



Charles Sturt
University

2019 Annual Report

to the Parliament and
the community



Charles Sturt University Annual Report 2019

Published by: Office of the Vice-Chancellor
The Grange Chancellery
Panorama Avenue
Bathurst NSW 2795

Production by: Office of the Vice-Chancellor

Printed by: CSU Print

ISSN: 1036-465X

The Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS)
Provider Number for Charles Sturt University is 00005F.

© Charles Sturt University 2020. F6347

No external costs were incurred in the production of this annual report.

A copy of the Charles Sturt University Annual Report 2019 is available at csu.edu.au/about/publications

Submission letter

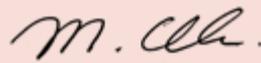
**For the period 1 January 2019
to 31 December 2019**

The Hon. Geoff Lee
Minister for Skills and Tertiary Education
Higher Education and Tertiary Policy Directorate
Department of Education
Level 11, 1 Oxford St
Darlinghurst NSW 2010

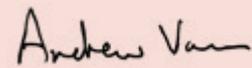
Dear Minister,

In accordance with the provisions of the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983* we are pleased to present to Parliament the Annual Report of Charles Sturt University for the year 2019.

Yours faithfully,



Dr Michele Allan
Chancellor



Professor Andrew Vann
Vice-Chancellor

Contents

Chancellor's foreword	3	Governance	36
About Charles Sturt University	4	Item 11 Risk management and insurance activities	36
For the public good	5	Non-unimutual non-core covers below	37
University strategy	6	Item 12 Consultants	38
Strategic focus areas	6	Item 13 Land disposals	39
People and community	10	Item 14 Major works	40
Item 1 University council	10	Item 15 Legal change	42
Management and structure	15	Changes in Acts and subordinate legislation and significant judicial decisions affecting the university or users of its services - 2019	42
Item 2 Senior executive performance and remuneration	16	Legislative changes	42
Item 3 Human resources	22	Judicial decisions	42
Employees / employee wage movement	22	Item 16 Access to information	44
Employee wage movements	22	Item 17 Privacy and personal information	47
Personnel and industrial relations policies and practices	22	Item 18 Public interest disclosures	48
Item 4 Workforce diversity	24	Item 19 Cyber security policy (CSP) attestation	49
Statistical information (data as at 31 March 2019)	24	Item 20 Compliance statement	50
Achievements in 2019	25	Financial report	54
Activities planned for 2020	25	Item 21 Accounts payment performance	54
Item 5 Disability inclusion action plans	25	Item 22 Disclosure of controlled entities and subsidiaries	55
Achievements in 2019	25	Item 23 Investment performance	56
Activities planned for 2020	25	Item 24 Economic or other factors	57
Item 6 Multicultural policies and services program	27	Item 25 Credit card certification	58
Item 7 Work health and safety	28	Financials	59
WHS management systems	28	Budgeted Financial Statements	60
Governance	28	Audited financial statements	64
Consultation	28	Charles Sturt University	64
Health and wellbeing	28	The Charles Sturt University Foundation Trust	138
Return to work management	29	Charles Sturt Campus Services Limited	162
Activities planned for 2020	29		
Item 8 Promotion (overseas travel)	38		
Item 9 Funds granted	30		
Item 10 Consumer response	35		



Chancellor's foreword

During a volatile time in the higher education sector, Charles Sturt University has continued to deliver positive outcomes. We maintained our rank of number one for the highest full-time employment rate for undergraduates immediately following graduation for the fourth consecutive year. I'm proud that we shape and influence such in-demand graduates across so many critical disciplines. Our graduates and the work we do at Charles Sturt delivers impact both nationally and in our local communities. We truly help create a world worth living in.

We continued to deliver on our strategy, which focused on successful graduates, vibrant regional communities and strong capability in our delivery. We strengthened our community engagement, furthered our commitment to the Rural Medical School and deepened our links with industry and our education partners.

At the end of 2019 catastrophic fires swept New South Wales and we actively supported firefighters in our regions, particularly in the mid-north coast. I commend our staff and students on the ground in Port Macquarie for their exceptional commitment to their community.

As we head into 2020 we know universities are facing pressures from economic and public health developments and the impact of policy decisions made in prior years regarding caps on the sector. We have made changes to strengthen our position in the higher education market. Charles Sturt continues to steer through the uncertainty with strong management and a commitment to the public good. We will meet the challenges head on.

We have much to achieve in 2020. The Joint Program in Medicine will commence accepting students, setting a foundation to deliver critical skills for our communities. We will continue to make strategic decisions, based on insightful information, to ensure we meet our objectives through our University Strategy.

Together with the Council, I thank our staff, students, partners and communities at Charles Sturt University. As a regional leader we have a meaningful place in the lives of so many people, and we strive each day for yindyamarra winhanganha (the wisdom of respectfully knowing how to live well in a world worth living in).

Dr Michele Allan
Chancellor

“ I'm proud that we shape and influence such in-demand graduates across so many critical disciplines. ”



About Charles Sturt University

Charles Sturt University is the largest regionally based university in Australia, enrolling more than 43,000 students from across Australia and more than 120 countries around the world. We take that role deeply to heart, knowing we provide higher education to so many students, enabling them to reach their goals and positively impact the lives of others.

We understand we need to provide our education services in increasingly innovative ways. We have been a leader in providing distance education for more than 50 years and are one of the largest and most experienced providers of online learning. In 2019 we updated the technology, delivery and student experience of our online courses, with further efforts to come next year.

We continued to offer a suite of courses comparable to universities nationwide, as well as focused on the skills shortages affecting our communities. We created new courses to meet the demand for the skills graduates of the future will need – in business, accounting, social work and care, engineering and medicine alongside our historical strengths in agriculture, communication, community health and the environment. We continued to graduate more Indigenous students at Charles Sturt than any other Australian university. And we will continue to deliver innovative learning options to help Australians to fulfil their potential in their careers and their lives.

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

In 2019 our research was recognised to be world class. The Australian Research Council found that seven broad fields of research and 17 specific fields of research were ranked world standard, or above world standard. This represents an increase on our rankings in 2012 and 2015. I'm proud that our staff are delivering research outcomes with wide-ranging impact: real outcomes for real people, applicable nationally, and indeed globally.

This year saw devastating bushfires in Australia and our regions were particularly affected. Though we do not wish to see such events, I can say that our people – students, professional/general staff and our academics, as well as our community partners and friends – came together powerfully to do all we could to support those affected by bushfires and to share our knowledge to help our communities, wildlife and flora recover.

We made strides in our governance this year. We invested in this to meet the requirements put forth by the Tertiary Education Quality and Standards Authority (TEQSA) in 2019 and we will continue to deliver in accordance with TEQSA's requirements. This work will ensure we operate as a strong, capable higher education provider, delivering results for our students and communities.

We know there will be tough moments in 2020 as there were in 2019, both in our own lives and in ensuring the continued success of this institution. We will have opportunities to celebrate too. Our first student cohort accepted into our Rural Medical School will be the culmination of many years of effort to contribute to providing medical care for rural and regional communities comparable to our city counterparts.

Our values

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 are hands-on. We aren't about what we say; we're about what we can do.

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

Each day we help to create 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. 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.

Professor Andrew Vann
Vice-Chancellor



Insightful

Understanding people and the world



Inclusive

Stronger together



Impactful

Outcome driven



Inspiring

Leading for the future

University Strategy 2022

Charles Sturt University's aspirations are elaborated through these enduring and long-term objectives for each of our key stakeholders. The university developed a strategy that commenced in 2017 and was refined in 2018 for delivery through to 2022.

Strategic focus areas

Our students



Objective: Successful graduates

Our students will have a strong sense of belonging and connectedness to their university. They will receive a high-quality, flexible learning experience that fits around their life and aspirations.

Our students will graduate from Charles Sturt with the knowledge, skills, attitudes and professional networks for a meaningful life and successful career.

Our communities



Objective: Vibrant regional communities

We are a university of the land and people of our regions.

We have a critical role in building strong, vibrant regional communities with intellectual capital, social capital and infrastructure.

Our internal capability



Objective: A strong university

To remain true to our mission and achieve our strategic objectives for our communities, our students and ourselves, we need to evolve our capability and workforce to develop a strong university that has the organisational culture, workplace capability and agility to adapt and thrive in a continually changing environment.



People and community

Item 1. University Council

The Council is constituted to ensure the proper stewardship and strategic direction of Charles Sturt University. It is directly accountable to the stakeholders of the university for creating and delivering value and improved performance through effective governance. During 2019 the membership of the Council reflected the perspectives and capabilities of our various stakeholders – our staff, students, graduates and communities.

Note: Sections noted below refer to sections of the Charles Sturt University Act 1989.

Members of the Council during 2019

*Note: Other Directorships are as at 31 December 2019.



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

Most recent appointment: 3 December 2018

Chair – Council Executive Committee

(Committee established on 1 July 2019)

Chair – Chancellor's Foresighting Committee

(Committee disestablished on 1 July 2019)

Chair – Nomination and Remuneration Committee

Member – Foresighting Committee

(Committee established on 21 June 2019)

Other Directorships

- Chair – Apple and Pear Australia Limited
- Chair – Council of Rural Research and Development Corporations
- Non-Executive Director – Smart Sat CRC
- Non-Executive Director – CSIRO
- Non-Executive Director – Nuffield Australia
- Non-Executive Director – Food Agility CRC Board
- Member – 2026 Spatial Industry Transformation and Growth Agenda Leadership Group
- Member – Dairy Food Safety Victoria



Professor Andrew Vann

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

Vice-Chancellor (s 8I(b))

Term: 31 December 2011 to 24 December 2021

Most recent appointment: 1 January 2017

Deputy Chair – Council Executive Committee

(Committee established on 1 July 2019)

Member – Foresighting Committee

(Committee established on 21 June 2019)

Member – Chancellor's Foresighting Committee

(Committee disestablished on 1 July 2019)

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
- Director – Higher Education Services Board
- Deputy Chair – Universities Australia
- Alternate Director – Somerville Collection Board
- Board Member – CSU-DPI Alliance Executive Committee
- Advisor – Australian Festival of Chamber Music Future Fund
- Member – NSW Vice-Chancellor's Committee



Dr Saranne Cooke

BCom (ANU), MBus(Mkt) (CSturt), MComLaw (Deakin), FCPA, AFAMI, GAICD, CPM

Deputy Chancellor, Ministerial appointee (s 8H(1))
(appointed as Deputy Chancellor on 1 July 2019)

Term: 14 September 2013 to 30 June 2021
Most recent appointment: 1 September 2017

Deputy Chair – Council Executive Committee

(Committee established on 1 July 2019)

Chair – Finance, Audit and Risk Committee

(Term commenced on 1 July 2019)

Deputy Chair – Nomination and Remuneration Committee

(Term commenced on 1 July 2019)

Member – Foresighting Committee

(Committee established on 21 June 2019)

Member – Investment Committee

(Term ended on 10 October 2019)

Other Directorships

- Director – Royal Flying Doctor Service (South Eastern) Board
- Director – Western NSW Primary Health Network
- Director – Fisheries Research and Development Corporation
- Trustee Director – Health Employees Superannuation Trust Australia (HESTA)
- Director – Leading Age Services Australia
- Board Member – Racing NSW
- Chair – Australian Institute of Company Directors Western Region NSW Committee
- Chair – Catholic Development Fund, Catholic Diocese of Bathurst
- Deputy Chair – Finance Council, Catholic Diocese of Bathurst



Mr Peter Hayes AM

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

- Presiding Member – Wine Australia Selection Committee
- Board Member – Irrigation Australia Pty Ltd



Emeritus Professor Joyce Kirk

BA, DipEd (USyd), MLitt (UNE), MA (Lib) (UCan), CCAE, PhD (UTS), GAICD

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

Term: 28 September 2018 to 28 February 2020

Most recent appointment: 28 February 2020

Member – Chancellor’s Foresighting Committee

(Committee disestablished on 1 July 2019)

Member – Council Executive Committee

(Committee established on 1 July 2019)

Member – Nomination and Remuneration Committee

Member – Finance, Audit and Risk Committee

(term commenced on 10 October 2019)

Member – Academic Governance Review Committee

(Committee disestablished on 15 August 2019)

Other Directorships

- Chair – Academic Board UTS Insearch
- Invited Member – Insearch Limited Board
- Chair – Academic Board Melbourne Polytechnic
- Fellowships Convenor – Australian Federation of University Women NSW Branch
- Member – Fellowships Advisory Committee National Library of Australia



Mr Graeme Bailey

BCom (UNSW), FCA

Council appointee (s 8G(1))

Term: 19 September 2014 to 30 June 2022

Most recent appointment: 1 July 2018

Chair – Investment Committee

Other Directorships

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



Ms Julie Cleary

BEd (LaTrobe), GradCertMgt (LaTrobe), MEd (LaTrobe)

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

Term: 1 July 2018 to 30 June 2020

Most recent appointment: 1 July 2018

Member – Finance, Audit and Risk Committee



Dr Kate Cornick

PhD (Melb), BE/BSc (Elec) (NICTA/Melb)

Council appointee (s 8G(1))

Term: 1 February 2018 to 31 January 2022

Most recent appointment: 1 February 2018

Member – Foresighting Committee

(Committee established on 21 June 2019)

Member – Finance, Audit and Risk Committee

Other Directorships

- Member – Board of .au Domain Administration



Mrs Jennifer Hayes

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

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

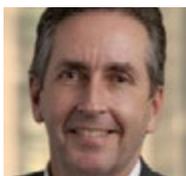
Term: 1 July 2013 to 30 June 2019

Most recent appointment: 1 July 2015

Deputy Chair – Finance, Audit and Risk Committee

Other Directorships

- Director – Hunter Primary Care Ltd
- Board Member – Regional Development Australia Hunter
- Chair – Hunter Primary Care Ltd Finance, Audit and Risk Committee
- Chair – Cessnock City Council, Audit Committee
- Co-Founder and Member – City2City, Community Foundation for Albury-Wodonga Region Ltd (Border Trust)



Mr John Lloyd

Ministerial appointee (s 8H(1))

Term: 14 October 2019 to 14 October 2023

Most recent appointment: 14 October 2019

Other Directorships

- Director – Fisheries Research and Development Corporation
- Director – Grains and Legumes Nutrition Council
- Director – Agribusiness Australia Ltd
- Director – Menari Business Solutions



Mr Philip Marcus Clark AO

Council appointee (s 8G(1))

Term: 1 July 2019 to 30 June 2023

Most recent appointment: 1 July 2019

Member – Investment Committee

(Term commenced on 17 September 2019)

Other Directorships

- Chair – Shopping Centres Australasia Property Group
- Chair – Bronson Consulting Pty Ltd
- Chair – QOT Pty Ltd
- Chair – Trustees, Royal Botanic Gardens and Domain Trust
- Chair – NSW Skills Boards
- Chair – Trustees, NSW Public Purpose Fund
- Chair – University of Wollongong Early Start Advisory Board
- Director – Food Agility CRC
- Member – Team NSW Tourism Taskforce
- Member – Tennis NSW Corporate Advisory Board
- Chair – Trustees, The Fairfax Road Trust
- Chair – Trustees, PM Clark Family Trust



Ms Elise McMahon

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

Term: 1 July 2016 to 6 December 2019

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 Regional Aboriginal Health Service Inc



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
(Term ended 30 June 2019)

Chair – Academic Governance Review Committee
(Committee disestablished on 15 August 2019)

Other Directorships

- Treasurer – Australian Native Plants Society (Canberra Region)



Ms Lisa Schofield

BA(Comm) (CSturt)

Council appointee (s 8F(1))

Term: 1 January 2016 to 31 December 2023

Most recent appointment: 1 January 2020

Member – Investment Committee



**Associate Professor
Shokoofeh Shamsi**

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

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

Term: 1 July 2018 to 30 June 2020

Most recent appointment: 1 July 2018



Emeritus Professor Christina Slade

Council appointee (s 8G(1))

Term: 1 July 2019 to 30 June 2023

Most recent appointment: 1 July 2019

Member – Finance, Audit and Risk Committee
(Term commenced on 17 September 2019)

Other Directorships

- Director – Media Centre for Education Research Australia (MCERA)
- Board Member – Culture at Work (CAW)
- Board Member – Advisory Board QS Rankings



Dr Lyndal Thorburn

Council appointee (s 8G(1))

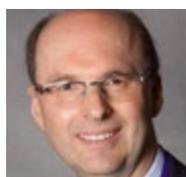
Term: 1 July 2019 to 30 June 2023

Most recent appointment: 1 July 2019

Member – Foresighting Committee
(Term commenced on 17 September 2019)

Other Directorships

- Director – Capital Health Network Ltd
- Director and Company Secretary – Enabled Employment Pty Ltd
- Company Secretary – Skadia Technologies Pty Ltd
- Managing Director and Company Secretary – Viria Pty Ltd
- Director – Jordan Thorburn Holdings Pty Ltd



Dr Peter Woodgate

DBA (RMIT), MAppSc (UNSW), BForSc (Melb),
DipFor (VicSchFor), GAICD, FSSI (Hon)

Council appointee (s 8G(1))

Term: 1 February 2018 to 31 January 2022

Most recent appointment: 1 February 2018

Chair – Foresighting Committee
(Committee established on 21 June 2019)

Member – Nomination and Remuneration Committee

Other Directorships

- Co-Chair – Australian Government Space Cross-Sectoral Interest Group
- Chair – Australian Urban Research Infrastructure Network Board
- Founding Member – Editorial Committee of the International Journal of Digital Earth
- Co-Chair – Leadership Group, 2026 Spatial Industry Growth and Transformation Agenda
- Chair – SmartSat CRC
- Board Member – PSMA Australia Ltd
- Board Member – PSMA Distribution Pty Ltd
- Chair – PSMA Australia Ltd Audit and Risk Committee
- Member – PSMA Australia Ltd Investment Committee
- Member – Australian Government's Space Industry Leaders Forum
- Member – Swinburne Industry Research Advisory Committee
- Principal Fellow – University of Melbourne

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		Council Executive Committee		Foresighting Committee		Academic Governance Review Committee	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Dr Michele Allan	14	13	4	4	-	-	-	-	7	7	9	9	3	2	-	-
Mr Peter Hayes AM	6	6	1	1	3	3	-	-	7	7	-	-	3	3 ⁹	-	-
Dr Saranne Cooke	14	14	3	4 ¹	4	4	3	3	-	-	9	9	3	3	-	-
Professor Andrew Vann	14	13	4	4	7 ²	6 ^{3,4}	4 ²	3 ³	7	7 ⁴	9	9	3	3	-	-
Emeritus Professor Joyce Kirk	14	13	4	3	1	2 ¹	-	-	7	7	9	9	-	-	2	1
Mr Graeme Bailey	14	13	-	-	-	-	4	4	-	-	-	-	-	-	-	-
Ms Julie Cleary	14	13	-	-	7	6	-	-	-	-	-	-	-	-	-	-
Dr Kate Cornick	14	12	-	-	7	7	-	-	-	-	-	-	3	3	-	-
Mrs Jennifer Hayes	6	3	-	-	3	3	-	-	-	-	-	-	-	-	-	-
Mr John Lloyd	3	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr Philip Marcus Clark AO	8	8	-	-	-	-	1	1	-	-	-	-	-	-	-	-
Ms Elise McMahon	14	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr Jamie Newman	14	7	4	2	-	-	-	-	-	-	-	-	-	-	-	-
Mr Neville Page	6	6	-	-	3	3	-	-	-	-	-	-	-	-	2	2
Ms Lisa Schofield	14	11	-	-	-	-	4	3	-	-	-	-	-	-	-	-
A/Professor Shokoofeh Shamsi	14	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Emeritus Professor Christina Slade	8	8	-	-	3	3	-	-	-	-	-	-	-	-	-	-
Dr Lyndal Thorburn	8	8	-	-	-	-	-	-	-	-	-	-	2	2	-	-
Dr Peter Woodgate	14	13	4	3	-	2 ³	-	-	-	-	-	-	3	3	-	-

A = Number of meetings held during the time the member held office.

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

1. Attendee at one meeting prior to term commencing on committee.
2. One meeting was held by flying minute attended by members only.
3. Attendee at all meetings.
4. One meeting was attended by the Acting Vice-Chancellor.
5. The Chancellor's Foresighting Committee was disbanded on 1 July 2019 (as approved by the University Council at its meeting on 13 June 2019 (refer to resolution CNL 19/50)).
6. The Council Executive Committee was established on 1 July 2019 (as approved by the University Council at its meeting on 13 June 2019 (refer to resolution CNL 19/50)).
7. The Foresighting Committee was established on 21 June 2019 (as approved by the University Council at its meeting on 13 June 2019 (refer to resolution CNL 19/50)).
8. The Academic Governance Review Committee was disbanded on 15 August 2019 (as approved by the University Council at its meeting on 15 August 2019 (refer to resolution CNL 19/88)).
9. Appointed as an external member to the Foresighting Committee.

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 venues and catering, and associated expenses.

Name	Position	Remuneration		Additional expenses incurred					
		Honorarium	Super	Training and development	Graduations (including attestation)	University ceremonies and stakeholder events	Official meetings	Other ³	
Dr Michele Allan	Chancellor (s 8(a))	\$45,842.42	\$4355.00	-	-	-	\$8871.01	\$4075.59	
Mr Peter Hayes	Deputy Chancellor (s 8F(1))	\$17,635.00	\$1524.00	-	\$434.55	-	\$5622.41	\$2335.48	
Dr Saranne Cooke	Deputy Chancellor (s 8F(1)) ⁵	\$23,370.00	\$2220.00	\$1732.77	\$2301.26	-	\$7112.90	\$1360.55	
Professor Andrew Vann ⁴	Vice-Chancellor (s 8(b))	Ineligible ¹		-	-	-	-	-	
Emeritus Professor Joyce Kirk	Presiding Officer, Academic Senate (s 8(c))	\$101,335.00	\$13,675.00	-	-	-	\$3616.14	-	
Mr Graeme Bailey	Council appointee (s 8G(1))	\$22,921.00	\$2,178.00	-	-	-	\$4765.63	-	
Ms Julie Cleary	Elected member (s 8E(2)(b))	Ineligible ^{1,2}		\$746.93	-	-	\$1462.97	-	
Dr Kate Cornick	Council appointee (s 8G(1))	\$16,942.00	\$1609.00	-	-	-	\$5274.34	-	
Mrs Jennifer Hayes	Ministerial appointee (s 8H(1))	\$8536.00	\$805.00	-	-	-	\$1641.36	-	
Mr John Lloyd	Ministerial appointee (s 8H(1))	\$3519.00	\$0.00	-	-	-	\$1995.29	-	
Mr Philip Marcus Clark AO	Council appointee (s 8G(1))	\$8406.00	\$799.00	-	-	-	\$2783.53	\$620.15	
Ms Elise McMahon	Elected member (s 8E(2)(c))	\$16,942.00	\$1609.00	-	-	-	\$5223.07	-	
Mr Jamie Newman	Council appointee (s 8F(1))	\$16,942.00	\$1609.00	-	-	-	\$1046.40	-	
Mr Neville Page	Council appointee (s 8G(1))	\$15,370.00	\$1460.00	-	-	-	\$1155.86	-	
Ms Lisa Schofield	Council appointee (s 8F(1))	\$16,942.00	\$1609.00	-	-	-	\$187.31	-	
Associate Professor Shokoofeh Shamsi	Elected member (s 8E(2)(a))	Ineligible ^{1,2}		-	-	-	\$6583.65	-	
Emeritus Professor Christina Slade	Council appointee (s 8G(1))	\$8406.00	\$557.00	-	-	-	\$2486.19	\$65.00	
Dr Lyndal Thorburn	Council appointee (s 8G(1))	\$8406.00	\$799.00	-	\$343.17	-	\$673.31	-	
Dr Peter Woodgate	Council appointee (s 8G(1))	\$19,909.00	\$1891.00	-	-	-	\$9247.33	\$1312.19	
Totals		\$351,423.00	\$36,699.00	\$2479.70	\$3078.98	\$0.00	\$69,748.70	\$9768.96	

1. This Council member is a remunerated member of staff at Charles Sturt University.

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 Division of Student Administration in lieu of Ms Julie Cleary's attendance at Council meetings, and \$17,000 was paid to the School of Animal and Veterinary Sciences in lieu of Associate Professor Shokoofeh Shamsi's attendance at Council meetings.

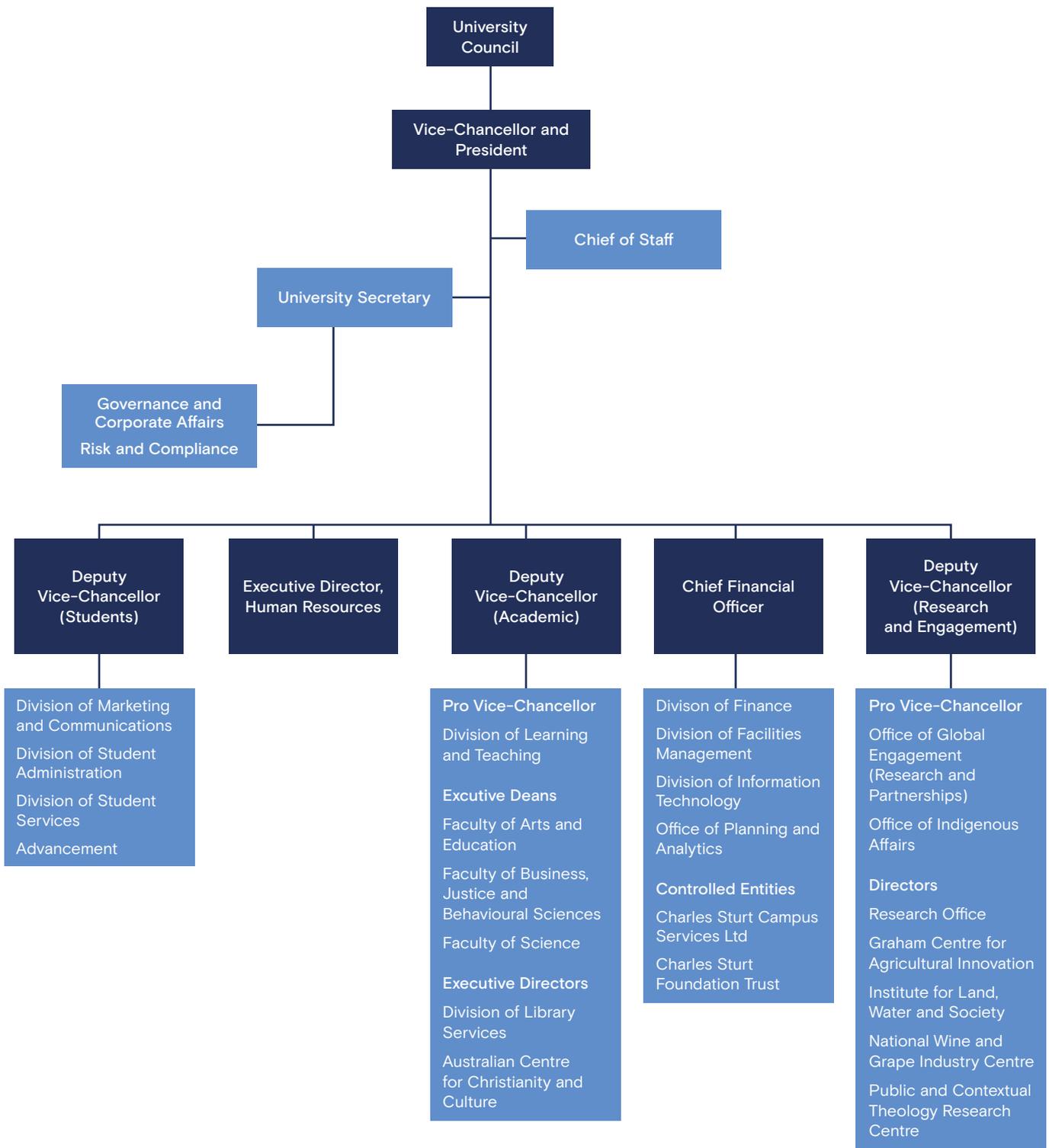
3. 'Other' includes approved events (e.g. media events, launches, other industry meetings and consultations).

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.

5. Appointed as Deputy Chancellor effective from 1 July 2019.



Management and structure



Item 2. Senior executive performance and remuneration

Vice-Chancellor and President

Professor Andrew Vann

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



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

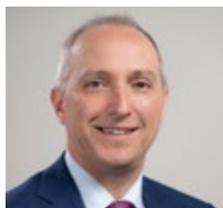
- Developing and articulating a clear vision, mission and strategic direction for the university to secure the university's future as a strong and progressive institution.
- Fostering excellence of learning and teaching, with a particular emphasis on emerging technologies to support the online education environment.
- Building the university's research profile.
- Implementing the university's strategic plan as approved by 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

- In line with creating a clear vision, mission and strategic direction for the university to secure the university's future as a strong and progressive institution, the Vice-Chancellor refined the University Strategy through to 2022, including developing appropriate budget and resourcing models to support the transformative agenda.
 - The university has continued to develop its aspiration to be a thought leader for its regions, communities, nationally and internationally. As part of this, the Vice-Chancellor instigated the pilot of the Carnegie Community Engagement Classification with a number of Australian universities and signed a number of new tenants to the AgriPark in Wagga Wagga, contributing to its evolving development.
 - After almost ten years of lobbying by the university, the Vice-Chancellor along with the federal Government were proud to announce the Joint Program in Medicine with Western Sydney University, to be located in Orange from 2021.
 - Leading response and action planning to address issues arising from Tertiary Education Quality and Standards Agency (TEQSA) re-registration conditions applied to the university.
-

**Provost, Deputy
Vice-Chancellor and
Vice-President (Academic)**

Professor John Germov
BA, MA (*Monash*), PhD (*Newcastle*)



The Provost is responsible to the Vice-Chancellor for leading the delivery of academic programs; the maintenance of academic standards; the provision of learning and teaching support; and the operation of the three faculties and the Divisions of Learning and Teaching, and Library Services. The Academic portfolio consists of the line management of the Executive Deans, the Pro Vice-Chancellor of Learning and Teaching, and the Executive Director of Library Services.

As the Vice-Chancellor's senior deputy, the Provost supports the Vice-Chancellor in the leadership and management of the university. Strategic responsibilities for 2019 included sponsorship of the Academic Governance Review Project, including revision of the entire academic policy suite; establishing the Joint Program in Medicine; and co-sponsorship of the university's Our Students strategy, with specific responsibility for high-quality learning and teaching, transforming learning environments, and the development of market-orientated courses.

