operating leases is recognised as income on a straight-line basis over the lease term.

e) Income Tax

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

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

f) Leases

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (note 32). 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.

g) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other 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 to sell 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.

h) Cash and cash equivalents

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.

i) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are due for settlement no more than 120 days from the date of recognition for land development and resale debtors, and no more than 30 days for other debtors.

The collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement.

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

j) Inventories

(i) Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of their weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(ii) Inventories held for distribution

Charles Sturt University holds inventories for distribution in the future for no or nominal consideration. The future economic benefit or service potential of the inventory is reflected by the amount Charles Sturt University would need to pay to acquire the economic benefit or service potential if it were necessary to achieve Charles Sturt University's objectives. Where the economic benefit or service potential cannot be acquired in a market, the replacement cost is estimated. If the purpose of the inventory changes it will be measured as per (i) above.

k) Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

I) Investments and other financial assets

Classification

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

Regular purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are included in the income statement as gains and losses from investment securities.

Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement within other income or other expenses in the period in which they arise.

Changes in the fair value of monetary security denominated in a foreign currency and classified as available-for-sale

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

l) Investments and other financial assets

are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security (other than interest). The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount (other than interest) are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Fair value

The fair values of investments and other financial assets are based on quoted prices in an active market. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques that maximise the use of relevant data. These include reference to the estimated price in an orderly transaction that would take place between market participants at the measurement date. Other valuation techniques used are the cost approach and the income approach based on characteristics of the asset and the assumptions made by market participants.

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

m) Fair value measurement

The fair value of assets and liabilities must be measured for recognition and disclosure purposes.

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

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices for identical assets or liabilities at the reporting date (Level 1). The quoted market price used for assets held by the Group is the most representative of fair value in the circumstances within the bid-ask spread.

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

Fair value measurement of non-financial assets is based on the highest and best use of the asset. The Group considers market participants use or purchase of the asset would be, to use it in a manner that would be highest and best use. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

n) Property, Plant and Equipment

Land and buildings are shown at fair value, based on periodic, but at least quinquennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. 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 Group 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.

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

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

	2017	2016
	Years	Years
Buildings	10-80	10-80
Infrastructure	20-300	20-300
Computer software and equipment, commercial vehicles and small buses	4	4
Telephone installations, furniture and fittings, catering equipment and appliance, passenger vehicles, farm equipment and large buses	10	10
Library Collections		
Periodicals (serials)	5	5
Monographs and audio visual materials	5	5

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.

Freehold land, buildings and works of art are valued at least every five years with assessments performed annually to ensure there are no material movements in the intervening years between full valuations in line with AASB116. Details of these valuations are as follows: Freehold land and buildings and Self Generating and Regenerating Assets (SGARA) were revalued as at 31 December 2017 by independent valuation of AssetVal Pty Ltd, and Works of Art were revalued as at 31 December 2015 by independent valuation of Digby Hayles Fine Art Service, who is approved to value objects for the Australian Government's Cultural Gifts and Bequests Programs.

The depreciation rates categories used for library collection are shown above under library collections. In calculating the depreciation charge half of the rate is used in the first year of acquisition.

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

o) Repairs and Maintenance

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case, the costs are capitalised and depreciated. Other routine operating maintenance, repair and minor renewal costs are also recognised as expenses as incurred.

p) Intangible Assets

(i) Research and development

Expenditure on research activities is recognised in the income statement as an expense when it is incurred.

(ii) Computer Software

Internal-use software is capitalised only when the amounts are greater than the Group's capitalisation threshold and they satisfy the conditions for capitalisation. Internal-use software is recognised at cost and amortised over the useful life of four years.

q) Trade and other payables

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

r) Borrowings

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 drawdown 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 Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date and does not expect to settle the liability for at least 12 months after the reporting date.

s) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

Finance charges in respect of finance leases, and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs are included in the definition of borrowing costs.

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

t) Provisions

Provisions are recognised when: the Group has a present obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and, the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. 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. The increase in the provision due to the passage of time is recognised as a finance cost.

u) Employee benefits

(i) Short-term obligations

Liabilities for short-term employee benefits including wages and salaries, non-monetary benefits and profit-sharing bonuses are measured at the amount expected to be paid when the liability is settled. They are recognised in provisions in this category, if it is expected to be settled wholly before twelve months after the end of the reporting period.

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, accumulating sick leave and long service leave liabilities.

These liabilities are 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 predicted 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 twelve months after the reporting date, in which case it would be classified as a non-current liability.

(iii) Retirement benefit obligations

All employees of the Group are entitled to benefits on retirement, disability or death from the Group's superannuation plan. The Group has a defined benefit section and defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from Group companies and the Group's legal or constructive obligation is limited to these contributions.

A liability or asset 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

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

u) Employee benefits

expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries 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.

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 the 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.

Contributions to the defined contributions section of Charles Sturt University's superannuation fund and other independent defined contribution superannuation funds are recognised as an expense as they become payable.

(iv) Deferred government benefit for superannuation

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as the Department of Education (Education), the effects of the unfunded superannuation liabilities of Charles Sturt University and its controlled entities were recorded in the income statement and the statement of financial position for the first time in 1998.

The unfunded liabilities recorded in the statement of financial position under Provisions have been determined by Mercer Consulting (Australia) Pty Ltd and relate to State Authorities Superannuation Scheme (SASS), State Superannuation Scheme (SSS) and State Authorities Non Contributory Superannuation Scheme (SANCS).

Deferred government benefits for superannuation are the amounts recognised as reimbursement rights as they are the amounts expected to be received from the Australian Government for the emerging costs of the superannuation funds for the life of the liability. The receivable from the Australian Government was confirmed by way of Memorandum of Understanding entitled "Financial Assistance for the Unfunded Superannuation Liabilities of New South Wales Universities" on the 5th December 2014.

Note 34 discloses specific treatment.

(v) Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The Group recognises the expense and liability for termination benefits either when it can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring within the scope of AASB 137 that involves the payment of termination benefits. The expense and liability are recognised when the Group 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.

Termination benefits are measured on initial recognition and subsequent changes are measured and recognised in accordance with the nature of the employee benefit. Benefits expected to be settled wholly within twelve months are measured at the undiscounted amount expected to be paid. Benefits not expected to be settled before twelve months after the end of the reporting period are discounted to present value.

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

v) Rounding of amounts

Amounts in the financial report have been rounded to the nearest thousand dollars, or in certain cases, the nearest dollar.

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

w) Comparative Amounts

In accordance with AASB108, paragraphs 14 and 41, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year. The following material items were reclassified in 2017 which has resulted in the 2016 results being restated. Comparatives relate to the parent entity unless otherwise states (#1). Changes to the subsidiaries are disclosed in their respective financial statements.

Summary of changes to comparative amounts

	Original 2016 \$'000	Revised 2016 \$'000	Change \$'000	Nature of Change	Description
Income Statement	-	-	-		
Income	-	-	-		
				Accounting Policy	Reporting methodology revised to ensure reporting of onshore and offshore students is consistent with feeder systems.
Fee-Paying onshore overseas students	93,816	97,378	3,562		
Fee-paying offshore overseas students	12,973	9,411	(3,562)		
				Accounting Policy	New and consolidated programs to meet the reporting requirements set out in the Financial Statement Guidelines for Higher Education Providers.
Commonwealth Grants Scheme & Other Grants	-	-	-		
Commonwealth Grants Scheme	183,528	183,958	430		
Scholarships	2,409	-	(2,409)		
Education Research Training Scheme	4,075	6,055	1,980		
Joint Research Engagement Program	1,741	-	(1,741)		
Research infrastructure Block Grant	861	-	(861)		
Sustainable Research Excellence in Universities	1,042	-	(1,042)		
Research Support Program	-	3,644	3,644		
ATAS and AFB Schemes	1,751	1,303	(448)		
University Dept of Rural Health Grants	-	449	449		
	-	-	-		

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

x) 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.

y) New Accounting Standards and Interpretations

The following standards have been issued but are not mandatory for 31 December 2017 reporting periods. Charles Sturt University has elected not to early adopt any of these standards. The Universities assessment of the impact of these new standards and interpretations is set out below:

Standard	Application date	Implications
2014-5 Amendments to Australian Accounting Standards arising from AASB 15	1 Jan 2019 (early adoption permitted with AASB 1058)	Insignificant
AASB 1058 Income for Not-For-Profit-Entities	1 Jan 2019 (early adoption not permitted by the department)	Refer to comments above on AASB15
2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities	1 Jan 2019 (early adoption permitted with AASB 1058)	Insignificant
AASB 9 Financial Instruments	1 Jan 2018 (early adoption permitted)	On initial application of AASB 8, all existing financial instruments will be classified according to the AASB 9 criteria and transitional requirements. Financial instruments previously classified as available-for-sale and recognised at fair value through other comprehensive income, will be classified as fair value through profit or loss and an allowance for expected credit losses considered. This is likely to have a significant impact on the profit or loss commencing from 2018 but the financial impact cannot yet be quantified.

Notes to the Financial Statements

31 December 2017

1 Summary of Significant Accounting Policies

y) New Accounting Standards and Interpretations

Standard	Application date	Implications
AASB15 Revenue from Contracts with Customers	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. fulfilment 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. 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 University intends to adopt the 'modified retrospective' approach to the initial application of AASB 15 and AASB 1058. That approach applies the new standards from the date of initial application on 1 January 2019 and will not result in the restatement of FY 2018 comparative financial information. The University is in the process of assessing the changes, by reference to its existing leases. Until management completes that process, the University is unable to reasonably quantify the expected financial impacts of those Standards in future periods.
AASB 16 Leases	1 Jan 2019 (early adoption not permitted by the department)	AASB 16 introduces a significant change to the way lessees will recognise leases. It provides a single lease model that recognises most types of leases on the balance sheet similar to the accounting for finance leases in AASB 117. The University intends to use the modified retrospective approach – this applies the Standards to the start of the financial year in which they are first adopted (i.e., 1 January 2019) with the cumulative effect of initially applying the Standards recognised as an adjustment to the opening balance of retained earnings at that date. The University is in the process of assessing the changes, if any, to its revenue recognition policies upon the adoption of AASB 15 and AASB 1058. Until management completes that process, the University is unable to reasonably quantify the expected financial impacts of those Standards in future periods.

Notes to the Financial Statements

31 December 2017

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

a) Commonwealth Grants Scheme and Other Grants

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Commonwealth Grants Scheme #1		174,109	183,958	174,109	183,958
Indigenous Student Success Program #3		3,181	2,219	3,181	2,219
Disability Support Program #2		118	112	118	112
Promotion of Excellence in Learning and Teaching		-	270	-	270
Partnership and Participation Program		6,316	8,005	6,316	8,005
Total Commonwealth Grants Scheme and Other Grants	38.a)	183,724	194,564	183,724	194,564

b) Higher Education Loan Programs

HECS - HELP		93,295	94,808	93,295	94,808
FEE - HELP #4		37,587	31,803	37,587	31,803
SA-HELP		1,773	1,999	1,773	1,999
Total Higher Education Loan Programmes	38.b)	132,655	128,610	132,655	128,610

c) Education Research Grants

Research Support Program		3,722	3,644	3,722	3,644
Research Training Scheme		6,159	6,055	6,159	6,055
Total Education Research Grants	38.c)	9,881	9,699	9,881	9,699

d) Australian Research Council Grants

(i) Discovery Grants

Project		65	385	65	385
Fellowships		-	82	-	82
Indigenous Researchers Development		133	-	133	-
DECRA		128	-	128	-
Total Discovery Grants	38.d(i)	326	467	326	467

(ii) Linkages Grants

Linkages Project		177	169	177	169
Industrial Transformational Research Program		-	747	-	747
Total Linkages Grants	38.d(ii)	177	916	177	916

Total ARC	38.d)	503	1,383	503	1,383
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#1 Includes the basic CGS grant amount, CGS - Regional Loading and CGS - Enabling Loading. #2 Disability Performance Funding, includes Additional Support for Students with Disabilities and Australian Disability Clearing House on Education & Training. #3 Indigenous Student Success Program has replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2017. #4 Fee Help Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.

Notes to the Financial Statements

31 December 2017

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

e) Other Australian Government Financial Assistance

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Non-capital					
ATAS and AFB Schemes		329	1,303	329	1,303
University Dept of Rural Health Grants		4,302	449	4,302	449
Other assistance		13,106	7,187	13,096	7,187
Total		17,737	8,939	17,727	8,939
Total Other Australian Government Financial Assistance		17,737	8,939	17,727	8,939

f) Total Australian Government Financial Assistance

Total Australian Government Financial Assistance	344,500	343,195	344,490	343,195
Reconciliation				
Australian Government Grants (a + c + d + e)	211,845	214,585	211,835	214,585
HECS - HELP	93,295	94,808	93,295	94,808
FEE - HELP	37,587	31,803	37,587	31,803
SA-HELP payments	1,773	1,999	1,773	1,999
Total Australian Government Financial Assistance	344,500	343,195	344,490	343,195

g) Australian Government Grants received - cash basis

CGS and Other Education Grants	38.a)	183,723	194,134	183,723	194,134
Higher Education Loan Programs	38.b)	131,088	128,610	131,088	128,610
Scholarships		-	2,409	-	2,409
Education research	38.c)	9,881	9,698	9,881	9,698
ARC grants - Discovery	38.d(i)	193	467	193	467
ARC grants - Linkages	38.d(ii)	310	916	310	916
Other Australian Government financial assistance	2.e)	17,736	8,938	17,726	8,938
Total Australian Government Grants received - cash basis		342,931	345,172	342,921	345,172
OS-Help (Net)	38.e)	1,583	1,885	1,583	1,885
Total Australian Government funding received - cash basis		344,514	347,057	344,504	347,057

Notes to the Financial Statements

31 December 2017

3 State government financial assistance

Government grants were received during the reporting period for the following purposes:

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Non-capital				
NSW State Government	3,525	717	3,525	717
Total State Government Financial Assistance	3,525	717	3,525	717

4 Fees and charges

Course Fees and Charges

Fee-paying onshore overseas students	138,728	97,378	138,728	97,378
Fee-paying offshore overseas students	9,872	9,411	9,872	9,411
Continuing education	1,387	1,251	1,387	1,251
Fee-paying domestic postgraduate students	12,338	12,816	12,017	12,368
Fee-paying domestic undergraduate students	1,515	1,395	1,515	1,395
Total Course Fees and Charges	163,840	122,251	163,519	121,803

Other Non-Course Fees and Charges

Student accommodation	19,404	21,518	19,404	21,518
Conferences / function charges	1,218	1,395	1,218	1,395
Other student fees	1,869	2,048	1,869	2,048
Fees for services rendered	9,082	8,669	9,025	8,649
Parking fees	6	11	6	11
Memberships	249	260	249	260
Other fees	1,319	2,085	1,319	2,085
Student Services and Amenities Fees from students	4,096	3,780	4,096	3,780

