



+ 2016 ANNUAL REPORT

to Parliament
and the community

**CHARLES STURT UNIVERSITY
ANNUAL REPORT 2016**

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A copy of the 2016 Annual Report is available on the internet at
csu.edu.au/about/publications

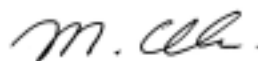
FOR THE PERIOD 1 JANUARY 2016 TO 31 DECEMBER 2016

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

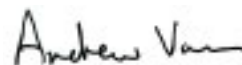
Dear Minister,

In accordance with the provisions of the Annual Reports (Statutory Bodies) Act 1984 and the Public Finance and Audit Act 1983 we have pleasure in presenting to Parliament the Annual Report of Charles Sturt University for the year 2016.

Yours faithfully,



Dr Michele Allan
Chancellor



Professor Andrew Vann
Vice-Chancellor and President

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About Charles Sturt University

Charles Sturt University (CSU) is the largest regionally based university in Australia, enrolling nearly 43,000 students from across Australia and more than 120 countries around the world. CSU is a leader in online-supported distance learning, and the largest and one of the most experienced providers of courses delivered by innovative distance education. We offer one of the most comprehensive suites of courses of any university in the country, with more than 70 per cent of our professional programs delivered in areas of identified national and regional labour market skill shortages.

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

Charles Sturt University is recognised for its internationally competitive research strengths in agricultural science, horticultural production, food and wine sciences, crop and pasture production, veterinary science, animal production, education, curriculum and pedagogy, environmental science, applied ethics, philosophy, religious studies, criminology, nursing and marketing.

The University's researchers work in consultation and collaboration with end users, industry, the professions and communities for the public good. CSU has a proud tradition of delivering high-quality research that creates new knowledge, benefits people's lives, enhances the profitability of regional industries and helps communities grow and flourish.

Through our higher degree by research programs, CSU is training the next generation of researchers and professionals who use critical thinking and seek to influence the world for the better.



For the public good

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

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

Acknowledging the culture and insight of Indigenous Australians, CSU's ethos is captured by a phrase from the Wiradjuri, the traditional custodians of the land of our original campuses.

yindyamarra winhanganha

(The wisdom of respectfully knowing how to live well in a world worth living in).

Derived from our ethos, our values are to be insightful, inclusive, impactful and inspiring. By living these values, we want to make this 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.

Andrew Vann
Vice-Chancellor and President

OUR VALUES



Insightful

Understanding people and the world



Inclusive

Stronger together



Impactful

Outcome driven



Inspiring

Leading for the future

UNIVERSITY OBJECTIVES

CSU's aspirations are elaborated through these enduring and long-term objectives for each of our key stakeholders.



OUR COMMUNITIES

Regional communities

- Graduates who help communities to thrive and prosper economically, socially and environmentally.
- National research leadership in areas relevant to them.
- Improved educational outcomes and lives for Indigenous, regional, rural and remote Australians.

Professional and academic communities

- A globally networked university, dedicated to scholarship, research and practice, and that helps to shape the future of the professions.



OUR STUDENTS

- Flexible access to professional education regardless of background or location.
- A qualification and high level of employability for a new career, career advancement or change.
- The knowledge, skills, attitudes, habits and professional networks for a successful life and career.
- The ability to operate across cultures, spaces and places, and with a variety of professions.
- Critical thinking and ability to influence the world for the better.
- An engaging, responsive experience that creates a lifelong sense of connection and belonging to our community.



OURSELVES

- To extend our 'One University' philosophy to a truly connected community.
- To be recognised as the national leader, and a significant international player, in practice-based and online education.
- To be recognised internationally in our areas of research strength.
- To learn from and improve our practice.
- To value our staff for their contributions to the university and ensure they have opportunities to grow, develop and innovate.

UNIVERSITY STRATEGY

In December 2014, the University Council approved eight subplans and their details for the period 2015–16.

There are two types of subplans.

- **Priority subplans.** Curriculum Learning and Teaching; Research; Courses and Campuses; and Markets, Service and Support, detail the changes we have implemented and plan to implement to meet the 2015–16 context and focus on our core business of teaching, research, courses, and services across our campuses and in distance education.
- **Enabling subplans.** People and Culture; Information and Insights; Infrastructure – Physical and Virtual; and Financial Management, detail the foundational changes we must implement to ensure we have the right people, values, information, systems, infrastructure in place to drive revenue growth and operating efficiency to realise the strategic objectives of the priority subplans.