Key achievements in the reporting year

- Sponsored the Academic Governance Review Project, which in 2019 implemented the revised governance committee structures, including new terms of reference and annual work plans; developing a new course, subject and grade approval process; and completing a review of the academic policy suite, which included consolidating 77 policies into 12 policies and streamlining academic procedures.
- Led the academic integrity, scholarly activity, and student performance reporting projects to assure Academic Senate and University Council of compliance with the Higher Education Standards Framework and inform continuous quality improvement.
- Developed and executed the final change and implementation plans for the Division of Learning and Teaching, including a new divisional structure designed to enhance support for the faculties.
- Sponsored the Aspirational Targets Project which led to the development and implementation of a new load planning and monitoring process.
- Piloted a new annual course review process for roll out in 2020, as part of a cycle of continuous quality improvement and active monitoring of conditions on professionally accredited courses.
- Improved the monitoring and reporting on comprehensive course reviews and submitted a successful technology initiative bid to begin investigation into a replacement curriculum management system.
- Sponsored the Transform Online Learning (TOL) project, which successfully revised 80 subjects and piloted an innovative six intake model.
- Completed external reviews of two schools within the Faculty of Arts and Education, the insights from which will inform the development of a new coordinated process for organisational unit reviews across the university.
- Sponsored key initiatives within the Our Students strategy, including course revitalisation (micro-credentials, industry co-creation and a new delivery model).
- Learning and Teaching Framework improvements, such as implementation of the Subject Outline Tool, Assessment Scheduling and Student Interactive Support Tool (ASSIST), and Quality Assurance and Subject Reflection system (QUASAR).
- Supported the Division of Student Services with the Charles Sturt Advantage early offer program and the Admissions Review.
- Led the development of a Scholarship of Teaching and Learning Framework that will provide a holistic and evidence-based approach to assuring the quality of academic staff scholarship.
- Recruited the Executive Dean, Faculty of Arts and Education, and the Pro Vice-Chancellor, Learning and Teaching.
- Established the School of Rural Medicine and appointed the inaugural Dean of Rural Medicine.
- Achieved improved Your Voice outcomes in all priority areas (e.g. senior management, career opportunities).
- Established a working group with the Advancement Office to pilot an alumni student mentoring program to build student capability and increase alumni engagement.

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 centred services from enquiry and throughout the learning journey, to ensure our students feel lifelong connection to the university community. The portfolio includes the Divisions of Student Administration, Student Services, Marketing and Communication, and the Advancement Office.

Specific responsibilities for 2019 involved co-sponsorship to deliver key elements of the Our Students strategy, including the establishment of a new Student Safety and Wellbeing team, improved school and community engagement, centralising student communications and the launch and implementation of a new brand underpinned by a framework that clearly articulates the university's unique drivers and attributes.

Key achievements in the reporting year

- Successful graduations – 35 ceremonies, 10 locations, 10,895 graduates.
- Introduced new flexible and fee-free admission pathway programs with guaranteed entry to most Charles Sturt degrees.
- Launched the Charles Sturt Advantage early offer program focused on alternate assessment criteria to Australian Tertiary Admissions Rank (ATAR).
- Awarded 2620 scholarships to students.
- Supported 17,630 students in developing their academic skills through workshops, appointments, tutoring and assignment feedback.
- Launched a cultural hub in Bathurst to provide cultural safety for students and improve Indigenous community engagement.
- Graduated 65 students from the STRIVE student leadership program.
- Held 42 mental health first aid courses for students.
- Hosted 17 alumni events with more than 500 alumni attending.
- Piloted a single 'always on' student survey to improve the student experience.
- Commenced the implementation of a new customer relationship management system to improve the student experience. Phase one delivered and phase two commenced.
- Developed a charter for how staff should work with students and commenced student-centred culture training for staff.
- Implemented a new student misconduct rule, including training for staff and students.

Deputy Vice-Chancellor and Vice-President (Research and Engagement)

Professor Heather MA Cavanagh

BSc(Hons) (Glas.), PhD (Glas.), PGCE (Strathclyde), GCULM (CSturt)



The Deputy Vice-Chancellor and Vice-President (Research and Engagement) 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; international education outcomes and commercial partnerships; community engagement and development of collaborative partnerships with local communities; research integrity and ethics; and Indigenous engagement and research leadership.

The portfolio has specific responsibilities for Our Communities – one of three areas of focus for the University Strategy 2022.

Key achievements in the reporting year

AgriPark

- Launched AgriPark seed funding for collaboration – eight projects reviewed, three projects progressed.
- Commissioned AgriPark shared office space (B474) and signed new tenants.
- Business case for \$23 million AgriPark precinct development endorsed by Vice-Chancellor's Leadership Team (VCLT).

Regional Engagement and Government Relations

- Progressed medical school in Orange – sod-turning event with Deputy Prime Minister.
- Received \$18 million in Federal Government funding for the Institute for Regional, Rural and Remote Health, and for medical research.
- Received request from House of Representatives Committee on Agriculture and Water to visit Wagga Wagga campus and hold public hearing for inquiry into the \$100 billion target for agriculture production by 2030.
- Progressed Dubbo indoor sports facility (NSW Government funding).

-
- Progressed Port Macquarie stage two (NSW Government funding).
 - Worked closely with local partners to submit comprehensive proposals to Federal Government for regional university centre funding for Wangaratta and Dubbo.
 - Charles Sturt University included in NSW Government Wagga Wagga special activation precinct planning.

Research

- Developed draft Research Strategy and undertook consultation across campuses. Strategy focuses on significantly lifting our research performance, especially in relation to external research income, impact of our research, and quality of outputs
- Developed draft Research Productivity Index (RPI) and completed consultation. Implementation of RPI is designed to provide incentive for staff to improve research performance in support of the Research Strategy.
- Excellence in Research Australia 2018 (ERA) results released, with Charles Sturt being ranked at world standard or above in seven broad fields of research and 17 specific fields – a significant improvement from our ERA 2015 results.
- In the inaugural Engagement and Impact (EI) assessment managed by the Australian Research Council, Charles Sturt received a medium or higher ranking in 11 of the 13 disciplines assessed for engagement, and 11 of the 15 disciplines assessed for impact. High impact rankings were achieved in Indigenous research, biological sciences, agricultural and veterinary sciences, studies in human society, and creative arts and writing.
- Over \$10.5 million in new research project agreements signed.

Indigenous Engagement

- Completed three year research in six NSW rural and remote schools, focused on achievement gap between rural/remote and metro student outcomes.

This increased presence in the schools helped to build relationships leading to a number of requests to undertake further research with the schools this year, to understand and address the unique rural/remote circumstances of students, specialist classroom teacher requirements, and leadership skills. Completed review of Charles Sturt's Indigenous Education Strategy and report.

Office of Global Engagement and Partnerships

- Launched the Charles Sturt University International and Partnerships vision 2020–2024, incorporating substantial changes to the Office of Global Engagement and Partnerships that will drive enrolment and revenue growth.
- 497 students undertook an international experience as part of their course, which included 80 off-shore organisations hosting students.
- Received \$208,000 from the Australian Government in New Colombo Plan funding for programs in 2020.
- Celebrated 20 years of the Joint Cooperation Program in China – having educated more than 20,000 students during this time.
- Developed and rolled out a new annual review process aligned to the Higher Education Standards Framework, to continuously improve our quality assurance.

Industry and Community Engagement

- Appointment of footprint-wide Directors of External Engagement function, responsible for building, maintaining and growing strong relationships between the university and its various community sectors.
- Significant implementation of the Carnegie Community Engagement framework for its formal assessment in 2020.
- Extensive innovation programs across the university footprint, from the War on Waste at the AgriTech Incubator Bootcamp to CenWest Innovates Next Stage Growth Program.
- Growth and consolidation for both the Regional Archives and the University Art Collection, including the implementation of collection management software platforms and significant repository management work.
- Strong outcomes from external stakeholders via the Community Sentiment external survey and internal stakeholders via Charles Sturt's Your Voice survey.

Executive Director, Human Resources

Mr Adam Browne

BAAdminHR (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 organisational culture and capability, leadership development and successfully managed change.

The Executive Director is responsible for administering the Division of Human Resources and its operations including the oversight and sponsorship of the Our Internal Capability strategic focus area of the 2017–2022 University Strategy.

Key achievements in the reporting year

- Implemented culture roadmap and tailored capability framework, and embedded in employee lifecycle.
- Delivered suite of change management capability programs to 330 leaders, 63 project managers and 240 staff. Eleven staff gained change management certification.
- Integrated change management into project delivery and change practices being embedded into operational activity. Two per cent increase in staff perception that change is handled well at Charles Sturt.
- Charles Sturt University accredited as an Employer of Choice.
- Delivered unconscious bias training to 261 staff and students.
- Effective claims management resulted in significant savings in workers compensation costs for fourth year in a row (\$835,866 reduction since 2015/16).
- Total decrease of 86 per cent in annual number of time loss claims, continuing the downward trend.
- Overhaul of work health and safety (WHS) management system, including policy suite and implementation of new incident and hazard reporting system.
- Introduced Lifeworks wellbeing platform.
- Approved new Indigenous Employment Strategy.
- Increases in staff climate survey
 - Increase of four per cent in passion index to 77 per cent (highest ever).
 - Increase in awareness of Charles Sturt Values to 91 per cent.
 - Increase of 13 per cent in recognition.
 - Safety category score of 81 per cent (four per cent increase and four per cent above the benchmark).
 - Gender equality score of 83 per cent (two per cent increase).
 - Runner up in Australian Higher Education Industrial Association (AHEIA)/Voice Project Award for Organisational Change, recognising universities achieving the highest level of positive change in employee surveys.

Chief Financial Officer

Mr Paul Dowler

BBus Mitchell CAE, MBA CSU, FCPA



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

The portfolio incorporates the functions of Finance (including Office for Planning and Analytics), Information Technology (including the Web Office) and Facilities Management. The portfolio 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, with emphasis on the Campus Futures segment of the Strategy.

Key achievements in the reporting year

- Invested in the Bloomfield Private Medical Facility at Orange.
- Commenced construction on the Stage 2A project at Port Macquarie campus.
- Progressed planning of the Stage 2B project at Port Macquarie campus.
- Commenced construction at Orange for the Joint Program in Medicine project.
- Completed stage one – Alumni and Foundational – CRM project, with stage two – Current Students – underway.
- Completed student and finance system upgrades.
- Completed major upgrades to audio visual technology across the university.
- Deployed the new student portal.
- Deployed next-generation internet firewalls and intrusion detection and prevention solutions.

Table 2.1: Executive remuneration

Name	Position	Remuneration for the period	\$	Gender
Professor Andrew Vann	Vice-Chancellor	Salary	606,746	M
		Bonus	101,274	
		MV allowance	13,679	
		Superannuation	105,472	
		Total remuneration	827,171	
Professor John Germov	Provost and Deputy Vice-Chancellor (Academic)	Salary	448,153	M
		MV allowance	13,679	
		Superannuation	43,874	
		Reportable FBT	10,272	
		Total remuneration	515,978	
Ms Jenny Roberts	Deputy Vice-Chancellor (Students)	Salary	346,220	F
		MV allowance	13,679	
		Superannuation	61,124	
		Reportable FBT	22,465	
		Total remuneration	443,488	
Mr Paul Dowler	Chief Financial Officer	Salary	328,529	M
		MV allowance	13,679	
		Superannuation	56,143	
		Reportable FBT	4530	
		Total remuneration	402,881	
Mr Adam Browne	Executive Director, Human Resources	Salary	301,486	M
		Superannuation	28,639	
		Private mileage	530	
		Total remuneration	330,655	
Professor Heather Cavanagh	Deputy Vice-Chancellor (Research and Engagement)	Salary	325,426	F
		MV allowance	13,679	
		Superannuation	57,648	
		Reportable FBT	20,884	
		Total remuneration	417,637	

Professor Mary Kelly – former Deputy Vice-Chancellor (Research, Development and Industry) – exit date 14 September 2018. Reportable Fringe Benefit Tax (FBT) of \$15,970 within the 2019 reporting period.

Table 2.2: Number of executive staff of the university by gender as at 31 December 2019

	2018	2019
Female	2	2
Male	4	4
Total	6	6

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

	2018	2019
% of total relating to senior executives	1.25%	1.09%

Item 3. Human resources

Employees/employee wage movement

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

	Academic	Professional/General
2017	840.11	1227.69
2018	842.93	1268.68
2019	861.79	1284.83

Table 3.2: Academic staff by classification (FTE)

Position level	2017	2018	2019
Below Lecturer	71.46	81.86	65.05
Lecturer	429.52	437.33	459.28
Senior Lecturer	184.82	185.08	188.95
Above Senior Lecturer	154.31	138.66	148.51
Total	840.11	842.93	861.79

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

	2017	2018	2019
Level 1	12.29	28.79	27.79
Level 2	20.88	20.22	21.40
Level 3	50.37	55.29	59.58
Level 4	234.88	209.70	181.43
Level 5	271.78	280.71	285.84
Level 6	247.00	246.41	256.67
Level 7	193.78	198.61	255.30
Level 8	90.86	93.10	97.17
Level 9	55.50	66.80	70.20
Level 10 and above	50.35	69.05	59.45
Total	1227.69	1268.68	1284.83

Employee wage movements

The Charles Sturt University Enterprise Agreement 2018-2021 was certified by the Fair Work Commission in April 2019. Academic staff at Levels A-E and professional/general staff at Levels 1-10 covered by the university's Enterprise Agreement received the following salary increase within the reporting period.

Increase	Effective Date
1.8%	6 September 2019

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
- 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
- Charles Sturt Excellence Award Guidelines
- Charles Sturt Excellence Award Panel – Membership and Terms of Reference
- Disability and Work or Study Adjustment Policy
- Disability – Workplace Adjustment Procedure
- Domestic Violence Policy and Procedure
- Driver Safety Policy and Guidelines
- Employment Equity Plan 2012-2015
- Employment Plan – People with a Disability
- 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
- Human Biological Specimens Laboratory Use Policy
- Indigenous Academic Staff Leadership Development Scheme Guidelines
- Indigenous Employment Strategy 2018-2022
- 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

- Outside Professional Activities Policy
- Personal Allowances Policy and Payment Determination Procedure
- Personal Data Breach Procedure
- Personal Files Access Policy
- 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 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 – Postgraduate for General Staff Policy and Procedure
- 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
- Visiting and Adjunct Appointments Policy and Procedure
- Work Health and Safety Annual Return Guidelines
- Work Health and Safety Audit Procedure
- Work Health and Safety Committee – Membership and Terms of Reference
- Work Health and Safety Document Control Procedure
- Work Health and Safety Incident Reporting and Investigation Procedure
- Work Health and Safety Induction and Training Procedure
- Work Health and Safety Legal and Compliance Procedure
- Work Health and Safety Management Review Procedure
- Work Health and Safety Policy
- Work Health and Safety Reporting Procedure
- Work Health and Safety Risk Management Procedure
- Work Health and Safety 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 2019)

Table 4.1: Trends in representation of Equal Employment Opportunity (EEO) groups (academic staff – percentage of total staff)

EEO group	Benchmark or target*	2014	2015	2016	2017	2018	2019
Women	50%	49%	49%	51%	52%	52%	54%
Aboriginal people and Torres Strait Islanders	3%	2%	1.9%	2%	2%	1.0%	1.4%
People whose first language was not English	10%	16%	17%	18%	19%	19%	18%
People with a disability	n/a	3%	3%	2%	2%	2%	3%
People with a disability requiring work-related adjustment	1.1 (2011) 1.3 (2012) 1.5 (2013)	1%	0.9%	1%	1%	0.6%	0.9%

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

Table 4.2: Trends in representation of EEO groups (professional staff – percentage of total staff)

EEO group	Benchmark or target*	2014	2015	2016	2017	2018	2019
Women	50%	69%	69%	69%	69%	70%	69%
Aboriginal people and Torres Strait Islanders	3%	3%	3.2%	3%	3%	2.9%	3.2%
People whose first language was not English	10%	4%	4%	5%	5%	4%	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%	1.1%	1%	1%	1.2%	1.2%

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

Table 4.3: Trends in Distribution of EEO Groups (Academic Staff)

EEO group	Benchmark or target	2014	2015	2016	2017	2018	2019
Women	100	82	82	83	86	88	87
Aboriginal people and Torres Strait Islanders	100	n/a	n/a	n/a	n/a	n/a	n/a
People whose first language was not English	100	95	96	97	97	99	100
People with a disability	100	103	98	n/a	n/a	n/a	91
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 EEO groups (professional staff)

EEO group	Benchmark or target	2014	2015	2016	2017	2018	2019
Women	100	87	86	86	86	87	89
Aboriginal people and Torres Strait Islanders	100	90	94	90	91	93	93
People whose first language was not English	100	108	109	108	108	108	112
People with a disability	100	93	91	92	91	92	91
People with a disability requiring work-related adjustment	100	n/a	n/a	n/a	n/a	n/a	n/a

Achievements in 2019

- Charles Sturt University became members of Pride in Diversity and participated in the Australian Workplace Equality Index (AWEI) for the first time. The AWEI is a national benchmarking study that allows us to assess and benchmark our progress in the area of LGBTIQ+ workplace inclusion.
- Nicholas Steepe, Project Manager, Equity and Diversity was named the out role model 2019 at the Australian LGBTI Inclusion Awards.
- Charles Sturt held a documentary screening of Untold Australia – Country Pride to mark Transgender Awareness Week.
- Charles Sturt was a gold sponsor of the 2019 Wagga Wagga Mardi Gras.
- Charles Sturt raised the rainbow flag on each campus for International Day against Homophobia, Biphobia, Transphobia and Intersexism (IDAHOBIT).
- Unconscious bias and inclusivity training completed by 255 staff, including the Vice-Chancellor's Leadership Team. Charles Sturt also delivered the training to a key external stakeholder, Wagga Wagga City Council, with managers and the executive team participating.
- The university publically pledged its commitment to the 16 Days of Activism campaign, calling for the elimination of all forms of gender-based violence. Charles Sturt created a video highlighting the 'Know Your A to Z' prevention tips from the Domestic Violence Resource Centre Victoria.
- Dr Lihong Zheng received the Academia Award at the Cisco Women in IT Awards and the Girls in Cyber Security Advancing project won Best Education Program for Young Ladies in Security at the 2019 Cyber Security Online Women in Security Awards.
- Charles Sturt partnered with Lifeline Central West who delivered domestic violence alert training to staff and students, consisting of two hour and two day workshops across our campuses.
- Our biannual Indigenous Australian staff conference was held at Albury-Wodonga campus over two days.
- At 31 October 2019, our Indigenous Australian staff numbers had reached their highest at 3.07 per cent of the total staff population.
- The Vice-Chancellor's Leadership Team approved access to strategic funding for up to 11 Indigenous cadets in professional areas, commencing in 2020.
- Commenced community and campus-based consultations for the Reconciliation Action Plan.
- Commenced monthly staff meetings across all campuses via video conference facilities for all Indigenous Australian staff to come together to discuss events, successes, challenges and possible solutions to issues in the Indigenous staff/student area, within the broader university context.
- Developed a role for an identified Educational Designer, the first of its kind within the university, to specifically support the implementation of Indigenous Australian course content across all faculties (to be advertised and appointed in 2020).

Activities planned for 2020

- Continue participation in the Australian Workplace Equality Index (AWEI) and explore options for a Queer Space for LGBTIQ+ members of the Charles Sturt community.
- Gold sponsorship and participation in the Wagga Wagga Mardi Gras and Rainbow City Festival.
- Continue to implement the Workplace Gender Equity Strategy 2018-2022 and the Athena SWAN action plan, including maintaining an active self-assessment team that, among other things, will investigate the causes of Charles Sturt's gender pay gap.
- Ensure that 100 per cent of senior leaders are trained in unconscious bias and inclusivity by the end of 2020.
- Endorsement and implementation of the Disability Action Plan.
- Present a workshop at the Catalysing Gender Equity 2020 Conference on 'Walking in the shoes of others: seeing and overcoming the complexities of intersectionality'.
- Develop a Cultural Safety Policy Officer role with a view to commence in 2020, starting with community engagement and consultation.
- Draft Reconciliation Action Plan for submission to Reconciliation Australia by end 2020.
- Undertake a review of the academic promotions process that takes into account gender equity and applies an Indigenous Australian culture lens to foster improved diversity outcomes.
- Undertake consultations with Indigenous Australian staff and the sector more broadly to discuss additional workloads of these staff and draft a policy around formally recognising the additional responsibilities, often associated with cultural knowledge and responsibilities.
- Develop an Indigenous Australian student casual register, in conjunction with the Division of Student Services.

Item 5. Disability inclusion action plans

Achievements in 2019

- Produced a resource to help academic staff improve the accessibility of learning materials within Charles Sturt University's online learning environment. This resource was produced as a result of collaboration between the Division of Learning and Teaching and the Division of Student Services.
- The Division of Student Services conducted a survey in May 2019 which included a number of specific questions about the university's Disability Service to students using the service. The responses demonstrated that students rate the service highly with regard to professionalism, responsiveness and confidentiality of staff.
- Provided ongoing case management and support for reasonable adjustment to students and staff.

Activities planned for 2020

- The Division of Student Services will continue to educate and raise awareness with academic staff about reasonable adjustments. External expert speakers will be invited to Charles Sturt University to present and discuss the topic.
- Complete the review of the Disability Action Plan and present priority actions to the university's Equity and Diversity Committee for endorsement prior to stakeholder engagement and implementation.

Item 6. Multicultural policies and services program

Programs and services 2019

At Charles Sturt University, inclusiveness is one of the core values which guides planning and decision-making. Ingrained in our ethos is the commitment: "We value equity and diversity. We are about creating a fair and inclusive environment in which students and staff of all backgrounds can flourish."

We believe multiculturalism is an important factor in key long-term Charles Sturt objectives for our regional and professional communities, students and ourselves and have adopted a range of strategies and initiatives to support this belief. Our approach is divided into the following key areas.

- Service delivery – ensuring that people from diverse cultural backgrounds receive high quality services that meet their needs.
- Planning – better planning, including using staff and student profile data to better plan services and policies.
- Leadership – ensuring that all leaders value and strive to support diversity in its various forms.
- Engagement – ensuring that Charles Sturt faculties and divisions have effective resources and processes in place for engaging with people from culturally diverse communities.

Key initiatives in 2019

Acknowledging the culture and insight of Indigenous Australians, Charles Sturt University's ethos is clearly described by the Wiradjuri phrase 'yindyamarra winhanganha', translated as 'the wisdom of respectfully knowing how to live well in a world worth living in'.

Charles Sturt shows leadership among other tertiary institutions with respect to the First Nations Peoples of Australia and the land where each of our campuses are located. We have a whole-of-university approach to inclusive practice and in particular to striving for increased participation in Aboriginal and Torres Strait Islander engagement with tertiary study.

We have demonstrated our strong commitment to facilitating the success of Aboriginal and Torres Strait Islander people through the strategies we have implemented in education and research, and through our work with communities. In 2019 we opened an Elder's Cultural Hub on our Bathurst campus. The hub serves as a safe place where students and staff can learn more about Indigenous culture and protocols, and includes a range of artwork and artefacts. We plan to expand and localise the model to other campuses in the future. In 2019 a number of staff within the university also participated in cultural immersion programs.

The Charles Sturt Refugee and Asylum Seeker Student Program supports students who hold a refugee and asylum seeker visa or humanitarian visa by seeking to remove barriers to success. Our initiatives support students to work through issues such as:

- 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
- advocacy for course progression or access issues.

Our dedicated support team:

- tailors communication planning to enable students from diverse backgrounds to opt in or out as their needs require
- offers and refers to a range of services and programs at Charles Sturt and organisations / groups in our communities to help connect refugees with other migrants and settle into their new home
- promotes scholarships for refugees and asylum seekers to access tertiary education in Australia, paving the way for those who may not otherwise be able to access tertiary education. The scholarships support Charles Sturt undergraduate students with refugee or asylum seeker visas who are commencing or continuing studies in order to create a better, safer future for themselves and their families
- arranges events to promote and celebrate cultural diversity, e.g. Harmony Day.

Item 7. Work health and safety (WHS)

Charles Sturt University is committed to providing a workplace that is:

- safe and healthy for all, including staff, students, contractors and visitors
- compliant with the Work Health and Safety Act 2011 (NSW) and other relevant legislation, regulations, national standards, and codes of practice.

The university manages health, safety and wellbeing through the Division of Human Resources.

WHS management systems

Maintenance and improvement activities for the WHS management system continued in 2019. A new incident reporting and management software solution (Protecht) was successfully launched. Benefits include improved hazard and incident reporting processes, improved incident follow-up, and more efficient data analysis and reporting. WHS internal audits commenced during 2019 and are proving to be a valuable tool to assist in ongoing WHS management system performance improvement.

Governance

The Vice-Chancellor's Leadership Team (VCLT) and University Council have oversight of how the university manages health and safety.

Information regarding changes in WHS and/or injury management legislation affecting the university and its operations is provided to leaders through safety bulletins and online subscriptions. Updates were also provided to the VCLT and the university's Finance Audit and Risk Committee whenever changes occurred.

Consultation

The overarching university Safety and Health Management Committee includes representatives from faculties, divisions and campus-based committees. University-wide issues are discussed with members, who provide input to initiatives and communicate messages back to their respective teams.

Health and Safety Committees (HSCs) and Health and Safety Representatives (HSRs) from designated work groups meet regularly to discuss local issues and activities that affect their members.

Health and wellbeing

The WHS team continued to promote and offer a series of health and wellbeing initiatives for all staff and students in 2019. Activities conducted during the year included:

- annual influenza vaccination program
- Global Challenge – 10,000 steps program
- Fitness Passport – corporate health and fitness program
- Employee Assistance Program – LifeWorks by Morneau Chapel
- WHS website offering comprehensive information and links to service providers
- mental health first aid training
- ergonomic assessments and education
- RUOK Day.

Return to work management

The return to work (RTW) team continue to implement the university's return to work program, providing outstanding services that assist employees to recover at work following an incident. The RTW team work closely with icare to continually improve case management processes that support better outcomes for injured workers. Lost time injuries continued to decline during 2019.

There were no employee, student or visitor fatal incidents during the 2019 reporting period. There were no SafeWork NSW (or similar regulators from other relevant jurisdictions, for example ACT or Victoria) prosecutions during the reporting period.

Table 7.1: Incident and injury performance indicators

Performance indicator	2019	2018	2017
Number of workers compensation claims reported	124	121	116
Number of work-related medically treated injuries	16	33	42
Number of work-related lost time injuries	9	10	17
Lost time injury frequency rate (LTIFR)	2.26	2.83 (Industry Av. 3.4)	-
Full workers compensation claims cost	\$139,926	\$190,403	\$386,523
Workers compensation wages paid	\$28,934	\$14,157	\$96,063
Number of hazard reports submitted	131	52	77
Performance indicator	2019	2018	2017

Activities planned for 2020

- Continue development and maintenance of Work Health and Safety Management System (WHSMS).
- Develop and improve our contractor management system.
- Continue support of injured workers and promotion of early recovery at work programs.
- Continue developing our Wellbeing Strategy, including targeted staff and student activities aimed at strengthening and supporting their mental and physical health and wellbeing.

Item 8. Promotion (overseas travel)

The university paid \$2.182 million for staff overseas travel in 2019 (2018: \$1.98 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 511 individual trips made by staff covering most continents.