Total Other Fees and Charges

Total Other Fees and Charges	37,243	39,766	37,186	39,746
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Total Fees and Charges

Total Fees and Charges	201,083	162,017	200,705	161,549
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Notes to the Financial Statements

31 December 2017

5 Investment revenue and income

Investment revenue

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Interest income	3,890	4,132	3,837	4,057
Dividend income	9,370	7,750	8,357	6,904
Total investment revenue	13,260	11,882	12,194	10,961

Other investment income

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Reversal of impairment losses on available for sale investments in debt instruments	100	547	83	514
Total other investment income	100	547	83	514

6 Royalties, trademarks and licences

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Royalties, trademarks and licences	14	9	14	9
Total royalties, trademarks and licences	14	9	14	9

7 Consultancy and contracts

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Consultancy	446	296	446	296
Contract research	1,890	1,441	1,890	1,441
Other contract revenue	378	1,219	378	1,219
NSW Police contract scholarship	5,005	3,591	5,005	3,591
Total consultancy and contracts	7,719	6,547	7,719	6,547

8 Revenue and Other Income

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Donations and bequests	778	3,824	657	602
Scholarships and prizes	2,049	1,701	1,358	1,152
Non-government grants	3,176	2,780	3,176	2,780
Other revenue	471	177	471	177
Sale of trading stock	4,798	5,203	4,798	5,203
Commissions	215	306	215	306

Notes to the Financial Statements

31 December 2017

8 Revenue and Other Income

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Rental	1,694	1,313	1,694	1,313
Reimbursements	1,437	2,178	1,434	2,178
Miscellaneous sales	1,942	1,700	1,942	1,700
Subscriptions	155	159	155	159
Total other revenue and income	16,715	19,341	15,900	15,570

9 Employee related expenses

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Academic staff					
Salaries		98,763	95,890	98,763	95,890
Contributions to superannuation and pension schemes		16,735	16,134	16,735	16,134
Payroll tax		6,286	5,991	6,286	5,991
Worker's compensation		511	708	511	708
Long service leave expense		2,578	1,588	2,578	1,588
Annual leave		6,649	6,479	6,649	6,479
Total academic staff		131,522	126,790	131,522	126,790
Non-academic staff					
Salaries		116,778	114,518	112,575	110,789
Contributions to superannuation and pension schemes		18,549	17,744	18,082	17,341
Payroll tax		8,975	8,126	8,705	7,889
Worker's compensation		923	1,292	705	934
Long service leave expense		3,552	1,629	3,511	1,612
Annual leave		8,227	7,819	7,957	7,606
Total non-academic staff		157,004	151,128	151,534	146,171
Total employee related expenses		288,526	277,918	283,056	272,961
Deferred superannuation expense	34	(139)	482	(139)	482
Total employee related expenses, including deferred Benefits for Superannuation		288,387	278,400	282,917	273,443

Notes to the Financial Statements

31 December 2017

10 Depreciation and amortisation

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Depreciation				
Buildings	28,212	27,215	28,212	27,215
Library collection	590	1,175	590	1,175
Plant and equipment	8,028	6,520	8,016	6,520
Infrastructure	2,042	1,868	2,042	1,868
Motor vehicles	1,225	1,173	1,225	1,173
Total depreciation	40,097	37,951	40,085	37,951
Amortisation				
Computer software	682	473	682	473
Total amortisation	682	473	682	473
Total depreciation and amortisation	40,779	38,424	40,767	38,424

11 Repairs and maintenance

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Other repairs and maintenance	9,453	7,225	9,427	7,193
Total repairs and maintenance	9,453	7,225	9,427	7,193

12 Borrowing costs

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Interest expense	979	1,144	979	1,144
Interest rate swap	-	(338)	-	(338)
Other borrowing costs	9	13	9	13
Total borrowing costs expensed	988	819	988	819

13 Impairment of assets

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Impairment of investments	70	188	-	188
Impairment of receivables	1,770	1,398	1,770	1,398
Total impairment of assets	1,840	1,586	1,770	1,586

Notes to the Financial Statements

31 December 2017

14 Other expenses

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Advertising, marketing and promotional expenses	7,366	6,697	7,366	6,697
Audit fees, bank charges, legal costs, insurance and taxes	3,049	2,772	3,024	2,747
Cleaning	6,437	6,133	6,434	6,115
Conferences and seminars	265	277	264	276
Consultants	7,143	4,521	7,061	4,460
Consumables and administration	3,324	2,611	3,245	2,589
Contract tuition services	106,124	80,917	106,124	80,917
Contracts	6,484	6,116	6,484	6,116
Cost of goods sold	7,338	7,233	7,338	7,233
Electronic information resources	5,660	5,724	5,660	5,724
Equipment services	1,312	2,014	1,312	2,013
Membership fees	1,218	1,391	1,218	1,391
Non-capitalised equipment	4,539	7,432	4,517	7,337
Operating lease and rental expenses	2,857	3,226	2,838	3,200
Other expenses	16,785	13,002	16,243	12,275
Printing and stationery	429	612	429	612
Publications and general resources	885	984	885	984
Scholarships, grants and prizes	21,006	17,645	19,789	16,511
Services rendered	4,533	4,959	10,522	10,969
Telecommunications	2,653	3,136	2,653	3,136
Travel, staff development and entertainment	10,157	10,386	10,157	10,386
Utilities	7,045	6,670	7,045	6,670
Total other expenses	226,611	194,455	230,609	198,358

Notes to the Financial Statements

31 December 2017

15 Cash and cash equivalents

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Cash at bank	6,298	2,967	3,842	101
Cash on hand	74	52	74	52
Deposits at call	13,000	53,601	13,000	53,601
Total cash and cash equivalent	19,372	56,620	16,916	53,754

a) Cash at bank and on hand

Cash in operating accounts earns interest at the rate of 0.00% to 0.85% (2016: 1.40% to 1.40%). The University maintains cash equivalents of \$4,940,539 (2016: \$3,743,576) held under trust, which can only be used for the specific purpose of the external organisations that provide these funds.

b) Deposits at call

The deposits are at floating interest rates between 0.00% and 2.00% (2016: 2.05% and 2.70%).

16 Receivables

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Current					
Non-Student debtors		12,883	15,966	12,883	15,966
Student debtors		1,616	2,738	1,616	2,738
Less: provision for impairment		(250)	(708)	(250)	(708)
		14,249	17,996	14,249	17,996
Accrued income		4,346	796	4,346	796
Government Contributions for Superannuation	34	9,390	-	9,390	-
Other debtors		3,773	3,824	3,645	3,698
Total current receivables		31,758	22,616	31,630	22,490
Non-current					
Deferred Government Contributions for Superannuation	34	398,113	392,196	398,113	392,196
Total non-current receivables		398,113	392,196	398,113	392,196
Total receivables		429,871	414,812	429,743	414,686

a) Impaired receivables

As at 31 December 2017 current receivables of the Group with a value of \$250,186 (2016: \$708,400) were impaired. The amount of the provision was 250,186 (2016: 708,400). The ageing of these receivables is as follows:

Notes to the Financial Statements

31 December 2017

16 Receivables

a) Impaired receivables

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Current Receivables				
0-3 months	4	1	4	1
3 to 6 months	18	5	18	5
Over 6 months	228	702	228	702
	250	708	250	708

As at 31 December 2017 trade receivables of \$9,320,000 (2016: \$15,805,077) were past due but not impaired. These relate to a number of independent customers. The ageing analysis of these receivables is as follows:

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Trade Receivables				
Between 0 to 3 months	7,711	6,057	7,711	6,057
Between 3 to 6 months	675	455	675	455
Over 6 months	934	9,293	934	9,293
	9,320	15,805	9,320	15,805

Movements in the provision for impaired receivables are as follows:

At 1 January	708	3,715	708	3,715
Provision for impairment recognised during the year	1,770	1,398	1,770	1,398
Receivables written off during the year as uncollectible	(2,228)	(4,405)	(2,228)	(4,405)
As at 31 December	250	708	250	708

The amount determined for the provision of impaired receivables has been included in the income statement. 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.

Notes to the Financial Statements

31 December 2017

17 Inventories

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Current				
Winery stock held for sale	72	262	72	262
Mixed farm stock held for distribution	2,117	2,427	2,117	2,427
Other stock on hand held for distribution	786	939	786	939
Total inventories	2,975	3,628	2,975	3,628

18 Other financial assets

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Current				
Available-for-sale financial assets	-	3,007	-	3,007
Held to maturity	66,500	70,350	66,500	70,000
Total current other financial assets	66,500	73,357	66,500	73,007
Non-current				
Available-for-sale financial assets	248,192	157,408	230,785	142,214
Held to maturity	8,000	-	8,000	-
Total non-current other financial assets	256,192	157,408	238,785	142,214
Total other financial assets	322,692	230,765	305,285	215,221

Notes to the Financial Statements

31 December 2017

19 Property, plant and equipment

Parent	Construction in progress \$'000	Land \$'000	Buildings \$'000	Plant and Equipment* \$'000	Other Plant and Equipment** \$'000	Library \$'000	Infrastructure \$'000	Total \$'000
At 1 January 2016								
- Cost	48,549	-	-	67,526	11,399	29,863	-	157,337
- Valuation	-	55,091	625,550	-	-	-	32,750	713,391
Accumulated depreciation & impairment	-	-	-	(50,577)	(2,814)	(27,495)	-	(80,886)
Net book amount	48,549	55,091	625,550	16,949	8,585	2,368	32,750	789,842
Year ended 31 December 2016								
Opening net book amount	48,549	55,091	625,550	16,949	8,585	2,368	32,750	789,842
Additions	35,599	-	-	9,119	2,341	472	895	48,426
Disposals	-	(951)	4,151	(31)	(1,319)	-	(4,648)	(2,798)
Transfers	(82,104)	-	75,805	1,621	-	-	4,678	-
Depreciation expense	-	-	(27,217)	(6,520)	(1,171)	(1,175)	(1,868)	(37,951)
Revaluation surplus	-	1,928	(56,650)	-	-	-	26,283	(28,439)
Other changes, movements	(27)	-	(1,857)	-	-	-	-	(1,884)
Closing net book amount	2,017	56,068	619,782	21,138	8,436	1,665	58,090	767,196
At 31 December 2016								
- Cost	2,017	-	-	73,824	9,267	30,336	-	115,444
- Valuation	-	56,068	619,782	-	2,459	-	58,090	736,399
Accumulated depreciation and impairment	-	-	-	(52,686)	(3,290)	(28,671)	-	(84,647)
Net book amount	2,017	56,068	619,782	21,138	8,436	1,665	58,090	767,196
Year ended 31 December 2017								
Opening net book amount	2,017	56,068	619,782	21,138	8,436	1,665	58,090	767,196
Additions	16,517	1,046	-	5,689	2,584	318	4,298	30,452
Assets disposals	-	-	-	(15)	(1,344)	-	(3,300)	(4,659)
Transfers	(11,270)	-	6,898	-	-	-	4,372	-
Transfers to other assets	-	(1,130)	(2,624)	-	-	-	-	(3,754)
Depreciation expense	-	-	(28,201)	(7,808)	(1,225)	(798)	(2,053)	(40,085)
Revaluation surplus/ (deficit)	-	2,389	10,900	-	-	-	1,442	14,731
Closing net book amount	7,264	58,373	606,755	19,004	8,451	1,185	62,849	763,881
At 31 December 2017								
- Cost	7,264	-	1,454	75,542	11,765	30,653	643	127,321
- Valuation	-	58,373	633,235	-	-	-	64,259	755,867
Accumulated depreciation and impairment	-	-	(27,934)	(56,538)	(3,314)	(29,468)	(2,053)	(119,307)
Net book amount	7,264	58,373	606,755	19,004	8,451	1,185	62,849	763,881

Notes to the Financial Statements

31 December 2017

19 Property, plant and equipment

Consolidated	Construction in progress	Land	Buildings	Plant and Equipment *	Other Plant and Equipment **	Library	Infrastructure	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2016								
- Cost	48,549	-	-	67,526	11,399	29,863	-	157,337
- Valuation	-	55,091	625,550	-	-	-	32,750	713,391
Accumulated depreciation & impairment	-	-	-	(50,577)	(2,814)	(27,495)	-	(80,886)
Net book amount	48,549	55,091	625,550	16,949	8,585	2,368	32,750	789,842
Year ended 31 December 2016								
Opening net book amount	48,549	55,091	625,550	16,949	8,585	2,368	32,750	789,842
Additions	35,599	-	-	9,119	2,401	472	895	48,486
Assets included in a disposal group classified as held for sale and other disposals	-	(951)	4,151	(31)	(1,319)	-	(4,648)	(2,798)
Transfers	(82,104)	-	75,805	1,621	-	-	4,678	-
Depreciation expense	-	-	(27,217)	(6,520)	(1,171)	(1,175)	(1,868)	(37,951)
Revaluation surplus	-	1,928	(56,650)	-	-	-	26,283	(28,439)
Other changes, movements	(27)	-	(1,857)	-	-	-	-	(1,884)
Closing net book amount	2,017	56,068	619,782	21,138	8,496	1,665	58,090	767,256
At 31 December 2016								
- Cost	2,017	-	-	73,824	9,327	30,336	-	115,504
- Valuation	-	56,068	619,782	-	2,459	-	58,090	736,399
Accumulated depreciation and impairment	-	-	-	(52,686)	(3,290)	(28,671)	-	(84,647)
Net book amount	2,017	56,068	619,782	21,138	8,496	1,665	58,090	767,256
Year ended 31 December 2017								
Opening net book amount	2,017	56,068	619,782	21,138	8,496	1,665	58,090	767,256
Additions	16,517	1,046	-	5,757	2,584	318	4,297	30,519
Disposals	-	-	-	(15)	(1,344)	-	(3,300)	(4,659)
Transfers	(11,270)	-	6,898	-	-	-	4,372	-
Transfers to Other Assets	-	(1,130)	(2,623)	-	-	-	-	(3,753)
Depreciation expense	-	-	(28,201)	(7,808)	(1,237)	(798)	(2,053)	(40,097)
Revaluation surplus/ (deficit)	-	2,389	10,900	-	-	-	1,442	14,731
Closing net book amount	7,264	58,373	606,756	19,072	8,499	1,185	62,848	763,997
At 31 December 2017								
- Cost	7,264	-	1,455	75,610	11,825	-	642	96,796
- Valuation	-	58,373	633,235	-	-	30,653	64,259	786,520
Accumulated depreciation and impairment	-	-	(27,934)	(56,538)	(3,326)	(29,468)	(2,053)	(119,319)
Net book amount	7,264	58,373	606,756	19,072	8,499	1,185	62,848	763,997

* Plant and equipment includes all operational assets. **Other plant and equipment includes non-operational assets such as artworks and motor vehicles.