QUALITY DEGREES

Curriculum, Learning and Teaching Subplan

INTELLECTUAL LEADERSHIP FOR OUR COMMUNITIES

Research Subplan

COURSES FOR OUR COMMUNITIES

Courses and Campuses Subplan

GENUINELY STUDENT CENTRED

Markets, Service and Support Subplan

A DIVERSE AND CAPABLE WORKFORCE

People and Culture Subplan

VALUABLE INSIGHTS

Information and Insights Subplan

OPTIMISED, CONNECTED AND SUSTAINABLE

Infrastructure – Physical and Virtual Subplan

EFFICIENT AND EFFECTIVE

Financial Management Subplan

PEOPLE AND COMMUNITY

Item 1. University Council

The University Council is constituted to ensure the proper stewardship and strategic direction of the University, and is directly accountable to the stakeholders of the University for creating and delivering value and improved performance through effective governance. During 2016, the membership of the Council reflected the perspectives and capabilities of our various stakeholders – our staff, students, graduates and communities.

Members of Council during 2016

*Note: Other directorships are as at 31 December 2016.

Dr Michele Allan

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



Chancellor (s 8I(a))

Term: 3 December 2014 to 2 December 2018
Most recent appointment: 3 December 2014

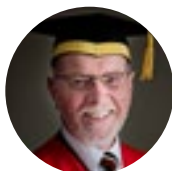
Chancellor's Foresighting Committee, Chair
Nomination and Remuneration Committee, Chair
Investment Committee, Member

Other directorships

- Apple and Pear Australia Limited, Chair
- Meat and Livestock Australia, Chair
- CSIRO, Non-Executive Director
- Grain Growers Limited, Non-Executive Director
- Innovation and Science Australia, Non-Executive Director
- Nuffield Australia, Non-Executive Director

Mr Peter Hayes

BSc (Melb), DipEd (Monash), BAppSc (CSU),
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

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

Other directorships

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

Professor Andrew Vann

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



Vice-Chancellor (s 8I(b))

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

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

Other directorships

- Executive Committee of Australian Higher Education Industrial Association, President
- UniProject, Chair
- NSW Vice-Chancellors' Committee, Convenor
- Talloires Network Steering Committee, Member
- World Association for Cooperative Education, Board Member
- Higher Education Services Board, Board Member
- Universities Australia, Board Member
- The Graham Centre, Board Member
- National Wine and Grape Industry Centre, Council Member
- OLT Student Experience Reference Group, Chair
- Somerville Board, Alternate Director

Professor Jo-Anne Reid

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



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

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

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

Other directorships

- St Stanislaus College Bathurst, Director



Mr Neville Page

BCom, MCom (UNSW), FCPA, FIPA

Council appointee (s 8G(1))

Term: 1 July 2007 to 30 June 2017
Most recent appointment: 1 July 2013

Finance, Audit and Risk Committee, Chair

Other directorships

- Australian Native Plants Society, President
- Australian Native Plants Association Inc., Executive
- ACT Treasury Investment Advisory Board, Member
- Abels Music Associates Pty Ltd, Director



Mr Graeme Bailey

BCom (UNSW), FCA

Council appointee (s 8G(1))

Term: 19 September 2014 to 30 June 2018
Most recent appointment: 19 September 2014

Investment Committee, Chair

Other directorships

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



Ms Saranne Cooke

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

Ministerial appointee (s 8H(1))

Term: 14 September 2013 to 31 August 2017
Most recent appointment: 14 September 2013

Finance, Audit and Risk Committee, Member

Other directorships

- Racing NSW, Non-Executive Director and Audit and Risk Committee, Member
- Catholic Diocese of Bathurst, Finance Council, Member and Audit and Investment Committee, Member
- Australian Institute of Company Directors Western Region NSW Committee, Chair
- Western Health Alliance Ltd, Non-Executive Director and Finance, Audit and Risk Management Committee, Chair
- General Practice Registrars Australia Ltd, Non-Executive Director and Finance, Audit and Risk Management Committee, Chair
- Leading Age Services Australia, Non-Executive Director and Finance, Audit and Risk Management Committee, Chair



Mrs Jennifer Hayes

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

Graduate member (s 8F(1))