Item 9. Funds granted

Table 9.1: Funds granted listing

Recipient	Program name/description	Amount / funds granted (\$) 2019
Community-University Partnerships – Arts and Culture Grants		
2MCE Community Radio	Supporting creativity of 2MCE volunteers and enhancing listener engagement	\$1000
Albury and District Historical Society	Becoming a city, Albury 1947	\$750
Arts OutWest	Outpost presents Romeo and Juliet	\$1000
Bathurst Memorial Entertainment Centre – Local Stages	Local Emerging Artist Program (LEAP)	\$1000
Bathurst Regional Art Gallery	VOID Education Symposium	\$1000
Centacare Kempsey	Kempsey end-of-year drama and musical performance	\$750.
Eastern Riverina Arts	Creative Riverina catch-ups	\$1000
Neroli Colvin Storytelling Foundation	Bathurst Multicultural Storytelling Festival	\$1000
Oura Progress Association	The Bald Cockys – Oura community art competition	\$1000
Outback Theatre for Young People	Outback Theatre for Young People – 30 years young, sharing our regional story	\$1000
RAWR Music	Howling Moon Blues Festival 2020 Deadly Painters	\$1000
Riverina Summer School for Strings	Riverina Summer School for Strings' week residential school for string players of all ages and abilities	\$1000
St Mary's Catholic School Wellington	Kids on Country – connecting Indigenous and non-Indigenous students with local Indigenous culture	\$500
Wellington High School	Wellington High School's School Spectacular performance	\$1000
Bathurst Arts Council	Bathurst Youth Arts Awards concert	\$1000
Bathurst Regional Council	Australian Poetry Slam	\$1000
Booranga Writers' Centre	Production, design and printing of the 'fourW' anthology of new writing journal	\$1000
Calare Public School	Mural art project	\$1000
Fishdog	Dubbo artist residency pilot program for artists from China	\$1000
Flying Fruit Fly Foundation	Framing and printing for Capturing Creativity art exhibition	\$1000
Live Words	Woven Yarns audio drama project	\$1000
Rielle Moises	Uruguay Embassy, Latin American Film Festival	\$500
Rockley Public School	School mosaic project	\$1000
St Joseph's Regional College	St Joseph's Regional College Port Macquarie visual art workshops	\$1000
Uranquinty Preschool	Purchase equipment and resources to support two local artists to visit the Uranquinty Preschool	\$1000
Wellington Eisteddfod Society Incorporated	Venue hire for Wellington Eisteddfod	\$1000
		\$24,500

Recipient	Program name/description	Amount / funds granted (\$) 2019
Community University Partnerships – Education Development Grants		
Albury Public School Parents and Citizens Association	Purchase of magnifying equipment	\$1000
Anglican Parish of Wagga Wagga	Aboriginal cultural program	\$1000
Bathurst Early Childhood Intervention Service	Children's Lego therapy program	\$1000
Bathurst South Public School	Improve an existing space by adding seating for a student reflection area and outdoor learning space	\$1000
Bathurst West Public School – Give Back Program	Bathurst West Public School, Give Back Program	\$1000
Canowindra Public School Parents and Citizens Association	Reading Is Fun – engaging our students	\$1000
Denison College, Kelso High Campus	Denison College Kelso High iSTEM	\$1000
Denison College, Kelso High Campus	Laptops for autism students	\$1000
Dubbo Public School	New robotic technological equipment for STEM project	\$1000
Early Connections Port Macquarie Hastings	Early connections literacy resources including C-Pens and decodable readers	\$1000
Early Connections Port Macquarie Hastings	Literacy Connect	\$1000
Hastings Public School	iPads for our Children's Future – teaching students to become creators of technology not just consumers	\$1000
Hastings Secondary College Westport Campus	Mindset Training program for Westport LEAP Academy	\$1000
Junee Preschool Incorporated	Introducing students to STEM, basics of computer programming with Bee-Bots	\$1000
Khancoban United Volunteers Association	Renewal of equipment for a remote community preschool	\$1000
Mitchell Early Learning Centre	Early childhood movement skills program	\$1000
Murray High School	Purchase of projector for Murray High School	\$1000
Naradhan Parents and Citizens Association	Student attending the CASE Space School international study program	\$1000
Nautilus Senior College	Audiovisual assistance for Nautilus	\$1000
Orange Public School	Orange Public School representative sports uniforms	\$1000
Red Hill Public School	Special Education Unit sensory equipment	\$1000
St. Joseph's Primary School Port Macquarie	Outdoor classroom	\$1000
Temora High School	Rebuilding Hospitality and Food Technology Action Plan	\$1000
Wagga Wagga High School	School debating team workshops	\$1000
Wattle Flat Public School	School therapy room	\$1000
Wauchope Public School Parents and Citizens Association	Home readers for Wauchope Public School	\$1000
		\$26,000
Community-University Partnerships – Environmental Sustainability Grants		
Albury Wodonga Public School Parents and Citizens Association	Purchase portable bench seating and magnification equipment to utilise in the garden	\$2000
Bidgee School	Greenhouse and garden structure made from up-cycling products that would normally be thrown away	\$2000
Birallee Park Neighbourhood House Incorporated	Purchasing tools and resources to teach the community how to change trash to treasure	\$2000
Greening Bathurst	Greening Bathurst Public Lecture Series	\$2000
Rotary Club Orange	Rotary Club of Orange, Sustainable Living Week and Expo	\$1000
Walan Wirringah Womens Group – Orana Support Service Incorporated	Community garden project	\$1000
		\$10,000

Recipient	Program name/description	Amount / funds granted (\$) 2019
Community-University Partnerships – Health and Wellbeing Grants		
AFL Riverina Football and Netball League Incorporated	Health Strategy Local Drug Action Team	\$1000
Aftercare	Health, wellness and wellbeing workshops	\$1000
Arts Out West	Move2Art – integrated visual arts and performance program	\$1000
Bathurst Uniting Church	Winter crisis accommodation project	\$1000
Beechworth Primary School	Enviro-sensory spaces	\$1000
Canobolas Rural Technology High School	Sensory garden and meeting place	\$1000
Carcoar Village Association Incorporated	'What's on in Carcoar' newsletter and 'New to Carcoar' residence pack	\$1000
Denison College, Kelso High Campus	Denison College, Kelso High cold water drinking fountain	\$1,000
Dubbo and District Branch of Can Assist	Logo shirts for Can Assist volunteers	\$1000
Gloucester High School	Breakfast program	\$1000
Heart Health NSW Incorporated	Volunteer training program	\$1000
Ladysmith Public School	Outdoor learning environments	\$1000
Lake Cathie Touch Football Association Incorporated	Lake Cathie Touch Football Association – Passing the Knowledge	\$750
Liberty Domestic and Family Violence Specialist Services	Coastal Walk Against Domestic and Family Violence	\$1,000
Narromine Christian School	Assessing our students to improve their future	\$1000
Orange Bush Nippers	Assisting with purchase of rescue tube, rescue throw bag and CPR keyring face shield	\$500
Orange Parkinson's Support Group	Parkinson's Support Group Leaders Conference 2019	\$1000
Riding for the Disabled NSW – Wagga Centre	Sand for the Riding for the Disabled Wagga Centre's arenas	\$1000
Rockley Public School	Rhythms at Rockley student wellbeing program	\$750
Student Heart Project	Assisting with event costs to raise funds for defibrillators	\$1000
Wagga Lake Run and Ride	Wagga Lake Run and Ride – free community annual fun run/walk and ride	\$1000
Wauchope Public School Parents and Citizens Association	Safe Play resources for Wauchope Public School	\$1000
Wellington Public School	Healthy Lunchboxes = Healthy Learners	\$1000
Zonta Club of Port Macquarie Incorporated	Birthing kits for third world countries	\$1000
		\$23,000
Community-University Partnerships – Indigenous Engagement Grants		
Calare Public School	Education Garden, 'Wiradjuri Walk'	\$1500
Denison College of Secondary Education, Bathurst High Campus	NAIDOC celebrations	\$1500
Kempsey Adventist School	Aiming Higher – rethinking Indigenous careers and outcomes from education	\$1500
LeaderLife Ltd	Apollo House landscaping project	\$1500
Mulyan Public School	Mulyan Public School Yindymarra Reflection Garden	\$1500
Parklands Albury Wodonga Limited	Saving the Murray River through stories	\$1500
Red Hill Public School	Red Hill Public School Wiradjuri language mural project	\$800
Rotary Club of Dubbo Macquarie Incorporated	STEAM Ahead with Indigenous Engagement using Bee-bots and Blue-bots	\$1500
St Joseph's Regional College	St Joseph's Regional College Port Macquarie Indigenous Gathang language workshops	\$1500
Uranquinty Preschool	Embedding of Aboriginal and Torres Strait Islander culture, engaging children in cultural experiences	\$1500
		\$14,300

Recipient	Program name/description	Amount / funds granted (\$) 2019
Community-University Partnerships – Sports Development Grants		
All Together Therapy Pty Ltd	Sense Rugby – an occupational therapy based rugby program for children with disabilities	\$1000
Bathurst Bushrangers ARFC Incorporated	Junior players sporting equipment	\$750
Bushrangers Netball	Bushrangers Netball sporting equipment	\$750
Calare Public School	Calare Public School athletics equipment	\$1000
Cathedral Catholic Primary School, Bathurst	Cathedral Catholic Primary School representative rugby jerseys	\$1000
Central West Gymnastics Orange	Central West Gymnastics interstate gymnastics support	\$1000
Chatham High School	Girls Cricket Academy	\$1000
Cootamundra Amateur Basketball Association	Assistance with junior girls basketball team to compete in the country championship league	\$1000
Inspire Netball Club Dubbo Incorporated	2019 Koori Netball Knockout entry fee	\$1000
Kendall Tennis Club	Sponsorship of Kendall Tennis Club's Todd Woodbridge Cup	\$1000
Kids Unlimited Pty Ltd	Professional chess player to run schools tournament	\$1000
Mount Beauty Dragon Boat Club	Introducing and encouraging kids and teenagers to participate in the sport of dragon boat racing	\$1000
Nambucca Aquatic Swim Club Incorporated	Nambucca Aquatic Swim Club, starting blocks and backstroke ledges	\$1000
Narromine Little Athletics Club	Off and Racing – upgrade to electronic starting system	\$1000
Orana Physical Culture Incorporated	Financial support for zone championships – Orana Physical Culture	\$1000
Port Macquarie Basketball Association	2019 Australian School Championships – St Joseph's Regional College 9/10 women's basketball team	\$1000
Port Macquarie Cycling Club Ltd	Port Macquarie Cycle Club junior athletes warm up event and training equipment	\$1000
Port Macquarie Gymnastics Club Incorporated	Port gymnastics competition management software implementation	\$1000
Port Saints Soccer Club Incorporated	New women's senior uniforms	\$1000
Tacking Point Surf Life Saving Club	Purchase of a new racing ski for cadet members	\$1000
The Scout Association of Australia	Lightweight camping equipment	\$1000
Wauchope Little Athletics Centre	Wauchope Little Athletics javelin upgrade	\$500
Wellington District Cricket Association	Assist junior cricketers representation at regional and NSW / Australian carnivals	\$1000
Wodonga Hockey Club	Financial support to cover travel costs for representative players and coaches	\$1000
		\$23,000

Item 10. Consumer response

The University Ombudsman is responsible for the management, resolution and reporting of complaints and concerns from students, staff and members of the public.

The University Ombudsman maintains a register of complaints and concerns and reports to the University Council.

The university's complaints procedure adopts a three-stage model in which students are empowered to resolve issues on an informal basis. Should this prove unsuccessful then a formal complaints resolution process is adopted where the matter is referred to a senior manager for investigation and determination. The third step is an internal review by the University Ombudsman. Should a complainant be dissatisfied with the outcome, the complainant may seek a review by an external authority. Charles Sturt provides the details of the NSW Ombudsman when making a final determination.

During 2019 five matters were addressed by the NSW Ombudsman. On two occasions the NSW Ombudsman determined that Charles Sturt had satisfactorily resolved the matter and the university was not required to undertake further action. The three other complainants were determined to not have exhausted their right to an internal review and the matters were remitted to the University Ombudsman for management.

The major themes in complaints continue to reflect concerns with the timeliness of responses from academic staff, particularly in the area of academic misconduct. The data was analysed to determine the faculty and schools receiving the greater number of complaints and additional resources have been applied to achieve more timely responses. It has also been noted that there has been an increase in complaints arising from alleged bias in academic marking. Complaints of this nature have been, for the most part, resolved by having assessment items independently remarked. There is no data to support that incidents of bias have increased.

The University Ombudsman continues to, where appropriate, provide recommendations on the application and improvement of Charles Sturt's policies and procedures.

Information garnered through the University Ombudsman engaging with the complaint management teams at other universities has improved Charles Sturt's complaint management processes and this new information has been used when providing training to staff on the management of complaints. This training has focused on an improved understanding of due process and the need for timely communications.

Governance

Item 11. Risk management and insurance activities

Effective enterprise risk management enables the university to continuously assess existing and emerging risks, and develop tailor-made strategies to treat risks according to appropriate risk appetite and tolerance levels.

Oversight of risk management at the university is provided by the Office of Governance and Corporate Affairs (OGCA). To ensure that the university continues to respond to the challenges and opportunities brought about by an ever-changing Australian higher education sector, the OGCA undertook a review of its risk management and compliance function, which led to the creation of the new role of Director, Risk and Compliance. The Director, Risk and Compliance will be structurally positioned to provide senior leadership and strategic direction to the university as it draws on risk management principles, processes, and frameworks to guide decisions. The Director, Risk and Compliance was recruited at the end of 2019 and commenced in January 2020.

In 2019-2020 the university engaged an external consulting firm (RSM Australia Pty Ltd) to provide independent advice regarding its Risk Management Policy and Procedure, Risk Appetite Statement, and Risk Register. The independent review involved extensive consultations with the Vice-Chancellor's Leadership Team and the university's governing bodies, including the Finance, Audit, and Risk Committee, and Council.

The independent review resulted in the following upgrades to the university's risk management framework.

- Refinement of the Risk Management Policy and Procedure to more closely reflect the Australian Standard for Risk Management, AS ISO 31000:2018.
- Update of the Risk Appetite Statement in line with the university's evolving risk profile.
- Rationalisation of the Risk Register to remove duplication of risks and controls, and capture efficiencies in risk treatment strategies.

The recently-upgraded risk management framework supports the university's prioritisation, monitoring and management of relevant opportunities and risks, including:

- monitoring of strategic objectives
- academic integrity
- teaching and research quality
- legislative and regulatory compliance
- financial performance and sustainability of operations
- data-driven decision-making at the strategic and operational levels
- business continuity due to disruption of university services
- student load
- third-party arrangements
- change management
- governance policy impacts.

With the support of OGCA, senior leadership adopts a top-down and risk-based approach to manage opportunities and threats relative to the achievement of university objectives. To ensure that senior leadership effectively addresses emerging issues, OGCA incorporated risk management as a standing agenda item at leadership meetings across multiple levels of the business. These levels range from faculty and division, through to Council and Academic Senate, as well as their committees and sub-committees. Such continuous and focussed leadership attention on risk management serves to increasingly raise awareness of risk and compliance issues and embed a risk and compliance culture in the university.

On behalf of the Council's Finance, Audit and Risk Committee, the Internal Auditor conducts an annual program of audits that are prioritised on the basis of risk and insights from 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	CSU 20 CT	31 October 2020	\$30 million per claim. \$120 million aggregate ¹
General and products liability	Unimutual	CSU 20 GPL	31 October 2020	\$250 million each claim. \$250 in the aggregate for product liability
Professional liability protection	Unimutual	CSU 20 PL	31 October 2020	\$30 million per claim. \$120 million aggregate ¹
Malpractice protection	Unimutual	CSU 20 MM	31 October 2020	\$30 million per claim. \$120 million aggregate ¹
Cyber protection	Unimutual	CSU 20 CYB	31 October 2020	\$5 million any one claim and in the aggregate
Environmental liability protection	Unimutual	CSU 20 ENV	31 October 2020	\$2.5 million any one claim and in the aggregate
Liability terrorism protection	Unimutual	CSU 20 LT	31 October 2020	\$100 million any one occurrence
Property protection	Unimutual	CSU 20 PR	31 October 2020	\$1200 million any one claim. Subject to sub-limits
Property terrorism protection	Unimutual	CSU 20 PT	31 October 2020	\$1000 million any event
Active assailant protection	Unimutual	CSU 20 AAE	31 October 2020	\$2 million any one claim and in the aggregate

Non-unimutal non-core covers below

Class of insurance	Insurer/broker	Policy number	Expiry date	Protection/comments
Contract works	Allianz/Gow-Gates Insurance Brokers Pty Ltd	99-0106949-CMD	31 October 2020	\$30 million any one occurrence any one location. Subject to sub-limits
Corporate travel (overseas only)	AIG Australia Ltd/Gow-Gates Insurance Brokers Pty Ltd	2200103601	31 October 2020	Staff capital benefit up to \$500,000. Weekly maximum \$1000. Council Members: capital benefit up to \$500,000. Weekly maximum \$1000
Expat. medical and additional expenses	CHUBB/Gow-Gates Insurance Brokers Pty Ltd	O1PX530477	31 December 2020	\$1 million medical expenses and emergency evacuation
Farm insurance	Allstate Underwriting Agency Pty Ltd/Peter Brown & Associates	AUS0030110FAR	31 October 2020	Farm buildings \$20,000. Farm theft \$20,000. Stock transit \$30,000
Group personal accident and sickness (Council and Committee members)	AIG Australia Ltd/ Gow-Gates Insurance Brokers Pty Ltd	2200103646	1 November 2020	Death and capital maximum \$300,000. Weekly maximum \$2000
Group personal accident and sickness (Police College)	CHUBB/Gow-Gates Insurance Brokers Pty Ltd	02PO014230	31 December 2020	Death and capital maximum \$300,000. Weekly maximum \$1300
Group personal accident and sickness (students)	CHUBB/Gow-Gates Insurance Brokers Pty Ltd	O1PO533297	31 December 2020	Death and capital maximum \$55,000. Weekly maximum \$450
Group personal accident and sickness (journey)	CHUBB/Gow-Gates Insurance Brokers Pty Ltd	O1PJ531368	31 December 2020	Death and capital maximum \$500,000. Weekly maximum \$4000
Management liability (D&O)	Chubb-Unimutal	93315347	1 November 2020	\$10 million any one claim. \$20 million in the aggregate
Marine transit	NTI/Gow-Gates Insurance Brokers Pty Ltd	47250112	31 October 2020	\$400,000 transit cover any one loss
Motor vehicles - Australia	CGU/Gow-Gates Insurance Brokers Pty Ltd	24F 2045359	31 October 2020	Comprehensive market value. Third party legal liability \$35 million
Workers compensation CSU-NSW	icare workers insurance/ AJGallagher	121135701	31 December 2020	As per NSW legislation
Workers compensation CSCS Ltd-NSW	icare workers insurance/ AJGallagher	124009101	31 December 2020	As per NSW legislation
Workers compensation- ACT-CSCS Ltd	QBE/AJGallagher	CA1985536GWC	1 January 2021	As per ACT legislation
Workers compensation- CSU ACT	QBE/AJGallagher	CA1899851GWC	31 December 2020	As per ACT legislation
Workers compensation- CSU Northern Territory	Allianz/AJGallagher	TWY0008726	31 December 2020	As per NT legislation
Workers compensation- CSU Queensland	WorkCover Queensland	WCA150569240	30 September 2020	As per Queensland legislation
Workers compensation- CSU Tasmania	Allianz/AJGallagher	LWLO007915	31 December 2020	As per Tasmanian legislation
Workers compensation- CSU Western Australia	Allianz/AJGallagher	WWH0050599	31 December 2020	As per WA legislation
Workers compensation- CSU Victoria	Victorian WorkCover Authority/Gallagher Bassett	13790637	30 June 2020	As per Victorian legislation
Workers compensation- CSU South Australia	Return to WORKSA/ WorkCover Corporation of S.A	26407609	30 June 2020	As per SA legislation

Note (1): The aggregate of \$120 million refers to a combined single limit across professional liability, malpractice liability and clinical trials liability.

CTP (green slip) 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 2019

Consultant	Project	Actual cost
Cisco Systems Australia	Advisory implementation support services for migration and operations	\$319,000.00
Matt Cahill Consulting	Consulting - Chief Strategy Officer AgriPark	\$268,125.00
460 Degrees MG	Onsite and remote-based consulting	\$219,583.19
DVE Business Solutions Pty Ltd	Consulting for Academic Governance Review Project	\$174,099.20
		\$980,807.39

Consultant engagements < \$50,000

111 vendors for a total cost of \$1234,994.97

Item 13. Land disposals

In 2019 there were nil transacted land and property disposals that exceeded \$5 million.

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



Item 14. Major works

Category	Campus	Project	Total cost	Status
Commercial capital	Albury-Wodonga	Albury-Wodonga solar PV project	\$758,000.00	Completed in 2019
Commercial capital	Orange	Orange solar PV project	\$1,106,743.00	Completed in 2019
Commercial capital	Wagga Wagga	Building 7 AgriFutures office accommodation enhancement	\$1,100,000.00	Completed in 2019
Commercial capital	Wagga Wagga	Wagga Wagga Building 474 refurbishment	\$1,250,000.00	Completed in 2019
Enabling infrastructure	Wagga Wagga	Darnell Smith Drive pathway	\$332,000.00	Completed in 2019
Enabling infrastructure	Wagga Wagga	Wagga Wagga Building 473 refurbishment	\$640,000.00	Completed in 2019
On-campus learning and teaching	Albury-Wodonga	Albury-Wodonga Building 754 Learning and Teaching Hub refurbishment	\$2,450,000.00	Completed in 2019
On-campus learning and teaching	Wagga Wagga	Wagga Wagga Building 13 Learning and Teaching Space refurbishment	\$2,476,000.00	Completed in 2019
Road infrastructure	Bathurst	Bathurst Village Way Drive road works stage two	\$2,300,000.00	Completed in 2019
SSAF	Wagga Wagga	Wagga Wagga walking loop	\$267,000.00	Completed in 2019
UniLife	Bathurst	Bathurst John Oxley Village refurbishment stage one	\$2,200,000.00	Completed in 2019
UniLife	Bathurst	Bathurst Macquarie Village, Diggings and Windradyne Buildings 2017-2018 summer works maintenance painting project	\$494,645.00	Completed in 2019
UniLife	Bathurst	Building 1414 Charlie's Store relocation	\$825,000.00	Completed in 2019
UniLife	Wagga Wagga	Wagga Wagga Residential Buildings 2018 - 2019 summer works backlogged maintenance, painting and Carpet	\$287,492.70	Completed in 2019
UniLife	Wagga Wagga	Wagga Wagga Cottage conversion	\$1,800,000.00	Completed in 2019
Unit funded	Bathurst	Building 1414 Indigenous Elders Engagement Space	\$268,700.00	Completed in 2019
Strategic initiatives	Orange	Joint Program in Medicine - Orange campus	\$18,650,000.00	Anticipated date of completion, November 2020
Strategic initiatives	Port Macquarie	Port Macquarie campus development stage two	\$65,968,000.00	Anticipated date of completion, March 2021
On campus learning and teaching	Wagga Wagga	Equine Isolation Centre	\$6,170,000.00	Anticipated date of completion, February 2020

There were no material cost overruns/delays, amendments, deferrals or cancellations to the approved Capital Plan.

Item 15. Legal change

Changes in Acts and subordinate legislation and significant judicial decisions affecting the university or users of its services – 2019

Legislative changes

New standard on the physical storage of State records issued under section 13(1) of the *State Record Act 1998 (NSW)*

The university is subject to the *State Records Act 1998 (NSW)*. Under section 11 of that Act each 'public office' (which includes the university) must "...ensure the safe custody and proper preservation of the State records that it has control of." Consistent with this requirement, the NSW Government has issued a new standard (Standard No. 13) for the physical storage of State records. This standard pertains to records that have a 'physical format' in the control of the relevant public office. It includes records "created and maintained by contractors on behalf of public offices in the course of outsourced government business, and the storage of State records by service providers on behalf of public offices." In order to fulfil its recordkeeping responsibilities, the university has updated its policies and guidelines to ensure it complies with this new standard.

Treasury Laws Amendment (Enhancing Whistleblower Protections) Act 2019

The *Treasury Laws Amendment (Enhancing Whistleblower Protections) Act 2019* received Royal Assent on 12 March 2019. This Act strengthens and expands the existing whistleblower regime under the Corporations Act 2001 (Cth) and introduces new whistleblower provisions in the *Taxation Administration Act 1953 (Cth)*. The Act applies to companies and any entity that is a 'trading or financial corporation'. In the absence of clear evidence to the contrary, the university has taken the view also adopted in commentary released by the NSW Ombudsman that the new whistleblower protection provisions may apply to the university as a 'trading corporation' for the purposes of section 51(xx) of the Constitution, and is responding accordingly to ensure compliance. The new whistleblower obligations in the Act are in addition to the university's existing obligations under the NSW Public Interest Disclosures Act 1994.

Tertiary Education Quality and Standards Agency Amendment (Prohibiting Academic Cheating Services) Bill 2019

This Bill, which was introduced by the Australian Government in December 2019, seeks to tackle 'contract cheating' by making it an offence to provide or advertise academic cheating services in courses provided by higher education providers. The proposed legislation applies to those who provide cheating services, and not students who may procure these services. Students who cheat would continue to be dealt with under their institution's own academic integrity policies. The university is monitoring progress of the Bill. New laws which target contract cheating service providers will complement the university's existing integrity frameworks for dealing with academic misconduct.

Changes to the *Treasury Laws Amendment (2018 Measures No. 5) Bill 2018*

The *Treasury Laws Amendment (2018 Measures No. 5) Act 2018*, which passed both houses on 18 February 2019, repeals the intellectual property licensing exemption in section 51(3) of the *Competition and Consumer Act 2010 (Cth)* (CCA) and equivalent provisions in state legislation. The repeal of section 51(3) commenced on 13 September 2019. From this date, conduct or dealings by universities involving intellectual property rights will no longer be exempt from certain provisions of the CCA that applied

to cartel conduct, exclusive dealing and other arrangements which may substantially lessen competition in a market (but did not extend to misuse of market power or resale price maintenance). Universities will need to take additional care with intellectual property arrangements (particularly the exploitation of intellectual property rights) to ensure that they avoid making or entering into any arrangement, or otherwise engaging in conduct, that raises competition concerns.

Modern Slavery legislation

As reported in the university's previous Annual Report, the *Modern Slavery Act 2018 (NSW)* (NSW Act) was assented to on 27 June 2018, but is still yet to commence. The university is captured by that Act. The *Modern Slavery Act 2018 (Cth)* (Commonwealth Act) was assented to on 29 November 2018 and commenced 1 January 2019. It appears the university is also captured by the Commonwealth Act.

The government has released detailed guidance for entities required to comply with the Commonwealth Act. The main requirement under both the Commonwealth Act and the NSW Act is to produce a 'Modern Slavery Statement' (annually) on modern slavery risks and remediation steps taken by entities. The reporting periods under the Commonwealth Act are determined by the reporting entity's accounting period. As the university has a reporting year of 1 January to 31 December, the university's first reporting period will be 1 January 2020 – 31 December 2020 and its first report will be due six months after the end of that period (i.e. 30 June 2021).

Judicial decisions

There were no judicial decisions to which the university was a party in 2019.

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. These include the matters mentioned below.

Ridd v James Cook University [2019] FCCA 997

This case concerned the interaction between a university's Code of Conduct and the academic freedom provisions of its enterprise agreement. In that matter the Federal Court determined that disciplinary action by a university was unlawful because it was inconsistent with the protection afforded by an academic freedom clause in the relevant enterprise agreement. As has been reported in commentary about this case, it has always been the case that a policy implemented by an employer (such as a university's Code of Conduct) cannot override or circumvent protections or obligations set out in an enterprise agreement. In determining whether an employee has engaged in misconduct when purporting to exercise their right to academic freedom, universities need to carefully consider the interaction between relevant clauses of the enterprise agreement relating to academic and intellectual freedom, and other clauses relating to behavioural expectations, and any Code of Conduct.

Y v The University of Queensland & Anor [2019] QSC 282

In this case the Supreme Court of Queensland determined that the university's Disciplinary Board lacked jurisdiction to consider a sexual misconduct allegation prior to a criminal court finding on the matter.

As stated by Lyons SJA "... there can be no doubt that each particular decision turns on then specific powers given to the relevant decision-making body." Thus, the decision was a judgement on the merits, having particular regard to the specific wording of the university's misconduct policy, and is not authority for any general proposition that universities lack jurisdiction to investigate and determine allegations of misconduct before an alleged offence is proven in a court of law. However, it is clear that universities must ensure there is no ambiguity in the wording of their misconduct policies. Where policies grant powers to university decision-makers to make decisions on proceedings related to allegations which may meet the standard of criminal conduct, then such proceedings must be undertaken in accordance with strict standards, in particular in accordance with the principles of procedural fairness, ensuring appropriate protections are afforded to students against whom allegations of misconduct are made.

By-laws, regulations, rules, procedures or guidelines

The university gives due consideration to any changes to by-laws, regulations, rules, procedures or guidelines that may be warranted as a result of changes in the law, significant decisions and guidelines, standards or codes applicable to the higher education sector. Examples of key guidelines and codes issued in 2019 affecting the sector are set out below.

Guidelines to counter foreign interference in the Australian university sector

In response to concerns relating to potential foreign interference in the Australian university sector, the Minister for Education, Hon. Dan Tehan MP, established a University Foreign Interference Taskforce in August 2019. This body consisted of universities and Australian government agencies charged with developing best practice guidelines to counter such interference. These guidelines were published on 14 November 2019. Broadly, the areas covered by the guidelines relate to ensuring there are appropriate governance and risk frameworks in place at universities, undertaking due diligence proportionate to any identified risk, communication and education activities to build awareness of foreign interference risks, sharing of knowledge across the tertiary education sector and between the sector and the Australian Government, and the implementation of appropriate cyber-security measures at Australian universities.

Review of freedom of speech and academic freedom and the Model Code

The independent review of freedom of speech and academic freedom, undertaken by Hon. Robert French AC during 2018–19 (the Review), recommended the voluntary adoption of a Model Code of freedom of speech and academic freedom in higher education (the proposed Model Code) and clarification of the terms 'freedom of speech' and 'academic freedom'. The university has written to the Minister for Education confirming it supports the principles of the proposed Model Code, and has commenced a review of the proposed Model Code against our institutional policy framework to determine how best to implement the recommendations of the Review and the principles of the proposed Model Code.

Item 16. Access to information

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
Yes	Yes

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
6

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
6	2	2	4
% of total	0	0	0

Table A: Number of applications by type of applicant and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn	Total	% of total
Media	0	0	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0	0	0
Not-for-profit organisations or community groups	0	1	0	0	0	0	0	0	1	17
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0	0	0
Members of the public (other)	2	1	1	0	0	0	0	1	5	83
Total	2	2	1	0	0	0	0	1	6	
% of Total	33%	33%	17%	0%	0%	0%	0%	17%	100%	

*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn	Total	% of total
Personal information applications*	2	1	0	0	0	0	0	0	3	50%
Access applications (other than personal information applications)	0	1	1	0	0	0	0	1	3	50%
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0	0	0%
Total	2	2	1	0	0	0	0	1	6	
% of Total	33%	33%	0%	0%	0%	0%	0%	17%	100%	

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

Table C: Invalid applications

Reason for invalidity	Number of applications	% of total
Application does not comply with formal requirements (section 41 of the Act)	0	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	0	0%
Invalid applications that subsequently became valid applications	0	0%

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to 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	2	100%
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

*More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

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

	Number of occasions when application not successful	% of total
Responsible and effective government	2	33%
Law enforcement and security	1	17%
Individual rights, judicial processes and natural justice	1	17%
Business interests of agencies and other persons	2	33%
Environment, culture, economy and general matters	0	0%
Secrecy provisions	0	0%
Exempt documents under interstate freedom of information legislation	0	0%

Table F: Timeliness

	Number of applications	% of total
Decided within the statutory timeframe (20 days, plus any extensions)	4	80%
Decided after 35 days (by agreement with applicant)	1	20%
Not decided within time (deemed refusal)	0	0%
Total	5	

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

	Decision varied	Decision upheld	Total
Internal review	1	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	1	0	1
Review by NSW Civil and Administrative Tribunal (NCAT)	0	0	0
Total	2	0	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 H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	2
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

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

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

Item 17. Privacy and personal information

The University Ombudsman is Charles Sturt University's Privacy Officer.

Two institutional privacy data breaches were reported during the period.

One internal breach was deemed to be human error when a report which contained a subset of 522 student identifiers was distributed to one unauthorised recipient. The individual was contacted and the file was deleted.

The university received a targeted email phishing campaign designed to capture the credentials of Charles Sturt staff. This attack resulted in eight staff opening an attachment, clicking a link and entering their Charles Sturt credentials into a phishing website which captured the credentials. The attacker then used those credentials to remotely access the Web Kiosk accounts of the victims. During investigations, a further three accounts were discovered as accessing Web Kiosk unauthorised.

The University Ombudsman continues to address requests for private information from third parties by explaining the university's obligations under the Privacy and Personal Information Protection Act 1998 and written consent being subsequently obtained from the owner of the private information for this information to be disclosed by the university to the third party.

The University Ombudsman actively monitors the application and effectiveness of the Charles Sturt University Privacy Management Plan and consults regularly with the Office of the Australian Information Commissioner regarding the university's obligations with respect to notifiable data breaches.

Item 18. Public interest disclosures

Through 2019 the University Auditor was responsible for coordinating any public interest disclosures (PID) relating to the operation of the university.

The university has a Public Interests and Other Disclosures Policy in place. The University Auditor acted to ensure staff were aware of the contents of the Public Interests and Other Disclosures Policy and the protections under the Public Interest Disclosures Act 1994 NSW (PIDA) for a person who makes a public interest disclosure.

A key objective of the PIDA is to encourage public officials to report serious wrongdoing, and facilitate such reporting. Charles Sturt's Public Interests and Other Disclosures Policy outlines the university's commitment to integrity, accountability and good management. It sets out information and procedures to assist all members of the university community (including employees and contractors) with appropriate reporting, subsequent investigation and resolution of suspected wrongdoing that falls under the PIDA. The Public Interests and Other Disclosures Policy is made available to staff and the public via the university's web page and intranet.

The University Auditor delivered presentations to divisional groups within the university, providing training for staff on their obligations and rights under the Act and the university's Public Interests and Other Disclosures Policy.