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20 Intangible Assets

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Computer software					
Cost		9,068	8,713	9,068	8,713
Accumulated amortisation and impairment		(6,519)	(5,837)	(6,519)	(5,837)
Net carrying value		2,549	2,876	2,549	2,876
Total Intangibles		2,549	2,876	2,549	2,876
Total Intangibles		2,549	2,876	2,549	2,876

a) Details of Intangible Assets

Parent/Consolidated	Computer software	Total
	\$'000	\$'000
Year ended 31 December 2017		
Opening net book amount	2,876	2,876
Additions	386	386
Disposals	(31)	(31)
Amortisation	(682)	(682)
Closing value at 31 December 2017	2,549	2,549
Year ended 31 December 2016		
Opening net book amount	1,669	1,669
Additions	1,680	1,680
Amortisation	(473)	(473)
Closing value at 31 December 2016	2,876	2,876

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21 Other non-financial assets

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Current				
Prepaid lease	304	304	304	304
Prepaid Salaries	10	6	10	6
Prepaid Expenses - Other	9,376	7,424	9,376	7,424
Total current other non-financial assets	9,690	7,734	9,690	7,734
Non-current				
Prepaid lease	4,733	5,036	4,733	5,036
Prepaid Expenses - Other	821	482	821	482
Total non-current other non-financial assets	5,554	5,518	5,554	5,518
Total other non-financial assets	15,244	13,252	15,244	13,252

22 Trade and other payables

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Current				
Trade creditors	13,713	12,429	13,626	12,398
Other accrued expenses	4,104	2,838	4,104	2,838
Accrued salaries	1,827	695	1,827	695
OS-HELP liability to Australian Government	1,070	1,327	1,070	1,327
Total current trade and other payables	20,714	17,289	20,627	17,258

23 Borrowings

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Current				
Secured				
Finance lease obligations	1,496	1,360	1,496	1,360
Bank Loan	257	-	257	-
Total current borrowings	1,753	1,360	1,753	1,360
Non-current				
Secured				
Finance lease obligations	8,610	4,456	8,610	4,456
Bank loan	2,848	525	2,848	525
Unsecured				
Student residential facilities loan	28,000	28,000	28,000	28,000
Total non-current borrowings	39,458	32,981	39,458	32,981
Total borrowings	41,211	34,341	41,211	34,341

All borrowings are interest bearing, except for a finance lease on network infrastructure which has no interest payable under the agreement.

Notes to the Financial Statements

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23 Borrowings

a) Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	Note	Consolidated		Parent	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Bank Loan					
Plant and Equipment Other		3,105	-	3,105	-
		3,105	-	3,105	-
Finance lease					
Plant and equipment		4,456	5,816	4,456	5,816
Buildings		5,650	5,650	5,650	5,650
		10,106	11,466	10,106	11,466
Total assets pledged as security		13,211	11,466	13,211	11,466

b) Financing arrangements

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

Bank loan facilities					
Total facilities		39,000	39,000	39,000	39,000
Used at balance date		31,105	28,525	31,105	28,525
Unused at balance date		7,895	10,475	7,895	10,475

The University has a \$5,000,000 business card limit facility, with a balance used of \$861,000 at 31 December 2017 (2016: \$1,068,000).

c) Class of borrowings

The unsecured loan outstanding with interest payable at 90 day BBSW plus a margin is repayable in full on 21 December 2019. Student residences are constructed as an enterprise and it is proposed that the future income stream of the enterprise will meet the liability and interest expense.

Notes to the Financial Statements

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23 Borrowings

d) Fair value

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

Consolidated	2017		2016	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000
On-balance sheet				
Non-traded financial liabilities	41,211	41,211	39,991	39,991
	41,211	41,211	39,991	39,991

(i) On-balance sheet

Other than those classes of borrowings denoted as "traded", none of the classes is readily traded on organised markets. The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant.

24 Provisions

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Current provisions expected to be settled within 12 months				
Employee benefits				
Defined benefit superannuation obligations	9,390	-	9,390	-
Long service leave	5,121	5,197	4,940	5,149
Employee entitlement oncost	4,311	4,200	4,311	4,200
Annual Leave	11,412	11,522	11,143	11,268
Short-term provisions				
Other provisions	691	-	691	-
	30,925	20,919	30,475	20,617
Current provisions expected to be settled after more than 12 months				
Employee benefits				
Annual leave	4,193	4,303	4,094	4,171
Long service leave	22,932	21,193	22,749	21,028
Employee entitlement oncost	5,737	5,110	5,737	5,110
	32,862	30,606	32,580	30,309
Total current provisions	63,787	51,525	63,055	50,926

Notes to the Financial Statements

31 December 2017

24 Provisions

Non-current provisions

Employee benefits

Long service leave

Defined benefit superannuation obligations

Employee entitlement oncost

Long-term provisions

Total non-current provisions

Total provisions

	6,162	5,755	6,162	5,654
	398,411	392,638	398,411	392,638
	1,222	1,051	1,222	1,051
	405,795	399,444	405,795	399,343
	469,582	450,969	468,850	450,269

Annual Leave

The liability for annual leave is recognised in current provisions for employee benefits as it is due to be settled within 12 months after the end of the report period. It is measured at the amount expected to be paid when the liability is settled. Regardless of the expected timing of settlements, provisions made in respect to annual leave are classified as a current liability.

Long Service Leave

The liability for long service leave (LSL) 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. Consideration is given to predicted 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.

The provision for LSL was assessed by KPMG for the year ended 31 December 2017. Key assumptions in for this calculation are detailed in note 1(u).

Defined Benefit Obligations

The estimate of the superannuation liability is calculated on the basis of information provided by Mercer Consulting (Australia) Pty Ltd in respect of the State Superannuation Scheme (SSS), the State Authorities Superannuation Scheme (SASS) and the State Authorities Non-Contributory Superannuation Scheme (SANCS). The provision for deferred superannuation of \$407,800,672 (2016: \$392,638,117) is net unfunded liability of all schemes i.e. the gross liability less the funded liability and balances held in reserve accounts.

Details of the deferred superannuation liability (where applicable), and the increase/(decrease) in unfunded liability are set in Note 34 for each superannuation scheme. During 2014 the Australian Government confirmed recoverability of all three Superannuation Schemes from both the Australian Government and State Government except for the portion related to excess salaries of fund members. In 2017, the university was advised in writing by the Trustees of the Defined Benefits Scheme that it will be required to make a payment of \$9,389,864 in order to maintain its asset buffer of a level of one year. This amount has been recognised as both a current payable and receivable in the Statement of Financial Position at 31 December 2017.

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25 Other liabilities

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Current				
Income in advance	32,850	46,038	32,850	46,038
Non-current				
Income in advance	4,234	3,799	4,234	3,799
Total non-current other liabilities	4,234	3,799	4,234	3,799
Total other liabilities	37,084	44,187	37,084	44,187

26 Reserves and retained earnings

a) Reserves

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Reserves and retained earnings				
Available-for-sale financial assets revaluation reserve	29,818	20,488	27,409	18,392
Property, plant and equipment revaluation reserve	294,559	281,942	294,559	281,942
Total reserves	324,377	302,430	321,968	300,334

b) Movements in reserves

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Available-for-sale financial assets revaluation reserve				
Balance 1 January	20,488	18,605	18,392	16,497
Revaluation - increment/ (decrement)	11,041	1,775	10,380	1,521
Transfers out to gain/loss on disposal	(1,719)	5	(1,363)	271
Recycling of existing impaired items	8	103	-	103
Balance 31 December	29,818	20,488	27,409	18,392
Property, plant and equipment revaluation reserve				
Balance 1 January	281,942	310,382	281,942	310,382
Revaluation - increment/ (decrement)	12,617	(28,440)	12,617	(28,440)
Balance 31 December	294,559	281,942	294,559	281,942
Total reserves	324,377	302,430	321,968	300,334

Notes to the Financial Statements

31 December 2017

26 Reserves and retained earnings

c) Movements in retained earnings

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Retained earnings at 1 January	635,002	601,804	619,233	590,097
Net result for the period	31,028	33,198	29,918	29,136
Retained earnings at 31 December	666,030	635,002	649,151	619,233

d) Nature and purpose of reserves

(i) Available-for-sale financial assets revaluation reserve - changes in fair value arising on revaluation of investments classified as available-for-sale financial assets are taken to the available-for-sale financial assets revaluation reserve, as described in note 1(l). Amounts are recognised in the income statement when the associated asset are sold or impaired.

(ii) Property, plant and equipment revaluation reserve - the property, plant and equipment revaluation reserve is used to record any increment/(decrement) on the revaluation of non-current assets, as described in note 1(n).

Notes to the Financial Statements

31 December 2017

27 Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group'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 Group. The Group uses derivative financial instruments such as interest rate swaps to hedge certain risk exposures. The Group 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, and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out under policies approved by the Council. Corporate Finance identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Council provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

a) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency.

The Group has a potential foreign exchange risk exposure due to its operations in China, in which the Group collaborates with four partner institutions.

(ii) Price risk

The Group is exposed to equity securities price risk from investments in the Treasury Corporation and other direct equity holdings, held for trading purposes and designated as available-for-sale financial assets.

To manage its price risk arising from investments in equity securities, the Group has retained investment advisors, and delegated the risk management to external fund managers and has also diversified its portfolio. Diversification of the portfolio is achieved in accordance with the limits set by the University Investment Policy

The impact of the increase/decrease of the ASX 300 index on the Group's equity is disclosed at 27(a)(iv). The analysis is based on the assumption that the ASX 300 index increased / decreased by 10%, with all other variables held in constant, and the Group's equity portfolio moves according to the historical correlation with the index.

(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 Group's interest rate risk arises primarily from investments in long term interest bearing financial instruments, due to the potential fluctuations in interest rates. In order to minimise exposure to this risk, the Group invests in a diverse range of instruments with varying degrees of potential returns. The purpose of this strategy is to ensure that any potential interest rate losses are counteracted by guaranteed interest payments.

As at 31 December 2017 if interest rates decreased/ increased by 1% with all other variables held constant, equity would have been \$280,000 higher/ \$280,000 lower (2016: \$338,000/ \$338,000) as a result of an increase/ decrease in the fair value of the debt security. In regards to the movement of the investment interest rate of 1%, equity would have been \$2,482,000 higher/ \$2,482,000 lower (2016: \$1,605,000/ \$1,605,000) as a result of an increase/ decrease in the fair value of the investment security.

(iv) Summarised sensitivity analysis

Notes to the Financial Statements

31 December 2017

27 Financial Risk Management

a) Market risk

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

31 December 2017

Financial assets

Cash and Cash Equivalents at Bank

Accrued Interest

Available-for-sale financial assets

Held to maturity financial assets

Financial liabilities

Borrowings

Total increase/(decrease)

Interest rate risk					Other price risk			
-1% +1%					-10% +10%			
Carrying amount	Result	Equity	Result	Equity	Result	Equity	Result	Equity
\$'000s	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
19,298	(193)	(193)	193	193	-	-	-	-
4,346	(435)	(435)	435	435	-	-	-	-
248,192	(2,482)	(2,482)	2,482	2,482	(24,819)	(24,819)	24,819	24,819
74,500	(745)	(745)	745	745	-	-	-	-
28,000	280	280	(280)	(280)	-	-	-	-
	(3,575)	(3,575)	3,575	3,575	(24,819)	(24,819)	24,819	24,819

31 December 2016

Financial assets

Cash and Cash Equivalents - at bank

Accrued Interest

Available-for-sale financial assets

Held to maturity financial assets

Financial liabilities

Borrowings

Total increase/(decrease)

Interest rate risk					Other price risk			
					-10%	+10%		
					-10%	+10%		
Carrying amount	Result	Equity	Result	Equity	Result	Equity	Result	Equity
\$'000s	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
56,620	(566)	(566)	566	566	-	-	-	-
796	(8)	(8)	8	8	-	-	-	-
160,415	(1,604)	(1,604)	1,604	1,604	(16,042)	(16,042)	16,042	16,042
70,350	(704)	(704)	704	704	-	-	-	-
28,000	280	280	(280)	(280)	2,800	2,800	(2,800)	(2,800)
	(2,602)	(2,602)	2,602	2,602	(13,242)	(13,242)	13,242	13,242

b) Credit risk

Credit risk is the risk that a contracting party will not complete its obligations under a financial instrument, leading to financial loss for the Group. Credit risk arises largely from outstanding receivables and to a lesser degree from cash and cash equivalents. To assist in managing risk, the Group assesses the credit quality of a potential non-student debtor, based on information obtained during the credit application process. Despite not being a material value, a credit assessment is performed on the guarantor for a student loan prior to the loan being granted by the University. The carrying amount of financial assets (as contained in the table in subnote 27.c) below represents the Group's maximum exposure to credit risk.

Notes to the Financial Statements

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27 Financial Risk Management

c) Liquidity risk

Liquidity risk arises when a member of the Group experiences one of the following from its normal operations: it will not have sufficient funds to settle a transaction on the due date; it will be forced to sell financial assets at a value which is less than their worth; or it may be unable to settle or recover a financial asset at all.

To mitigate these risks, the Group has in its investment policy targets for minimum and average levels of cash and cash equivalents to be maintained, and a business card facility limited of \$5 million. The University generally uses instruments that are tradable in highly liquid markets and have readily accessible standby facilities in place. The following tables summarise the maturity of the Group's financial assets and financial liabilities:

	Average Interest rate		Variable interest rate		Less than 1 year		1 - 5 years		5+ years		Non-Interest		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets:														
Cash and cash equivalents	1.42	2.00	19,298	56,620	-	-	-	-	-	-	74	52	19,372	56,672
Receivables	-	-	-	-	-	-	-	-	-	-	18,792	22,569	18,792	22,569
Other financial assets	2.73	2.67	-	-	66,500	73,357	8,000	15,500	232,082	130,881	16,110	11,027	322,692	230,765
Total Financial Assets			19,298	56,620	66,500	73,357	8,000	15,500	232,082	130,881	34,976	33,648	360,856	310,006
Financial Liabilities:														
Bank loans and overdrafts	3.15	2.82	28,000	28,000	392	-	1,569	5,816	1,831	-	-	-	31,792	33,816
Leases	-	-	-	-	1,496	-	8,610	-	-	-	-	-	10,106	-
Payables	-	-	-	-	-	-	-	-	-	-	20,714	17,290	20,714	17,290
Total Financial Liabilities			28,000	28,000	1,888	-	10,179	5,816	1,831	-	20,714	17,290	62,612	51,106

28 Fair Value Measurement

a) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition, measurement and disclosure purposes. Due to the short-term nature of the current receivables and payables, their carrying values are assumed to approximate their fair value.