Term: 1 July 2013 to 30 June 2015

Ministerial appointee (s 8H(1))

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

Finance, Audit and Risk Committee, Member

Other directorships

- Hunter Primary Care Ltd, Director and Clinical Governance Committee, Member
- Upper Hunter Shire Council, Audit Advisory Committee Member
- City2City, Community Foundation for Albury-Wodonga Region Ltd (Border Trust), Co-Founder and Committee Member



Mr Jamie Newman

BHlthSc(Community and PubHlth) (CSU)

Council appointee (s 8F(1))

Term: 1 July 2013 to 30 June 2017
Most recent appointment: 1 July 2013

Nomination and Remuneration Committee, Member

Other directorships

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



Dr Rowan O'Hagan

BAgricSc (Melb), MAgricSc (La Trobe), MAcc (CSU), PhD (Melb), GAICD, MAIAST

Council appointee (s 8F(1))

Term: 25 August 2014 to 30 June 2018
Most recent appointment: 25 August 2014

Finance, Audit and Risk Committee, Member

Other directorships

- Coliban Water, Director
- WAW Credit Union, Director



Ms Lisa Schofield

BA(Comm) (CSU)

Council appointee (s 8G(1))

Term: 1 January 2016 to 31 December 2019

Most recent appointment: 1 January 2016

Investment Committee, Member

Mr Rob Fitzpatrick

BEc/LLB (Syd), MBA, GAICD

Council appointee (s 8G(1))

Term: 1 July 2013 to 27 February 2016

Most recent appointment: 1 July 2013

Member, Nomination and Remuneration Committee

Other Directorships:

- AARNet, Director
- Meat and Livestock Australia, Director



Dr Susan Wood

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

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

Term: 1 July 2016 to 30 June 2018

Most recent appointment: 1 July 2016

Associate Professor Lyn Angel

ADipMedLabSc, BAppSc (RiverinaCAE),
MAppSc (CSU)

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

Term: 1 July 2014 to 30 June 2016

Most recent appointment: 1 July 2014

Investment Committee, Member



Ms Liz Smith

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

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

Term: 1 July 2016 to 30 June 2018

Most recent appointment: 1 July 2016

Ms Carmen Frost

GradCertCom (CSU)

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

Term: 1 July 2010 to 30 June 2016

Most recent appointment: 1 July 2014

Investment Committee, Member



Ms Elise McMahon

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

Term: 1 July 2016 to 30 June 2018

Most recent appointment: 1 July 2016

Ms Rowan Alden

BSc (CSU)

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

Term: 1 July 2014 to 30 June 2016

Most recent appointment: 1 July 2014

Finance and Infrastructure Committee, Member

Table 1.1: Attendance by members at meetings of University Council

Member	University Council		Nomination and Remuneration Committee		Finance, Audit and Risk Committee		Investment Committee		Chancellor's Foresighting Committee	
	A	B	A	B	A	B	A	B	A	B
Dr Michele Allan	10	10	4	4	-	-	6	5	21	21
Mr Peter Hayes	10	10	4	4	5	5	-	-	21	21
Professor Andrew Vann#	10	10	4	4	-	-	-	-	21	21 [†]
Professor Jo-Anne Reid	10	9	4	4	-	-	-	-	21	20
Ms Rowan Alden	6	6	-	-	3	2	-	-	-	-
Assoc Professor Lyn Angel	6	6	2	2	-	-	-	-	-	-
Mr Graeme Bailey	10	9	-	-	-	-	6	6	-	-
Ms Saranne Cooke	10	10	-	-	5	5	-	-	-	-
Mr Rob Fitzpatrick	2	2	-	-	-	-	-	-	-	-
Ms Carmen Frost	6	6	-	-	-	-	3	3	-	-
Mrs Jennifer Hayes	10	10	-	-	5	4	-	-	-	-
Ms Elise McMahon	4	4	-	-	-	-	-	-	-	-
Mr Jamie Newman	10	9	4	4	-	-	-	-	-	-
Dr Rowan O'Hagan	10	10	-	-	5	4	-	-	-	-
Mr Neville Page	10	10	-	-	5	5	-	-	-	-
Ms Lisa Schofield	10	10	-	-	-	-	3	2		
Ms Liz Smith	4	4								
Dr Susan Wood	4	4								

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

B = Number of meetings attended.