Table 18.1 provides an overview of the public interest disclosures received by the university during 2019 as per the requirements under Section 31 of the PIDA.

Table 18.1: Number of public officials who have made a public interest disclosure to the university

1	Public interest disclosures made by public officials in performing their day to day functions	0
2	Public interest disclosures not covered by (1) that are made under a statutory or other legal obligation	0
3	All other public interest disclosures	0
4	For each PID received by the university (see (1)):	0
	Number of public officials who have made a PID to the public authority	5
	Number of public interest disclosures received by the public authority in total and the number of PIDs received by the public authority relating to each of the following:	
	a) corrupt conduct	2
	b) maladministration	2
	c) serious and substantial waste of public or local government money	1
	d) government information contraventions	0
	e) local government pecuniary interest contraventions	0
	f) corrupt conduct	0
	TOTAL number of public interest disclosures received by the university	5
	Number of public interest disclosures finalised	5

Item 19. Cyber security policy (CSP) attestation

In 2019 Charles Sturt University managed cyber security risks in a manner consistent with the core requirements set out in the NSW Government Cyber Security Policy.

The university:

- has implemented a cyber security planning and governance structure with reporting lines to the executive level
- supports a cyber security culture with mandatory annual cyber security training for all staff and ongoing engagement with the university community
- operates a risk based security program based on the ISO/IEC 27001 security standard
- annually assesses maturity of Australian Cyber Security Centre (ACSC) Essential Eight implementation
- has implemented cyber incident detection and response processes including a data breach response plan based on the Office of the Australian Information Commissioner (OAIC) guidelines
- has Privacy Breach Response Processes in place that have been tested during 2019
- has managed Charles Sturt's maturity and initiatives through the Division of Information Technology Security Risk Assessment Team, and Data Security and Governance Committee with oversight provided by the Finance, Audit and Risk Committee
- engages with cyber security communities including Council of Australasian University Directors of Information Technology (CAUDIT), Naudit, Australia's Academic and Research Network (AARNet), AusCERT, NSW Cyber, ACSC, Joint Cyber Security Centre (JCSC) and Stay Smart Online.

In applying a risk based approach to protect the safety of both people and information, the university has implemented ACSC and NSW Government strategies to mitigate cyber security incidents, including:

- vulnerability management processes
- application and operating system (OS) hardening
- email security measures
- administrator privilege restrictions
- multi-factor authentication
- anti-virus software
- network-based intrusion detection/prevention
- threat detection and response processes.

In 2019 the university continued to operate the Information Security Management System (ISMS), including developing and actioning a risk treatment plan, with a number of concurrent projects underway or planned. To support this, Charles Sturt continues to commission biannual independent security penetration tests to identify exploitable security vulnerabilities in ICT systems.

Item 20. Compliance statement

Statement of compliance with the Voluntary Code of Best Practice for the Governance of Australian Universities, as amended at the Universities Australia and University Chancellors Council joint meeting on May 2018.

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	<p>A university's governing body should adopt a statement of its roles and responsibilities, which should include:</p> <p>a) Strategic oversight</p> <ul style="list-style-type: none"> - approving the mission and strategic direction of the university - ensuring that values, visions and goals are turned into effective management systems - monitoring implementation of the university's mission statement and strategic plan. <p>b) Ensuring effective overall management</p> <ul style="list-style-type: none"> - appointing the Vice-Chancellor as the Chief Executive Officer of the university, and monitoring his or her performance - appointing other senior officers of the university as considered appropriate - overseeing and reviewing overall management performance - overseeing and monitoring the academic governance and activities of the university. <p>c) Ensuring responsible financial and risk management</p> <ul style="list-style-type: none"> - approving the annual budget and business plan - approving and monitoring systems of control and accountability, including general overview of any controlled entities (entities satisfying the test of control in s.50AA of the Corporations Act) - overseeing and monitoring the assessment and management of risk across the university, including commercial undertakings - establishing policy and procedural principles, consistent with legal requirements and community expectations, including remuneration policies for the Vice-Chancellor and senior officers - ensuring compliance with legal and government policy requirements. <p>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.</p>	<p>The primary responsibilities of the Council are set out in section 19 of the <i>Charles Sturt University Act 1989</i> and the <i>University Governance Charter</i>.</p> <p>The University Governance Charter was first adopted in 2012 and is regularly reviewed to ensure it reflects best practice in governance.</p> <p>The Council appoints the Vice-Chancellor as Principal Executive Officer in accordance with section 12 of the <i>Charles Sturt University Act 1989</i>.</p> <p>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 <i>Delegations and Authorisations Policy</i> approved by the Council.</p> <p>The university complies with this standard.</p>

No	Item	Compliance
3	<p>A university should have the duties of the members of the governing body and sanctions for the breach of these duties specified in its enabling legislation. Other than the Chancellor, the Vice-Chancellor and the Presiding Member of the Academic Board, each member should be appointed or elected ad personam. All members of the governing body must 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 must always act in the best interests of the university.</p> <p>Duties of members should include the requirements to:</p> <ol style="list-style-type: none"> 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 act in good faith, honestly and for a proper purpose exercise appropriate care and diligence not improperly use their position to gain an advantage for themselves or someone else disclose and avoid conflicts of interest (with appropriate procedures for that purpose similar to those for public companies). <p>There should be safeguards, exemptions and protections for 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 such safeguards, exemptions and protections as are the equivalent of those that would be available were the member a director under the Corporations Act.</p> <p>A university (with the exception of those subject to the Corporations Act) must have a requirement that the 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 included in its enabling legislation. A member must automatically 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 Corporations Act.</p>	<p>The duties of members are specified in section 24F and Schedule 3 of the <i>Charles Sturt University Act 1989</i>. Members are appointed ad personam and this duty is dealt with during induction of all new members.</p> <p>Sanctions for breach of a member's duties are set out in section 24G of the <i>Charles Sturt University Act 1989</i>.</p> <p>The Council may remove a member by a two third majority under clause 24G of the <i>Charles Sturt University Act 1989</i>.</p> <p>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.</p> <p>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.</p> <p>The university complies with this standard.</p>
4	<p>If permitted by its enabling legislation, a university should develop procedures:</p> <ol style="list-style-type: none"> to provide that the Chancellor and Deputy Chancellor hold office subject to retaining the confidence of the governing body to deal with removal from that office if the governing body determines that such confidence is no longer held. 	<p>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.</p> <p>The university complies with this standard.</p>
5	<p>Each governing body must 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.</p>	<p>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 session for their records and future reference. Opportunities for professional development are identified annually and offered to members via an 'expression of interest' format.</p> <p>The university complies with this standard.</p>
6	<p>On a regular basis, at least once each two years, the governing body should assess its performance, the performance of its members and performance of its committees, including appropriately constituted committees for finance, and audit and risk management. 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.</p>	<p>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 GAT (Governance Analysis Tool) in August 2018. The next review is scheduled for August 2020.</p> <p>The Council reviews its compliance with the Code of Best Practice on an annual basis.</p> <p>The university has a defined process for identifying needed skills and expertise for the future.</p> <p>The university complies with this standard.</p>

No	Item	Compliance
7	<p>The size of the governing body should not exceed 22, and desirably be no more than 15 members, and include members with strong expertise in and knowledge of higher education and/or other education sectors.</p> <p>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).</p> <p>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 independent 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.</p>	<p>The size of the Council is constituted by a minimum of 11 and maximum of 22 members under the <u>Charles Sturt University Act 1989</u>, and in 2018 comprised of 15 - 16 members under the <u>Governance (Constitution) Rule 2012</u>.</p> <p>The Council must have a majority of external members and two members must possess financial qualifications and expertise; one member must possess commercial expertise in conformance with the Code of Practice. The Council complies with this requirement with respect to its membership.</p> <p>The university complies with this standard.</p>
8	<p>The 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.</p> <p>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 the university's external community needs from that university.</p> <p>The governing body should seek to ensure that any government appointments take these appointment criteria into account and that such appointments are made in consultation with, and so far as possible in accordance with recommendations of, the governing body or a nominations committee appointed by it.</p> <p>To provide for the introduction of new members consistent with maintaining continuity and experience, members' terms should generally overlap and governing bodies should establish the maximum period to be served. This should not generally exceed 12 years unless otherwise specifically agreed by the majority of the governing body.</p>	<p>The Council has systematic procedures for the nomination of prospective members to the Council.</p> <p>The Council has adopted selection criteria that require members are 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.</p> <p><u>The Charles Sturt University Act 1989</u> 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.</p> <p>The university complies with this standard.</p>
9	<p>The annual report of a university should be used for reporting on high level outcomes, including financial and environmental sustainability, and performance against the university's mission statement and strategic plan.</p>	<p>The annual report details high level objectives and outcomes of the university during the reporting period.</p> <p>The university complies with this standard.</p>
10	<p>The annual report of a university should include a report on risk management within the organisation.</p>	<p>The annual report includes a report on risk management within the university.</p> <p>The university complies with this standard.</p>
11	<p>The annual report of a university should include a report on risk management within the organisation.</p>	<p>The annual report includes a report on risk management within the university.</p> <p>The university complies with this standard.</p>

No	Item	Compliance
12	<p>The governing body should oversee controlled entities by:</p> <p>a) ensuring that the entity's board possesses the skills, knowledge and experience necessary to provide proper stewardship and control of the entity</p> <p>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</p> <p>c) ensuring that the board adopts and regularly evaluates a written statement of its own governance principles</p> <p>d) ensuring that the board documents a clear corporate and business strategy which 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</p> <p>e) establishing and documenting clear expectations of reporting to the governing body, such as a draft business plan for consideration.</p>	<p>Section 19A of the <i>Charles Sturt University Act 1989</i> requires that the Council oversee controlled entities consistent with the standards.</p> <p>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.</p> <p>The university complies with this standard.</p>
13	<p>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 the 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.</p>	<p>Refer to the <i>Commercial Activities Policy</i> in the Charles Sturt University Policy Library at csu.edu.au/policy.</p> <p>Assessment of risk and the value of the controlled entities of the university is monitored through the Council's Finance, Audit and Risk Committee.</p> <p>The Audit Office of NSW 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.</p> <p>The university complies with this standard.</p>
14	<p>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.</p>	<p>The university complies with this standard.</p>

Financial report

Item 21. Accounts payment performance

Table 21.1: Totals for 2019 (value)

	Paid in 30 days	Paid in 31–60 days	Paid in 61–90 days	Paid in 91+ days	Total
March	\$64,605,156.76	\$6,244,069.67	\$1,503,058.05	\$978,923.96	\$73,331,208.44
June	\$72,823,647.18	\$7,719,407.64	\$1,117,783.05	\$1,556,987.76	\$83,217,825.63
September	\$83,591,537.57	\$9,484,373.30	\$3,166,843.26	\$1,439,419.25	\$97,682,173.38
December	\$76,020,982.98	\$6,570,216.94	\$855,095.46	\$1,123,319.73	\$84,569,615.11
TOTAL	\$297,041,324.49	\$30,018,067.55	\$6,642,779.82	\$5,098,650.70	\$338,800,822.56

Table 21.2: Totals for 2019 (invoices)

	Paid in 30 days	Paid in 31–60 days	Paid in 61–90 days	Paid in 91+ days	Total
March	10,911	1653	368	360	13,292
June	14,696	2044	442	441	17,623
September	14,079	2021	389	432	16,921
December	11,877	2079	403	469	14,828
TOTAL	51,563	7797	1602	1702	62,664

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

	Target	Actual	Paid in 30 days	Total amount paid
March	85%	88%	\$64,605,156.76	\$73,331,208.44
June	85%	88%	\$72,823,647.18	\$83,217,825.63
September	85%	86%	\$83,591,537.57	\$97,682,173.38
December	85%	90%	\$76,020,982.98	\$84,569,615.11
TOTAL	85%	88%	\$297,041,324.49	\$338,800,822.56

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

	Target	Actual	Paid in 30 days	Total invoices paid
March	85%	82%	10,911	13,292
June	85%	83%	14,696	17,623
September	85%	83%	14,079	16,921
December	85%	80%	11,877	14,828
TOTAL	85%	82%	51,563	62,664

Note: There were seven payments during 2019 where interest totalling \$12,996.27 has been charged for late payment.

Item 22. Disclosure of controlled entities and subsidiaries

Please refer to note 36 of the financial statements (page 132) for details of the university's subsidiaries.

Item 23. Investment performance

The weighted average return on all investments was 4.53% and totalled \$17 million, net of fees and gross of unrealised gains and losses. Interest earnings were \$3.62 million while distributions from managed funds totalled \$12.17 million. Realised gains totalled \$1.59 million while the net movement in unrealised gains in the period totalled \$33.71 million.

Charles Sturt University's investment strategy is overseen by a committee of the University Council. The current strategy has been in place 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 portfolio's, excluding the university's legacy investments and cash products. These fund managers adopt appropriate benchmarking facilities and Charles Sturt University has accepted these in accordance with its investment strategy requirements.

One-year investment performance

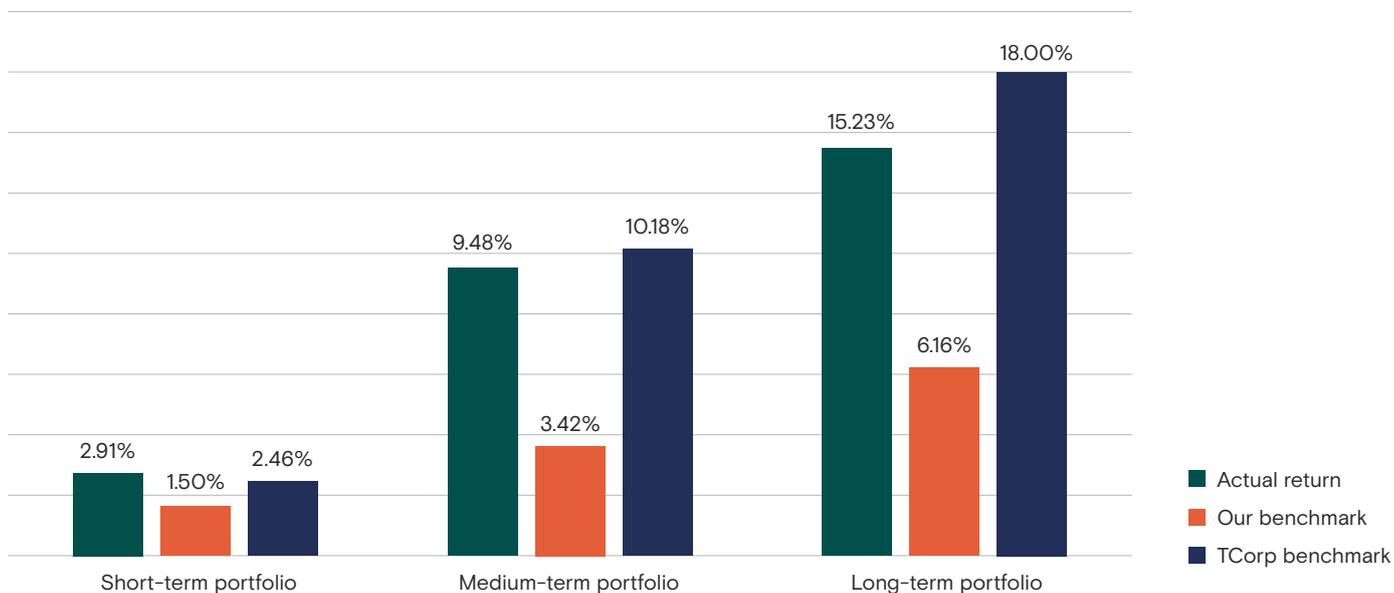


Table 23.1: Benchmarks

Portfolio	Our benchmark	TCorp benchmark
Short-term portfolio	Australian 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

Both domestic and global economic conditions have an impact on Charles Sturt University in its capacity as an education provider for Australian and international students, and as an employer, investor, borrower and a procurer of goods and services. With the current COVID-19 pandemic impacting most parts of the economy, it is quickly becoming evident that the economic conditions which the university faced in 2019 and are described below, will look nothing like those faced in 2020.

Domestic economic conditions were weaker during 2019 as the drought continued to linger and household spending was at historic low point. The growth rate in the Australian economy was 2.2 per cent which was the lowest rate in the last decade and below the expected growth rate forecast of 2.75%. The slowing of the economy was reflected in a fall in housing prices for most of the major capital cities although there were signs of improvement in the last quarter of 2019.

The official cash interest rate has fallen by 0.75 per cent to end the year by 0.75 per cent for 2019.

The share market (All Ordinaries Index) advanced above 6,800 points by the end of 2019 following an easing of trade tensions between the United States and China.

While there was a forecast and an expectation of continued volatility in global investment markets throughout 2020, global share markets have in fact retreated by around 30 per cent during the first quarter of 2020 as most parts of the global economy including in Australia have come to a standstill and are now predicted to be in recession for most if not all of 2020.

Inflation continued to remain low at 1.8 per cent for 2019. This is likely to fall even further in 2020 while ever recessionary conditions prevail.

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

All major economies across the world including Australia have announced unprecedented economic stimulus programmes in response to the closing of many sectors of the economy, aimed at avoiding a major economic collapse.

The COVID-19 pandemic has created a great deal of economic uncertainty and this presents an enormous challenge for the university sector in 2020.

Item 25. Credit card certification

The Vice-Chancellor certified that credit card use during 2019 was managed in accordance with established requirements and practices.

Financials

Contents

Charles Sturt University Budgeted Financial Statements for the year ending 31 December 2019	60
Charles Sturt University Financial Statements for the year ending 31 December 2019	64
Independent Auditor's Report	65
Report by the Members of the Council	68
Statement by the Council	72
Income Statement	73
Statement of Comprehensive Income	74
Statement of Changes in Equity	75
Statement of Financial Position	77
Statement of Cash Flows	78
Notes to the Financial Statements	79
The Charles Sturt University Foundation Trust Financial Statements for the year ending 31 December 2019	138
Independent Auditor's Report	139
Trustee's Report	142
Trustee's Declaration	144
Income Statement	145
Statement of Comprehensive Income	146
Statement of Financial Position	147
Statement of Changes in Equity	148
Statement of Cash Flows	149
Notes to the Financial Statements	150
Charles Sturt Campus Services Limited Financial Statements for the year ending 31 December 2019	162
Independent Auditor's Report	163
Directors' Report	166
Directors' Declaration	170
Auditor's Independence Declaration	171
Statement of Comprehensive Income	172
Statement of Financial Position	173
Statement of Changes in Equity	174
Statement of Cash Flows	175
Notes to the Financial Statements	176

Charles Sturt University

ABN 83 878 708 551

Budgeted Financial Statements for the year ending 31 December 2019

The budgeted financial statements for 2019 do not form part of the audited financial statements.

Charles Sturt University Budgeted Income Statement
For the year ending 31 December 2020

	Consolidated		Parent Entity	
	2020 Budget \$'000	2019 Actual \$'000	2020 Budget \$'000	2019 Actual \$'000
Income from continuing operations				
Australian Government Financial Assistance				
Australian Government grants	190,888	208,012	190,888	208,010
HELP - Australian Government payment	140,000	137,000	140,000	137,000
State and local Government financial assistance	-	1647	-	1647
HECS-HELP student payments	8000	8276	8000	8276
Fees and charges	209,274	204,120	208,701	203,575
Investment revenue	14,000	35,337	14,000	32,736
Royalties, trademarks and licences	-	22	-	22
Consultancies and contracts	2319	3310	2319	3310
Other revenue	49,697	19,680	47,814	16,327
Gain on disposal of available-for-sale financial investments	-	6181	-	5908
Total income from continuing operations	614,178	623,585	611,722	616,811
Expenses from continuing operations				
Employee related expenses	298,422	313,550	290,919	306,551
Depreciation and amortisation	45,886	46,721	45,868	46,683
Repairs and maintenance	16,353	10,114	16,160	10,082
Borrowing costs	1300	2820	1300	2820
Impairment of assets	-	3562	-	3562
Loss on disposal of property, plant & equipment	-	61	-	-
Other Expenses	267,820	236,988	274,034	242,404
Total expenses from continuing operations	629,801	613,816	628,281	612,102
Operating result for the year	(15,622)	9769	(16,559)	4709

Charles Sturt University Budgeted Statement of Financial Position
For the year ending 31 December 2020

	Consolidated		Parent Entity	
	2020 Budget \$'000	2019 Actual \$'000	2020 Budget \$'000	2019 Actual \$'000
Assets				
CURRENT ASSETS				
Cash and cash equivalents	39,243	1492	33,584	(1152)
Receivables	53,614	42,801	53,346	42,534
Inventories	3000	2656	3000	2656
Other financial assets	80,000	37,528	80,000	37,528
Other non-financial assets	310	12,028	310	12,028
Non-current assets held for sale	1000	3280	1000	1200
Total current assets	177,167	99,785	171,240	94,794
NON-CURRENT ASSETS				
Receivables	399,525	419,507	399,525	419,507
Other financial assets	187,000	362,735	168,024	343,759
Property, plant and equipment	916,107	869,119	915,974	868,987
Intangible assets	4003	5329	4000	5326
Other assets	5000	274	5000	274
Total non-current assets	1,511,635	1,656,964	1,492,523	1,637,853
Total assets	1,688,802	1,756,749	1,663,763	1,732,647
Liabilities				
CURRENT LIABILITIES				
Trade and other payables	17,107	25,292	17,039	25,227
Borrowings	2165	4846	1365	4846
Provisions	91,596	84,168	91,596	83,368
Other liabilities	45,638	68,664	45,548	68,574
Total current liabilities	156,506	182,970	155,548	182,015
NON-CURRENT LIABILITIES				
Borrowings	39,074	69,997	39,074	69,997
Provisions	428,007	438,200	427,902	438,095
Other liabilities	-	4,124	-	4,124
Total non-current liabilities	467,081	512,321	466,976	512,216
Total liabilities	623,587	695,291	622,524	694,231
Net assets	1,065,215	1,061,458	1,041,239	1,038,416
Equity				
Reserves	391,493	397,980	391,493	397,980
Retained earnings	673,722	663,478	649,746	640,436
Total Equity	1,065,215	1,061,458	1,041,239	1,038,416

Charles Sturt University Budgeted Statement of Cash Flows
For the year ending 31 December 2020

	Consolidated		Parent Entity	
	2019 Budget \$'000	2018 Actual \$'000	2019 Budget \$'000	2018 Actual \$'000
Cash flows from operating activities				
Australian Government Grants	323,888	337,312	323,888	337,310
State Government Grants	-	1647	-	1647
Capital Infrastructure Grants	25,048		25,042	
Superannuation Supplementation	16,456	14,564	16,456	14,564
HECS-HELP Student payments	8000	8276	8000	8276
Receipts from students fees and other customers	218,301	229,321	215,818	225,564
Distributions Received	11,000	12,174	11,000	12,174
Interest Received	3000	3641	3000	3641
GST recovered	24,000	24,236	24,000	24,236
OS-HELP (net)	-	1505	-	1,505
Payments to suppliers	(272,226)	(274,945)	(280,638)	(280,300)
Payments to employees	(298,442)	(306,376)	(290,919)	(299,440)
Interest paid	(1300)	(2820)	(1300)	(2820)
Net cash provided by operating activities	57,725	48,535	54,347	46,357
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment	1200	6300	1200	6300
Payments for property, plant and equipment	(117,808)	(60,621)	(117,808)	(60,604)
Proceeds from sale of financial assets	233,263	154,996	233,263	151,905
Payments for financial assets	(136,629)	(170,085)	(136,629)	(165,680)
Net cash used in investing activities	(19,974)	(69,410)	(19,974)	(68,079)
Cash flows from financing activities				
Increase in finance lease commitments	-	(1420)	-	(1420)
Net increase in borrowings		608		608
Net cash used in financing activities	-	(812)	-	(812)
Net increase / (decrease) in cash and cash equivalents	37,751	(21,687)	34,373	(22,534)
Cash and cash equivalents at the beginning of the financial year	1492	23,179	(1152)	21,382
Cash and cash equivalents at the end of the financial year	39,243	1,492	33,221	(1,152)

Charles Sturt University

ABN 83 878 708 551

Financial Statements for the 2019 Reporting Period

The financial report was authorised for issue by the members on 17th April 2020. Charles Sturt University has the power to amend and reissue the financial report.



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 Income Statement, the Statement of Comprehensive Income and the Statement of Changes in Equity for the year ended 31 December 2019, the Statement of Financial Position as at 31 December 2019, 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 2019, 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 2019 Reporting Period' (the Guidelines), issued by the Australian Government Department of Education, pursuant to the *Higher Education Support Act 2003* 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 (including Independence Standards)' (APES 110).

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

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

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

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

Other Information

The University's annual report for the year ended 31 December 2019, includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The members of the Council of the University are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Report by the Members of the Council and the Statement by the Council.

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

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

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

I have nothing to report in this regard.

University Council's Responsibilities for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the PF&A Act and the Guidelines, *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 is responsible for assessing the University's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

http://www.auasb.gov.au/auditors_responsibilities/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.



Margaret Crawford
Auditor-General for NSW

20 April 2020
SYDNEY

Report by the Members of the Council For the Year Ended 31 December 2019

The members of the University Council present their report on the consolidated entity consisting of Charles Sturt University and the entities (the University) it controlled at the end of, or during, the year ended 31 December 2019.

Meetings of Members

For the year ended 31 December 2019, the number of meetings of the University Council and committees, as well as these meetings attended by each member were:

	University Council		Nomination & Remuneration Committee		Finance, Audit & Risk committee		Investment Committee		Chancellor's Foresighting Committee ¹		Council Executive Committee ²		Foresighting Committee ³		Academic Governance Review Committee ⁴	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Dr Michele Allan	14	13	4	4	-	-	-	-	7	7	9	9	3	2	-	-
Mr Peter Hayes AM	6	6	1	1	3	3	-	-	7	7	-	-	3	3	-	-
Dr Saranne Cooke	14	14	3	4	4	4	3	3	-	-	9	9	3	3	-	-
Professor Andrew Vann	14	13	4	4	7	6	4	3	7	7	9	9	3	3	-	-
Emeritus Professor Joyce Kirk	14	13	4	3	1	2	-	-	7	7	9	9	-	-	2	1
Mr Graeme Bailey	14	13	-	-	-	-	4	4	-	-	-	-	-	-	-	-
Ms Julie Cleary	14	13	-	-	7	6	-	-	-	-	-	-	-	-	-	-
Dr Kate Cornick	14	12	-	-	7	7	-	-	-	-	-	-	3	3	-	-
Mrs Jennifer Hayes	6	3	-	-	3	3	-	-	-	-	-	-	-	-	-	-
Mr John Lloyd	3	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr Philip Marcus Clark AO	8	8	-	-	-	-	1	1	-	-	-	-	-	-	-	-
Ms Elise McMahon	14	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr Jamie Newman	14	7	4	2	-	-	-	-	-	-	-	-	-	-	-	-
Mr Neville Page	6	6	-	-	3	3	-	-	-	-	-	-	-	-	2	2
Ms Lisa Schofield	14	11	-	-	-	-	4	3	-	-	-	-	-	-	-	-
A/Professor Shokoofeh Shamsi	14	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Emeritus Professor Christina Slade	8	8	-	-	3	3	-	-	-	-	-	-	-	-	-	-
Dr Lyndal Thorburn	8	8	-	-	-	-	-	-	-	-	-	-	2	2	-	-
Dr Peter Woodgate	14	13	4	3	-	2	-	-	-	-	-	-	3	3	-	-

A = Number of meetings held during the time the member held office.

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

¹ The Chancellor's Foresighting Committee was disbanded on 1 July 2019 (as approved by the University Council at its meeting on 13 June 2019 (refer to resolution CNL 19/50)

² The Council Executive Committee was established on 1 July 2019 (as approved by the University Council at its meeting on 13 June 2019 (refer to resolution CNL 19/50)

³ The Foresighting Committee was established on 21 June 2019 (as approved by the University Council at its meeting on 13 June 2019 (refer to resolution CNL 19/50)

⁴ The Academic Governance Review Committee was disbanded on 15 August 2019 (as approved by the University Council at its meeting on 15 August 2019 (refer to resolution CNL 19/88)

Members

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

Name	Position	Appointed/End of Term
Dr Michele Allan	Chancellor	
Mr Peter Hayes AM	Deputy Chancellor	Term ended 30/6/2019
Professor Andrew Vann	Vice-Chancellor	
Emeritus Professor Joyce Kirk	Presiding Officer, Academic Senate	
Dr Saranne Cooke	Ministerial appointee/Deputy Chancellor	Appointed as Deputy Chancellor effective from 1/7/2019
Ms Jennifer Hayes	Ministerial appointee (s 8H(1))	Term ended 30/6/2019
Mr Graeme Bailey	(Council appointee (s 8G(1))	
Dr Kate Cornick	(Council appointee (s 8G(1))	
Mr Neville Page	(Council appointee (s 8G(1))	Term ended 30/6/2019
Dr Peter Woodgate	(Council appointee (s 8G(1))	
Mr Jamie Newman	(Council appointee (s 8F(1))	
Ms Lisa Schofield	(Council appointee (s 8F(1))	
Associate Professor Shokoofeh Shamsi	Elected (Academic Staff) Member (s 8E(2)(a))	
Ms Julie Cleary	Elected (General Staff) Member (s 8E(2)(b))	
Ms Elise McMahon	Elected (Student) Member (s 8E(2)(c))	Term ended 6/12/2019
Mr John Lloyd	(Council appointee (s 8H(1))	Term commenced 1/7/2019
Mr Philip Marcus Clark AO	(Council appointee (s 8G(1))	Term commenced 1/7/2019
Emeritus Professor Christina Slade	(Council appointee (s 8G(1))	Term commenced 1/7/2019
Dr Lyndal Thorburn	(Council appointee (s 8G(1))	Term commenced 1/7/2019

Principal Activities

The University's strategic direction is to deliver successful graduates, build vibrant regional communities and strengthen its capabilities.

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

- The provision of distinctive education programs and the preparation of students for work and successful careers, a meaningful life and as contributing and caring citizens.
- Strategic and applied research activities that impact our local communities.
- Building strong, vibrant regional communities with intellectual capital, social capital and infrastructure. The University strives to enhance communities of inland Australia, indigenous Australia and national and international institutions to which our staff and students are linked.
- The continued enhancement of its capability and its workforce to develop a strong and engaged university.

There were no significant changes in the nature of the Universities principal activities during the year.

Review of Operations

The University recorded a net result from continuing operations of \$9.7689 million for the year ended 31 December 2019, compared to \$0.2566 million in 2018. Total assets as at 31 December 2019 were \$1,756 million compared to \$1,612 million as at December 2018.

Significant Changes in the State of Affairs

No significant changes in the universities 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 University and its subsidiaries.

COVID-19

COVID-19 has been declared a Pandemic by the World Health Organisation (WHO). The impact of the COVID-19 outbreak is expected to have an impact on the financial performance and liquidity of the University in 2020.