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

	Carrying Amount		Fair Value	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	19,372	56,620	19,372	56,620
Trade and other receivables	22,370	22,569	22,370	22,569
Financial assets	322,692	230,765	322,692	230,765
Total financial assets	364,434	309,954	364,434	309,954
Financial Liabilities				
Payables	20,720	17,290	20,720	17,290
Borrowings	41,211	33,816	41,211	33,816
Total financial liabilities	61,931	51,106	61,931	51,106

Notes to the Financial Statements

31 December 2017

28 Fair Value Measurement

a) Fair value measurements

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

- Financial assets at fair value through profit or loss
- Available-for-sale financial assets
- Land, buildings and infrastructure

b) Fair value hierarchy

Charles Sturt University categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurements.

	Other
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 2017.

Fair value measurements at 31 December 2017

	Note	2017 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements					
Financial assets					
Available-for-sale financial assets	18				
Equity securities		246,629	60,536	169,983	16,110
Debt securities		1,563	-	1,563	-
Total financial assets		248,192	60,536	171,546	16,110
Non-financial assets					
Land and buildings	19				
Land		51,905	-	17,075	34,830
Buildings		601,309	-	774	600,535
Infrastructure		62,461	-	-	62,461
Other Property, Plant & Equipment		2,459	-	2,459	-
Total non-financial assets		718,134	-	20,308	697,826

Notes to the Financial Statements

31 December 2017

28 Fair Value Measurement

b) Fair value hierarchy

Fair value measurements at 31 December 2016

	Note	2016 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements					
Financial assets					
Available-for-sale financial assets	18				
Equity securities		151,998	46,570	94,401	11,027
Debt securities		8,417	3,807	1,603	3,007
Total financial assets		160,415	50,377	96,004	14,034
Non-financial assets					
Land and buildings	19				
Land		49,907	-	16,270	33,637
Buildings		614,019	-	1,043	612,976
Other property, plant & equipment		2,459	-	2,459	-
Infrastructure		57,818	-	-	57,818
Total non-financial assets		724,203	-	19,772	704,431

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements, see below.

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

(ii) Disclosed fair values

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices for identical assets or liabilities at the reporting date (level 1). This is the most representative of fair value in the circumstances.

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments (level 3).

The fair value of non-current borrowings disclosed in note 23 is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the group for similar financial instruments. For the period ending 31 December 2017, the borrowing rates were determined to be between 3% and 6%, depending on the type of borrowing. The fair value of current borrowings approximates the carrying amount, as the impact of discounting is not significant (level 2).

Derivative contracts classified as held for trading are fair valued by comparing the contracted rate to the current market rate for a contract with the same remaining period to maturity.

Notes to the Financial Statements

31 December 2017

28 Fair Value Measurement

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 (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

The Group 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 or dealer quotes for similar instruments;
- Other techniques, such as discounted cash flow analysis where an asset's new cash flows over an appropriate timeframe, including its estimated terminal or salvage value (at the end of the forecast period), are discounted back to the measurement date, resulting in a net present value for the asset.

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

Freehold land and buildings (classified as property, plant and equipment) are valued by an independent valuer at least every five years. At the end of each reporting period, the Group reassesses the fair value of each property, taking into account the most recent independent valuations. The Group determines the property's value within a range of reasonable fair value estimates.

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

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences; and
- depreciated replacement cost which is the amount a market participant would be prepared to pay to acquire or construct a substitute asset of comparable utility, adjusted for obsolescence.

All resulting fair value estimates for land are included in level 2 and buildings and infrastructure in level 3. Sale prices of comparable land in close proximity are adjusted for any differences in key attributes such as property size and restrictions on use. The most significant input into this valuation approach is price per square metre.

Notes to the Financial Statements

31 December 2017

28 Fair Value Measurement

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 2017 and 2016.

Level 3 Fair Value Measurement 2017	Unlisted equity securities \$'000	Other financial assets \$'000	Land, buildings & infrastructure \$'000	Total \$'000
Opening balance	11,027	3,007	704,431	718,465
Acquisitions	-	-	15,381	15,381
Disposals	-	(3,000)	(5,714)	(8,714)
Recognised in profit or loss	-	-	(29,707)	(29,707)
Recognised in other comprehensive income	5,083	(7)	13,435	18,511
Closing balance	16,110	-	697,826	713,936

Level 3 Fair Value Measurement 2016	Unlisted equity securities \$'000	Other financial assets \$'000	Buildings & Infrastructure \$'000	Total \$'000
Opening balance	9,198	8,094	650,863	668,155
Acquisitions	-	-	79,530	79,530
Transfers out of level 3	-	-	33,600	33,600
Disposals	-	(5,524)	(11,555)	(17,079)
Recognised in profit or loss*	-	514	(28,127)	(27,613)
Recognised in other comprehensive income	1,829	(77)	(19,880)	(18,128)
Closing balance	11,027	3,007	704,431	718,465

(i) Valuation inputs, processes 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 29(c) above for the valuation techniques adopted.

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

Notes to the Financial Statements

31 December 2017

29 Key Management Personnel Disclosures

a) Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of Charles Sturt University during the financial year:

(i) Names of University council members

-Dr Michele Allan	-Professor Andrew Vann	-Professor Jo-Anne Reid
-Ms Saranne Cooke	-Mrs Jennifer Hayes	-Mr Graeme Bailey
-Mr Neville Page	-Mr Peter Hayes	-Mr Jamie Newman
-Dr Rowan O'Hagan	-Ms Lisa Schofield	-Dr Susan Wood
-Ms Liz Smith	-Ms Elise McMahon	

(ii) Names of Executive Officers

-Professor Andrew Vann	-Professor Toni Downes	-Professor Mary Kelly
-Professor Ken Dillon	-Mr Paul Dowler	-Mr Adam Browne
-Ms Debra Farrelly*	-Jenny Roberts*	

*Debra Farrelly held the position of Acting DVC (Students) from 24 July 2017 to 17 November 2017.

*Jenny Roberts commenced in the position of DVC (Students) on 20 November 2017.

b) Remuneration of board members and executives

	Consolidated		Parent	
	2017 Number	2016 Number	2017 Number	2016 Number
Remuneration of Board Members #1				
Nil to \$14,999	3	9	3	9
\$15,000 to \$29,999	9	7	9	7
\$30,000 to \$44,999	1	1	1	1
\$45,000 to \$59,999	1	1	1	1
Remuneration of Executive Officers #2				
\$30,000 to \$44,999	1	-	1	-
\$90,000 to 104,999	1	-	1	-
\$180,000 to \$194,999	-	-	-	1
\$210,000 to \$224,999	-	-	-	1
\$285,000 to \$299,999	1	1	1	1
\$330,000 to \$344,999	1	1	1	1
\$390,000 to \$404,999	1	1	1	1
\$405,000 to \$419,999	1	1	1	1
\$420,000 to \$434,999	1	1	1	1
\$755,000 to \$769,999	-	1	-	1
\$770,000 to \$785,000	1	-	1	-

#1 The remuneration of board members includes that amount paid as a consequence of their University Council and associated Sub-Committees. It excludes amounts paid as a consequence of employment as a staff member.

#2 Included in the above is remuneration paid to the Vice-Chancellor for the year ended 31 December 2017 of \$771,000 (2016: \$757,711) including Fringe Benefits Tax 2017 \$13,209 (2016:12,679).

Notes to the Financial Statements

31 December 2017

29 Key Management Personnel Disclosures

c) Key management personnel compensation

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Short-term employee benefits	3,251	3,257	3,251	3,257
Post-employment benefits	471	495	471	495
Total key management personnel compensation	3,722	3,752	3,722	3,752

d) Other transactions with key management personnel

During the year ended 31 December 2017, the Charles Sturt University Foundation Trust received \$12,434 in donations from Key Management Personnel. Charles Sturt University also received payments of \$4,325 for various services provided to Key Management Personnel during 2017.

30 Remuneration of Auditors

During the year, the following fees were paid for services provided by the Audit Office of NSW, as the auditor of the consolidated entity and other firms for services unrelated to the audit of financial statements:

a) Assurance Service

	Consolidated		Parent	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Audit of the Financial Statements				
Fees paid to NSW Audit Office	330	323	293	286
Total	330	323	293	286
Consulting and assurance services	17	35	17	28
Total	17	35	17	28

The consolidated entity's financial statements are audited by the Audit Office of NSW pursuant to the *Public Finance and Audit Act 1983*.

Notes to the Financial Statements

31 December 2017

31 Contingencies

a) Contingent assets

The University has signed a Subscription Deed which commits it to an investment of \$1,000,000 as a Limited Partner with Significant Capital Ventures Pty Ltd. The creation of an asset is contingent upon the University receiving a capital call from the General Partner of the fund, which is expected to take place in 2018. (2016: Nil).

b) Contingent liabilities

(i) Bank guarantee and credit facility

The University currently has bank guarantee facility up to a limit of \$600,000 of which \$516,085 was used as at 31 December 2017. In addition the University has a bank guarantee in respect to amounts held in INR for 2,559,257, or \$53,743.32 AUD of which the whole amount was used as at 31 December 2017. The bank guarantees given primarily relate to security for work undertaken in Port Macquarie on a road reserve.

(ii) Significant Capital Ventures Fund

The University has signed a Subscription Deed in 2017 which commits it to an investment of \$1,000,000 as a Limited Partner of Significant Capital Ventures Pty Ltd. The funds will be payable within ten days of receiving a capital call from the General Partner of the fund. (2016: Nil).

32 Commitments

a) Capital commitments

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

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Property, plant and equipment				
Within one year	12,050	10,540	12,050	10,540
Total	12,050	10,540	12,050	10,540

b) Lease commitments

(i) Operating Leases

This item represents the Group's contracted and future obligations for operating leases for property, photocopiers and other equipment. Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Within one year	3,212	320	3,568	320
Between one year and five years	12,198	10,485	13,527	10,485
Later than five years	32,136	32,101	29,876	32,101
Total future minimum lease payments	47,546	42,906	46,971	42,906

Notes to the Financial Statements

31 December 2017

32 Commitments

b) Lease commitments

(ii) Finance Leases

The Group leases plant and equipment under non-cancellable finance leases expiring in five years. Commitments in relation to finance leases are payable as follows:

	Consolidated		Parent	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Within one year	1,498	1,379	1,498	1,379
Between one year and five years	2,960	4,446	2,960	4,446
Total future minimum lease payments	4,458	5,825	4,458	5,825
Future finance charges	(1)	(9)	(1)	(9)
Recognised as a liability	4,457	5,816	4,457	5,816
Representing lease liabilities				
Current	1,497	1,370	1,497	1,370
Non-current	2,960	4,446	2,960	4,446
Total	4,457	5,816	4,457	5,816

The weighted average interest rate implicit in the finance leases is 0.02% (2016: 0.15%)

Notes to the Financial Statements

31 December 2017

33 Related Parties

a) Parent entities

The ultimate parent entity within the Group is Charles Sturt University, established under the *Charles Sturt University Act 1989*.

b) Subsidiaries

Interests in subsidiaries are set out in note 36.

c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 29

d) Transactions with related parties

The following material transactions occurred with related parties:

	Parent	
	2017 \$'000	2016 \$'000
Cleaning and maintenance services (Charles Sturt Campus Services Limited)	6,519	6,506
Charles Sturt University Trust. Administrative expense contribution	50,000	-

34 Defined Benefits Plan

a) Fund specific disclosure

The Group contributes to the following superannuation schemes:

-State Superannuation Scheme (SSS)

-State Authorities Superannuation Scheme (SASS)

-State Authorities Non-Contributory Superannuation Scheme (SANCS)

The Group incurs an obligation for deferred contributions which become payable on and after retirement of staff. The deferred liability at 31 December 2017 was estimated based on actuarial assumptions by Pillar Administration for the State Schemes. An arrangement exists between the Australian Government and the State Government to meet most of the unfunded liability for the Group's beneficiaries of the State Superannuation Scheme on an emerging cost basis. This Memorandum of Understanding (MoU) is evidenced by the Higher Education Funding Act 1988 and subsequent amending legislation.

Accordingly the unfunded liabilities have been recognised in the Statement of Financial Position under Provisions with a corresponding asset recognised under Receivables. The MoU has restrictions in the form of limitations on excess salaries paid to members. Information relating to the SSS, SASS and SANCS funds based on the latest actuarial assessment and the financial statements for the Funds for the year ended 31 December 2017 is set out below.

Notes to the Financial Statements

31 December 2017

34 Defined Benefits Plan

a) Fund specific disclosure

The Charles Sturt University expects to make a contribution of \$1,247,069 (2016: \$1,431,808) to the defined benefit plan during the next financial year.