[†] Two meetings were attended by the Acting Vice-Chancellor.

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

Table 1.2: Council member remuneration

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

Name	Position	Remuneration		Additional Expenses Incurred				
		Honorarium	Super	Training and development	Graduations (including Attestation)	University ceremonies and events	Official meetings	Other ³
Dr Michele Allan	Chancellor (s 8(a))	\$45,842.42	\$4,355.00	\$1,270.00	\$1,215.00	\$27,202.00	\$12,976.00	\$1,506.61
Mr Peter Hayes	Deputy Chancellor (s 8F(1))	\$29,897.40	\$2,840.24	\$4,718.00	\$2,910.00	-	\$5,520.17	-
Professor Andrew Vann	Vice-Chancellor (s 8(b))	Ineligible ¹	-	\$1,270.00	-	-	N/A ⁴	-
Professor Jo-Anne Reid	Presiding Officer, Academic Senate (s 8(c))	Ineligible ¹	-	\$1,270.00	\$247.00	-	\$2,632.00	-
Ms Rowan Alden	Elected member (s 8E(2)(c))	\$ 8,470.93	\$ 804.70	\$3,151.00	-	-	\$3160.00	-
A/Professor Lyn Angel	Elected member (s 8E(2)(a))	Ineligible ¹	-	\$1,270.00	-	-	\$2067.00	-
Mr Graeme Bailey	Council appointee (s 8G(1))	\$22,921.34	\$2,177.50	\$1,270.00	-	-	\$4,541.00	-
Mr Rob Fitzpatrick	Council appointee (s 8G(1))	\$ 2,671.60	\$ 247.60	-	-	-	\$631.00	-
Ms Carmen Frost ²	Elected member (s 8E(2)(b))	-	-	\$1,270.00	-	-	\$2310.00	-
Mrs Jennifer Hayes	Ministerial appointee (s 8H(1))	\$16,941.86	\$1,609.40	\$1,270.00	-	\$524.00	\$5,570.00	-
Ms Saranne Cooke	Ministerial appointee (s 8H(1))	\$16,941.86	\$1,609.40	\$1,270.00	-	\$748.00	\$4,803.00	-
Mr Jamie Newman	Graduate member (s 8F(1))	\$16,941.86	\$1,609.40	\$1,270.00	-	\$956.00	\$2,270.00	-
Dr Rowan O'Hagan	Graduate member (s 8F(1))	\$16,941.86	\$1,609.40	\$1,270.00	-	\$1258.00	\$3,534.00	-
Mr Neville Page	Council appointee (s 8G(1))	\$22,921.34	\$2,177.50	\$2,410.00	-	-	\$2,164.00	-
Ms Lisa Schofield	Council appointee (s 8G(1))	\$16,941.86	\$1,609.40	\$1,270.00	-	-	\$905.00	-
Dr Susan Wood	Elected member (s 8E(2)(a))	-	-	\$1996.00	-	-	\$1573.00	-
Ms Liz Smith ²	Elected member (s 8E(2)(b))	-	-	\$1674.00	-	\$556.00	\$1,276.00	-
Ms Elise McMahon	Elected member (s 8E(2)(c))	\$ 8,470.93	\$ 804.71	\$2883.00	-	-	\$2,397.00	-
Totals		\$206,292	\$19,597.24	\$30,802.00	\$4,372.30	\$31,244.00	\$56,165.17	\$1,506.61