This has impacted the recruitment of students and caused a significant disruption to business operations triggering establishment of critical incident and business continuity protocols. The impact is broader than sector wide. A reduction in income from student fees and consequently government fee support is emerging as well as the costs in managing the disruption. Investment values have fallen as a consequence of the global market reaction to the outbreak. All of this will undermine the financial performance for 2020.

As at the time of completion of the 2019 Financial Statements, the management of COVID-19 is in progress and not known is the severity, duration and response by national health authorities. As a consequence, the University cannot fully assess the financial impact.

The University has already implemented a number of management actions designed to deal with the outbreak and the consequential financial impact with a range of expenditure containment measures.

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 other than those referred to above and elsewhere in the financial reports.

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 and continues to operate as a certified carbon neutral organisation.

The University is working towards the implementation of a series of voluntary environmental sustainability targets as part of its University Strategy. In 2019, the University released its Sustainability Statement as a signal of its intent to continue to operate in a sustainable manner and is a platform for engaging with students, partners, suppliers and stakeholders to create a sustainable future for the benefit of everyone. Charles Sturt also become a signatory in 2019 to the University Commitment to the United Nations' Sustainable Development Goals.

Major rooftop solar energy systems were commissioned at Albury Wodonga and Orange Campuses during 2019. These works form a significant component of the University's target of a financially viable Clean Energy Strategy to be delivered by 2030 – which will ideally see Charles Sturt eliminate all scope 1 and 2 emissions at the source by transitioning to 100% renewable energy. In addition to these strategies to improve the organisation's operational efficiencies, the University is also working on the integration of sustainability content into all courses to contribute towards the Graduate Learning Outcomes. The University 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 2020
- Group Personal Accident Policy
- AIG Australia Limited - Policy number: 2200103646 - Expiry date 1 November 2020

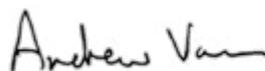
Proceedings on Behalf of Charles Sturt University

The University is not aware of any legal proceedings at the date of this report.

This report is made in accordance with a resolution of the members of the council.



.....
Dr Michele Allan
Chancellor



.....
Professor Andrew Vann
Vice-Chancellor

Bathurst, New South Wales, Australia

17 April 2020

Charles Sturt University

ABN: 83 878 708 551

Statement by the Council

For the year ended 31 December 2019

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:

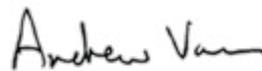
1. The financial reports present a true and fair view of the financial position of the University and its controlled entities at 31 December 2019 and the results of its operations and transactions of the University for the year then ended;
2. The financial reports have been prepared in accordance with 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 2019 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:

5. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due;
6. 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
7. 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 17 April 2020

The accompanying notes form part of these financial statements.

Charles Sturt University

ABN: 83 878 708 551

Income Statement

For the Year Ended 31 December 2019

	Notes	Consolidated		Parent	
		2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	208,012	214,336	208,010	214,329
HELP - Australian Government payment	2.b	137,000	141,291	137,000	141,291
State and local Government financial assistance	3	1,647	1,777	1,647	1,777
Fees and charges	4	204,120	209,801	203,575	209,481
HECS-HELP - Student payments		8,276	7,905	8,276	7,905
Consultancy and contracts	7	3,310	6,946	3,310	6,946
Investment revenue	5	35,337	9,740	32,736	9,888
Royalties, trademarks and licences	6	22	11	22	11
Other revenue	8	19,680	19,194	16,327	18,048
Gains on disposal of assets		6,120	0	5,908	-
Total income from continuing operations		623,524	611,001	616,811	609,676
Expenses from continuing operations					
Employee related expenses	9	313,550	307,704	306,551	301,573
Depreciation and amortisation	10	46,721	40,584	46,683	40,554
Repairs and maintenance	11	10,114	9,589	10,082	9,558
Borrowing costs	12	2,820	978	2,820	978
Impairment of assets	13	3,562	2,458	3,562	2,458
Loss on disposal of assets		-	121	-	100
Other expenses	14	236,988	249,311	242,404	253,506
Total expenses from continuing operations		613,755	610,745	612,102	608,727
Net result from continuing operations		9,769	256	4,709	949

The accompanying notes form part of these financial statements.

Charles Sturt University

ABN: 83 878 708 551

Statement of Comprehensive Income For the Year Ended 31 December 2019

	Note	Consolidated		Parent	
		2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000
Net result for the period		9,769	256	4,709	948
Items that may be reclassified to profit or loss					
Gain on revaluation of land, buildings and infrastructure		31,374	24,972	31,374	24,972
Transfer out to gain/loss on disposal		(241)	-	(241)	-
Transfer in - Joint Operation		-	-	-	599
Gain on revaluation of financial assets		24,383	6,823	24,383	6,823
Remeasurement of Defined benefit superannuation plans		(334)	-	(334)	-
Other comprehensive income		55,182	31,795	55,182	32,394
Comprehensive result		64,951	32,051	59,891	33,342

The accompanying notes form part of these financial statements.

Charles Sturt University

ABN: 83 878 708 551

Statement of Changes in Equity For the Year Ended 31 December 2019

2019		Parent		
	Note	Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2019		342,464	661,526	1,003,990
Retrospective changes		-	(25,465)	(25,465)
Balance at 1 January as restated		342,464	636,061	978,525
Net result		-	4,709	4,709
Gain/(loss) on revaluation of Property, plant & equipment		31,374	-	31,374
Transfer out to gain/loss on disposal		(241)	-	(241)
Revaluation of Financial Assets		24,383	-	24,383
Remeasurement of Defined benefit superannuation plans		-	(334)	(334)
Total comprehensive income		55,516	4,375	59,891
Balance at 31 December 2019		397,980	640,436	1,038,416

2018		Parent		
	Note	Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2018		321,968	649,151	971,119
Retrospective changes		(11,299)	10,827	(472)
Balance at 1 January as restated		310,669	659,978	970,647
Net result		-	949	949
Gain/(loss) on revaluation of Property, plant & equipment		24,972	-	24,972
Transfers in - Joint Operation		-	599	599
Revaluation of Financial Assets		6,823	-	6,823
Total comprehensive income		31,795	1,548	33,343
Balance at 31 December 2018		342,464	661,526	1,003,990

The accompanying notes form part of these financial statements.

Charles Sturt University

ABN: 83 878 708 551

Statement of Changes in Equity For the Year Ended 31 December 2019

2019		Consolidated		
	Note	Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2019		342,464	679,517	1,021,981
Retrospective changes		-	(25,474)	(25,474)
Balance at 1 January as restated		342,464	654,043	996,507
Net result		-	9,769	9,769
Gain/(loss) on revaluation of property, plant & equipment		31,374	-	31,374
Transfer out to gain/loss on disposal		(241)	-	(241)
Revaluation of financial Assets		24,383	-	24,383
Remeasurement of Defined benefit superannuation plans		-	(334)	(334)
Total comprehensive income		55,516	9,435	64,951
Balance at 31 December 2019		397,980	663,478	1,061,458

2018		Consolidated		
	Note	Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2018		324,377	666,030	990,407
Retrospective changes		(13,708)	13,231	(477)
Balance at 1 January as restated		310,669	679,261	989,930
Net result		-	256	256
(Loss)/Gain on revaluation Financial Assets		6,823	-	6,823
Revaluation of property, plant and equipment		24,972	-	24,972
Total comprehensive income		31,795	256	32,051
Balance at 31 December 2018		342,464	679,517	1,021,981

The accompanying notes form part of these financial statements.

Charles Sturt University

ABN: 83 878 708 551

Statement of Financial Position

As at 31 December 2019

	Note	Consolidated		Parent	
		2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	15	1,492	23,179	(1,152)	21,382
Receivables	16	42,801	49,891	42,534	49,768
Inventories	17	2,656	3,016	2,656	3,016
Other financial assets	18	37,528	75,558	37,528	75,558
Other non-financial assets	21	12,028	9,288	12,028	9,288
Non-current assets held for sale		3,280	1,859	1,200	1,859
TOTAL CURRENT ASSETS		99,785	162,791	94,794	160,871
NON-CURRENT ASSETS					
Trade and other receivables	16	419,507	390,746	419,507	390,746
Other financial assets	18	362,735	267,030	343,759	250,185
Property, plant and equipment	19	869,119	784,364	868,987	784,211
Intangible assets	20	5,329	2,426	5,326	2,422
Other non-financial assets	21	274	4,848	274	4,848
TOTAL NON-CURRENT ASSETS		1,656,964	1,449,414	1,637,853	1,432,412
TOTAL ASSETS		1,756,749	1,612,205	1,732,647	1,593,283
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	22	25,292	24,818	25,227	24,725
Borrowings	23	4,846	1,692	4,846	1,692
Provisions	24	84,168	79,479	83,368	78,641
Contract liabilities	25	68,664	33,012	68,574	33,012
TOTAL CURRENT LIABILITIES		182,970	139,001	182,015	138,070
NON-CURRENT LIABILITIES					
Borrowings	23	69,997	39,767	69,997	39,767
Provisions	24	438,200	407,274	438,095	407,274
Contract liabilities	25	4,124	4,182	4,124	4,182
TOTAL NON-CURRENT LIABILITIES		512,321	451,223	512,216	451,223
TOTAL LIABILITIES		695,291	590,224	694,231	589,293
NET ASSETS		1,061,458	1,021,981	1,038,416	1,003,990
EQUITY					
Reserves	26	397,980	342,464	397,980	342,464
Retained Earnings	26	663,478	679,517	640,436	661,526
TOTAL EQUITY		1,061,458	1,021,981	1,038,416	1,003,990

The accompanying notes form part of these financial statements.

Charles Sturt University

ABN: 83 878 708 551

Statement of Cash Flows

For the Year Ended 31 December 2019

	Note	Consolidated		Parent	
		2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES:					
Australian Government Grants		337,312	338,656	337,310	338,649
OS-HELP (net)		1,505	1,869	1,505	1,869
Superannuation Supplementation		14,564	15,102	14,564	15,102
State Government Grants		1,647	1,777	1,647	1,777
HECS-HELP - Student payments		8,276	7,905	8,276	7,905
Receipts from student fees and other customers		229,321	225,513	225,564	224,040
Dividend received		12,174	15,336	12,174	14,249
Interest received		3,641	3,567	3,641	3,539
GST recovered		24,236	21,088	24,236	21,088
Payments to suppliers		(274,945)	(272,858)	(280,300)	(277,048)
Interest paid		(2,820)	(978)	(2,820)	(978)
Payments to employees		(306,376)	(289,264)	(299,440)	(283,240)
Net cash provided by / (used in) operating activities	35	48,535	67,713	46,357	66,952
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from sale of plant and equipment		6,300	3,538	6,300	3,555
Proceeds from sale of investment		154,996	198,891	151,905	195,355
Purchase of property, plant and equipment		(60,621)	(41,806)	(60,604)	(41,734)
Payments for financial assets		(170,085)	(224,777)	(165,680)	(219,910)
Net cash provided by / (used in) investing activities		(69,410)	(64,154)	(68,079)	(62,734)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from borrowings		1,000	-	1,000	-
Repayment of borrowings		(392)	1,744	(392)	1,744
Net increase (decrease) in finance lease commitments		(1,420)	(1,496)	(1,420)	(1,496)
Net cash provided by / (used in) financing activities		(812)	248	(812)	248
Net increase (decrease) in cash and cash equivalents held		(21,687)	3,807	(22,534)	4,466
Cash and cash equivalents at beginning of year		23,179	19,372	21,382	16,916
Cash and cash equivalents at end of financial year		1,492	23,179	(1,152)	21,382

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

31 December 2019

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.

The financial statements are financial statements for the consolidated entity comprising the Charles Sturt University and its controlled entities. Separate financial statements for the Charles Sturt University as the parent entity have not been included as the consolidated financial statements do not differ materially from those of the parent entity. They are presented in Australian dollars.

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, the requirements of the Higher Education Support Act 2003 (Financial Statement Guidelines), the Public Finance and Audit Act 1983, and the Public Finance and Audit Regulation 2015.

Charles Sturt University is a not-for-profit entity and these statements have been prepared on that basis.

The financial statements were authorised for issue by the members of Charles Sturt University Council on 17 April 2020.

(i) Historical cost convention

These financial statements have been prepared under the historical cost convention, except for debt and equity financial assets (including derivative financial instruments) that have been measured at fair value either through other comprehensive income or profit or loss, certain classes of property, plant and equipment.

(ii) Critical accounting estimates

The preparation of financial statements in conformity with AAS requires the use of certain critical accounting estimates. It also requires management to exercise its 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, are disclosed below:

- Estimated useful life assessments of property, plant and equipment assets (note 19)
- Measurement and recognition of employee benefits provisions (note 24)
- Impairment of trade and other receivables (note 16)
- Measurement of financial assets (note 28)

(iii) Rounding amounts

Amounts in the financial statements and notes to the financial statements have, unless otherwise stated, been rounded to the nearest thousand dollars.

(iv) Comparative amounts

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

(v) Foreign currency 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.

(vi) Income Tax

The University is exempt from income tax under Division 50 of the Income Tax assessment Act 1997.

b) Principles of Consolidation

(i) Subsidiaries

The consolidated financial statements represent the financial statements of the parent entity, being Charles Sturt University; and the assets, liabilities and results of all entities it controlled in accordance with AASB10 'Consolidated Financial Statements' at the end of or during the financial year, and are together referred to as the consolidation entity. Control is established when the parent is exposed to or has rights to variable returns from the involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Notes to the Financial Statements

31 December 2019

Intercompany transactions, balances and unrealised gains on transactions between University entities are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the University.

A list of controlled entities is contained in Note 36 to the financial statements.

c) 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.

d) Impairment of non-financial assets

At the end of each reporting period the University determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

e) New Accounting Standards and Interpretations

The following standards have been issued but are not mandatory for 31 December 2019 reporting periods. The 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
AASB1059	1 Jan 2020 (early adoption not permitted by the department)	Minimal or no impact

In addition, at the date of authorisation of the financial statements the following IASB Standards and IFRIC Interpretations were on issue but not yet effective, but for which Australian equivalent Standards and Interpretations have not yet been issued:

Amendments to References to the Conceptual Framework in IFRS Standards – 1 January 2020.

f) Initial application of AAS

The University has adopted AASB15, AASB1058 and AASB16 in accordance with the transitional provisions applicable to each standard. The nature and effect as a result of adoption of these new accounting standards are described below.

Charles Sturt University adopted AASB15 and AASB1058 using the modified retrospective method of transition, with the date of initial application of 1 January 2019. In accordance with the provisions of this transition approach, the university recognised the cumulative effect of applying these new standards as an adjustment to opening retained earnings at the date of initial application, i.e., 1 January 2019. Consequently, the comparative information presented has not been restated and continues to be reported under the previous standards on revenue and income. In addition, the university has applied the practical expedient and elected to apply these standards retrospectively only to contracts and transactions that were not completed contracts at the date of initial application, i.e., as at 1 January 2019.

As CSU is applying the modified retrospective approach, the University did apply the practical expedient described in AAS15.C5 c, for contracts that were modified before the beginning of the earliest period presented.

CSU did not retrospectively restate the contract for those modifications in accordance with AASB15.20-21. Instead, CSU reflected the aggregate effect of all of the modifications that occur before the beginning of the earliest period presented when:

- Identifying the satisfied and unsatisfied performance obligations
- Determining the transaction price
- Allocating the transaction price to the satisfied and unsatisfied performance obligation

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

Overview of AASB15 and AASB1058

Under the new income recognition model applicable to not-for-profit entities, the university shall first determine whether an enforceable agreement exists and whether the promises to transfer goods or services to the customer are 'sufficiently specific'.

If an enforceable agreement exists and the promises are 'sufficiently specific' (to a transaction or part of a transaction), the university applies the general AASB15 principles to determine the appropriate revenue recognition. If these criteria are not met, the university shall consider whether AASB1058 applies.

The nature and effect of the changes as a result of adoption of AASB15 and AASB1058 are described as follows:

	Consolidated		Parent entity	
	Note Ref adjustments	1 January 2019 \$'000	Note Ref adjustments	1 January 2019 \$'000
Liabilities				
Contract Liabilities – Student Fees/CGS	[1]	15,264	[1]	15,264
Contract liabilities – Research Grants	[2]	11,626	[2]	11,626
Contract Liabilities – Other Grants	[3]	4,503	[3]	4,493
Total Adjustment on Equity Retained Earnings		31,393		31,383

Set out over the page are the amounts by which each financial statement line item is affected as at and for the year ended 31 December 2019 as a result of the adoption of AASB15 and AASB1058. The adoption of AASB15 did not have a material impact on Other Comprehensive Income or the University's operating, investing and financing cash flows. The first column shows amounts prepared under AASB15 and AASB1058 and the second column shows what the amounts would have been had AASB15 and AASB1058 not been adopted.

Notes to the Financial Statements

31 December 2019

Ref Adj	Consolidated			Parent				
	Prepared under AASB15/1058	Previous AAS	Increase/ decrease	Prepared under AASB15/1058	Previous AAS	Increase/ (decrease)		
Income Statement								
Revenue and income from continuing operations								
	Australian government financial Assistance	[4]	345,012	356,382	11,370	345,010	356,380	11,370
	State and local government financial assistance	[5]	1,647	4,600	2,953	1,647	4,600	2,953
	Fees and charges	[4]	204,120	204,341	221	203,575	203,796	221
	HECS –HELP – Student payments	-	8,276	8,276	-	8,276	8,276	-
	Consultancy and contracts	[5]	3,310	7,453	4,143	3,310	7,453	4,143
	Investment revenue	-	35,337	35,337	-	32,736	32,736	-
	Royalties, trademarks and licences	-	22	22	-	22	22	-
	Other revenue	[5]	19,680	19,674	(6)	16,327	16,241	(86)
	Gains on disposal of assets	-	6,120	6,120	-	5,908	5,908	-
	Total revenue and income from continuing operations		623,524	642,205	18,681	616,811	635,412	18,601
Expenses from continuing operations								
	Employee related expenses	-	313,550	313,550	-	306,551	306,551	-
	Depreciation and amortisation	-	46,721	46,721	-	46,683	46,683	-
	Repairs and maintenance	-	10,114	10,114	-	10,082	10,082	-
	Borrowing costs	-	2,820	2,820	-	2,820	2,820	-
	Impairment of assets	-	3,562	3,562	-	3,562	3,562	-
	Other expenses	[6]	236,988	245,895	(8,907)	242,404	251,311	(8,907)
	Total expenses from continuing operations		613,755	622,662	(8,907)	612,102	621,009	(8,907)
	Net result from continuing operations		9,769	19,543	9,774	4,709	14,403	9,694
Statement of Financial Position								
Assets								
	Cash and Cash equivalents	-	1,492	1,492	-	(1,152)	(1,152)	-
	Receivables	[7]	462,308	461,402	906	462,041	461,135	906
	Inventories	-	2,656	2,656	-	2,656	2,656	-
	Other financial assets	-	400,263	400,263	-	381,287	381,287	-
	Other non-financial assets	-	12,302	12,302	-	12,302	12,302	-
	Non-current assets held for sale	-	3,280	3,280	-	1,200	1,200	-
	Property, plant and equipment	-	869,119	869,119	-	868,987	868,987	-
	Intangible assets	-	5,329	5,329	-	5,326	5,326	-
	Total assets		1,756,749	1,755,843	906	1,732,647	1,731,741	906
Liabilities								
	Trade and other payables	-	25,292	25,292	-	25,227	25,227	-
	Borrowings	-	74,843	74,843	-	74,843	74,843	-
	Provisions	-	522,368	522,368	-	521,463	521,463	-
	Contract Liabilities	[8]	72,788	30,715	(42,073)	72,698	30,715	(41,983)
	Total liabilities		695,291	653,218	(42,073)	694,231	652,248	(41,983)
Equity								
	Total Equity		1,061,458	1,102,625	(41,167)	1,038,416	1,079,493	(41,077)

Notes to the Financial Statements

31 December 2019

The nature of the adjustments as at 1 January 2019 and the reasons for the significant changes in the statement of financial position as at 31 December 2018 and the income statement for the year ended 31 December 2019 are described below:

(i) Student Fees/Commonwealth Grant Income

This represents the portion of student fees and Commonwealth grant subsidy received for Semester 3 2018 for course delivery in 2019. This semester overlaps the 2018 and 2019 financial years and is reported as a contract liability with a corresponding adjustment to retained earnings as at 1 January 2019.

(ii) Research Grants

The various research funding agreements have been assessed to determine the value of open contracts as at 31 December 2018. This is reflected as a contract liability with corresponding adjustment to retained earnings as at 1 January 2019.

(iii) Other Grants

The University has assessed its obligations under various funding agreements with the Commonwealth to determine the value of open contracts as at 31 December 2018. This is reflected as a contract liability with corresponding adjustment to retained earnings as at 1 January 2019.

(iv) Student Fees/Commonwealth Grant Income

This represents the portion of student fees and Commonwealth grant subsidy received in 2019 for Semester 3 2019 for course delivery in 2020. This semester overlaps the 2019 and 2020 financial years and the portion of funding received in 2019 which relates to 2020 is reported as a contract liability at 31 December 2019.

(v) Research Contracts

The various research funding agreements have been assessed to determine the value of open contracts as at 31 December 2019. The remaining commitment is reflected as a contract liability.

(vi) Scholarship Contracts & Research Collaboration

The university receives funding through various contracts which contain an obligation to pay cash scholarships to students and/or pay research funding to collaborators and third party providers. The funding received throughout the year is allocated to a liability account and the payment of scholarships is allocated to extinguish the liability. The remaining commitment is reflected as a contract liability at 31 December 2019.

(vii) Receivables

The value of receivables is adjusted to reflect payments due to the University for research activities performed under contracts which the university is entitled to receive at 31 December 2019.

(viii) Contract Liabilities

The balance at 31 December 2019 reflects the accumulated value of the remaining commitments under the various grant programs highlighted above.

AASB16

The University has adopted AASB16 using the modified retrospective method of transition, with the date of initial application of 1 January 2019. Under the modified approach, the University has chosen, on a lease-by-lease basis, to measure the related right-of-use asset at either:

- (i) its carrying amount as if AASB16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate or the interest rate implicit in the lease at the date of initial application, or
- (ii) an amount equal to the lease liability, relating to that lease recognised in the statement of financial position immediately before the date of initial application.

In accordance with the provisions of this transition approach, the University recognised the cumulative effect of applying this new standard as an adjustment to opening retained earnings at the date of initial application i.e. 1 January 2019. Consequently, the comparative information presented has not been restated and continues to be reported under the previous standards on leases - AASB117 and AASB Interpretation 4 Determining whether an arrangement contains a lease (Interpretation 4). The new accounting policies for leases in accordance with AASB16 are provided in Note 23 – Borrowings. The nature and effect of the changes as a result of adoption of AASB16 are as described below:

Definition of lease

Previously, the University determined at contract inception whether an arrangement is or contains a lease under Interpretation 4. Under AASB16, the University will continue to assess at contract inception whether a contract is, or contains, a lease but now uses the new definition of a lease.

On transition to AASB16, the University elected to apply the practical expedient to grandfather the assessment of which transactions are or contain leases. This means that for arrangements entered into before 1 January 2019, The University has not reassessed whether they are, or contain, a lease in accordance with the new AASB16 lease definition. Consequently, contracts existing prior to 1 January 2019 which were assessed per the previous accounting policy described below in accordance with AASB117 and Interpretation 4 as a lease will be treated as a lease under AASB16. Whereas, contracts previously not identified as a lease, will not be reassessed to determine whether they would meet the new definition of a lease in accordance with AASB16. Therefore, the University

Notes to the Financial Statements

31 December 2019

applied the recognition and measurement requirements of AASB16 only to contracts that were previously identified as leases, and does not apply AASB16 to contracts that were previously not identified as leases. The new definition of lease under AASB16 will only be applied to contracts entered into or modified on or after 1 January 2019.

Charles Sturt University as a lessee

The University previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying asset to the University. Under AASB16, this classification no longer exists for the University as a lessee. Instead, practically all leases are now recognised on the statement of financial position as right-of-use assets with corresponding lease liabilities comprising all amounts which are considered to be lease payments.

Leases previously classified as operating leases under AASB117

On transition to AASB16, the University recognised lease liabilities for leases previously classified as operating leases by discounting the remaining lease payments using the incremental borrowing rate as at the date of initial application, i.e. 1 January 2019. The right-of-use assets were recognised at their carrying amount as if AASB16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the date of initial application or the interest rate implicit in the lease.

The University has applied the following practical expedients in transitioning existing operating leases:

1. Applied a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment)
2. Applied the exemption not to recognise right-of-use assets and lease liabilities where the remaining leases term is 12 months or less from the date of initial application

Leases previously classified as finance leases under AASB117

On the date of initial application, right-of-use assets and lease liabilities continued to be recognised for leases previously classified as finance leases at the same carrying amounts of the leased assets and finance lease liabilities recognised in accordance with AASB117 immediately before the date of initial application.

Reconciliation of operating lease commitments under AASB117 and lease liabilities under AASB16

The difference between the operating lease commitments disclosed previously by applying AASB117 and the value of the lease liabilities recognised under AASB16 on 1 January 2019 is explained as follows:

	Consolidated \$'000	Parent \$'000
Operating lease commitments disclosed as at 31 December 2018	55,957	55,957
Discounted using the University's weighted average incremental borrowing rate of 3.25%	(18,149)	(18,149)
Add: Finance lease liabilities recognised as at 31 December 2018	8,610	8,610
(Less): Short-term leases recognised on a straight-line basis as an expense	(76)	(76)
(Less): Adjustments as a result of a different treatment of lease from Anglican Church	(5,650)	(5,650)
Add: Lease definitions: Additional leases not identified as a commitment at 31/12/18	3,439	3,439
Lease Liability recognised at 1 January 2019	44,131	44,131

Notes to the Financial Statements

31 December 2019

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

a) Commonwealth Grants Scheme and Other Grants

	Note	Consolidated		Parent	
		2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000
Commonwealth Grants Scheme		174,692	174,897	174,692	174,897
Indigenous Student Success Program		3,935	3,965	3,935	3,965
Disability Support Program		127	97	127	97
Partnership and Participation Program		5,450	5,932	5,450	5,932
Total Commonwealth Grants Scheme and Other Grants	38.a)	184,204	184,891	184,204	184,891

b) Higher Education Loan Programs

HECS – HELP		93,666	98,941	93,666	98,941
FEE - HELP		41,388	40,608	41,388	40,608
SA-HELP		1,946	1,742	1,946	1,742
Total Higher Education Loan Programmes	38.b)	137,000	141,291	137,000	141,291

c) Education Research Grants

Research Support Program		3,418	3,604	3,418	3,604
Research Training Scheme		6,357	6,469	6,357	6,469
Total Education Research Grants	38.c)	9,775	10,073	9,775	10,073

d) Other Capital Funding

	Note	Consolidated		Parent	
		2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000
Education Investment Fund		50	-	50	-
Total Other Capital Funding		50	-	50	-

e) Australian Research Council Grants

(i) Discovery Grants

Project		156	138	156	138
Indigenous Researchers Development		-	106	-	106
DECRA		219	237	219	237
Total Discovery Grants	38.e(i)	375	481	375	481

(ii) Linkages Grants

Linkages Project		59	(25)	59	(25)
Total ARC	38.e)	434	456	434	456

Notes to the Financial Statements

31 December 2019

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

f) Other Australian Government Financial Assistance

	Note	Consolidated		Parent	
		2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000
Non-capital		422	313	422	313
ATAS and AFB Schemes		4,664	4,008	4,664	4,008
University Dep't of Rural Health Grants		8,463	14,595	8,461	14,588
Other assistance		13,549	18,916	13,547	18,909

Total Other Australian Government Financial Assistance

g) Total Australian Government Financial Assistance

Reconciliation		208,012	214,336	208,010	214,329
Australian Government Grants (a + c + d + e)		93,666	98,941	93,666	98,941
HECS - HELP		41,388	40,608	41,388	40,608
FEE - HELP		1,946	1,742	1,946	1,742
SA-HELP payments		345,012	355,627	345,010	355,620
Total Australian Government Financial Assistance					

Notes to the Financial Statements

31 December 2019

3. State government financial assistance

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

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Non-capital				
NSW State Government	1,647	1,777	1,647	1,777
Total State Government Financial Assistance	1,647	1,777	1,647	1,777

4. Fees and charges

Course Fees and Charges

Fee-paying onshore overseas students	141,770	148,185	141,770	148,185
Fee-paying offshore overseas students	12,624	10,286	12,624	10,286
Continuing education	1,140	1,086	1,140	1,086
Fee-paying domestic postgraduate students	11,791	11,680	11,791	11,680
Fee-paying domestic undergraduate students	1,523	1,376	1,523	1,376
Total Course Fees and Charges	168,848	172,613	168,848	172,613

Other Non-Course Fees and Charges

Student accommodation	16,676	16,904	16,676	16,904
Conferences / function charges	1,373	1,091	1,373	1,091
Other student fees	1,665	1,735	1,665	1,735
Fees for services rendered	10,053	11,400	9,508	11,080
Parking fees	3	5	3	5
Memberships	194	223	194	223
Other fees	1,162	1,509	1,162	1,509
Student Services and Amenities Fees from students	4,146	4,321	4,146	4,321
Total Other Fees and Charges	35,272	37,188	34,727	36,868
Total Fees and Charges	204,120	209,801	203,575	209,481

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, and/or if there is a remaining enforceable performance obligation, the revenue received is treated a contract liability. Fees and charges relating to debtors are recognised as revenue in the year to which the prescribed course relates.