The weighted average duration of the defined benefit obligation is 11.8 years (2016: 12.1 years). The expected maturity analysis of undiscounted benefit payments is as follows:

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Total \$'000
Defined benefit obligations - 31 December 2017	22,780	22,875	69,150	414,996	529,801
Defined benefit obligations - 31 December 2016	21,856	22,664	69,392	462,011	575,923

b) Categories of plan assets

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

	2017 (%)		2016 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Cash and Cash Equivalents	19.00	10.00	18.00	10.00
Equity instruments	52.00	-	53.00	3.00
Debt instruments	10.00	-	7.00	-
Property	4.00	5.00	4.00	5.00
Total	85.00	15.00	82.00	18.00

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

	2017	2016
	0	%
Discount rate(s)	2.65	2.78
	2.5% to 30 Jun 2019, then 3.5% to 30 Jun 2021, then 3% to 30 Jun 2026, then 3.5% pa thereafter	2.5% to 30 Jun 2019, then 3.5% to 30 Jun 2021, then 3% to 30 Jun 2026, then 3.5% pa thereafter
Expected rate(s) of salary increase		1.75% to 30 Jun 2017, then 2.25% to 30 June 2018, then 2.5% pa thereafter
Rate of CPI increase	2.25% to 30 Jun 2020, then 2.5% pa thereafter	

Notes to the Financial Statements

31 December 2017

34 Defined Benefits Plan

c) Actuarial assumptions and sensitivity

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

	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
Discount rate	1.00%	(46,511,948)	56,134,029
Rate of CPI increase	0.50%	26,837,571	(24,630,666)
Salary Growth Rate	0.50%	1,230,534	(1,189,168)
Pensioner mortality	5.00%	6,182,856	(4,891,683)

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

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

Notes to the Financial Statements

31 December 2017

34 Defined Benefits Plan

d) Statement of financial position amounts

Amounts recognised in the statement of financial position - 2017

Liabilities

Provision for deferred government benefits for superannuation

Total liabilities

Total pension entitlements (including on-costs)

Assets

Receivable for deferred government benefit for superannuation

Net liability recognised in the statement of financial position

Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
	8,586	6,164	393,050	407,800
	8,586	6,164	393,050	407,800
	8,586	6,164	393,050	407,800
	8,334	6,119	393,050	407,503
	252	45	-	297

Net liability reconciliation - 2017

Defined benefit obligation

Fair value of plan assets

Net liability

Reimbursement right

Total net liability/(asset)

	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
	37,134	6,149	408,257	451,540
	(28,548)	15	(15,207)	(43,740)
24	8,586	6,164	393,050	407,800
16	(8,334)	(6,119)	(393,050)	(407,503)
	252	45	-	297

Reimbursement rights - 2017

Opening value of reimbursement right

Return on reimbursement rights

Remeasurements

Closing value of reimbursement right

	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
	7,468	5,449	379,279	392,196
	(291)	193	10,630	10,532
	1,157	477	3,141	4,775
16	8,334	6,119	393,050	407,503

Present value of obligation - 2017

Opening defined benefit obligation

Current service cost

Interest expense

	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
	37,018	6,415	407,524	450,957
	951	221	561	1,733
	981	167	11,088	12,236
	38,950	6,803	419,173	464,926

Notes to the Financial Statements

31 December 2017

34 Defined Benefits Plan

d) Statement of financial position amounts

Present value of obligation - 2017

Remeasurements

Actuarial losses/(gains) arising from changes in financial assumptions

Experience (gains)/losses

Payments from plan

Benefits paid

Contributions - plan participants

Taxes, premiums & expenses

Closing defined benefit obligation

\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
234	41	4,577	4,852
923	436	(1,436)	(77)
1,157	477	3,141	4,775
(3,315)	(736)	(17,326)	(21,377)
462	-	239	701
(119)	(395)	3,029	2,515
(2,972)	(1,131)	(14,058)	(18,161)
37,135	6,149	408,256	451,540

Present value of plan assets - 2017

Opening fair value of plan assets

Interest (income)

Taxes, premiums & expenses

Remeasurements

Return on plan assets, excluding amounts included in net interest expense

Contributions

Employers

Plan participants

Payments from plan

Benefits paid

Closing fair value of plans assets

\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
29,202	894	28,223	58,319
775	17	547	1,339
(119)	(396)	3,029	2,514
29,858	515	31,799	62,172
736	(7)	254	983
806	213	241	1,260
462	-	239	701
1,268	213	480	1,961
(3,315)	(736)	(17,326)	(21,377)
28,547	(15)	15,207	43,739

Amounts recognised in the statement of financial position - 2016

Liabilities

Provision for deferred government benefits for superannuation

Total liabilities

Assets

Note

\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
7,816	5,521	379,301	392,638
7,816	5,521	379,301	392,638

Notes to the Financial Statements

31 December 2017

34 Defined Benefits Plan

d) Statement of financial position amounts

Amounts recognised in the statement of financial position - 2016

Receivable for deferred government benefit for superannuation

Net liability recognised in the statement of financial position

Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
	7,468	5,449	379,279	392,196
	348	72	22	442

Net liability reconciliation - 2016

Defined benefit obligation

Fair value of plan assets

Net liability

Reimbursement right

Total net liability/(asset)

Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
	37,018	6,415	407,524	450,957
	(29,202)	(894)	(28,223)	(58,319)
24	7,816	5,521	379,301	392,638
16	(7,468)	(5,449)	(379,279)	(392,196)
	348	72	22	442

Reimbursement rights - 2016

Opening value of reimbursement right

Return on reimbursement rights

Remeasurements

Closing value of reimbursement right

Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
	7,804	5,217	374,544	387,565
	(188)	135	10,590	10,537
	(148)	97	(5,855)	(5,906)
16	7,468	5,449	379,279	392,196

Present value of obligation - 2016

Opening defined benefit obligation

Current service cost

Past service cost

Interest expense

Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
	38,440	6,877	415,581	460,898
	1,163	252	629	2,044
	(74)	(123)	1,918	1,721
	1,081	189	11,804	13,074
	40,610	7,195	429,932	477,737

Remeasurements

Actuarial losses/(gains) arising from changes in financial assumptions

Experience (gains)/losses

	202	43	1,576	1,821
	(20)	117	(7,517)	(7,420)
	182	160	(5,941)	(5,599)

Payments from plan

Benefits paid

	(4,279)	(940)	(16,788)	(22,007)
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Notes to the Financial Statements

31 December 2017

34 Defined Benefits Plan

d) Statement of financial position amounts

Present value of obligation - 2016

Settlements

Closing defined benefit obligation

Note	\$'000	\$'000	\$'000	\$'000
	SASS	SANCS	SSS	Total
	505	-	321	826
	(3,774)	(940)	(16,467)	(21,181)
	37,018	6,415	407,524	450,957

Notes to the Financial Statements

31 December 2017

34 Defined Benefits Plan

d) Statement of financial position amounts

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Present value of plan assets - 2016					
Opening fair value of plan assets		30,618	1,651	40,929	73,198
Interest (income)		867	41	944	1,852
Taxes, premiums & expenses		(74)	(123)	1,918	1,721
		31,411	1,569	43,791	76,771
Remeasurements					
Return on plan assets, excluding amounts included in net interest expense		678	7	564	1,249
Contributions					
Employers		887	258	335	1,480
Plan participants		505	-	321	826
		1,392	258	656	2,306
Payments from plan					
Benefits paid		(4,279)	(940)	(16,788)	(22,007)
Closing fair value of plans assets		29,202	894	28,223	58,319

e) Amounts recognised in other statements

Amounts recognised in the Income Statement - 2017

The amounts recognised in the income statement are restricted to the SASS, SANCS and SSS schemes in accordance with note 1.u). The amounts are included in the Income Statement.

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Amounts recognised in the Income Statement - 2017					
Current service cost		951	221	561	1,733
Interest expense		206	151	10,541	10,898
Total expense recognised in the Income Statement	9	1,157	372	11,102	12,631

Amounts recognised in other comprehensive income - 2017

The amounts recognised in the statement of comprehensive income are restricted to the SASS, SANCS and SSS schemes in accordance with note 1.u). The amounts are included in retained earnings (note 26).

Notes to the Financial Statements

31 December 2017

34 Defined Benefits Plan

e) Amounts recognised in other statements

Remeasurements

Actuarial losses (gains) arising from changes in demographic assumptions

Actual return on plan assets less interest income

Total remeasurements in OCI

Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
	1,157	477	3,141	4,775
	(736)	7	(254)	(983)
	421	484	2,887	3,792

Amounts recognised in the Income Statement - 2016

The amounts recognised in the income statement are restricted to the SASS, SANCS and SSS schemes in accordance with note 1.u). The amounts are included in the Income Statement.

Amounts recognised in the Income Statement - 2016

Current service cost

Interest income

Total expense recognised in the Income Statement

9

\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
1,163	252	629	2,044
214	148	10,860	11,222
1,377	400	11,489	13,266

Amounts recognised in other comprehensive income - 2016

The amounts recognised in the statement of comprehensive income are restricted to the SASS, SANCS and SSS schemes in accordance with note 1.u). The amounts are included in retained earnings (note 26).

Remeasurements

Actuarial losses (gains) arising from changes in financial assumptions

Actual return on plan assets less interest income

Total remeasurements in OCI

Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
	182	160	(5,941)	(5,599)
	(678)	(7)	(564)	(1,249)
	(496)	153	(6,505)	(6,848)

Notes to the Financial Statements

31 December 2017

35 Reconciliation of net result after income tax to net cash flows from operating activities

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000
Net result for the period		31,028	33,198	29,918	29,136
Depreciation and amortisation		40,779	38,424	40,767	38,424
Gain on disposal of available-for-sale financial investments		(100)	-	(83)	-
(Gain)/loss on disposal of property, plant and equipment		(1,264)	1,058	(859)	1,058
Gain on financial assets through income statement		-	26	-	-
Loss on interest rate swap		-	(338)	-	(338)
Impairment of assets		1,840	1,586	1,770	1,586
Other non-cash movements		3	-	-	-
Change in operating assets and liabilities, net of effects from purchase of controlled entity:					
(Increase) / decrease in trade debtors		1,557	(4,987)	1,559	(5,367)
(Increase) / decrease in accrued revenue		(3,550)	16	(3,550)	16
(Increase) / decrease in other accrued income		(9,390)	-	(9,390)	-
(Increase) / decrease in prepaid salaries		(4)	(791)	(4)	(791)
(Increase) / decrease in other prepayments		(1,952)	1,529	(1,952)	1,529
(Increase) / decrease in inventories		653	(156)	653	(156)
Increase / (decrease) in fees received in advance		(13,188)	15,712	(13,188)	15,712
Increase / (decrease) in accrued salaries		1,823	695	1,823	695
Increase/ (decrease) in trade payables		(428)	(1,035)	(484)	(1,033)
Increase / (decrease) in accrued expenses		430	395	430	388
Increase / (decrease) in provision for leave and other employee entitlements		19,054	6,049	19,022	6,038
Net cash provided by / (used in) operating activities		67,291	91,381	66,432	86,897

Notes to the Financial Statements

31 December 2017

36 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1.b).

Name of Entity	Principal place of business	Controlling interest	
		2017	2016
Charles Sturt Campus Services Limited (CSCS)	Panorama Avenue Bathurst NSW	100.00	100.00
The Charles Sturt University Foundation Trust	Panorama Avenue Bathurst NSW	100.00	100.00

The Group accounts for the above investments using the full consolidation method in the parent's separate financial statements. The investments are recognised at cost in the parent financial statements. There are no known significant restrictions on the Group's ability to access or use the assets and settle the liabilities of the Group.

37 Joint Operations

The University has a joint operation, which is detailed below:

Name of joint operation	Nature of relationship	Principal place of business	Ownership interest/ voting rights held (%)	
			2017	2016
Australian Graduate Management Consortium	Unincorporated strategic alliance for post graduate education	NSW, Australia	50.00	50.00

Charles Sturt University's share of assets held jointly is \$597,625 (2016: \$531,469) and liabilities held jointly is \$Nil (2016: \$Nil). The amounts are included in the financial statements under their respective categories.

Notes to the Financial Statements

31 December 2017

38 Acquittal of Australian Government financial assistance

a) Education - CGS and Other Education Grants

Parent Entity (University) Only

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

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

2.a)

Commonwealth Grants Scheme#1		Indigenous Student Success Program		Partnership & Participation Program #2	
2017	2016	2017	2016	2017	2016
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
174,109	183,528	3,181	2,445	6,315	8,005
174,109	183,528	3,181	2,445	6,315	8,005
-	-	921	624	1,122	962
174,109	183,528	4,102	3,069	7,437	8,967
174,109	183,528	2,950	2,148	7,351	7,845
-	-	1,152	921	86	1,122

Parent Entity (University) Only

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

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

2.a)

Disability Support Program		Promotion of Excellence in Learning and Teaching		Total	
2017	2016	2017	2016	2017	2016
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
118	112	10	270	183,723	194,360
118	112	10	270	183,723	194,134
-	-	49	178	2,092	1,764
118	112	59	448	185,815	196,124
118	112	59	399	184,549	194,032
-	-	-	49	1,266	2,092

#1 Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading. #2 Includes Equity Support Program.

Notes to the Financial Statements

31 December 2017

38 Acquittal of Australian Government financial assistance

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

	Note	HECS-HELP (Aust. Government payments only)		FEE-HELP #4		SA-HELP		Total	
		2017	2016	2017	2016	2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent Entity (University) Only									
Cash Payable/(Receivable) at beginning of year		-	-	3	-	-	-	3	-
Financial assistance received in cash during the reporting period		91,727	94,808	37,584	31,803	1,773	1,999	131,084	128,610
Cash available for the period		91,727	94,808	37,587	31,803	1,773	1,999	131,087	128,610
Revenue earned	2.b)	93,295	94,808	37,587	31,803	1,773	1,999	132,655	128,610
Cash Payable/(Receivable) at end of year	2.b)	(1,568)	-	-	-	-	-	(1,568)	-

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

c) Education Research

		Research Training Program #6		Research Support Program		Total	
		2017	2016	2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent Entity (University) Only							
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		6,159	6,055	3,722	3,644	9,881	9,699
Revenue for the period	2.c)	6,159	6,055	3,722	3,644	9,881	9,699
Surplus/(deficit) from the previous year		1,654	1,128	-	-	1,654	1,128
Total revenue including accrued revenue		7,813	7,183	3,722	3,644	11,535	10,827
Less expenses including accrued expenses		5,573	5,529	3,722	3,644	9,295	9,173
Surplus/(deficit) for the reporting period		2,240	1,654	-	-	2,240	1,654

Notes to the Financial Statements

31 December 2017

38 Acquittal of Australian Government financial assistance

d) Australian Research Council Grants

(i) Discovery

Parent Entity (University) Only

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

2.d
(i)

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

	Projects		Fellowships		Indigenous Researchers Development		DECRA		Total Discovery	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
	65	385	-	82	133	-	128	-	193	467
Revenue for the period	65	385	-	82	133	-	128	-	326	467
Surplus/(deficit) from the previous year	649	828	-	11	-	-	-	-	649	839
Total revenue including accrued revenue	714	1,213	-	93	133	-	128	-	844	1,306
Less expenses including accrued expenses	225	564	-	91	46	-	105	-	332	655
Surplus/(deficit) for the reporting period	489	649	-	2	87	-	23	-	512	651

(ii) Linkages

Parent Entity (University) Only

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

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

2.d(ii)

	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
	-	747	177	169	177	916
Revenue for the period	-	747	177	169	177	916
Surplus/(deficit) from the previous year	-	1,167	215	183	215	1,350
Total revenue including accrued revenue	-	1,914	392	352	392	2,266
Less expenses including accrued expenses	-	561	129	137	129	698
Surplus/(deficit) for the reporting period	-	1,353	263	215	263	1,568

e) **OS-HELP**

Parent Entity (University) Only

Cash received during the reporting period

Cash spent during the reporting period

Net cash received

Cash surplus/(deficit) from the previous period

Cash surplus/(deficit) for the reporting period

22

OS - HELP	
2017	2016
\$'000	\$'000
1,583	1,885
(1,840)	(1,403)
(257)	482
1,327	845
1,070	1,327

f) **Student Services and Amenities Fee**

Parent Entity (University) Only

Unspent/(overspent) revenue from previous period

Total revenue expendable in period

Student services expenses during period

Unspent/(overspent) student services revenue

SA - HELP	
2017	2016
\$'000	\$'000
2,936	6,041
2,936	6,041
-	3,105
2,936	2,936

39 Events Occurring After the Reporting Date

The Group has not identified any events after reporting date that would require adjustment to the amounts recognised or disclosures in the financial statements.