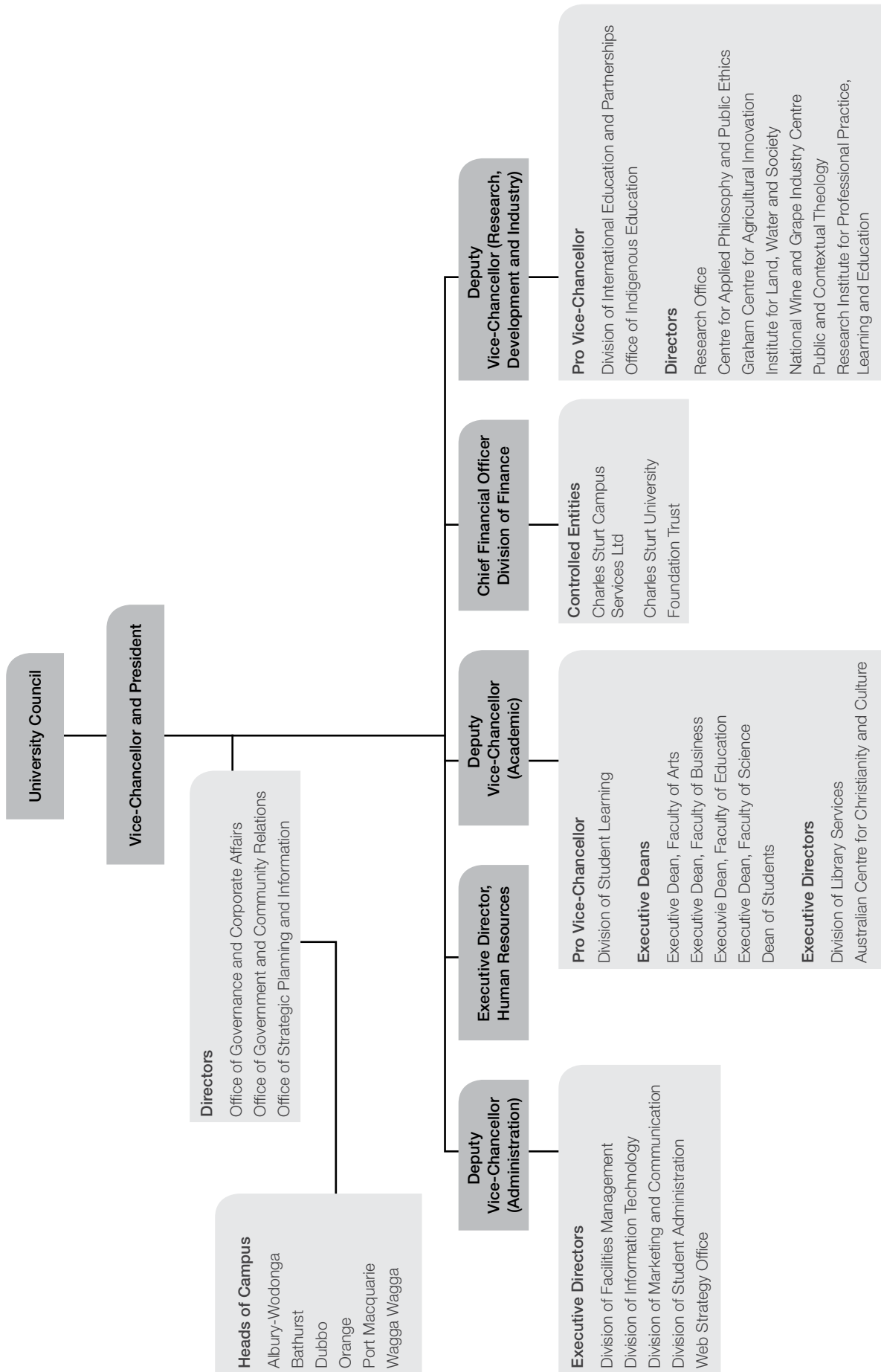
¹ This Council member is a remunerated member of staff at Charles Sturt University.

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 \$7,500 was paid to the Division of Finance in lieu of Carmen Frost's attendance at Council meetings and \$8,500 was paid to the Office of the Dean of Students in lieu of Liz Smith's attendance at Council meetings.

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

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

Management and Structure



Item 2. Senior Executive Performance and Remuneration

VICE-CHANCELLOR AND PRESIDENT

Professor Andrew Vann

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



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

- developing and articulating a clear vision, mission and strategic direction for the University to secure the University's future as a strong and progressive institution
- fostering excellence of learning and teaching, with a particular emphasis on emerging technologies to support the online education environment
- building the University's research profile
- implementing the University's strategic plan as approved by 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

- Representing and positioning the University's strategic and operational interests within government and higher education stakeholder groups.
- Key voice for rural and regional students and communities both nationally and internationally with regard to higher education accessibility both on campus and online.
- Led the strategic development process for 2017 and beyond while driving accountability for the delivery of remaining outcomes under the 2015–16 strategy.
- Led the development of a renewed policy and framework for risk management and appetite.
- Sector leadership roles including chairing the NSW Vice-Chancellor's Committee and AHEIA Executive Committee.
- Presented management information to University Council in line with compliance requirements to support good governance.