Notes to the Financial Statements

31 December 2019

5. Investment revenue and income

Investment revenue

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Fair Value gain/(losses)	18,508	(9,163)	16,921	(7,900)
Interest income	3,653	3,567	3,641	3,539
Dividend income	13,176	15,336	12,174	14,249
Total investment revenue	35,337	9,740	32,736	9,888

6. Royalties, trademarks and licences

Royalties, trademarks and licences	22	11	22	11
Total royalties, trademarks and licences	22	11	22	11

7. Consultancy and contracts

Consultancy	419	305	419	305
Contract research	605	945	605	945
Other contract revenue	93	88	93	88
NSW Police contract scholarship	2,193	5,608	2,193	5,608
Total consultancy and contracts	3,310	6,946	3,310	6,946

8. Other revenue and income

Donations and bequests	3,298	1,194	500	585
Scholarships and prizes	1,897	1,980	1,342	1,452
Non-government grants	3,897	5,331	3,897	5,331
Other revenue	163	711	163	711
Sale of trading stock	4,810	4,422	4,810	4,422
Commissions	283	226	283	226
Rental	1,528	1,801	1,528	1,801
Reimbursements	1,786	1,486	1,786	1,477
Miscellaneous sales	2,010	1,966	2,010	1,966
Subscriptions	8	77	8	77
Total other revenue and income	19,680	19,194	16,327	18,048

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

9. Employee related expenses

	Note	Consolidated		Parent	
		2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000
Academic staff					
Salaries		106,486	101,933	106,486	101,933
Contributions to superannuation and pension schemes		17,611	17,220	17,611	17,220
Payroll tax		7,269	10,080	7,269	10,080
Worker's compensation		311	236	311	236
Long service leave expense		3,992	3,135	3,992	3,135
Annual leave		6,332	6,079	6,332	6,079
Total academic staff		142,001	138,683	142,001	138,683
Non-academic staff					
Salaries		125,792	122,511	120,595	117,924
Contributions to superannuation and pension schemes		21,158	20,456	20,571	19,940
Payroll tax		10,050	13,160	9,716	12,858
Worker's compensation		789	690	274	417
Long service leave expense		5,533	4,482	5,483	4,411
Annual leave		8,227	7,723	7,911	7,340
Total non-academic staff		171,549	169,022	164,550	162,890
Total employee related expenses		313,550	307,704	306,551	301,573

Notes to the Financial Statements

31 December 2019

10. Depreciation and amortisation

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Depreciation				
Buildings	29,762	28,926	29,762	28,926
Depreciation - Right of Use Assets	4,927	-	4,927	-
Library collection	335	501	335	501
Plant and equipment	6,660	7,111	6,634	7,081
Infrastructure	2,637	2,230	2,637	2,230
Motor vehicles	1,083	1,148	1,071	1,148
Total depreciation	45,404	39,916	45,366	39,886
Amortisation				
Computer software	1,317	668	1,317	668
Total amortisation	1,317	668	1,317	668
Total depreciation and amortisation	46,721	40,584	46,683	40,554

11. Repairs and maintenance

Other repairs and maintenance	10,114	9,589	10,082	9,558
Total repairs and maintenance	10,114	9,589	10,082	9,558

12. Borrowing costs

Interest expense on financial liabilities	933	977	933	977
Interest expense on lease liabilities	1,887	1	1,887	1
Total borrowing costs expensed	2,820	978	2,820	978

13. Impairment of assets

Impairment of receivables	2,534	2,458	2,534	2,458
Impairment of fixed assets	1,028	-	1,028	-
Total impairment of assets	3,562	2,458	3,562	2,458

Accounting Policy

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 of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

For further information on accounting policies of impairment of financial assets, refer to Note 16 and Note 18.

Notes to the Financial Statements

31 December 2019

14. Other expenses

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Advertising, marketing and promotional expenses	6,547	6,497	6,547	6,497
Audit fees, bank charges, legal costs, insurance and taxes	3,412	4,133	3,387	4,092
Cleaning	7,544	6,362	7,544	6,362
Conferences and seminars	238	355	235	355
Consultants	9,523	8,131	9,443	8,058
Consumables and administration	3,395	3,185	3,234	3,040
Contract tuition services	116,993	116,868	116,993	116,868
Contracts	7,379	10,311	7,379	10,311
Cost of goods sold	7,157	6,288	7,157	6,288
Electronic information resources	6,305	5,999	6,305	5,999
Equipment services	1,872	1,793	1,870	1,792
Membership fees	1,384	1,685	1,382	1,684
Non-capitalised equipment	6,567	5,667	6,535	5,644
Operating lease and rental expenses	1,994	5,306	1,978	5,290
Other expenses	13,284	17,361	12,871	16,934
Printing and stationery	797	487	797	487
Publications and general resources	593	719	593	719
Scholarships, grants and prizes	20,035	24,278	18,704	22,910
Services rendered	460	2,270	7,940	8,560
Telecommunications	2,363	2,867	2,363	2,867
Travel, staff development and entertainment	10,435	10,064	10,434	10,062
Utilities	8,710	8,684	8,710	8,684
Other expenses	1	1	3	3
Total other expenses	236,988	249,311	242,404	253,506

Notes to the Financial Statements

31 December 2019

15. Cash and cash equivalents

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Cash at bank	(1,570)	969	(4,214)	(828)
Cash on hand	62	59	62	59
Deposits at call	3,000	22,151	3,000	22,151
Total cash and cash equivalent	1,492	23,179	(1,152)	21,382

a) Cash at bank and on hand

Cash in operating accounts earns interest at the rate of 0% to 0.10% (2018: 0.50% to 2.00%). The University maintains cash equivalents of \$7,441,938 (2018: \$5,626,305) 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 1.75% (2018: 0.50% and 2.00%).

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.

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

16. Receivables

	Note	Consolidated		Parent	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current					
Non-Student debtors		11,096	9,068	11,096	9,068
Student debtors		3,583	3,366	3,583	3,366
Less: provision for impairment		(250)	(362)	(250)	(362)
		14,429	12,072	14,429	12,072
Accrued income		2,726	11,158	2,650	11,134
Government Contributions for Superannuation	34.	21,097	21,951	21,097	21,951
Other debtors		4,549	4,710	4,358	4,611
Total current receivables		42,801	49,891	42,534	49,768
Non-current					
Deferred Government Contributions for Superannuation	34.	419,507	390,746	419,507	390,746
Total non-current receivables		419,507	390,746	419,507	390,746
Total receivables		462,308	440,637	462,041	440,514

Classification and measurement

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

Impairment

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

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

16. Receivables

a) Impaired receivables

As at 31 December 2019 current receivables of the Charles Sturt University with a value of \$250,052 (2018: \$362,385) were impaired. The amount of the provision was \$250,052 (2018: \$362,385). The ageing of these receivables is as follows:

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current Receivables				
0-3 months	12	32	12	32
3 to 6 months	31	13	31	13
Over 6 months	207	316	207	316
	250	361	250	361

As at 31 December 2019 trade receivables of \$14,566,317 (2018: \$11,645,359) were past due but not impaired. These relate to a number of independent customers. The ageing analysis of these receivables is as follows:

Trade Receivables				
Between 0 to 3 months	12,698	9,492	12,698	9,492
Between 3 to 6 months	518	799	518	799
Over 6 months	1,350	1,354	1,350	1,354
	14,566	11,645	14,566	11,645

Movements in the provision for impaired receivables are as follows:

At 1 January	362	250	362	250
Provision for impairment recognised during the year	2,534	2,458	2,534	2,458
Receivables written off during the year as uncollectable	(2,646)	(2,346)	(2,646)	(2,346)
As at 31 December	250	362	250	362

Notes to the Financial Statements

31 December 2019

17. Inventories

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current				
Winery stock held for sale	48	96	48	96
Mixed farm stock held for distribution	1,844	1,922	1,844	1,922
Other stock on hand held for distribution	765	998	765	998
Total inventories	2,657	3,016	2,657	3,016

(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)

Notes to the Financial Statements

31 December 2019

18. Other financial assets

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current				
Amortised cost financial assets	37,528	75,558	37,528	75,558
Non-current				
Financial assets at fair value through OCI	47,316	22,933	47,316	22,933
Financial assets at fair value through P&L	255,419	232,259	236,443	215,752
Amortised cost financial assets	60,000	11,838	60,000	11,500
Total non-current other financial assets	362,735	267,030	343,759	250,185
Total other financial assets	400,263	342,588	381,287	325,743

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

Financial assets comprising bonds, unit trusts, and marketable securities are included in this category unless they meet the definition of financial assets at amortised cost or financial assets at fair value through other comprehensive income. They are included in non-current assets unless the maturity date of the asset is within twelve months of the reporting date. Financial assets at fair value through profit or loss are initially recognised at fair value, with subsequent increases or decreases in fair value recognised in profit or loss.

(ii) Financial assets at amortised cost

Financial assets held for the objective of collecting contractual inflows on specific dates and those cash flows are generally in the form of principal and/or interest are measured at amortised cost. 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.

(iii) Financial assets at fair value through other comprehensive income

Financial Assets comprising debt or equity instruments that are not held for trading are included in this category. This includes the university's investment in Education Australia Ltd. Financial assets at fair value through other comprehensive income are initially recognised at fair value, with subsequent increases or decreases in fair value recognised in other comprehensive income.

(iv) Impairment of financial assets

The University assesses at each reporting date, whether there is objective evidence that a financial asset is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset that has an impact on the estimated future cash flows of the financial assets that can be reliably estimated. Evidence of impairment may include, but is not limited to, indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Loans, together with the associated allowance, are written off when there is no realistic prospect of future recovery, If in a subsequent year, the amount of the estimated impairment loss changes, the allowance account is adjusted. If a write-off is later recovered, the recovery is credited to financial costs in the statement of profit or loss.

Notes to the Financial Statements

31 December 2019

19. Property, plant and equipment

Parent	Construction in progress	Land	Buildings	Plant and Equipment*	Other Plant and Equipment*	Library	Infrastructure	Right of Use Leased Assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2019									
- Cost	9,596	-	-	80,565	11,639	30,919	-	-	132,719
- Valuation	-	62,563	671,993	-	-	-	74,386	-	808,942
Adoption of AASB16	-	-	-	-	-	-	-	46,566	46,566
Accumulated depreciation & impairment	-	-	(56,746)	(63,069)	(3,384)	(29,969)	(4,282)	-	(157,450)
Adjusted Net book amount	9,596	62,563	615,247	17,496	8,255	950	70,104	46,566	830,777
Year ended 31 December 2019									
Opening net book amount	9,596	62,563	615,247	17,496	8,255	950	70,104	46,566	830,777
Additions	48,074	-	1,030	5,041	2,205	186	-	-	56,536
Assets disposals	-	(701)	(556)	(866)	(972)	-	-	-	(3,095)
Transfers – At value	(14,468)	(6,791)	3,178	(7,502)	-	-	4,514	21,069	-
Transfers – Accumulated Depreciation	-	-	623	5,016	-	-	53	(5,692)	-
Depreciation expense	-	-	(29,762)	(6,634)	(1,071)	(335)	(2,637)	(4,927)	(45,366)
Revaluation surplus/ (deficit)	-	1,315	27,239	-	-	-	1,500	1,320	31,374
Transfer to profit & loss	(59)	-	(1,028)	-	-	-	-	-	(969)
Closing net book amount	43,143	56,386	615,971	12,399	8,417	801	73,534	58,336	868,987
At 31 December 2019									
- Cost	43,143	-	-	74,086	11,821	31,107	-	68,956	229,113
- Valuation	-	56,386	701,213	-	-	-	80,401	-	838,000
Accumulated depreciation and impairment	-	-	(85,242)	(61,687)	(3,404)	(30,306)	(6,867)	(10,620)	(198,126)
Net book amount	43,143	56,386	615,971	12,399	8,417	801	73,534	58,336	868,987

Notes to the Financial Statements

31 December 2019

19. Property, plant and equipment

Consolidated	Construction in progress	Land	Buildings	Plant and Equipment*	Other Plant and Equipment*	Library	Infrastructure	Right of Use Leased Assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2019									
- Cost	9,596	-	-	80,700	11,699	30,920	-	-	132,915
- Valuation	-	62,563	671,993	-	-	-	74,386	-	808,942
Adoption of AASB16	-	-	-	-	-	-	-	46,566	46,566
Accumulated depreciation and impairment	-	-	(56,746)	(63,087)	(3,408)	(29,970)	(4,282)	-	(157,493)
Net book amount	9,596	62,563	615,247	17,613	8,291	950	70,104	46,566	830,930
Year ended 31 December 2019									
Opening net book amount	9,596	62,563	615,247	17,613	8,291	950	70,104	46,566	830,930
Additions	48,074	-	1,030	5,053	2,205	186	-	-	56,548
Disposals	-	(701)	(556)	(866)	(972)	-	-	-	(3,095)
Transfers – At value	(14,468)	(6,791)	3,178	(7,502)	-	-	4,514	21,069	-
Transfers – Accumulated Depreciation	-	-	623	5,016	-	-	53	(5,692)	-
Depreciation expense	-	-	(29,762)	(6,660)	(1,083)	(335)	(2,637)	(4,927)	(45,404)
Revaluation surplus/ (deficit)	-	1,315	27,239	-	-	-	1,500	1,320	31,374
Transfer to Profit & Loss	(59)	-	(1,028)	-	-	-	-	-	(1,087)
Closing net book amount	43,143	56,386	615,971	12,507	8,441	801	73,534	58,336	869,119
At 31 December 2019									
- Cost	43,143	-	-	74,237	11,882	31,106	-	68,956	229,324
- Valuation	-	56,386	701,213	-	-	-	80,401	-	838,000
Accumulated depreciation and impairment	-	-	(85,242)	(61,730)	(3,441)	(30,305)	(6,867)	(10,620)	(198,205)
Net book amount	43,143	56,386	615,971	12,507	8,441	801	73,534	58,336	869,119

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

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 University and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

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.

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 2018 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.

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

19. Property, plant and equipment

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.

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:

	2019 Years	2018 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	5	5
Monographs and audio visual materials	5	5

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

19. Property, plant and equipment

a) Right-of-use assets

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Right of Use Land				
At 1 January 2019				
Transfers in	7,131	-	7,131	-
Net carrying value	7,131	-	7,131	-
Right of Use Buildings				
Adoption of AASB16 at 1 January 2019	45,651	-	45,651	-
Transfers in	5,392	-	6,072	-
Revaluation surplus	1,320	-	-	-
Depreciation charge	(4,147)	-	(4,147)	-
Net carrying value	48,216	-	48,216	-
Right of Use Plant & Equipment				
Adoption of AASB16 at 1 January 2019	908	-	908	-
Transfers in	2,484	-	2,484	-
Depreciation charge	(776)	-	(776)	-
Net carrying value	2,616	-	2,616	-
Right of Use Infrastructure				
Adoption of AASB16 at 1 January 2019	7	-	7	-
Transfers in	370	-	370	-
Depreciation charge	(4)	-	(4)	-
Net carrying value	373	-	373	-
Total Right of use assets	58,336	-	58,336	-

Notes to the Financial Statements

31 December 2019

20. Intangible Assets

	Note	Consolidated		Parent	
		2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000
Computer software					
Cost		13,830	9,609	13,826	9,605
Accumulated amortisation and impairment		(8,501)	(7,183)	(8,500)	(7,183)
Net carrying value		5,329	2,426	5,326	2,422
Total Intangibles		5,329	2,426	5,326	2,422
Total Intangibles		5,329	2,426	5,326	2,422

a) Details of Intangible Assets

	Consolidated	Computer software \$'000	Total \$'000
Year ended 31 December 2019			
Opening net book amount			2,426
Additions			4,220
Amortisation			(1,317)
Closing value at 31 December 2019			5,329
	Consolidated	Computer software \$'000	Total \$'000
Year ended 31 December 2018			
Opening net book amount			2,549
Additions			545
Amortisation			(668)
Closing value at 31 December 2018			2,426

(i) Research and development

Expenditure on research and development 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 Universities 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.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

21. Other non-financial assets

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current				
Prepaid lease	-	304	-	304
Prepaid Salaries	6	6	6	6
Prepaid Expenses - Other	12,022	8,978	12,022	8,978
Total current other non-financial assets	12,028	9,288	12,028	9,288
Non-current				
Prepaid lease	-	4,429	-	4,429
Prepaid Expenses - Other	274	419	274	419
Total non-current other non-financial assets	274	4,848	274	4,848
Total other non-financial assets	12,302	14,136	12,302	14,136

22. Trade and other payables

Current				
Trade creditors	7,477	6,392	7,416	6,299
Other accrued expenses	12,741	14,034	12,738	14,034
Accrued salaries	4,218	3,091	4,218	3,091
OS-HELP liability to Australian Government	856	1,301	856	1,301
Total current trade and other payables	25,292	24,818	25,228	24,725

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

Notes to the Financial Statements

31 December 2019

23. Borrowings

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current				
Secured				
Lease obligations	4,559	1,420	4,559	1,420
Bank Loan	287	272	287	272
Total current borrowings	4,846	1,692	4,846	1,692
Non-current				
Secured				
Lease obligations	36,733	7,190	36,733	7,190
Secured bank loan	2,264	2,577	2,264	2,577
Unsecured				
Unsecured bank loan	31,000	30,000	31,000	30,000
Total non-current borrowings	69,997	39,767	69,997	39,767
Total borrowings	74,843	41,459	74,843	41,459

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

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

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

23. Borrowings

a) CSU as Lessee

	Consolidated		Parent	
	2019	2019	2019	2019
	\$'000	\$'000	\$'000	\$'000
Amounts Recognised in the Income Statement				
Interest on Lease liabilities	1,887		1,887	
Expenses relating to short-term leases	76		76	
	1,963		1,963	
Maturity analysis - undiscounted contractual cash flows				
Less than one year	4,566		4,566	
one to 5 years	12,804		12,804	
More than 5 years	40,669		40,669	
	58,039		58,039	
Lease liabilities recognised in the statement of financial position				
Current	4,559		4,559	
Non-current	36,733		36,733	
	41,292		41,292	

The university leases consist of land, buildings and equipment which support the operations of the university. This includes a long term lease for the provision of student accommodation which represents 92% of the University's total lease liability. This lease is due to expire in 2033. A summary of the discounted lease liability by asset category is Land & Buildings \$39,137 IT and other equipment \$2,155

b) Assets pledged as security

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

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Plant and Equipment Other	2,551	2,914	2,551	2,914
	2,551	2,914	2,551	2,914
Finance lease				
Plant and equipment	1,885	3,315	1,885	3,315
Buildings	39,407	5,650	39,407	5,650
	41,292	8,965	41,292	8,965
Total assets pledged as security	43,843	11,879	43,843	11,879

Notes to the Financial Statements

31 December 2019

23. Borrowings

c) Financing arrangements

Unrestricted access was available at reporting date to a \$1,740,000 business card limit facility, with a balance used of \$886,570 at 31 December 2019 (2018: \$779,154).

d) Class of borrowings

The unsecured loan outstanding with interest payable at 90 day BBSW (Bank Bill Swap Rate) plus a margin is payable 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.

e) Fair value

	Consolidated		2019		2018	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
On-balance sheet						
Non-traded financial liabilities	74,843	74,843	41,459	41,459		
	74,843	74,843	41,459	41,459		

(i) On-balance sheet

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

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.

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.

Notes to the Financial Statements

31 December 2019

24. Provisions

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current provisions expected to be settled within 12 months				
Employee benefits				
Defined benefit superannuation obligations	21,097	21,951	21,097	21,951
Long service leave	5,291	5,573	5,214	5,131
Employee entitlement oncost	4,582	4,446	4,582	4,446
Payroll Tax Defined Benefits Superannuation obligation	425	429	425	429
Annual Leave	12,481	12,145	12,164	11,749
Short-term provisions				
Other provisions	441	441	441	441
	44,317	44,985	43,923	44,147
Current provisions expected to be settled after more than 12 months				
Employee benefits				
Annual leave	4,380	4,009	4,290	4,009
Long service leave	28,709	24,480	28,393	24,480
Employee entitlement oncost	6,762	6,005	6,762	6,005
	39,851	34,494	39,445	34,494
Total current provisions	84,168	79,479	83,368	78,641
Non-current provisions				
Employee benefits				
Long service leave	7,876	6,522	7,771	6,522
Defined benefit superannuation obligations	420,219	391,798	420,219	391,798
Employee entitlement oncost	1,632	1,288	1,632	1,288
Payroll Tax Defined Benefits Superannuation obligation	8,474	7,666	8,474	7,666
Total non-current provisions	438,201	407,274	438,096	407,274
Total provisions	522,369	486,753	521,464	485,915

Provisions are recognised when the University 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.

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.

Notes to the Financial Statements

31 December 2019

24. Provisions

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 2019.

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 \$441,316,270 (2018: \$413,749,028) 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 2019, the university was advised in writing by the Trustees of the Defined Benefits Scheme that it will be required to make a payment of \$21,097,390 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 2019.

(i) Short-term obligations

Liabilities for short-term obligations including wages and salaries and non-monetary benefits are measured at the amount expected to be paid when the liability is settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates payable.

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

(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.

All employees of the University are entitled to benefits on retirement, disability or death from the Universities superannuation plan. The University 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 Universities legal or constructive obligation is limited to these contributions.

Notes to the Financial Statements

31 December 2019

25. Other liabilities

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current				
Contract Liabilities	68,664	33,012	68,574	33,012
Total current other liabilities	68,664	33,012	68,574	33,012
Non-current				
Contract Liabilities	4,124	4,182	4,124	4,182
Total non-current other liabilities	4,124	4,182	4,124	4,182
Total other liabilities	72,787	37,194	72,787	37,194

26. Reserves and retained earnings

a) Reserves

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Reserves and retained earnings				
Financial assets revaluation reserve	47,316	22,933	47,316	22,933
Property, plant and equipment revaluation reserve	350,664	319,531	350,664	319,531
Total reserves	397,980	342,464	397,980	342,464

b) Movements in reserves

Financial assets revaluation reserve

Balance 1 January	22,933	29,818	22,933	27,409
Revaluation of financial assets	24,383	6,823	24,383	6,823
Transfers to retained earnings AASB 9	-	(13,199)	-	(10,795)
Transfers to to asset - amortised cost AASB 9	-	(509)	-	(504)
Balance 31 December	47,316	22,933	47,316	22,933

Property, plant and equipment revaluation reserve

Balance 1 January	319,531	294,559	319,531	294,559
Revaluation of property, plant & equipment	31,374	24,972	31,374	24,972
Transfer out to gain/loss on disposal	(241)	-	(241)	-
Balance 31 December	350,664	319,531	350,664	319,531
Total reserves	397,980	342,464	397,980	342,464

Notes to the Financial Statements

31 December 2019

26. Reserves and retained earnings

c) Movements in retained earnings

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Retained earnings at 1 January	679,517	666,030	661,526	649,151
Retrospective changes 1 January	-	-	-	-
Transfer to Contract Liabilities - Student Fees	(15,264)	-	(15,264)	-
Transfer to Contract Liabilities - Research	(11,626)	-	(11,626)	-
Transfer to Contract Liabilities - Other Government Grants	(4,493)	-	(4,493)	-
Derecognition of lease liability (ACCC lease)	5,650	-	5,650	-
Reduction in liability of existing lease assets (Cisco lease)	269	-	269	-
Transfer to Contract Liabilities - Foundation Trust	(10)	-	-	-
AASB9 Available For Sale to FVPL	-	13,231	-	10,827
Balance at 1 January as restated	654,043	679,261	636,062	659,978
Net result for the period	9,769	256	4,709	949
Transfers in - Joint Operation	-	-	-	599
Actuarial changes - Defined Benefit Super	(334)	-	(334)	-
Retained earnings at 31 December	663,478	679,517	640,436	661,526

d) Nature and purpose of reserves

(i) *Financial assets revaluation reserve - changes in fair value arising on revaluation of investments classified as available-for-sale financial assets are taken to the financial assets revaluation reserve. 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.*

Notes to the Financial Statements

31 December 2019

27. Financial Risk Management

The Universities 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 Universities overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance. The University uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, 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. 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 University has a potential foreign exchange risk exposure due to its operations in China, in which the University collaborates with four partner institutions.

(ii) Price risk

The University 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 University 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 Universities 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 Universities 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 Universities 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 University 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 2019 if interest rates decreased/ increased by 1% with all other variables held constant, equity would have been \$3,733,000 higher/ \$3,733,000 lower (2018: \$3,469,000/ \$3,469,000) 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 \$2,554,000 higher/ \$2,554,000 lower (2018: \$2,323,000/ \$2,323,000) as a result of an increase/ decrease in the fair value of the investment security.

(iv) Summarised sensitivity analysis

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

Notes to the Financial Statements

31 December 2019

27. Financial Risk Management

a) Market risk

31 December 2019

	Interest rate risk				Other price risk				
	Carrying amount \$'000s	-1%		+1%		-10%		+10%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Financial assets									
Cash and Cash Equivalents - Deposits at bank	1,430	(14)	(14)	14	14	-	-	-	-
Accrued Interest	2,726	(27)	(27)	27	27	-	-	-	-
Amortised cost	97,528	(975)	(975)	975	975	(9,753)	(9,753)	9,753	9,753
Financial assets at fair value through profit or loss	255,419	(2,554)	(2,554)	2,554	2,554	(25,542)	(25,542)	25,542	25,542
Financial assets at fair value through other comprehensive income	47,316	(473)	(473)	473	473	(4,732)	(4,732)	4,732	4,732
Financial liabilities									
Borrowings	31,000	310	310	(310)	(310)	3,100	3,100	(3,100)	(3,100)
Total increase/(decrease)		(3,733)	(3,733)	3,723	3,723	(36,927)	(36,927)	36,927	36,927

31 December 2018

	Interest rate risk				Other price risk				
	Carrying amount \$'000s	-1%		+1%		-10%		+10%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Financial assets									
Cash and Cash Equivalents - at bank	23,120	(231)	(231)	231	231	-	-	-	-
Accrued Interest	11,158	(112)	(112)	112	112	-	-	-	-
Amortised cost	87,396	(874)	(874)	874	874	(8,740)	(8,740)	8,740	8,740
financial assets at fair value through profit or loss	232,259	(2,323)	(2,323)	2,323	2,323	(23,226)	(23,226)	23,226	23,226
Financial assets at fair value through other comprehensive income	22,933	(229)	(229)	229	229	(2,293)	(2,293)	2,293	2,293
Financial liabilities									
Borrowings	30,000	300	300	(300)	(300)	3,000	3,000	(3,000)	(3,000)
Total increase/(decrease)		(3,469)	(3,469)	3,469	3,469	(31,259)	(31,259)	31,259	31,259

Notes to the Financial Statements

31 December 2019

27. Financial Risk Management

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 University. Credit risk arises largely from outstanding receivables and to a lesser degree from cash and cash equivalents. To assist in managing risk, the University 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 University's maximum exposure to credit risk.

c) Liquidity risk

Liquidity risk arises when a member of the University 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 University 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 \$1.740 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 University's financial assets and financial liabilities:

	Average Interest rate		Variable interest rate		Less than 1 year		1 - 5 years		5+ years		Non-Interest		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets:														
Cash and cash equivalents	0.28	1.74	1,430	23,120	-	-	-	-	-	-	62	59	1,492	23,179
Receivables	-	-	-	-	-	-	-	-	-	-	18,184	23,288	18,184	23,288
Other financial assets	2.31	2.88	-	-	37,528	75,559	60,000	11,837	255,419	232,259	47,316	22,933	400,263	342,588
Total Financial Assets			1,430	23,120	37,528	75,559	60,000	11,837	255,419	232,259	65,562	46,280	419,939	389,055
Financial Liabilities:														
Bank loans and overdrafts	3.70	2.73	31,000	30,000	287	272	1,630	1,582	634	995	-	-	33,551	32,849
Leases	-	-	-	-	4,559	1,420	36,733	7,190	-	-	-	-	41,292	8,610
Payables	-	-	-	-	-	-	-	-	-	-	25,292	24,818	25,292	24,818
Total Financial Liabilities			31,000	30,000	4,846	1,692	38,363	8,772	634	995	25,292	24,818	100,135	66,277

Notes to the Financial Statements

31 December 2019

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	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Financial assets				
Cash and cash equivalents	1,492	23,179	1,492	23,179
Trade and other receivables	21,704	27,940	21,704	27,940
Other financial assets	402,263	342,588	402,263	342,588
Total financial assets	425,459	393,707	425,459	393,707
Financial Liabilities				
Payables	25,292	24,818	25,292	24,818
Borrowings	74,843	41,459	74,843	41,459
Total financial liabilities	100,135	66,277	100,135	66,277

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

- Financial assets at fair value through profit or loss
- Financial assets at fair value through other comprehensive income
- Land, buildings and infrastructure

Notes to the Financial Statements

31 December 2019

28. Fair Value Measurement

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 2019.

Fair value measurements at 31 December 2019

Recurring fair value measurements

Financial assets

Available-for-sale financial assets

Equity securities

Non-financial assets

Land and buildings

Land

Buildings

Infrastructure

Other Property, Plant & Equipment

Property held for sale

Total non-financial assets

Payables

Borrowings

Total liabilities

Note	2019 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
18.	302,735	49,667	205,752	47,316
19.	56,384	-	20,289	36,095
	615,971	-	1,471	614,500
	73,534	-	-	73,534
	8,416	-	8,416	-
	3,280	-	2,080	1,200
	757,585	-	32,256	725,329
	25,292	25,292	-	-
	74,843	74,843	-	-
	100,135	100,135	-	-

Notes to the Financial Statements

31 December 2019

28. Fair Value Measurement

b) Fair value hierarchy

Fair value measurements at 31 December 2018

		2018 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements					
Financial assets					
Available-for-sale financial assets	18.				
Equity securities		255,192	39,402	192,857	22,933
Non-financial assets					
Land and buildings	19.				
Land		62,563	-	-	62,563
Buildings		615,248	-	-	615,248
Other property, plant & equipment		70,104	-	-	70,104
Total non-financial assets		747,915	-	-	747,915
Payables		24,818	24,818	-	-
Borrowings		41,459	41,459	-	-
Total liabilities		66,277	66,277	-	-

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 University 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 University for similar financial instruments. For the period ending 31 December 2019, 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 2019

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

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

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

- The use of quoted market prices 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 University reassesses the fair value of each property, taking into account the most recent independent valuations. The University 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 University 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 2019

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 2019 and 2018.

Level 3 Fair Value Measurement 2019	Unlisted equity securities \$'000	Other financial assets \$'000	Land, buildings & infrastructure \$'000	Total \$'000
Opening balance	22,933	-	719,938	742,871
Recognised in profit or loss	-	-	1	1
Recognised in other comprehensive income	24,383	-	29,420	53,803
Closing balance	47,316	-	749,359	796,675

Level 3 Fair Value Measurement 2018	Unlisted equity securities \$'000	Other financial assets \$'000	Buildings & Infrastructure \$'000	Total \$'000
Opening balance	16,110	-	697,826	713,936
Acquisitions	-	-	22,112	22,112
Recognised in other comprehensive income	6,823	-	-	6,823
Closing balance	22,933	-	719,938	742,871

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

(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 28(c) above for the valuation techniques adopted.

Notes to the Financial Statements

31 December 2019

28. Fair Value Measurement

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

Description	Valuation technique	Key inputs	Sensitivity to change in unobservable inputs
Equity securities	Net assets and capitalisation of maintainable earnings method.	Comparable market transactions' data adjusted for factors including complexity of an instrument, market liquidity, credit risk profiles, impairment indicators	The estimated fair value increases (decreases) as the market liquidity increases (decreases).
	The Group engages a qualified valuer to conduct an annual valuation of all level 3 financial assets owned by the University at the end of each reporting period. The valuations are generally based on market transactions for comparable assets that exist in the secondary financial markets. Minimal adjustments are applied in respect of unobservable inputs for these assets.	Discount factors	The estimated fair value increases (decreases) as the estimated net asset value increases (decreases); and the estimated fair value increases (decreases) as the estimated discount factor decreases (increases).
Land, buildings & infrastructure	Depreciated replacement cost approach:	Current replacement costs	The estimated fair value increases (decreases) as the estimated replacement cost per square metre increases (decreases).
	Assets are valued by adopting and adjusting the written down value provided by AssetVal Pty Ltd as at 31 December 2018, with adjustments made including capital improvements and remaining useful lives.	Adjustments including capital improvements, remaining useful lives	The estimated fair value increases (decreases) as the estimated consumed economic benefit decreases (increases).
	Assets are valued based on comparable property sales transactions and where identical properties are not available, adjustments have been made to reflect the following characteristics of the asset, including condition, location, restrictions on use.	Comparable property sales values	
	Market approach.	Adjustments including condition, location, restrictions on use or comparability of the asset.	
	The Group also engages a qualified valuer annually to undertake a desktop review to determine the fair value movements for each asset class for the 12 months ended at each reporting date.		