End of audited financial statements

The Charles Sturt University Foundation Trust

ABN 31 158 135 157

Audited Financial Statements for the year ending 31 December 2017



INDEPENDENT AUDITOR'S REPORT

The Charles Sturt University Foundation Trust

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of The Charles Sturt University Foundation Trust (the Trust), which comprise the Trustee's Declaration, the Income Statement and Statement of Comprehensive Income for the year ended 31 December 2017, the Statement of Financial Position as at 31 December 2017, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, Notes to the Financial Statements comprising a Summary of Significant Accounting Policies and other explanatory information.

In my opinion the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 December 2017, and of its financial performance and its 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
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

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 Trust 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 further 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, but precluding the provision of non-audit services.

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

The Trustees' Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the PF&A Act and the ACNC Act, and for such internal control as the Trustees determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees must assess the Trust's ability to continue as a going concern unless the Trust will be dissolved by an Act of Parliament or otherwise cease operations. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Trust 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.



Ian Goodwin
Acting Auditor-General of NSW

17 April 2018
SYDNEY

The Charles Sturt University Foundation Trust

31 158 135 157

Trustee's Report

31 December 2017

Trustee

The Trust was established by Deed dated 17th March 1994. Under that Deed, the Charles Sturt Foundation Limited was appointed as Trustee until 2010. Since 2010 Charles Sturt University has been Trustee. Governance is administered through the University using delegations and procedures in place at the University, including a Foundation Governance Committee.

Review of operations

The surplus of the Trust amounted to \$ 859,652 (2016: \$3,454,937).

Significant changes in the state of affairs

No significant changes in the Trust's state of affairs occurred during the financial year.

Principal activities

The principal activities of The Charles Sturt University Foundation Trust during the financial year were:

- to attract and encourage donations, gifts, bequests, endowments, trusts and other forms of financial assistance to, or for the benefit of, Charles Sturt University ('the University') through fundraising activities;
- to invest and deal with money of the Trust; and
- to make contributions for tertiary scholarships, academic staff positions and infrastructure to the University.

There were no significant changes in the nature of The Charles Sturt University Foundation Trust's principal activities during the financial year.

Events after the reporting date

The Trustee is not aware of any matter or circumstance that has arisen since the end of the financial year and that has or may significantly affect:

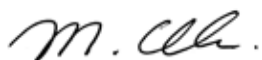
- The operation of the Trust;
- The results of those operations; and
- The state of affairs of the Trust in subsequent years.

By resolution of the Charles Sturt University, as Trustee of the Charles Sturt University Foundation Trust

Name: Dr Michele Allan

Signed: _____

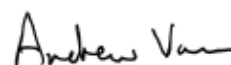
Date: 12th April 2018



Name: Professor Andrew Vann

Signed: _____

Date: 12th April 2018



The Charles Sturt University Foundation Trust

31 158 135 157

Trustee's Declaration

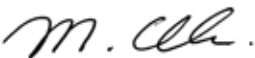
for the year ended 31 December 2017

In the opinion of the Trustee of the Charles Sturt University Foundation Trust:

1. The financial statements and notes present a true and fair view of the financial position of the Trust at 31 December 2017 and the results of its operations for the year then ended;
2. The financial statements and notes have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983 and the Public Finance and Audit Regulation 2015;
3. The financial statements and notes have been prepared in accordance with Australian Accounting Standards and Interpretations;
4. The financial statements and notes have been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012;
5. We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate; and
6. There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

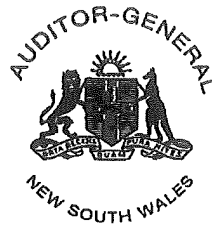
This statement is in accordance with a resolution of the Trustee made on 12th April 2018.

By resolution of Charles Sturt University, as Trustee of the Charles Sturt University Foundation Trust

Signed 
Dr Michele Allan

Signed 
Professor Andrew Vann

Date: 12th April 2018



To the Vice-Chancellor
Charles Sturt University
(as Trustee of the Charles Sturt University Foundation Trust)

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Charles Sturt University Foundation Trust for the year ended 31 December 2017, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Ian Goodwin
Acting Auditor-General of NSW

10 April 2018

The Charles Sturt University Foundation Trust

31 158 135 157

Income Statement

For the Year Ended 31 December 2017

		2017	2016
	Note	\$	\$
Revenue			
Fundraising revenue	2	810,512	3,771,798
Investment revenue and other investment income	3	1,487,956	910,022
Total revenue		2,298,468	4,681,820
Expenses			
Administrative expenses		152,383	93,234
Contributions	4	1,216,308	1,133,649
Impairment of available-for-sale financial assets		70,125	-
Total expenses		1,438,816	1,226,883
Surplus for the Year		859,652	3,454,937

The accompanying notes form part of these financial statements.

The Charles Sturt University Foundation Trust

31 158 135 157

Statement of Comprehensive Income

For the Year Ended 31 December 2017

	2017	2016
Note	\$	\$
Surplus for the Year	859,652	3,454,937
Items that may be reclassified to profit or loss		
Net fair value gains / (losses) on available-for-sale financial assets	312,935	(11,775)
Total comprehensive income for the year	1,172,587	3,443,162

The accompanying notes form part of these financial statements.

The Charles Sturt University Foundation Trust

31 158 135 157

Statement of Financial Position

As at 31 December 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	463,104	1,149,018
Trade and other receivables		128,060	122,714
Other financial assets	6	-	350,000
TOTAL CURRENT ASSETS		591,164	1,621,732
NON-CURRENT ASSETS			
Other financial assets	6	17,406,862	15,193,557
TOTAL NON-CURRENT ASSETS		17,406,862	15,193,557
TOTAL ASSETS		17,998,026	16,815,289
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		25,000	14,850
TOTAL CURRENT LIABILITIES		25,000	14,850
TOTAL LIABILITIES		25,000	14,850
NET ASSETS		17,973,026	16,800,439
EQUITY			
Reserves		2,408,928	2,095,993
Retained Earnings		15,564,098	14,704,446
TOTAL EQUITY		17,973,026	16,800,439

The accompanying notes form part of these financial statements.

The Charles Sturt University Foundation Trust

31 158 135 157

Statement of Changes in Equity

For the Year Ended 31 December 2017

2017

	Note	Accumulated Funds \$	Available-for-sale financial assets Reserve \$	Total \$
Balance at 1 January 2017		14,704,446	2,095,993	16,800,439
Surplus / (Deficit) for the year		859,652	-	859,652
Other comprehensive income				
Net fair value gains/(losses) on available-for-sale financial assets		-	669,243	669,243
Transfer from reserve to profit or loss		-	(356,308)	(356,308)
Total Comprehensive income for the period		859,652	312,935	1,172,587
Balance at 31 December 2017		15,564,098	2,408,928	17,973,026

2016

	Note	Accumulated Funds \$	Available-for-sale financial assets Reserve \$	Total \$
Balance at 1 January 2016		11,249,509	2,107,768	13,357,277
Surplus / (Deficit) for the year		3,454,937	-	3,454,937
Other comprehensive income				
Net fair value gains/(losses) on available-for-sale financial assets		-	254,345	254,345
Transfer from reserve to profit or loss		-	(266,120)	(266,120)
Total Comprehensive income for the period		3,454,937	(11,775)	3,443,162
Balance at 31 December 2016		14,704,446	2,095,993	16,800,439

The accompanying notes form part of these financial statements.

The Charles Sturt University Foundation Trust

31 158 135 157

Statement of Cash Flows

For the Year Ended 31 December 2017

	Note	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Fundraising receipts		810,512	3,771,798
Interest received		52,820	75,532
Dividends and distributions received		1,008,038	1,073,932
Contribution payments		(1,216,308)	(1,133,649)
Payments to suppliers		(147,792)	(100,232)
GST recovered/(paid)		5,556	4,468
Net cash provided by/(used in) operating activities		<u>512,826</u>	<u>3,691,849</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of available-for-sale financial assets		3,536,471	2,215,834
Purchase of available-for-sale investments		<u>(4,735,211)</u>	<u>(7,788,881)</u>
Net cash used by investing activities		<u>(1,198,740)</u>	<u>(5,573,047)</u>
Net increase/(decrease) in cash and cash equivalents held		(685,914)	(1,881,198)
Cash and cash equivalents at beginning of year		<u>1,149,018</u>	<u>3,030,216</u>
Cash and cash equivalents at end of financial year	5	<u><u>463,104</u></u>	<u><u>1,149,018</u></u>

The accompanying notes form part of these financial statements.

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2017

1 Summary of Significant Accounting Policies

(a) Reporting Entity

The Charles Sturt University Foundation Trust ('Trust') is a reporting entity and was established by a Deed of Settlement on 17th March 1994 and is recognised as a not-for-profit organisation. Charles Sturt University acts as Trustee of the Trust which operates for the benefit of Charles Sturt University. Charles Sturt University is the ultimate controlling entity of the Trust.

The financial statements have been authorised for release by the Trustee on the 12th April 2018.

(b) Basis of Preparation

The financial statements are general purpose financial statements and have been prepared in accordance with the following requirements:

- Australian Accounting Standards and Interpretations;
- *Public Finance and Audit Act 1983*, and *Public Finance and Audit Regulation 2015*; and
- Section 60.40 of the *Australian Charities and Not-for-profit Commission Regulation 2013* (ACNC Regulation).

Judgements, key assumptions and estimations made by management are disclosed in the relevant notes to the financial statements. The financial statements have been prepared in accordance with the historical cost convention except for certain financial assets which have been measured at fair value. All amounts are expressed in Australian dollars.

The accounting policies are consistent with those of the previous year unless otherwise specified.

(c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable.

The Trust recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Trust and specific criteria have been met for each of the Trust's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Trust bases its estimates on historical results, taking into consideration the nature and circumstances of the transaction.

Revenue is recognised for the major business activities as follows:

(i) Donations

The Trust receives a principal part of its income from donations by way of cheques, direct deposits and electronic funds transfers. Amounts donated are recognised as revenue when the Trust gains control of the donated amount, the economic benefits are probable and the amounts can be measured reliably; generally the recognition of revenue occurs when the donation is received.

(ii) Interest revenue

Interest revenue is recognised on an accrual basis.

Notes to the Financial Statements

For the Year Ended 31 December 2017

1 Summary of Significant Accounting Policies

(c) Revenue Recognition

(iii) Dividends and distributions

Dividends and distributions are recognised as revenue when the Trust's right to receive payment is established. Refunds of imputation credits, arising from investment income received, are recognised as revenue when the dividend or distribution is declared.

(iv) Disposal of investments

Gains and losses realised on sale of investments are taken to surplus/deficit on the Statement of Comprehensive Income. The gain or loss is the difference between the net proceeds of the disposal and the carrying value of the investment at the time of its disposal.

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(e) Trade receivables

Trade receivables are recognised on an accrual basis initially at fair value and they are subsequently measured at amortised cost using the effective interest method, less any applicable provision for impairment.

(f) Financial instruments

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Trust's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 31 December 2017

1 Summary of Significant Accounting Policies

(f) Financial instruments

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets or which have been designated in this category. The Trust's available-for-sale financial assets comprise listed and unlisted securities.

All available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in the income statement when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to profit or loss.

Losses recognised in a prior period income statement resulting from the impairment of debt securities are reversed through the income statement, if the subsequent increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

Impairment of financial assets

At the end of the reporting period the Trust assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in fair value of a security below its cost is considered in determining whether the security is impaired.

If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value; less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the Income Statement. Impairment losses recognised in the Statement of Comprehensive Income on equity instruments are not reversed through the Statement of Comprehensive Income.

(g) Income Tax

Designated as a registered charity, the Trust is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(h) 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, the applicable GST amount 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.

The Charles Sturt University Foundation Trust

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Notes to the Financial Statements

For the Year Ended 31 December 2017

1 Summary of Significant Accounting Policies

(i) Trade and other payables

These amounts represent unpaid liabilities for goods and services provided to the Trust prior to the end of the financial year. The amounts are unsecured and are usually paid within 30 days of recognition. Payables are carried at amortised cost and due to their short-term nature are not discounted.

(j) New Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2017 reporting periods. The Trust's assessment of the impact of these new Standards and Interpretations is set out below. Any Accounting Standards issued but not yet effective that are not disclosed below are considered to be insignificant to the Trust.

Standard	Application date	Implications
2014-5 Amendments to Australian Accounting Standards arising from AASB 15	1 Jan 2018	The impact on the Trust's financial statements is expected to be insignificant
2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)	1 Jan 2018	The impact on the Trust's financial statements is expected to be insignificant
2015-8 Amendments to Australian Accounting Standards - Effective Date of AASB 15	1 Jan 2018	The impact on the Trust's financial statements is expected to be insignificant
2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities	1 Jan 2019	The impact on the Trust's financial statements is expected to be insignificant
AASB 9 Financial Instruments	1 Jan 2018	On initial application of AASB 9, all existing financial instruments will be classified according to the AASB 9 criteria and transitional requirements. Financial instruments previously classified as available-for-sale and recognised at fair value through other comprehensive income, will be classified as fair value through profit or loss and an allowance for expected credit losses considered. The financial impact of these changes are yet to be quantified.
AASB 15 Revenue from Contracts with Customers	1 Jan 2019	The impact on the Trust's financial statements is expected to be insignificant
AASB 1058 Income of Not-for-Profit Entities	1 Jan 2019	The impact on the Trust's financial statements is expected to be insignificant

2 Revenue

	2017 \$	2016 \$
Fundraising revenue		
Contributions to corpus	348,231	3,192,594
Annually funded scholarships	462,281	579,204
Total fundraising revenue	810,512	3,771,798

The Charles Sturt University Foundation Trust

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Notes to the Financial Statements

For the Year Ended 31 December 2017

3 Investment revenue and other investment income

	2017	2016
	\$	\$
Interest	52,820	75,532
Dividends	453,169	469,585
Distributions	560,214	376,260
Gain /(loss) realised from available-for-sale financial assets	421,753	(11,355)
Total investment revenue	1,487,956	910,022

4 Contributions

	2017	2016
	\$	\$
Scholarships - annually funded	538,087	580,909
Scholarships - corpus	671,713	530,134
Grants	6,508	22,606
Total contributions	1,216,308	1,133,649

5 Cash and cash equivalents

	2017	2016
	\$	\$
Cash at bank	463,104	1,149,018
Total cash and cash equivalents	463,104	1,149,018

6 Other financial assets

	2017	2016
	\$	\$
CURRENT		
Held-to-maturity financial assets	-	350,000
Total current assets	-	350,000
NON-CURRENT		
Available for sale financial assets	17,406,862	15,193,557
Total non-current assets	17,406,862	15,193,557

The Charles Sturt University Foundation Trust

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Notes to the Financial Statements

For the Year Ended 31 December 2017

7 Remuneration of Auditors

Fees payable to the Audit Office of New South Wales for the audit of the financial statements for the Trust for the financial year ended 31 December 2017 was \$27,500 including GST (2016: \$26,950). The auditors did not receive any other benefits.