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

Professor Mary Kelly

BSc(Hons) PhD (UniversityofGeorgia)



The Deputy Vice-Chancellor and Vice-President (Research, Development and Industry) is responsible to the Vice-Chancellor and President for the development, promotion and overall leadership of research, research training, Indigenous education and industry engagement and partnerships at Charles Sturt University.

Specific responsibilities for 2016 included the oversight of the Research Sub-Plan within the 2015 University Strategy and expansion of the new Research, Development and Industry portfolio.

Key achievements in the reporting year

- Completion of the Reaccreditation Review of University Research Centres.
- Soft launch of the AgriSciences Research and Business Park.
- Full implementation of performance-based research funding and greater diversification of income.
- Enhanced industry-focused capability and co-investment in incubator activity.
- Renegotiation of the Joint Cooperation Partnership and hosting of the first President's Meeting in Australia.
- Appointment of the inaugural Chair of Indigenous Affairs.

DEPUTY VICE-CHANCELLOR AND VICE-PRESIDENT (ACADEMIC)

Professor Toni Downes

BEd (USyd), MEd (UniversityofToronto),
Phd (UWS)



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

Specific responsibilities for 2015 included the oversight of the Curriculum, Learning and Teaching (CLT) and Courses and Campuses (CC) Sub-Plans within the 2015 University Strategy.

Key achievements in the reporting year

- Development and implementation of the Three Faculty Common Support Model (3FCSM).
- Development of the Online Learning Model and implementation of a pilot study, for further development in 2017.
- Finalisation of Course and Subject Performance Standards and integration of these into the Faculty and School Review Process.
- Introduction of two new and significant courses – Bachelor of Engineering Technology and Bachelor of Laws.
- Oversight of the establishment of Port Macquarie Campus through leadership of the PMQ Steering Committee.
- Review of the Academic Staff Promotion Policy, Procedures and Guidelines (approved by Academic Senate in February 2017).
- Instigated a plan for communication across the portfolio with: fortnightly updates on 3FCSM implementation; quarterly strategy updates to all staff; and two rounds of face-to-face campus sessions.

DEPUTY VICE-CHANCELLOR AND VICE-PRESIDENT (ADMINISTRATION)

Professor Ken Dillon

BADipEd (Macq), GDipLib (RiverinaCAE),
MEd(Hons) (CSU), PhD (SQld)



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

Specific responsibilities for 2015 included the oversight of the Markets, Services and Support and Infrastructure – Physical and Virtual Sub-Plans within the University Strategy with a focus on improved assets management and governance including the establishment of a Web Strategy Office and the continued rollout of the Living in Future Environments (LiFE) frameworks as a key contribution to University sustainability.

Key achievements in the reporting year

- Accreditation of carbon neutral status from the Commonwealth Department of Environment achieved.
- Agreement for large-scale photovoltaic power generation capacity finalised.
- Learning in Future Environments (LiFE) framework baselines established.
- Internal rate of return of 14 per cent achieved on \$1 million energy savings investment.
- IT infrastructure renewal including data centre relocations, wired and wireless network and campus fibre refresh delivered.
- Port Macquarie Campus and engineering facilities completed.
- Disposal plan for South Wagga Campus in place.
- 'CSU Online' brand repositioning of online product established.
- More sophisticated, targeted and impactful student recruitment campaigns and conversion strategies implemented.
- Significantly improved student application experience implemented.

EXECUTIVE DIRECTOR, HUMAN RESOURCES

Adam Browne

BAAAdminHR (UC)



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

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

The Executive Director is responsible for administering the Division of Human Resources and its operations including the oversight of the People and Culture Sub-Plan within the 2015–16 University Strategy.

Key achievements in the reporting year

- Effective implementation and delivery of the HR enabling plan.
- Delivery of the renewed CSU Values initiative.
- Continued delivery of equity and diversity programs such as Courage Conversations About Race and the Athena SWAN SAGE Pilot for STEM.
- Continued successful implementation of the annual University Wellness and Wellbeing Expo, designed to promote a range of health and wellbeing messages, services and resources to staff and students.
- Introduced the Senior Executive Committee to the Life Styles Inventory (LSI), a 360-degree tool designed to help individuals recognise the behaviours and thinking styles that are effective, as well as those that may be self-defeating or ineffective.
- Effective management of the Division of Human Resources portfolio area including achieving good human resources compliance and governance.
- Provision of timely and effective human resources advice and counsel to the Vice-Chancellor, members of the SEC and senior managers across the University.