Notes to the Financial Statements

31 December 2019

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	-Mr Graeme Bailey
-Dr Saranne Cooke	-Mrs Jennifer Hayes	-Emeritus Professor Joyce Kirk
-Mr Neville Page	-Mr Peter Hayes AM	-Mr Jamie Newman
-Ms Lisa Schofield	-Mr John Lloyd	-Mr Philip Marcus Clark AO
-Ms Elise McMahon	-Dr Kate Cornick	-Dr Lyndal Thorburn
-Ms Julie Cleary	-Dr Peter Woodgate	
-Emeritus Professor Christina Slade		
-Associate Professor Shokoofeh Shamsi		

(ii) Names of Executive Officers

-Professor Andrew Vann	-Mr Paul Dowler
-Mr Adam Browne	-Professor John Germov
-Professor Heather Urwin	-Ms Jenny Roberts

b) Remuneration of board members and executives

	Consolidated		Parent	
	2019 Number	2018 Number	2019 Number	2018 Number
Remuneration of Board Members #1				
Nil to \$14,999	11	11	9	9
\$15,000 to \$29,999	9	9	9	9
\$30,000 to \$44,999	-	1	-	1
\$45,000 to \$59,999	1	1	1	1
Remuneration of Executive Officers #2				
\$90,000 to 104,999	-	1	-	1
\$120,000 to \$134,999	1	1	-	-
\$300,000 to \$314,999	-	1	-	1
\$315,000 to \$329,999	-	1	-	1
\$330,000 to \$344,999	1	-	1	-
\$345,000 to \$359,999	-	1	-	1
\$375,000 to \$389,999	-	2	-	2
\$390,000 to \$404,999	1	1	1	1
\$405,000 to \$419,999	1	-	1	-
\$420,000 to \$434,999	1	-	1	-
\$505,000 to \$519,999	1	-	1	-
\$765,000 to \$779,999	-	1	-	1
\$815,000 to \$829,999	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 2019 of \$827,171 (2018: \$768,761).

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

c) Key management personnel compensation

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Short-term employee benefits	2,981	3,344	2,851	3,221
Post-employment benefits	376	423	376	423
Total key management personnel compensation	3,357	3,767	3,227	3,644

d) Other transactions with key management personnel

During the year ended 31 December 2019, the Charles Sturt University Foundation Trust received \$52,030 (2018 \$32,321) in donations from Key Management Personnel. Charles Sturt University also received payments of \$3,603 (2018 \$1,042) for various services provided to Key Management Personnel during 2019. Allowances paid to key management personnel for domestic and international travel was \$34,029 (2018 \$31,507). A scholarship payment of \$4,010 was made during 2019 (2018 \$11,000) to a key management personnel member.

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	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Audit of the Financial Statements				
Fees paid to NSW Audit Office	343	383	307	348
Total	343	383	307	348
Consulting and assurance services	21	3	21	3
Total	21	3	21	3

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 2019

31. Contingencies

a) Contingent assets

Recoverable amount from Commonwealth & NSW Governments – Payroll tax on top-up contributions to defined benefit superannuation schemes.

The University has recognised a liability of \$8,899,143 for provision for payroll tax on the expected future funding shortfall on a number of closed defined benefit superannuation schemes. Under an MOU between the Commonwealth and the NSW Government, the shortfall contributions are reimbursed to NSW universities under a 78:22 split. The decision not to recognise a corresponding receivable in relation to this liability is based on the wording of AASB 137.53 which states that "Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, it is virtually certain that reimbursement will be received if the entity settles the obligation". The agreed terms of the MOU cover the other items including payroll taxes and other taxes payable to the top up contributions. In choosing not to recognise a receivable the University notes that to date, neither the Commonwealth or the NSW Government have confirmed that they will reimburse the University for the payroll tax. While there is ongoing discussion between the university sector and the state and federal government in relation to this, the University believes there is currently no evidence that such amounts will not be recovered from this discussion process.

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 \$382,108 was used as at 31 December 2019. The bank guarantees given primarily relate to security for work undertaken in Port Macquarie on a road reserve.

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

32. Commitments

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

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Property, plant and equipment				
Within one year	12,054	16,898	12,054	16,898
Total	12,054	16,898	12,054	16,898

a) Lease commitments

(i) Operating Leases

This item represents the Universities contracted and future obligations for operating leases for property:

Within one year	-	2,397	-	2,397
Between one year and five years	-	10,067	-	10,067
Later than five years	-	43,493	-	43,493
Total future minimum lease payments	-	55,957	-	55,957

(ii) Finance Leases

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

Within one year	-	1,420	-	1,420
Between one year and five years	-	1,540	-	1,540
Later than five years	-	5,650	-	5,650
Total future minimum lease payments	-	8,610	-	8,610
Recognised as a liability	-	8,610	-	8,610

Representing lease liabilities				
Current	-	1,420	-	1,420
Non-current	-	7,190	-	7,190
Total	-	8,610	-	8,610

The weighted average interest rate implicit in the finance leases is 1.30% (2018: 1.01%)

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

33. Related Parties

a) Parent entities

The ultimate parent entity within the Charles Sturt University 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	
	2019 \$'000	2018 \$'000
Cleaning and maintenance services (Charles Sturt Campus Services Limited)	7,699	6,540
Charles Sturt University Foundation Trust. Administrative expense contribution	50	50

Notes to the Financial Statements

31 December 2019

34. Defined Benefits Plan

a) Fund specific disclosure

The University contributes to the following superannuation schemes:

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

The University incurs an obligation for deferred contributions which become payable on and after retirement of staff. The deferred liability at 31 December 2018 was estimated based on actuarial assumptions by Mercer Consulting (Australia) Pty Ltd for the State Schemes. An arrangement exists between the Australian Government and the State Government to meet most of the unfunded liability for the Universities 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 2019 is set out below.

The University expects to make a contribution of \$785,876 (2018: \$9,991,933) to the defined benefit plan during the next financial year.

The weighted average duration of the defined benefit obligation is 11.1 years (2018: 11.7 years). The expected maturity analysis of undiscounted benefit payments is as follows:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Defined benefit obligations - 31 December 2019	22,969	23,251	68,888	365,758	480,866
Defined benefit obligations - 31 December 2018	22,879	22,749	69,122	388,365	503,115

b) Categories of plan assets

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

	2019 (%)		2018 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Cash and Cash Equivalents	17.00	-	19.00	-
Equity instruments	51.00	-	46.00	-
Debt instruments	13.00	10.00	16.00	10.00
Property	4.00	5.00	4.00	5.00
Total	85.00	15.00	85.00	15.00

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

	2019	2018
Discount rate(s)	1.37%	2.33%
Expected rate(s) of salary increase	3.20%	2.7%

Notes to the Financial Statements

31 December 2019

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%	10.6%	12.9%
Salary Growth Rate	0.50%	0.2%	0.2%

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.

d) Statement of financial position amounts

Amounts recognised in the statement of financial position - 2019

Liabilities

Provision for deferred government benefits for superannuation

Assets

Receivable for deferred government benefit for superannuation

Net liability recognised in the statement of financial position

Net liability reconciliation - 2019

Defined benefit obligation

Fair value of plan assets

Net liability

Reimbursement right

Total net liability/(asset)

Note	\$'000	\$'000	\$'000	\$'000
	SASS	SANCS	SSS	Total
	13,230	3,942	424,144	441,316
	12,635	3,825	424,144	440,604
	595	117	-	712
	33,926	4,809	440,728	479,463
	(20,696)	(867)	(16,584)	(38,147)
24.	13,230	3,942	424,144	441,316
16.	(12,635)	(3,825)	(424,144)	(440,604)
	595	117	-	712

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

34. Defined Benefits Plan

d) Statement of financial position amounts

	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Reimbursement rights - 2019				
Opening value of reimbursement right	10,870	4,772	397,055	412,697
Return on reimbursement rights	(329)	276	8,919	8,866
Remeasurements	1,436	(1,223)	18,170	18,383
Closing value of reimbursement right	11,977	3,825	424,144	439,946
Present value of obligation - 2019				
Opening defined benefit obligation	35,280	5,299	413,143	453,722
Current service cost	659	168	-	827
Contributions by participants	371	-	90	461
Interest expense	784	114	9,492	10,390
	37,094	5,581	422,725	465,400
Remeasurements				
Actuarial losses/(gains) arising from changes in financial assumptions	1,597	233	38,573	40,403
Experience (gains)/losses	208	(520)	(1,732)	(2,044)
	1,805	(287)	36,841	38,359
Payments from plan				
Benefits paid	(4,935)	(524)	(18,095)	(23,554)
Taxes, premiums & expenses	(38)	40	(744)	(742)
	(4,973)	(484)	(18,839)	(24,296)
Closing defined benefit obligation	33,926	4,810	440,727	479,463

16.

Notes to the Financial Statements

31 December 2019

34. Defined Benefits Plan

d) Statement of financial position amounts

	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Present value of plan assets - 2019				
Opening fair value of plan assets	23,471	414	16,088	39,973
Interest (income)	509	11	458	978
	23,980	425	16,546	40,951
Remeasurements				
Return on plan assets, excluding amounts included in net interest expense	1,263	(5)	115	1,373
Contributions				
Employers	55	930	18,672	19,657
Plan participants	371	-	90	461
	426	930	18,762	20,118
Payments from plan				
Benefits paid	(4,935)	(524)	(18,095)	(23,554)
Tax, premiums & expenses paid	(38)	41	(744)	(741)
	(4,973)	(483)	(18,839)	(24,295)
Closing fair value of plans assets	20,696	867	16,584	38,147

Amounts recognised in the statement of financial position - 2018

Liabilities

Provision for deferred government benefits for superannuation

Total liabilities

Assets

Receivable for deferred government benefit for superannuation

Net liability recognised in the statement of financial position

Net liability reconciliation - 2018

Defined benefit obligation

Fair value of plan assets

Net liability

Reimbursement right

Total net liability/(asset)

	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Liabilities				
Provision for deferred government benefits for superannuation	11,809	4,885	397,055	413,749
Total liabilities	11,809	4,885	397,055	413,749
Assets				
Receivable for deferred government benefit for superannuation	10,870	4,772	397,055	412,697
Net liability recognised in the statement of financial position	939	113	-	1,052
Net liability reconciliation - 2018				
Defined benefit obligation	35,280	5,299	413,143	453,722
Fair value of plan assets	(23,471)	(414)	(16,088)	(39,973)
Net liability	11,809	4,885	397,055	413,749
Reimbursement right	(10,870)	(4,772)	(397,055)	(412,697)
Total net liability/(asset)	939	113	-	1,052

Note

24.

16.

Notes to the Financial Statements

31 December 2019

34. Defined Benefits Plan

d) Statement of financial position amounts

	\$'000	\$'000	\$'000	\$'000
	SASS	SANCS	SSS	Total
Reimbursement rights - 2018				
Opening value of reimbursement right	8,334	6,119	393,050	407,503
Return on reimbursement rights	1,305	346	10,568	12,219
Remeasurements	1,231	(1,693)	(6,563)	(7,025)
Closing value of reimbursement right	10,870	4,772	397,055	412,697
Present value of obligation - 2018				
Opening defined benefit obligation	37,134	6,149	408,257	451,540
Current service cost	788	198	286	1,272
Past service cost	421	-	185	606
Interest expense	937	149	10,548	11,634
	39,280	6,496	419,276	465,052
Remeasurements				
Actuarial losses/(gains) arising from changes in demographic assumptions	(114)	(52)	1,926	1,760
Actuarial losses/(gains) arising from changes in financial assumptions	561	86	14,270	14,917
Experience (gains)/losses	1,471	101	(4,096)	(2,524)
	1,918	135	12,100	14,153
Payments from plan				
Benefits paid	(5,836)	(1,234)	(18,003)	(25,073)
taxes, premiums & expenses paid	(82)	(98)	(230)	(410)
	(5,918)	(1,332)	(18,233)	(25,483)
Closing defined benefit obligation	35,280	5,299	413,143	453,722

Notes to the Financial Statements

31 December 2019

34. Defined Benefits Plan

d) Statement of financial position amounts

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Present value of plan assets - 2018					
Opening fair value of plan assets		28,548	(15)	15,207	43,740
Interest (income)		709	9	380	1,098
		29,257	(6)	15,587	44,838
Remeasurements					
Return on plan assets, excluding amounts included in net interest expense		(289)	(7)	(113)	(409)
Contributions					
Employers		-	1,760	18,662	20,422
Plan participants		420	-	185	605
		420	1,760	18,847	21,027
Payments from plan					
Benefits paid		(5,836)	(1,234)	(18,002)	(25,072)
Taxes, premiums & expenses paid		(83)	(98)	(230)	(411)
		(5,919)	(1,332)	(18,232)	(25,483)
Closing fair value of plans assets		23,469	415	16,089	39,973

e) Amounts recognised in other statements

Amounts recognised in the Income Statement - 2019

The amounts recognised in the income statement are restricted to the SASS, SANCS and SSS schemes in accordance with note 24. The amounts are included in the Income Statement.

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Amounts recognised in the Income Statement - 2019					
Current service cost		659	168	-	827
Interest expense		274	103	9,034	9,411
Total expense recognised in the Income Statement	9.	933	271	9,034	10,238

Amounts recognised in other comprehensive income - 2019

The amounts recognised in the statement of comprehensive income are restricted to the SASS, SANCS and SSS schemes in accordance with note 24. The amounts are included in retained earnings (note 26.).

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Remeasurements					
Actuarial losses (gains) on liabilities		1,805	(288)	36,840	38,357
Remeasurement of reimbursement right		(2,787)	(239)	(36,955)	(39,981)
Actual return on plan assets less interest income		1,262	(5)	115	1,372
Total remeasurements in OCI		280	(532)	-	(252)

Notes to the Financial Statements

31 December 2019

34. Defined Benefits Plan

e) Amounts recognised in other statements

Amounts recognised in the Income Statement - 2018

The amounts recognised in the income statement are restricted to the SASS, SANCS and SSS schemes in accordance with note 24 . The amounts are included in the Income Statement.

		\$'000	\$'000	\$'000	\$'000
		SASS	SANCS	SSS	Total
Amounts recognised in the Income Statement - 2018					
Current service cost		788	198	286	1,272
Interest expense		228	140	10,169	10,537
Total expense recognised in the Income Statement	9.	1,016	338	10,455	11,809

Amounts recognised in other comprehensive income - 2018

The amounts recognised in the statement of comprehensive income are restricted to the SASS, SANCS and SSS schemes in accordance with note 24. The amounts are included in retained earnings (note 26.).

	Note	\$'000	\$'000	\$'000	\$'000
		SASS	SANCS	SSS	Total
Remeasurements					
Actuarial losses (gains) arising from changes in demographic assumptions		1,157	477	3,141	4,775
Remeasurement of reimbursement right		(536)	(459)	(2,887)	(3,882)
Actual return on plan assets less interest income		(736)	7	(254)	(983)
Total remeasurements in OCI		(115)	25	-	(90)

Notes to the Financial Statements

31 December 2019

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

	Note	Consolidated		Parent	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Net result for the period		9,769	256	4,709	949
Depreciation and amortisation		46,721	40,584	46,683	40,554
Gain on disposal of available-for-sale financial investments		(18,508)	9,163	(16,921)	7,900
(Gain)/loss on disposal of property, plant and equipment		(6,120)	121	(5,908)	100
Impairment of assets		3,562	2,458	3,562	2,458
Other non-cash movements		(1,014)	(5)		(219)
(Increase) / decrease in trade debtors		(2,084)	8,787	(1,992)	8,793
(Increase) / decrease in accrued revenue		(28,761)	(12,561)	(28,761)	(12,346)
(Increase) / decrease in other accrued income		8,432	(6,774)	8,484	(6,788)
(Increase) / decrease in prepaid salaries			4		4
(Increase) / decrease in other prepayments		(2,595)	1,108	(2,595)	1,108
(Increase) / decrease in inventories		(359)	(41)	(359)	(41)
Increase / (decrease) in fees received in advance		4,210	110	4,207	110
Increase / (decrease) in accrued salaries		1,127	1,264	1,127	1,264
Increase/ (decrease) in trade payables		1,085	5,509	1,117	5,252
Increase / (decrease) in accrued expenses		(1,738)	558	(1,741)	789
Increase / (decrease) in provision for leave and other employee entitlements		34,808	17,172	34,745	17,065
Net cash provided by / (used in) operating activities		48,535	67,713	46,357	66,952

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

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	
		2019	2018
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 University 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 University's ability to access or use the assets and settle the liabilities of the University.

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 (%)	
			2019	2018
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 \$463,523 (2018: \$621,259) and liabilities held jointly is \$Nil (2018: \$Nil). The amounts are included in the financial statements under their respective categories.

Notes to the Financial Statements

31 December 2019

38. Acquittal of Australian Government financial assistance

a) Education - CGS and Other Education Grants

	Commonwealth Grants Scheme#1		Indigenous Student Success Program		Partnership & Participation Program #2	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Parent Entity (University) Only						
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	176,328	174,052	3,935	3,965	5,450	5,932
Net accrual adjustments	(1,636)	845	-	-	-	-
Revenue for the period	174,692	174,897	3,935	3,965	5,450	5,932
Surplus/(deficit) from the previous year	-	-	1,583	1,152	83	86
Total revenue including accrued revenue	174,692	174,897	5,518	5,117	5,533	6,018
Less expenses including accrued expenses	174,692	174,897	3,559	3,534	5,453	5,935
Surplus/(deficit) for the reporting period	-	-	1,959	1,583	80	83

	Disability Support Program		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Parent Entity (University) Only				
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	127	97	185,840	184,046
Net accrual adjustments	-	-	(1,636)	845
Revenue for the period	127	97	184,204	184,891
Surplus/(deficit) from the previous year	(237)	-	1,429	1,238
Total revenue including accrued revenue	(110)	97	185,633	186,129
Less expenses including accrued expenses	442	334	184,147	184,700
Surplus/(deficit) for the reporting period	(552)	(237)	1,487	1,429

#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 2019

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	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Parent Entity (University) Only									
Cash Payable/(Receivable) at beginning of year		(7,043)	(1,568)	-	-	-	-	(7,043)	(1,568)
Financial assistance received in cash during the reporting period		94,178	93,466	41,388	40,608	1,946	1,742	137,512	135,816
Cash available for the period		87,135	91,898	41,388	40,608	1,946	1,742	130,469	134,248
Revenue earned	2.b)	93,666	98,941	41,388	40,608	1,946	1,742	137,000	141,291
Cash Payable/(Receivable) at end of year	2.b)	(6,531)	(7,043)	-	-	-	-	(6,531)	(7,043)

#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

	Note	Research Training Program #6		Research Support Program		Total	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Parent Entity (University) Only							
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		6,357	6,469	3,418	3,604	9,775	10,073
Revenue for the period	2.c)	6,357	6,469	3,418	3,604	9,775	10,073
Surplus/(deficit) from the previous year		2,010	2,240	-	-	2,010	2,240
Total revenue including accrued revenue		8,367	8,709	3,418	3,604	11,785	12,313
Less expenses including accrued expenses		2,428	6,699	2,421	3,604	4,849	10,303
Surplus/(deficit) for the reporting period		5,939	2,010	997	-	6,936	2,010

d) Education Research Domestic/overseas break-up

	Note	Total domestic students	Total overseas students
		Parent Entity (University) Only	
Research Training Program fees offsets		3,323	245
Research Training Program stipends		3,172	359
Research Training Programs allowances		316	67
Total for all types of support		6,811	671

Notes to the Financial Statements

31 December 2019

38. Acquittal of Australian Government financial assistance

e) Australian Research Council Grants

	Projects		Fellowships		Indigenous Researchers Development		DECRA		Total Discovery	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
(i) Discovery										
Parent Entity (University) Only	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	142	138	-	-	-	106	233	237	375	481
Surplus/(deficit) from the previous year	466	489	93	93	-	87	60	23	619	692
Total revenue including accrued revenue	608	627	93	93	-	193	293	260	994	1,173
Less expenses including accrued expenses	192	161	-	-	-	193	233	200	425	554
Surplus/(deficit) for the reporting period	416	466	93	93	-	-	60	60	569	619

	Projects		Industrial Transformation Research Program		Total	
	2019	2018	2019	2018	2019	2018
(ii) Linkages						
Parent Entity (University) Only	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		59	(25)	-		59
Net adjustments	-	-	-	-	-	-
Revenue for the period	59	(25)	-	-	59	(25)
Surplus/(deficit) from the previous year	81	263	270	813	351	1,076
Total revenue including accrued revenue	140	238	270	813	410	1,051
Less expenses including accrued expenses	67	157	189	543	256	700
Surplus/(deficit) for the reporting period	73	81	81	270	154	351

Charles Sturt University

ABN: 83 878 708 551

Notes to the Financial Statements

31 December 2019

f) OS-HELP

Parent Entity (University) Only

Cash received during the reporting period

Cash spent during the reporting period

Net cash received

Cash surplus/(deficit) from the previous period

Cash surplus/(deficit) for the reporting period

22

OS - HELP	
2019	2018
\$'000	\$'000
1,505	1,869
(1,950)	(1,362)
(445)	507
1,577	1,070
1,132	1,577

g) Superannuation supplementation

Parent Entity (University) Only

Cash received during the reporting period

Cash available

Cash surplus / (deficit) from the previous period

Cash available for current period

Contributions to specified defined benefit funds

Cash surplus/(deficit) for this period

Note

2.h)

34 / 16

Superannuation Sup.	
2019	2018
\$'000	\$'000
14,564	15,102
14,564	15,102
-	-
14,564	15,102
(14,564)	(15,102)
-	-

h) Student Services and Amenities Fee

Parent Entity (University) Only

Unspent/(overspent) revenue from previous period

SA - HELP Revenue Earned

Student Services Fees direct from Students

Total revenue expendable in period

Student services expenses during period

Unspent/(overspent) student services revenue

2.b)

4.

SA - HELP	
2019	2018
\$'000	\$'000
11,607	8,511
1,946	1,742
4,147	4,320
17,700	14,573
3,636	2,966
14,064	11,607

Notes to the Financial Statements

31 December 2019

39 Events Occurring After the Reporting Date

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

COVID-19

COVID-19 has been declared a Pandemic by the World Health Organisation (WHO). The impact of the COVID-19 outbreak is expected to have an impact on the financial performance and liquidity of the University in 2020.

This has impacted the recruitment of students and caused a significant disruption to business operations triggering establishment of critical incident and business continuity protocols. The impact is broader than sector wide. A reduction in income from student fees and consequently government fee support is emerging as well as the costs in managing the disruption. Investment values have fallen as a consequence of the global market reaction to the outbreak. All of this will undermine the financial performance for 2020.

As at the time of completion of the 2019 Financial Statements, the management of COVID-19 is in progress and not known the severity, duration and response by national health authorities. As a consequence, the University cannot fully assess the financial impact.

The University has already implemented a number of management actions designed to deal with the outbreak and the consequential financial impact with a range of expenditure containment measures.

End of audited financial statements

The Charles Sturt University Foundation Trust

ABN 31 158 135 157

Financial Statements for the year ending 31 December 2019



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 Income Statement, the Statement of Comprehensive Income for the year ended 31 December 2019, the Statement of Financial Position as at 31 December 2019, the Statement of Changes in Equity 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.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 December 2019, 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
- has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial 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 (including Independence Standards)' (APES 110).

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

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

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

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

Other Information

The Trust's annual report for the year ended 31 December 2019 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Trustees are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Trustees' Report and the Trustees' Declaration.

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

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

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

I have nothing to report in this regard.

The Trustees' Responsibilities 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, *the Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as Trustees determine is necessary to enable the preparation and fair presentation of the financial statements that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust'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 Trust will be dissolved by an Act of Parliament or otherwise cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. 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 it may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Margaret Crawford
Auditor-General for NSW

20 April 2020
SYDNEY

The Charles Sturt University Foundation Trust

31 158 135 157

Trustee's Report

31 December 2019

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 / (deficit) of the Trust amounted to \$ 4,646,712 (2018: (\$553,104)).

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 Trust has not identified any events after reporting date that would require adjustment to the amounts recognised in the financial statements for 2019.

COVID-19

COVID-19 has been declared a Pandemic by the World Health Organisation (WHO). The impact of the COVID-19 outbreak may have an impact on the financial performance of the Trust in 2020

For the University, this has impacted the recruitment of students and caused a significant disruption to business operations triggering establishment of critical incident and business continuity protocols. For the Trust, Investment values have fallen as a consequence of the global market reaction to the outbreak which will undermine the financial performance for 2020.

As at the time of completion of the 2019 Financial Statements, the management of COVID-19 is in progress and not known is the severity, duration and response by national health authorities. As a consequence, the Trust cannot fully assess the financial impact.

The Charles Sturt University Foundation Trust

31 158 135 157

Trustee's Report

31 December 2019

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

Name: Dr Michele Allan

Name: Professor Andrew Vann

Signed: 

Date: 17th April 2020

Signed: 

Date: 17th April 2020

The Charles Sturt University Foundation Trust

31 158 135 157

Trustee's Declaration

for the year ended 31 December 2019

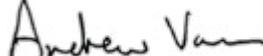
In the opinion of the Trustee of the Charles Sturt University Foundation Trust:

1. The financial statements and notes present a true and fair view of the financial position of the Trust at 31 December 2019 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 17th April 2020.

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

Signed 
Dr Michele Allan
Chancellor

Signed 
Professor Andrew Vann
Vice-Chancellor

Date: 17th April 2020

The Charles Sturt University Foundation Trust

31 158 135 157

Income Statement

For the Year Ended 31 December 2019

		2019	2018
	Note	\$	\$
Revenue			
Fundraising revenue	2	3,353,286	1,138,462
Investment income	3	2,813,235	(169,790)
Total revenue		6,166,521	968,672
Expenses			
Administrative expenses		194,962	153,968
Contributions	4	1,324,846	1,367,808
Total expenses		1,519,808	1,521,776
Surplus / (Deficit) for the Year		4,646,713	(553,104)

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 2019

	2019	2018
Note	\$	\$
Surplus / (Deficit) for the Year	4,646,712	(553,104)
Items that may be reclassified to profit or loss		
Total comprehensive income for the year	4,646,712	(553,104)

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 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	959,013	487,286
Trade and other receivables		147,881	109,933
Non-current assets held for sale		2,079,647	-
TOTAL CURRENT ASSETS		3,186,541	597,219
NON-CURRENT ASSETS			
Other financial assets	6	18,975,941	16,844,774
TOTAL NON-CURRENT ASSETS		18,975,941	16,844,774
TOTAL ASSETS		22,162,482	17,441,993
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		20,177	26,400
Other liabilities		90,000	-
TOTAL CURRENT LIABILITIES		110,177	26,400
TOTAL LIABILITIES		110,177	26,400
NET ASSETS		22,052,305	17,415,593
EQUITY			
Retained Earnings		22,052,305	17,415,593
TOTAL EQUITY		22,052,305	17,415,593

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 2019

2019

		Accumulated Funds	Available-for-sale financial assets Reserve	Total
	Note	\$	\$	\$
Balance at 1 January 2019		17,415,593	-	17,415,593
Retrospective changes	1(h)	(10,000)	-	(10,000)
Balance as restated		17,405,593	-	17,405,593
Surplus / (Deficit) for the year		4,646,712	-	4,646,712
Balance at 31 December 2019		<u>22,052,305</u>	-	<u>22,052,305</u>

2018

		Accumulated Funds	Available-for-sale financial assets Reserve	Total
	Note	\$	\$	\$
Balance at 1 January 2018		15,564,098	2,408,928	17,973,026
Retrospective changes	1(h)	2,404,599	(2,408,928)	(4,329)
Balance as restated		17,968,697	-	17,968,697
Surplus / (Deficit) for the year		(553,104)	-	(553,104)
Balance at 31 December 2018		<u>17,415,593</u>	-	<u>17,415,593</u>

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 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Fundraising receipts	1,353,640	1,138,462
Interest received	12,197	27,727
Dividends and distributions received	963,881	1,104,800
Contribution payments	(1,324,846)	(1,367,807)
Payments to suppliers	(211,564)	(162,036)
GST recovered/(paid)	10,378	9,467
Net cash provided by/(used in) operating activities	<u>803,686</u>	<u>750,613</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of financial assets	4,073,527	2,589,440
Purchase of financial assets	(4,405,486)	(3,315,871)
Net cash used by investing activities	<u>(331,959)</u>	<u>(726,431)</u>
Net increase/(decrease) in cash and cash equivalents held	471,727	24,182
Cash and cash equivalents at beginning of year	<u>487,286</u>	463,104
Cash and cash equivalents at end of financial year	5 <u><u>959,013</u></u>	<u><u>487,286</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 2019

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 17th April 2019.

(b) Basis of Preparation

The annual financial statements represent the audited general purpose financial statements of the Trust. They have been prepared on an accrual basis and comply with the AAS's and other authoritative pronouncements of the AAS Board.

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

- *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).*

The Trust is a not-for-profit entity and these statements have been prepared on that basis. Some of the AAS requirements for not-for-profit entities are inconsistent with the IFRS requirements.

Judgements, key assumptions and estimates made by management are disclosed in the relevant notes to the financial statements. The financial statements have been prepared under the historical cost convention, except for certain financial assets that have been measured at fair value through profit or loss.

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

(c) Income Tax

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

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the 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

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies Continued

(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) 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.

(g) New Accounting Standards and Interpretations

The following standards have been issued but are not mandatory for 31 December 2019 reporting periods. The Trust has elected not to early adopt any of these standards. The Trust's assessment of the impact of these new Standards and Interpretations is set out below:

Standard	Application date	Implications
AASB2018-7 Amendments to Australian Accounting Standards – Definition of Material	1 Jan 2020	This Standard amends AASB 101 Presentation of Financial Statements and AAS 108 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The impact on the Trust's financial statements is expected to be insignificant.
AASB2019-1 Amendments to Australian Accounting Standards – Reference to the Conceptual Framework	1 Jan 2020	This Standard sets out the amendments to Australian Accounting Standards, Interpretations and other pronouncements in order to update references to the revised Conceptual Framework. The changes to the Conceptual Framework may affect the application of accounting standards in situations where no standard applies to a particular transaction or event. The impact on the Trust's financial statements is expected to be insignificant.
Conceptual Framework	1 Jan 2020	The revised Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. The impact on the Trust's financial statements is expected to be insignificant.