8 Key Management Personnel Disclosures

The following persons were responsible persons and executive officers of the Trust during the financial year.

Charles Sturt University is the Trustee. The University Council has delegated responsibility to the Vice Chancellor to act as Trustee on behalf of the University. The University paid the remuneration of all Charles Sturt University management staff in their roles as employees and there is no reasonable basis to apportion the remuneration between the Trust and the University.

(i) Council members who held office at the University during the year were:

Dr Michele Allan
Ms Saranne Cooke
Mr Peter Hayes
Dr Rowan O'Hagan
Ms Liz Smith

Professor Andrew Vann
Mr Graeme Bailey
Mrs Jennifer Hayes
Ms Lisa Schofield
Ms Elise McMahon

Professor Jo-Anne Reid
Mr Neville Page
Mr Jamie Newman
Dr Susan Wood

(ii) Names of Executive Officers:

Professor Andrew Vann
Professor Ken Dillon
Ms Debra Farrelly

Professor Toni Downes
Mr Paul Dowler
Mrs Jenny Roberts

Professor Mary Kelly
Mr Adam Browne

The responsible persons and executive officers of the Trustee of the Trust did not receive any income from the Trust in connection with the management of the affairs of the Trust during the financial period. During the year ended 31 December 2017, the Trust received \$12,434 in donations from Key Management Personnel.

9 Related Parties

(a) Controlling entity

The ultimate Australian parent entity of the Trust is Charles Sturt University, which at 31 December 2017 controls 100.00% (2016: 100.00%) of the Trust. Charles Sturt University is the Trustee of the Trust.

(b) Key management personnel

Disclosures relating to directors and specified executives are set out in note 8.

Notes to the Financial Statements

For the Year Ended 31 December 2017

9 Related Parties

(c) Transactions with related parties

The following transactions occurred with related parties:

	2017	2016
	\$	\$
Charles Sturt University		
Administrative expense contribution to Trustee	50,000	-

Charles Sturt University provided the Trust with a range of administrative support services. The value of the following services cannot be measured reliably and have not been recognised in the financial statements:

- office administration facilities
- accounting, fundraising support and administration services
- electricity and other utility services
- personnel services

10 Financial Risk Management

The Trust's principal financial instruments and the main risks arising are outlined below. These financial instruments arise directly from the Trust's operations.

The Trust's activities expose it to a variety of financial risks: market risk (including price risk, cash flow and fair value interest rate risk); credit risk; and, liquidity risk. The Trust's overall risk management strategy focusses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Trust.

Risk management is carried out by the University's Investment Committee. The Trust's Investment Policy provides written principles for overall risk management. Specific areas such as foreign exchange risk and the use of derivative and non-derivative financial instruments are not covered as the nature of the Trust's investment activities does not expose the Trust to such risks. The Trust does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Price risk

The Trust is exposed to the price risks of equity securities for the majority of its investments classified as available-for-sale financial assets.

To manage its price risk arising from investments in equity securities, the Trust actively engages with its investment advisor. The portfolio is diversified across a variety of investment asset classes consistent with the risk/return/timeframe objectives of the portfolio and the broader investment management objectives of the Trust.

The Charles Sturt University Foundation Trust

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Notes to the Financial Statements

For the Year Ended 31 December 2017

10 Financial Risk Management

(a) Market risk

(ii) Summarised sensitivity analysis

The following table summarises the sensitivity of the Trust's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk. There is no interest rate risk or price risk associated with the Trust's trade and other payables, and trade and other receivables.

31 December 2017	Carrying amount \$	Interest rate risk				Price risk			
		-1%		+1%		-10%		+10%	
		Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$
Financial assets									
Cash and cash equivalents - at bank	463,104	(4,631)	(4,631)	4,631	4,631	-	-	-	-
Trade and other receivables	128,060	(128)	(128)	128	128	-	-	-	-
Available for sale financial assets	17,406,862	(174,069)	(174,069)	174,069	174,069	(1,740,686)	(1,740,686)	1,740,686	1,740,686
Total increase/(decrease)	17,998,026	(178,828)	(178,828)	178,828	178,828	(1,740,686)	(1,740,686)	1,740,686	1,740,686
31 December 2016	Carrying amount \$	Interest rate risk				Price risk			
		-1%		+1%		-10%		+10%	
		Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$
Financial assets									
Cash and cash equivalents - at bank	1,149,018	(11,490)	(11,490)	11,490	11,490	-	-	-	-
Trade and other receivables	122,714	(123)	(123)	123	123	-	-	-	-
Available for sale financial assets	15,193,557	(151,936)	(151,936)	151,936	151,936	(1,519,356)	(1,519,356)	1,519,356	1,519,356
Financial assets - Held to maturity	350,000	(3,500)	(3,500)	3,500	3,500	-	-	-	-
Total increase/(decrease)	16,815,289	(167,049)	(167,049)	167,049	167,049	(1,519,356)	(1,519,356)	1,519,356	1,519,356

(iii) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in market interest rates. The Trust's interest rate risk arises primarily from investments in long term interest bearing financial instruments. In order to minimise exposure to this risk, the Trust invests in a diverse range of financial instruments with varying degrees of potential return. The purpose of this approach is to ensure that any potential interest losses are counteracted by guaranteed interest rate payments.

(iv) Recognised fair value measurements

The Trust categorises assets and liabilities measured at fair value into a hierarchy based on the level of certainty associated with measuring the value of the assets and the liabilities.

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)

Notes to the Financial Statements

For the Year Ended 31 December 2017

10 Financial Risk Management

(a) Market risk

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below:

Fair value measurements at 31 December 2017

	Note	2017 \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial assets					
Available-for-sale financial assets	6				
Listed investments		8,826,486	8,826,486	-	-
Unlisted investments		8,580,375	-	8,580,375	-
Total financial assets		17,406,861	8,826,486	8,580,375	-

Fair value measurements at 31 December 2016

	Note	2016 \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial assets					
Available-for-sale financial assets	6				
Listed investments		9,410,840	9,410,840	-	-
Unlisted investments		5,782,717	-	5,782,717	-
Total financial assets		15,193,557	9,410,840	5,782,717	-

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

Quoted market price represents the fair value determined based on active markets as at the reporting date without any deductions for transaction costs. The fair value of the listed equity investments and unlisted managed funds is based on quoted market prices.

(v) Disclosed fair values

The fair values of held-to-maturity investments that are disclosed in note 6 were determined by reference to published price quotations in an active market (level1).

(vi) Recurring fair value measurements

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Trust 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 or dealer quotes for similar instruments.

(b) Credit risk

Credit risk is the risk of financial loss arising from another party failing to comply with the terms of a contract. The Trust's maximum exposure to credit risk is represented by the carrying amount of the financial assets and liabilities included in the Statement of Financial Position.

The Charles Sturt University Foundation Trust

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Notes to the Financial Statements

For the Year Ended 31 December 2017

11 Reconciliation of surplus for the year to net cash provided by / (used in) operating activities

	2017	2016
	\$	\$
Surplus for the year	859,652	3,454,937
Gain /(loss) in fair value of available-for-sale financial asset transferred to profit or loss	(421,753)	26,355
Impairment of assets	70,125	-
Change in operating assets and liabilities:		
(Increase) / decrease in debtors	(5,345)	213,087
Increase / (decrease) in creditors	10,147	(2,530)
Net cash provided by / (used in) operating activities	512,826	3,691,849

12 Commitments

The Trust did not have any outstanding commitments as at 31 December 2017 (2016: \$Nil).

13 Contingent Assets and Liabilities

There were no contingent assets or liabilities as at 31 December 2017 (2016: \$Nil).

14 Events Occurring After the Reporting Date

The Trustee of the Trust has not identified any events after the reporting date that would require adjustment to the amounts recognised or disclosed in the financial statements.

End of audited financial statements

Charles Sturt Campus Services Limited

ABN 37 063 446 864 (a company limited by guarantee)

Audited Financial Statements for the year ending 31 December 2017



INDEPENDENT AUDITOR'S REPORT

Charles Sturt Campus Services Limited

To the Members of the New South Wales Parliament and Directors of Charles Sturt Campus Services Limited

Opinion

I have audited the accompanying financial statements of Charles Sturt Campus Services Limited (the Company), which comprise the Directors' Declaration, the Statement of Comprehensive Income for the year ended 31 December 2017, the Statement of Financial Position as at 31 December 2017, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, Notes to the Financial Statements comprising a Summary of Significant Accounting Policies and other explanatory information.

In my opinion:

- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2017, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- the financial statements 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
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

Basis for Opinion

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

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

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

I have also 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.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the PF&A Act 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 statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern disclosing, as applicable, matters related to going concern and using the going concern basis of accounting except where the Company will be dissolved by an Act of Parliament or otherwise cease operations.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

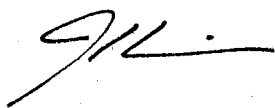
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

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_files/ar3.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 statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Ian Goodwin
Acting Auditor-General of NSW

17 April 2018
SYDNEY

Charles Sturt Campus Services Limited

37 063 446 864

Directors' Report

For the Year Ended 31 December 2017

The directors present their report on Charles Sturt Campus Services Limited (the Company) for the financial year ended 31 December 2017.

1. General information

Information on directors

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

Mr P Dowler	
Qualifications	BBus Mitchell CAE, CPA, MBA Charles Sturt University, Chief Financial Officer, appointed to the Board 18 May 2011
Mr J Kelly	
Qualifications	Manager, appointed to the Board 2008
Mr J Hamilton	
Qualifications	BBus(Acc) Charles Sturt University, CPA, Accountant, appointed to the Board on 12 March 2013
Mr A Crowl	
Qualifications	BBus (HR/Economics), Charles Sturt University, Manager Employee Relations and Policy, appointed to the Board on 30 October 2014
Mr D Pyke	
Qualifications	ACA, Accountant, appointed to the Board on 15 July 2015
Mr C Richardson	
Qualifications	BBus (Acc), CPA, Grad Dip Local Government Management, Charles Sturt University - Director Corporate Finance, appointed to the Board on 4 August 2017.
Mrs S Hooker	
Qualifications	Resigned as a Director on 23 March 2017.

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

Company Secretary

Ms K Hadley, Senior Finance Officer, appointed to the position on 21 March 2016.

Company details

Charles Sturt Campus Services Limited, a not-for-profit entity, was incorporated in Australia as a company limited by guarantee on 11 February 1994 (ABN: 37 063 446 864). In accordance with the Constitution, the liability for each member, in the event of the company winding up, is limited to \$20.00. There are six members/directors of the Company.

Charles Sturt Campus Services Limited

37 063 446 864

Directors' Report

For the Year Ended 31 December 2017

1. General information

Principal activities

During the financial year, the principal activities of Charles Sturt Campus Services Limited were the provision of cleaning, courier and laundry services to Charles Sturt University (the University). No significant changes in the nature of the Company's activities occurred during the financial year.

Long term and short term objectives

The Company's objectives are to provide quality cleaning, courier and laundry services to Charles Sturt University in a cost-effective manner. In order to achieve this objective, the company has implemented controls to monitor its services provided to the University through monthly reporting to the Board of Directors of its financial and operational performances. The financial and operating performances are assessed against an approved budget and the quality and timeliness of services provided are assessed against the requirements and expectations of a service level agreement as well as the nature of complaints and feedback received from the University and users of the Company's services. The Board of the Company is accountable to the University which is the parent of the Company.

Review of operations

The net profit of the Company was \$ 183,180 in 2017. Any profits earned are available to help provide for liabilities to creditors and employees, and they are derived only in the process of achieving the purpose of the Company.

Significant changes in state of affairs

No significant operating or other changes in the Company's state of affairs occurred during the financial year.

Likely developments

There are no likely developments or changes in the Company's operations which have been proposed for the immediate future.

Legal proceedings

The Company has not been involved in legal proceedings of any type during the year.

2. Other items

Dividends paid or recommended

As a company limited by guarantee, the Company is prohibited from paying dividends.

Events 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 future operations of the Company, the results of those operations or the state of affairs of the Company in future financial years excepting as stated under significant developments above.

Environmental issues

There are no known environmental issues affecting the Company.

Charles Sturt Campus Services Limited

37 063 446 864

Directors' Report

For the Year Ended 31 December 2017

2. Other items

Benefits received directly or indirectly by officers

From 1 January 2016, the external Directors of Charles Sturt Campus Services Limited are entitled to an agreed salary in respect to their contribution to the governance of the Company. The Directors and officeholders are covered by the following insurance policy:

Management Liability Policy
Chubb Policy No: 93315347
Expiry Date: 1 November 2018

Meetings of Directors

During the financial year, six (6) meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Mr P Dowler	6	6
Mr J Kelly	6	5
Mr J Hamilton	6	6
Mr A Crawl	6	5
Mr D Pyke	6	5
Mr C Richardson	3	3
Mrs S Hooker	2	1

Indemnification and insurance of officers and auditors

An insurance policy is held by Charles Sturt University which provides the Board with insurance coverage as described under 'Benefits received directly or indirectly by officers' above.

Auditor's independence declaration

The Auditor's Independence Declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Regulation 2013* (ACNC Regulation) is attached.

Signed in accordance with a resolution of the Board of Directors:

Director: 
Mr P Dowler

Director: 
Mr C Richardson

Dated this 11th day of April 2018

Charles Sturt Campus Services Limited

37 063 446 864

Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 9 to 23, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, and Section 41 C (1b) and (1c) of the *Public Finance and Audit Act 1983* and:
 - (a) comply with Australian Accounting Standards, the *Public Finance and Audit Act 1983 and Regulation 2015*, the *Australian Charities and Not-for-profit Commission Act 2012* and other mandatory professional reporting requirements
 - (b) give a true and fair view of the financial position as at 31 December 2017 and of the performance for the year ended on that date of the entity, and
2. In the directors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

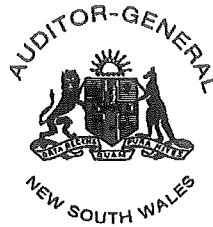
Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

This declaration is made in accordance with a resolution of the Board of Directors.

Director
Mr P Dowler

Director
Mr C Richardson

Dated 11th April 2018



To the Directors
Charles Sturt Campus Services Limited

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Charles Sturt Campus Services Limited for the year ended 31 December 2017, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Ian Goodwin
Acting Auditor-General of NSW

10 April 2018
SYDNEY

Charles Sturt Campus Services Limited

37 063 446 864

Statement of Comprehensive Income

For the Year Ended 31 December 2017

		2017	2016
	Note	\$	\$
Revenue	2	6,565,744	6,522,109
Other income		22,262	19,730
Total revenue		6,588,006	6,541,839
Employee related expenses	3	(5,468,474)	(4,958,861)
Depreciation expense		(12,000)	-
Other expenses	4	(924,353)	(1,052,138)
Total expenses		(6,404,827)	(6,010,999)
Profit from continuing operations		183,179	530,840
Profit for the year		183,179	530,840
Other comprehensive income			
Other comprehensive income for the year		-	-
Total comprehensive income for the year		183,179	530,840

The accompanying notes form part of these financial statements.

Charles Sturt Campus Services Limited

37 063 446 864

Statement of Financial Position

As at 31 December 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		1,394,926	1,184,126
Trade and other receivables		2,122	3,912
TOTAL CURRENT ASSETS		1,397,048	1,188,038
NON-CURRENT ASSETS			
Property, plant and equipment	5	116,243	60,000
TOTAL NON-CURRENT ASSETS		116,243	60,000
TOTAL ASSETS		1,513,291	1,248,038
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	67,564	16,804
Employee benefits	7	603,728	599,093
TOTAL CURRENT LIABILITIES		671,292	615,897
NON-CURRENT LIABILITIES			
Employee benefits	7	127,980	101,302
TOTAL NON-CURRENT LIABILITIES		127,980	101,302
TOTAL LIABILITIES		799,272	717,199
NET ASSETS		714,019	530,839
EQUITY			
Retained earnings		714,019	530,839
TOTAL EQUITY		714,019	530,839

The accompanying notes form part of these financial statements.

Charles Sturt Campus Services Limited

37 063 446 864

Statement of Changes in Equity

For the Year Ended 31 December 2017

2017

Note	Retained Earnings
	\$
	530,839
	183,179
	714,018

Balance 1 January 2017

Total comprehensive income for the year

Balance at 31 December 2017

2016

Note	Retained Earnings
	\$
	-
	530,839
	530,839

Balance at 1 January 2016

Total comprehensive income for the year

Balance at 31 December 2016

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2017

	Note	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		6,689,055	6,813,538
Payments to employees		(5,437,161)	(4,947,397)
Payments to suppliers		(966,028)	(1,150,333)
Net cash provided by (used in) operating activities	13	285,866	715,808
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		(75,066)	(66,000)
Net cash used by investing activities		(75,066)	(66,000)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net cash used by financing activities		-	-
Net increase (decrease) in cash and cash equivalents held		210,800	649,808
Cash and cash equivalents at beginning of year		1,184,126	534,318
Cash and cash equivalents at end of financial year		1,394,926	1,184,126

The accompanying notes form part of these financial statements.

Charles Sturt Campus Services Limited

37 063 446 864

Notes to the Financial Statements

For the Year Ended 31 December 2017

The financial statements are presented for Charles Sturt Campus Services Limited as an individual entity, which is incorporated and domiciled in Australia. Charles Sturt Campus Services Limited is a not-for-profit Company limited by guarantee.

1 Summary of Significant Accounting Policies

(a) Reporting Entity

Charles Sturt Campus Services Limited is a not for profit entity, incorporated in Australia as a company limited by guarantee on 11 February 1994 (ABN: 37 063 446 864).

The registered office for Charles Sturt Campus Services Limited is The Grange Chancellery, Charles Sturt University, Panorama Avenue, Bathurst. The principal activities of Charles Sturt Campus Services Limited in the course of the financial reporting period were cleaning, courier and laundry services to Charles Sturt University at the Bathurst Campus, Albury-Wodonga Campus, Orange Campus and Wagga Wagga Campus.

There are six directors of Charles Sturt Campus Services Limited (2016: six directors). If upon the winding up or dissolution of the Company, and after satisfaction of all its debts and liabilities, any remaining property whatsoever shall be paid or transferred to the University.

(b) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with:

- (i) Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board
- (ii) *Public Finance and Audit Act 1983*
- (iii) *Public Finance and Audit Regulation 2015*
- (iv) Section 60.40 of the *Australian Charities and Not-for-profit Commission Regulation 2013* (ACNC Regulation)

These financial statements and notes comply with the Australian Accounting Standards as issued by the Australian Accounting Standards Board.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with the policies used in prior reporting periods unless otherwise stated. The financial statements are based on historical costs, except for the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Date of authorisation for issue

The financial statements were authorised for issue by the members of Charles Sturt Campus Services Limited on 23 March 2018.

Functional and presentation currency

The functional and presentation currency of Charles Sturt Campus Services Limited is Australian dollars.

(c) Statement of Compliance

Critical accounting estimates

Notes to the Financial Statements

For the Year Ended 31 December 2017

1 Summary of Significant Accounting Policies

(c) Statement of Compliance

The preparation of financial statements in accordance with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed where applicable in the relevant note to the financial statements, specifically, provision for long service leave.

Note 5: Provision for long service leave

The Company's provision for long service was assessed by KPMG for the year ended 31 December 2017. Key assumptions used in the calculation are detailed in note 1(f).

(d) Going concern

The financial statements have been prepared on the going concern basis. This basis has been adopted as the Company has received a guarantee of continuing financial support from Charles Sturt University (the University) to allow the Company to meet its liabilities. The Company believes that such financial support will continue to be made available. The Company fully recovers all expenses on a monthly basis from the University through a Service Level Agreement with the University that expires on 13 March 2018.

(e) Revenue Recognition

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

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Revenue is recognised for the major business activities as follows:

(i) Rendering of Services

Revenue from employment services is recognised by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

(f) Employee benefits

(i) Short-term obligations

Liabilities for short-term employee benefits (including wages and salaries, non-monetary benefits and profit-sharing bonuses) are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before twelve 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 at that time.

(ii) Other long-term obligations

Notes to the Financial Statements

For the Year Ended 31 December 2017

1 Summary of Significant Accounting Policies

(f) Employee benefits

The liability for other long-term benefits are those obligations 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 annual leave, accumulating sick leave and long service leave liabilities.

The liability 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 predicted future wage and salary levels, experiences 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 twelve months after the reporting date, in which case it would be classified as a non-current liability.

(iii) Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The Company recognises the expense and liability for termination benefits either when it can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring within the scope of AASB 137 that involves the payment of termination benefits. The expense and liability are recognised when the Company is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits are measured on initial recognition and subsequent changes are measured and recognised in accordance with the nature of the employee benefit. Benefits expected to be settled wholly within twelve months are measured at the undiscounted amount expected to be paid. Benefits not expected to be settled before twelve months after the end of the reporting period are discounted to present value.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with financial institutions, 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.

(h) Trade receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are recognised on an accrual basis and measured at fair values which are not discounted due to their short term nature. The Company assesses whether objective evidence of impairment exists on an ongoing basis.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy or financial reorganisation, and the default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Notes to the Financial Statements

For the Year Ended 31 December 2017

1 Summary of Significant Accounting Policies

(h) Trade receivables

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the adjustment provision, if any, is recognised in the statement of profit or loss and other comprehensive income.

(i) Income Tax

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

(j) 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. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified as operating cash flows.

(k) Property, Plant and Equipment

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

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

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

Depreciable assets	2017
Plant and Equipment	5 years
Motor Vehicles	5 years

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.

Notes to the Financial Statements

For the Year Ended 31 December 2017

1 Summary of Significant Accounting Policies

(l) Trade and other payables

Payables represent unpaid liabilities for goods and services provided to the Company prior to the end of the financial year. These amounts are unsecured and are usually paid on creditor payment terms. After initial measurement at fair value, they are subsequently measured at amortised cost. Due to their short term nature they are not discounted.

(m) New Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2017 reporting periods. Charles Sturt Campus Services Limited's assessment of the impact of relevant new Standards and Interpretations is set out below:

Standard	Application date	Impact
AASB 2014-5 Amendments to Australian Accounting Standards AASB 15	1 Jan 2018	The impact on the Company's financial statements is expected to be insignificant.
AASB 2014-7 Amendments to Australian Accounting Standards AASB 9 (December 2014)	1 Jan 2018	The impact on the Company's financial statements is expected to be insignificant.
AASB 2015-8 Amendments to Australian Accounting Standards - Effective Date of AASB 15	1 Jan 2018	The impact on the Company's financial statements is expected to be insignificant.
AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities	1 Jan 2019	The impact on the Company's financial statements is expected to be insignificant.
AASB 9 Financial Instruments	1 Jan 2018	On initial application of AASB 9, all existing financial instruments will be classified according to the AASB 9 criteria and transitional requirements. The financial impact of these changes is expected to be insignificant.
AASB 15 Revenue from Contracts with Customers	1 Jan 2019	The impact on the Company's financial statements is expected to be insignificant.
AASB 1058 Income of Not-for-Profit Entities	1 Jan 2019	The impact on the Company's financial statements is expected to be insignificant.

Charles Sturt Campus Services Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2017

2 Revenue

	2017 \$	2016 \$
Revenue		
Fees	6,565,744	6,522,109
Total revenue	6,565,744	6,522,109
Other income		
Reimbursements	22,262	19,730
Total other income	22,262	19,730

Fee revenue

Fees for services rendered are largely derived from services provided to Charles Sturt University in respect to cleaning, maintenance and courier services (refer to 1(e)).

3 Employee related expenses

	2017 \$	2016 \$
Salaries	4,200,806	3,730,620
Superannuation		
- Defined contribution	467,629	403,066
Payroll tax	270,121	236,768
Workers' compensation	217,811	357,705
Long service leave expense	41,470	17,410
Annual leave	270,636	213,293
Total employee related expenses	5,468,473	4,958,862

Charles Sturt Campus Services Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2017

4 Other expenses

	2017	2016
	\$	\$
Auditors fees	12,300	12,000
Advertising	299	-
Buildings, grounds and services	3,720	17,521
Communications	8,550	5,918
Fees for services rendered	470,146	511,798
Maintenance of equipment	46,404	30,962
Motor vehicle expenses	24,140	19,110
Scholarships, grants and prizes	152	-
Stores and provisions	310,165	405,977
Travel	48,473	48,852
Other expenses	4	-
Total other expenses	924,353	1,052,138

5 Property, plant and equipment

Plant and equipment

At cost	68,243	-
Accumulated depreciation	-	-
Total plant and equipment	68,243	-

	2017	2016
	\$	\$
Motor vehicles		
At cost	60,000	60,000
Accumulated depreciation	(12,000)	-
Total motor vehicles	48,000	60,000
Total property, plant and equipment	116,243	60,000

6 Trade and other payables

	2017	2016
	\$	\$
Current		
Other payables	67,564	16,804
Total current trade and other payables	67,564	16,804

Charles Sturt Campus Services Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2017

7 Provisions

	2017 \$	2016 \$
Current provisions expected to be settled wholly within 12 months		
Employee benefits		
Annual leave	269,563	253,850
Long service leave	52,873	47,945
	322,436	301,795
Current provisions expected to be settled wholly after more than 12 months		
Employee benefits		
Annual leave	98,427	131,883
Long service leave	182,865	165,415
	281,292	297,298
Total current provisions	603,728	599,093
Non-current provisions		
Employee benefits		
Long service leave	127,980	101,302
Total non-current provisions	127,980	101,302
Total provisions	731,708	700,395

Annual leave

The liability for annual leave is recognised in current provisions for employee benefits as it is due to be settled within 12 months after the end of the report period. It is measured at the amount expected to be paid when the liability is settled. Regardless of the expected timing of settlements, provisions made in respect to annual leave are classified as a current liability.

Long service leave

The liability for long service leave (LSL) 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. Consideration is given to predicted 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.

The provision for LSL was assessed by KPMG for the year ended 31 December 2017. Key assumptions in for this calculation are detailed in note 1(f).

Charles Sturt Campus Services Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2017

8 Key Management Personnel

The Company determined that all external Directors would be entitled to receive a set rate remuneration in connection with the management of the affairs of the Company to improve the professionalism and quality of the Board of Directors membership. All other key management personnel were employed by Charles Sturt University except the Company executive officer who was employed by the Company.

(a) Remuneration of board members and executive officers

	2017 Number	2016 Number
Remuneration of Board Members		
Nil to \$9,999	2	2

	2017 Number	2016 Number
Remuneration of executive officers		
\$110,000 to \$119,999	1	1

(b) Totals of remuneration paid

The totals of remuneration paid to the key management personnel of Charles Sturt Campus Services Limited during the year are as follows:

	2017 \$	2016 \$
Short-term employee benefits	129,171	121,243
Total remuneration	129,171	121,243

9 Remuneration of Auditor

	2017 \$	2016 \$
Audit and review of the Financial Statements		
- Fees paid to NSW Audit Office	12,300	12,000
Total	12,300	12,000

It is the entity's policy to engage NSW Audit Office to perform the statutory audit duties pursuant to the Public Finance and Audit Act 1983. In 2017 there were no fees paid to other firms for consulting and assurance services (2016: Nil).

10 Contingencies

The Company did not have any contingent assets and liabilities as at 31 December 2017 (31 December 2016: Nil).

Notes to the Financial Statements

For the Year Ended 31 December 2017

11 Commitments

The Company did not have any commitments at 31 December 2017 (2016: Nil).

12 Related Parties

(a) Entities exercising control over the Group

The ultimate parent entity, which exercises control over the Company, is Charles Sturt University.

(b) Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 8: Key Management Personnel.

(c) Transactions with related parties

The University meets the expenses of the Company principally in return for services provided to the University under the service level agreement (expiration: 13 March 2018). All transactions are processed through inter-entity accounts with the University in a manner similar to a bank account. These are treated as payments and receipts for the purposes of the statement of cash flows.

The following transactions occurred with related parties:

	2017	2016
	\$	\$
Sale of goods and services		
Charles Sturt University	6,518,519	6,506,421

(d) Related party services not recognised

Charles Sturt University provides Charles Sturt Campus Services Limited with a range of administrative support services. The value of the services which have not been recognised in the financial statements include:

- provision of advisory services
- office accommodation facilities
- accounting and administrative services
- electricity and other utility services

Notes to the Financial Statements

For the Year Ended 31 December 2017

13 Cash Flow Information

(a) Reconciliation of result for the year to cash flows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2017	2016
	\$	\$
Operating result for the period	183,179	530,839
Add back depreciation	12,000	-
(Increase) /decrease in trade and other receivables	8,614	166,486
Increase/(decrease) in other payables	50,760	7,019
Increase/(decrease) in provision for annual leave	(17,743)	(7,651)
Increase/(decrease) in provision for long service leave	49,056	19,115
Cash flow from operating activities	285,866	715,808

14 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.

End of audited financial statements

CONTACT DETAILS

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