(h) Initial application of AAS

The Trust has adopted AASB15 and AASB1058 in accordance with the transitional provisions applicable to each standard. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

The following interpretations and amending standards have also been adopted:

Standard	Implications
AASB2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities	This Standard inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9 and AASB 15. This guidance assists not-for-profit entities in applying those Standards to particular transactions and other events. The impact on the Trust's financial statements is insignificant.

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies Continued

(h) Initial application of AAS Continued

AASB15 and AASB1058

The Trust has adopted AASB15 and AASB1058 using the modified retrospective method of transition, with the date of initial application of 1 January 2019. In accordance with the provisions of this transition approach, The Trust recognised the cumulative effect of applying these new standards as an adjustment to opening retained earnings at the date of initial application, i.e., 1 January 2019. Consequently, the comparative information presented has not been restated and continues to be reported under the previous standards on revenue and income. In addition, The Trust has applied the practical expedient and elected to apply these standards retrospectively only to contracts and transactions that were not completed contracts at the date of initial application, i.e., as at 1 January 2019.

As The Trust is applying the modified retrospective approach, The Trust did apply the practical expedient described in AASB15.C5 (c), for contracts that were modified before the beginning of the earliest period presented.

The Trust did not retrospectively restate the contract for those modifications in accordance with AASB15.20-21. Instead, The Trust reflected the aggregate effect of all of the modifications that occur before the beginning of the earliest period presented when:

- Identifying the satisfied and unsatisfied performance obligations
- Determining the transaction price
- Allocating the transaction price to the satisfied and unsatisfied performance obligation

The new accounting policies for revenue and other income for not-for-profit entities in accordance with AASB15 and AASB1058 respectively are provided in Note 2 below.

Overview of AASB15 and AASB1058

Under the new income recognition model applicable to not-for-profit entities, the Trust shall first determine whether an enforceable agreement exists and whether the promises to transfer goods or services to the customer are 'sufficiently specific'.

If an enforceable agreement exists and the promises are 'sufficiently specific' (to a transaction or part of a transaction), the Trust applies the general AASB15 principles to determine the appropriate revenue recognition. If these criteria are not met, the Trust will recognise revenue immediately in profit or loss in accordance with the criteria specified in AASB1058.

The nature and effect of the changes as a result of adoption of AASB15 and AASB1058 are described as follows:

	Ref. adjustments	1 January 2019 \$
Liabilities		
Other liabilities		10,000
Total adjustment on equity		
Retained earnings		(10,000)

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies Continued

(h) Initial application of AAS Continued

Set out below are the amounts by which each financial statement line item is affected as at and for the year ended 31 December 2019 as a result of the adoption of AASB15 and AASB1058. The adoption of AASB15 did not have a material impact on OCI or the Trust's operating, investing and financing cash flows. The first column shows amounts prepared under AASB15 and AASB1058 and the second column shows what the amounts would have been had AASB15 and AASB1058 not been adopted:

Income Statement	Ref adjustments	Amounts prepared under		
		AASB15/ AASB1058 \$	Previous \$	Increase /decrease \$
Revenue				
Fundraising revenue	(a)	3,353,286	3,448,286	(95,000)
Total revenue		3,353,286	3,448,286	(95,000)
Expenses				
Contributions	(a)	1,324,846	1,309,846	15,000
Total expenses		1,324,846	1,309,846	15,000
Surplus / (Deficit) for the Year		4,678,132	4,758,132	(80,000)

Statement Of Financial Position	Ref adjustments	Amounts prepared under		
		AASB15/ AASB1058 \$	Previous \$	Increase /decrease \$
Liabilities				
Current liabilities				
Other liabilities	(a)	90,000	-	90,000
Total current liabilities		90,000	-	90,000
Total liabilities		90,000	-	90,000
Net assets		(90,000)	-	(90,000)
Equity				
Retained earnings	(a)	22,052,305	22,062,305	(10,000)
Total equity		22,052,305	22,062,305	(10,000)

The reasons for the changes in the statement of financial position as at 31 December 2019 and the income statement for the year ended 31 December 2019 are described below:

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies Continued

(h) Initial application of AAS Continued

(a) Scholarship contracts

The Trust is a party to several ongoing enforceable contracts and holds unexpended revenue related to these as at 31 December 2019. The contracts contain sufficiently specific performance obligations, outlining programs for student scholarships and financial assistance. The contracts meet the recognition requirements of AASB15. The income has been recognised as a liability as at 31 December 2019 in accordance with AASB15, and where applicable an adjustment has been made to retained earnings as at 1 January 2019.

2 Revenue

	2019	2018
	\$	\$
Fundraising revenue		
Contributions to corpus	2,801,527	634,806
Annually funded scholarships	551,759	503,656
Total fundraising revenue	3,353,286	1,138,462

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. 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.

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.

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

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

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

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2019

3 Investment Income

	2019	2018
	\$	\$
Investment Revenue		
Interest income	12,197	27,727
Dividends	419,915	425,779
Distributions	581,915	660,895
Total investment revenue	<u>1,014,027</u>	<u>1,114,401</u>
Other investment gains/(losses)		
Net gains/(losses) on sale of investments	212,880	(21,734)
Change in fair value of financial assets designated as at fair value through profit & loss	1,586,328	(1,262,457)
Total other investment gains/(losses)	<u>1,799,208</u>	<u>(1,284,191)</u>
Total Investment income	<u><u>2,813,235</u></u>	<u><u>(169,790)</u></u>

Interest revenue is recognised on an accrual basis. 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.

Gains and losses realised on sale of investments are taken to the income statement. 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.

4 Contributions

	2019	2018
	\$	\$
Scholarships - annually funded	431,674	483,167
Scholarships - corpus	890,771	880,928
Grants	2,400	3,712
Total contributions	<u>1,324,845</u>	<u>1,367,807</u>

5 Cash and cash equivalents

	2019	2018
	\$	\$
Cash at bank and in hand	<u>959,013</u>	<u>487,286</u>
	<u><u>959,013</u></u>	<u><u>487,286</u></u>

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

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2019

6 Other financial assets

	2019	2018
	\$	\$
Non-current		
Financial assets at fair value through profit or loss	18,975,941	16,507,514
Financial assets at amortised cost	-	337,260
Total non-current other financial assets	18,975,941	16,844,774

Investments and other financial assets of the Trust are classified into two categories:

Financial assets at amortised cost

Where the main objective of the Trust holding an asset or portfolio of assets is to collect contractual cash flows on specific dates and those cash flows are generally in the form of principal and/or interest, they are measured at amortised cost using the effective interest method and net of any impairment loss.

When a financial asset at amortised cost is reclassified, its fair value at the reclassification date becomes its new gross carrying amount. Financial assets at amortised cost are assessed for evidence of impairment at the end of each reporting period.

Financial assets at fair value through profit or loss

Financial assets which do not meet the criteria of contractual cash flows, are measured at fair value through profit or loss.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Trust's establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

If the Trust reclassifies these assets, their fair value is determined at reclassification date. Any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in profit or loss.

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 2019 was \$27,060 including GST (2018: \$26,400). 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.

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2019

8 Key Management Personnel Disclosures Continued

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

Dr Michele Allan	Professor Andrew Vann	Dr Saranne Cooke
Mr Graeme Bailey	Mr Neville Page	Mr Peter Hayes AM
Mrs Jennifer Hayes	Mr Jamie Newman	Ms Lisa Schofield
Ms Elise McMahon	Dr Kate Cornick	Dr Peter Woodgate
Ms Julie Cleary	Emeritus Professor Joyce Kirk	Associate Professor Shokoofeh Shamsi
Mr Philip Marcus Clark AO	Mr John Lloyd	Emeritus Professor Christina Slade
Dr Lyndal Thorburn		

(ii) Names of Executive Officers:

Professor Andrew Vann	Professor John Germov	Professor Heather Urwin
Mrs Jenny Roberts	Mr Paul Dowler	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 2019, the Trust received \$52,030 in donations from Key Management Personnel (2018: \$32,321).

9 Related Parties

(a) Controlling entity

The ultimate Australian parent entity of the Trust is Charles Sturt University, which at 31 December 2019 controls 100.00% (2018: 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.

(c) Transactions with related parties

The following transactions occurred with related parties:

	2019	2018
	\$	\$
Charles Sturt University		
Administrative expense contribution to Trustee	50,000	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

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2019

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 focuses 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 items investments classified as 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.

(ii) 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.

(iii) Summarised sensitivity analysis

The following tables summarise the sensitivity of Trust's financial assets and financial liabilities to interest rate 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.

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2019

10 Financial Risk Management Continued

(a) Market risk Continued

31 December 2019	Carrying amount \$	Interest rate risk				Other price risk			
		-1%		+1%		-10%		+10%	
		Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$
Financial assets									
Cash and Cash Equivalents - at bank	959,013	(9,590)	(9,590)	9,590	9,590	-	-	-	-
Trade and other receivables	147,881	(1,479)	(1,479)	1,479	1,479	-	-	-	-
Financial assets - Fair value through profit or loss	18,975,941	(189,759)	(189,759)	189,759	189,759	(1,897,594)	(1,897,594)	1,897,594	1,897,594
Total increase/(decrease)	20,082,835	(200,828)	(200,828)	200,828	200,828	(1,897,594)	(1,897,594)	1,897,594	1,897,594

31 December 2018	Carrying amount \$	Interest rate risk				Other price risk			
		-1%		+1%		-10%		+10%	
		Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$
Financial assets									
Cash and Cash Equivalents - at bank	487,286	(4,873)	(4,873)	4,873	4,873	-	-	-	-
Trade and other receivables	109,933	(1,099)	(1,099)	1,099	1,099	-	-	-	-
Financial assets - Fair value through profit or loss	16,507,514	(165,075)	(165,075)	165,075	165,075	(1,650,751)	(1,650,751)	1,650,751	1,650,751
Financial assets - Held to maturity	337,260	(3,373)	(3,373)	3,373	3,373	(33,726)	(33,726)	33,726	33,726
Total increase/(decrease)	17,441,993	(174,420)	(174,420)	174,420	174,420	(1,684,477)	(1,684,477)	1,684,477	1,684,477

(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.

11 Fair Value Measurement

(a) Recognised fair value measurements

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

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

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2019

11 Fair Value Measurement Continued

(a) Recognised fair value measurements Continued

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2019.

Fair value measurements at 31 December 2019

	Note	2019 \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial assets					
Financial assets at fair value through profit or loss	6				
Listed investments		9,028,971	9,028,971	-	-
Unlisted investments		9,946,969	-	9,946,969	-
Total financial assets		<u>18,975,940</u>	<u>9,028,971</u>	<u>9,946,969</u>	<u>-</u>

Fair value measurements at 31 December 2018

	Note	2018 \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial assets					
Financial assets at fair value through profit or loss	6				
Listed Investments		8,242,240	8,242,240	-	-
Unlisted investments		8,265,274	-	8,265,274	-
Total financial assets		<u>16,507,514</u>	<u>8,242,240</u>	<u>8,265,274</u>	<u>-</u>

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.

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.

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2019

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

	2019	2018
	\$	\$
Net result for the period	4,646,712	(553,104)
Unrealised (gain)/loss in fair value of financial instruments at fair value through profit or loss	(1,586,328)	1,262,457
Realised (gain)/loss in fair value of financial asset transferred to profit or loss	(212,880)	21,734
Fundraising acquisition non-current asset held for sale	(2,079,647)	-
Change in operating assets and liabilities:		
(Increase) / decrease in debtors	(37,948)	18,126
Increase / (decrease) in creditors	(6,223)	1,400
Increase / (decrease) in other liabilities	80,000	-
Net cash provided by / (used in) operating activities	803,686	750,613

13 Commitments

The Trust did not have any outstanding commitments as at 31 December 2019 (2018: \$Nil).

14 Contingent Assets and Liabilities

There were no contingent assets or liabilities as at 31 December 2019 (2018: \$Nil).

15 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.

The Trust has reported a non-current asset held for sale in the Statement of Financial Position. This asset was sold at auction prior to 31 December 2019, with settlement proceeds expected to be received on 6th February 2020.

COVID -19

COVID-19 has been declared a Pandemic by the World Health Organisation (WHO). The impact of the COVID-19 outbreak may have an impact on the financial performance of the Trust in 2020

For the University, this has impacted the recruitment of students and caused a significant disruption to business operations triggering establishment of critical incident and business continuity protocols. For the Trust, Investment values have fallen as a consequence of the global market reaction to the outbreak which will undermine the financial performance for 2020.

As at the time of completion of the 2019 Financial Statements, the management of COVID-19 is in progress and not known is the severity, duration and response by national health authorities. As a consequence, the Trust cannot fully assess the financial impact.

End of audited financial statements

Charles Sturt Campus Services Limited

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

Financial Statements for the year ending 31 December 2019



INDEPENDENT AUDITOR'S REPORT

Charles Sturt Campus Services Limited

To 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 comprises the Statement of Comprehensive Income for the year ended 31 December 2019, the Statement of Financial Position as at 31 December 2019, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a Summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015, including
 - giving a true and fair view of the Company's financial position as at 31 December 2019 and its performance for the year ended on that date
 - complying with Australian Accounting Standards
- has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

Basis for Opinion

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

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

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

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

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

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

I confirm the independence declaration, required by the *Corporations Act 2001*, provided to the directors of the Company on 24 March 2020, would be in the same terms if provided to the directors as at the time of this Independent Auditor's Report.

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

Other Information

The Company's annual report for the year ended 31 December 2019 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The directors of the Company are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Directors' Report and the Directors' Declaration.

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

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

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

I have nothing to report in this regard.

Directors' Responsibilities for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the PF&A Act, *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 is 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 unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. 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 it may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Margaret Crawford
Auditor-General for NSW

20 April 2020
SYDNEY

Charles Sturt Campus Services Limited

37 063 446 864

Directors' Report

For the Year Ended 31 December 2019

The directors present their report on Charles Sturt Campus Services Limited (the Company) for the financial year ended 31 December 2019.

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, FCPA, MBA Charles Sturt University, Chief Financial Officer, appointed to the Board 18 May 2011.
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), FCPA, Grad Dip Local Government Management, Charles Sturt University - Director Corporate Finance, appointed to the Board on 4 August 2017.
Mrs N Harris	
Qualifications	MProfAcc Charles Sturt University, Accountant, appointed to the Board on 13 September 2018.

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

Company Secretary

Mrs Kathrine Watt, Executive Assistant, appointed to the position on 13 September 2018.

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 2019

1. General information continued

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 surplus/(deficit) of the Company was \$ 412,550 in 2019 (2018: (\$139,066)). 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

The Company has not identified any events after reporting date that would require adjustment to the amounts recognised in the financial statements for 2019.

COVID-2019

COVID-19 has been declared a Pandemic by the World Health Organisation (WHO). The impact of the COVID-19 outbreak may have an impact on the financial performance of the Company in 2020.

Charles Sturt Campus Services Limited

37 063 446 864

Directors' Report

For the Year Ended 31 December 2019

2. Other items continued

Events after the reporting date continued

As the Company is largely dependent on the education sector for its revenue, any closure of facilities which are serviced by the Company may result in a loss of revenue for the period of closure. The ability of the Company to fulfill its contractual commitments will be tested in the event that a critical number of staff are unable to work.

As at the time of completion of the 2019 Financial Statements, the management of COVID-19 is in progress and not known is the severity, duration and response by national health authorities. As a consequence, the Company cannot fully assess the financial impact.

The Company has already implemented a number of management actions to prepare for the outbreak.

Environmental issues

There are no known environmental issues affecting the Company.

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 2020

Meetings of Directors

During the financial year, five (5) 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	5	5
Mr J Hamilton	5	5
Mr A Crowl	5	3
Mr D Pyke	5	4
Mr C Richardson	5	5
Mrs N Harris	5	4

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.

Charles Sturt Campus Services Limited

37 063 446 864

Directors' Report For the Year Ended 31 December 2019

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

Director:

Mr P Dowler

Director:

Mr C Richardson

Dated this 24th day of March 2020

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 8 to 24, 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 2019 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 this 24th day of March 2020



To the Directors

Charles Sturt University 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 2019, I declare, to the best of my knowledge and belief, there have been no contraventions of:

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

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

Margaret Crawford
Auditor-General for NSW

24 March 2020
SYDNEY

Charles Sturt Campus Services Limited

37 063 446 864

Statement of Comprehensive Income

For the Year Ended 31 December 2019

	2019	2018
Note	\$	\$
Revenue	2 8,210,493	6,859,095
Other income	34,793	18,064
Total revenue	8,245,286	6,877,159
Employee related expenses	3 (6,998,653)	(6,131,315)
Depreciation expense	(38,028)	(29,605)
Other expenses	4 (796,054)	(855,305)
Total expenses	(7,832,735)	(7,016,225)
Profit from continuing operations	412,551	(139,066)
Profit for the year	412,551	(139,066)
Other comprehensive income		
Other comprehensive income for the year	-	-
Total comprehensive income for the year	412,551	(139,066)

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 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		1,684,504	1,310,060
Trade and other receivables		119,946	11,775
TOTAL CURRENT ASSETS		<u>1,804,450</u>	<u>1,321,835</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	133,074	153,269
Intangible assets	6	2,972	3,397
TOTAL NON-CURRENT ASSETS		<u>136,046</u>	<u>156,666</u>
TOTAL ASSETS		<u>1,940,496</u>	<u>1,478,501</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	48,237	65,587
Employee provisions	8	799,756	719,924
TOTAL CURRENT LIABILITIES		<u>847,993</u>	<u>785,511</u>
NON-CURRENT LIABILITIES			
Employee provisions	8	104,999	118,036
TOTAL NON-CURRENT LIABILITIES		<u>104,999</u>	<u>118,036</u>
TOTAL LIABILITIES		<u>952,992</u>	<u>903,547</u>
NET ASSETS		<u>987,504</u>	<u>574,954</u>
EQUITY			
Retained earnings		<u>987,504</u>	<u>574,954</u>
TOTAL EQUITY		<u>987,504</u>	<u>574,954</u>

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 2019

2019

	Retained Earnings
Note	\$
Balance 1 January 2019	<u>574,954</u>
Total comprehensive income for the year	<u>412,551</u>
Balance at 31 December 2019	<u><u>987,505</u></u>

2018

	Retained Earnings
Note	\$
Balance 1 January 2018	<u>714,020</u>
Total comprehensive income for the year	<u>(139,066)</u>
Balance at 31 December 2018	<u><u>574,954</u></u>

The accompanying notes form part of these financial statements.

Charles Sturt Campus Services Limited

37 063 446 864

Statement of Cash Flows

For the Year Ended 31 December 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	8,218,461	6,960,040
Payments to employees	(6,931,858)	(6,025,063)
Payments to suppliers	(893,009)	(942,813)
Net cash provided by (used in) operating activities	14 <u>393,594</u>	<u>(7,836)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(19,150)</u>	<u>(77,031)</u>
Net cash used by investing activities	<u>(19,150)</u>	<u>(77,031)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash used by financing activities	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents held	374,444	(84,867)
Cash and cash equivalents at beginning of year	<u>1,310,060</u>	<u>1,394,926</u>
Cash and cash equivalents at end of financial year	<u><u>1,684,504</u></u>	<u><u>1,310,059</u></u>

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 2019

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 (2018: 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 member of Charles Sturt Campus Services Limited on 18th March 2020.

Functional and presentation currency

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

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies continued

(c) Statement of Compliance

Critical accounting estimates

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 8: Provisions

The Company's provision for long service was assessed by KPMG for the year ended 31 December 2019. Key assumptions used in the calculation are detailed in note 8.

(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 6 February 2022.

(e) 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.

(f) 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.

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.

(g) 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*.

Charles Sturt Campus Services Limited

37 063 446 864

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies continued

(h) 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.

(i) New Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2019 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 2018-7 Amendments to Australian Accounting Standards – Definition of Material	1 Jan 2020	This Standard amends AASB 101 Presentation of Financial Statements and AAS 108 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The impact on the Company's financial statements is expected to be insignificant.
AASB 2019-1 Amendments to Australian Accounting Standards – Reference to the Conceptual Framework	1 Jan 2020	This Standard sets out the amendments to Australian Accounting Standards, Interpretations and other pronouncements in order to update references to the revised Conceptual Framework. The changes to the Conceptual Framework may affect the application of accounting standards in situations where no standard applies to a particular transaction or event. The impact on the Company's financial statements is expected to be insignificant.
Conceptual Framework for Financial Reporting	1 Jan 2020	The revised Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. The impact on the Company's financial statements is expected to be insignificant.

AASB15 and AASB1058

The initial implementation of AASB15 Revenue from Contracts with Customers, and AASB1058 Income for Not-for-Profit Entities (from 1 January 2019) has not had any material impact on the financial statements of the Company for 2019.

The new accounting policies for revenue and other income for not-for-profit entities in accordance with AASB15 and AASB1058 respectively are provided in Note 2 below.

Overview of AASB15 and AASB1058

Under the new income recognition model applicable to not-for-profit entities, the Company shall first determine whether an enforceable agreement exists and whether the promises to transfer goods or services to the customer are 'sufficiently specific'.

Charles Sturt Campus Services Limited

37 063 446 864

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies continued

(i) New Accounting Standards and Interpretations continued

If an enforceable agreement exists and the promises are 'sufficiently specific' (to a transaction or part of a transaction), the Company applies the general AASB15 principles to determine the appropriate revenue recognition. If these criteria are not met, the Company shall consider whether AASB1058 applies.

2 Revenue

	2019	2018
	\$	\$
Revenue		
Fees	8,208,993	6,851,186
Government Grants	1,500	7,909
Total revenue	<u>8,210,493</u>	<u>6,859,095</u>
Other income		
Reimbursements	34,793	18,064
Total other income	<u>34,793</u>	<u>18,064</u>

Fee revenue

Fees for services rendered are largely derived from services provided to Charles Sturt University in respect to cleaning, maintenance and courier services.

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.

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

1. Identify the contract with the customer
2. Identify the performance obligations

Charles Sturt Campus Services Limited

37 063 446 864

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Revenue continued

3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

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

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

3 Employee related expenses

	2019	2018
	\$	\$
Salaries	5,196,934	4,586,539
Superannuation		
- Defined contribution	586,724	515,621
Payroll tax	333,823	301,159
Workers' compensation	514,886	272,891
Long service leave expense	50,145	70,122
Annual leave	316,141	384,982
Total employee related expenses	6,998,653	6,131,314

4 Other expenses

	2019	2018
	\$	\$
Auditors fees	11,275	11,000
Buildings, grounds and services	1,970	1,734
Communications	7,505	7,012
Fees for services rendered	322,720	377,410
Maintenance of equipment	34,295	37,616
Motor vehicle expenses	29,103	23,073
Scholarships, grants and prizes	6,500	-
Stores and provisions	347,795	362,475
Travel	34,877	34,966
Other expenses	14	19
Total other expenses	796,054	855,305

Charles Sturt Campus Services Limited

37 063 446 864

Notes to the Financial Statements

For the Year Ended 31 December 2019

5 Property, plant and equipment

	Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$
At 1 January 2019			
Cost	134,874	60,000	194,874
Accumulated depreciation and impairment	(17,605)	(24,000)	(41,605)
Net book amount	117,269	36,000	153,269
Year ended 31 December 2019			
Opening net book amount	117,269	36,000	153,269
Additions	17,409	-	17,409
Depreciation expense	(25,604)	(12,000)	(37,604)
Closing net book amount	109,074	24,000	133,074
At 31 December 2019			
Cost	152,283	60,000	212,283
Accumulated depreciation and impairment	(43,209)	(36,000)	(79,209)
Net book amount	109,074	24,000	133,074

	Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$
Year ended 31 December 2018			
Opening net book amount	68,243	48,000	116,243
Additions	66,631	-	66,631
Depreciation expense	(17,605)	(12,000)	(29,605)
Closing net book amount	117,269	36,000	153,269
At 31 December 2018			
Cost	134,874	60,000	194,874
Accumulated depreciation and impairment	(17,605)	(24,000)	(41,605)
Net book amount	117,269	36,000	153,269

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:

Charles Sturt Campus Services Limited

37 063 446 864

Notes to the Financial Statements

For the Year Ended 31 December 2019

5 Property, plant and equipment continued

Depreciable assets	2019
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.

6 Intangible Assets

	2019	2018
	\$	\$
Computer software		
Cost	3,397	3,397
Accumulated amortisation and impairment	(425)	-
Net carrying value	<u>2,972</u>	<u>3,397</u>
Total Intangibles	<u>2,972</u>	<u>3,397</u>

(a) Details of Intangible Assets

	Computer software	Total
	\$	\$
Year ended 31 December 2019		
Balance at the beginning of the year	3,397	3,397
Additions	-	-
Amortisation	(425)	(425)
Closing value at 31 December 2019	<u>2,972</u>	<u>2,972</u>
Year ended 31 December 2018		
Balance at the beginning of the year	-	-
Additions	3,397	3,397
Amortisation	-	-
Closing value at 31 December 2018	<u>3,397</u>	<u>3,397</u>

Amortisation is calculated using the straight line method to allocate cost over the estimated useful life of five (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.

Charles Sturt Campus Services Limited

37 063 446 864

Notes to the Financial Statements

For the Year Ended 31 December 2019

7 Trade and other payables

	2019	2018
	\$	\$
Current		
Other payables	48,237	65,588
Total current trade and other payables	48,237	65,588

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.

8 Provisions

	2019	2018
	\$	\$
Current provisions expected to be settled wholly within 12 months		
Employee benefits		
Annual leave	316,745	298,481
Long service leave	77,681	69,288
	394,426	367,769
Current provisions expected to be settled wholly after more than 12 months		
Employee benefits		
Annual leave	89,649	96,907
Long service leave	315,681	255,249
	405,330	352,156
Total current provisions	799,756	719,925
Non-current provisions		
Employee benefits		
Long service leave	104,999	118,036
Total non-current provisions	104,999	118,036
Total provisions	904,755	837,961

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.

Notes to the Financial Statements

For the Year Ended 31 December 2019

8 Provisions continued

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 2019.

(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

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 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 AASB137 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 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.

9 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.

Charles Sturt Campus Services Limited

37 063 446 864

Notes to the Financial Statements

For the Year Ended 31 December 2019

9 Key Management Personnel continued

(a) Remuneration of board members and executive officers

	2019 Number	2018 Number
Remuneration of Board Members		
Nil to \$9,999	2	2

	2019 Number	2018 Number
Remuneration of executive officers		
\$120,000 to \$129,999	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:

	2019 \$	2018 \$
Short-term employee benefits	129,714	123,382
Total remuneration	129,714	123,382

10 Remuneration of Auditor

	2019 \$	2018 \$
Audit and review of the Financial Statements		
- Fees paid to NSW Audit Office	11,275	11,000
Total	11,275	11,000

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 2019 there were no fees paid to other firms for consulting and assurance services (2018: Nil).

11 Contingencies

The Company did not have any contingent assets and liabilities as at 31 December 2019 (31 December 2018: Nil).

12 Commitments

The Company has agreed to fund scholarships with a combined value of \$30,000 for eligible Charles Sturt University students in 2020 (2018: \$6,500).

Charles Sturt Campus Services Limited

37 063 446 864

Notes to the Financial Statements

For the Year Ended 31 December 2019

13 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 9: 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: 6 February 2022). 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:

	2019	2018
	\$	\$
Sale of goods and services		
Charles Sturt University	7,698,731	6,540,330

(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

Charles Sturt Campus Services Limited

37 063 446 864

Notes to the Financial Statements

For the Year Ended 31 December 2019

14 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:

	2019	2018
	\$	\$
Operating result for the period	412,551	(139,066)
Add back depreciation	38,028	29,605
(Increase) /decrease in trade and other receivables	(106,430)	(2,650)
Increase/(decrease) in other payables	(17,350)	(1,977)
Increase/(decrease) in provision for annual leave	11,006	27,398
Increase/(decrease) in provision for long service leave	55,788	78,855
Cash flow from operating activities	<u>393,594</u>	<u>(7,835)</u>

15 Events Occurring After the Reporting Date

COVID-19

COVID-19 has been declared a Pandemic by the World Health Organisation (WHO). The impact of the COVID-19 outbreak may have an impact on the financial performance of the Company in 2020.

As the Company is largely dependent on the education sector for its revenue, any closure of facilities which are serviced by the Company may result in a loss of revenue for the period of closure. The ability of the Company to fulfill its contractual commitments will be tested in the event that a critical number of staff are unable to work.

As at the time of completion of the 2019 Financial Statements, the management of COVID-19 is in progress and not known is the severity, duration and response by national health authorities. As a consequence, the Company cannot fully assess the financial impact.

The Company has already implemented a number of management actions to prepare for the outbreak.

End of audited financial statements



Contact details

Charles Sturt University in Australia

Head office

Charles Sturt University
The Grange Chancellery
Panorama Avenue
Bathurst NSW 2795

Telephone (Australia):
1800 275 278
(International): +61 1800 275 278
csu.edu.au/contacts

Campuses

Albury-Wodonga
Elizabeth Mitchell Drive
Thurgoona NSW 2640

Bathurst
Panorama Avenue
Bathurst NSW 2795

Dubbo
Tony McGrane Place
Dubbo NSW 2830

Orange
Leeds Parade
Orange NSW 2800

Port Macquarie
7 Major Innes Road
Port Macquarie NSW 2444

Wagga Wagga
Boorooma Street
North Wagga Wagga NSW 2650

Specialist campuses

Canberra
15 Blackall Street
Barton ACT 2600

10-12 Brisbane Avenue
Barton ACT 2600

Goulburn
NSW Police College
McDermott Drive
Goulburn NSW 2580

Manly
Collins Beach Road
Manly NSW 2095

Parramatta
16 Masons Drive
North Parramatta NSW 2151

Study centres

Brisbane
119 Charlotte Street,
Brisbane QLD 4000

Melbourne
30 Church Lane
Melbourne VIC 3000

Sydney
Level 1, 63 Oxford Street
Sydney NSW 2010

Wangaratta
Wangaratta Regional Study Centre
218 Tone Road
Wangaratta VIC 3677

 1800 275 278 (free call within Australia)
+61 1800 275 278 (callers outside Australia)

 csu.edu.au

 [/charlessturtuni](https://twitter.com/charlessturtuni)

 ask@csu.edu.au

 [/charlessturtuni](https://www.youtube.com/charlessturtuni)

 insight.csu.edu.au

 [charlessturtuni](https://www.instagram.com/charlessturtuni)

 [charlessturtuni](https://www.facebook.com/charlessturtuni)

 [charlessturtuni](https://www.snapchat.com/add/charlessturtuni)

→ csu.edu.au



Charles Sturt
University