CHIEF FINANCIAL OFFICER

Paul Dowler

BBus (MitchellCAE), MBA (CSU), CPA



The Chief Financial Officer is responsible to the Vice-Chancellor and President for the provision of strategic financial advice in the context of the higher education environment and the University Strategy.

The Chief Financial Officer is accountable for the development, implementation and monitoring of policies and procedures relating to the financial management and advancement of the University at a time of significant change in the funding arrangement and regulation.

The Chief Financial Officer is responsible for administering the Division of Finance and its operations, including a number of trading entities and ensuring the budget meets the strategic and operational needs of the University. Specific responsibilities include oversight of the Finance Sub-Plan in the 2015–16 University Strategy.

Key achievements in the reporting year

- Exceeded the University benchmark for Annual Operating Surplus.
- Completed and executed agreements for provision of accommodation for the Port Macquarie Campus.
- Renegotiated the renewal of the University borrowings.
- Completed a new investment strategy for University funds.

Table 2.1: Executive remuneration

Name	Position	Remuneration for the period	Gender
Professor Andrew Vann	Vice-Chancellor	Salary	537,386
		Bonus	76,886
		MV Allowance	13,679
		Superannuation	93,681
		Accommodation	23,400
		Total Remuneration	745,032
Professor Toni Downes	Deputy Vice-Chancellor (Academic)	Salary	354,954
		Superannuation	60,342
		Total Remuneration	415,296
Professor Ken Dillon	Deputy Vice-Chancellor (Administration)	Salary	318,518
		MV Allowance	13,679
		Superannuation	56,196
		Total Remuneration	388,393
Professor Mary Kelly	Deputy Vice-Chancellor (Research, Development and Industry)	Salary	315,153
		MV Allowance	13,679
		Superannuation	55,902
		Total Remuneration	384,734
Mr Paul Dowler	Chief Financial Officer	Salary	258,836
		MV Allowance	13,679
		Superannuation	43,603
		Total Remuneration	316,118
Mr Adam Browne	Executive Director, Human Resources	Salary	251,666
		MV Allowance	13,679
		Superannuation	25,207
		Total Remuneration	290,552

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

	2015	2016
Female	2	2
Male	4	4
Total	6	6

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

	2015	2016
% of total relating to Senior Executives	1%	1%

Item 3. Human Resources

Employees / Employee wage movement

Table 3.1: FTE staff (continuing and fixed term)

	Academic	Professional / General
2014	918.74	1,251.73
2015	817.95	1,228.99
2016	815.91	1,195.20

Table 3.2: Academic staff by classification (FTE)

Position Level	2014	2015	2016
Below Lecturer	70.47	70.15	68.40
Lecturer	523.73	431.74	429.16
Senior Lecturer	168.04	164.07	177.20
Above Senior Lecturer	156.50	151.99	141.15
Total	918.74	817.95	815.91

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

	2014	2015	2016
Level 1	25.66	24.17	22.90
Level 2	29.52	26.28	23.50
Level 3	89.69	71.60	50.90
Level 4	272.35	252.03	238.00
Level 5	251.85	251.78	239.40
Level 6	238.16	258.51	252.00
Level 7	176.00	163.18	163.70
Level 8	80.50	80.54	93.40
Level 9	43.70	42.80	51.00
Level 10 and above	44.30	58.10	60.40
Total	1,251.73	1,228.99	1,195.20

Employee wage movement

During 2016, staff covered by Charles Sturt University's Enterprise Agreement received a 3 per cent salary increase, effective from 16 December 2016.

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
- Accountability Statements – Senior Management
- Alcohol and Other Drugs Policy
- Attendance at Work Policy
- Balancing Work and Family Responsibilities Policy
- Blood and Bodily Fluids Handling Guidelines
- Breastfeeding Policy
- Children on Campus Policy and Procedure
- Code of Conduct
- Communicating without Bias Guidelines
- Conflict of Interest Procedure
- Coursework Masters Support Scheme Policy and Procedure – Academic Staff
- Disability and Work or Study Adjustment Policy
- Disability – Workplace Adjustment Procedure
- Domestic Violence Policy and Procedure
- Driving Hours Policy and Guidelines
- Employee Assistance Program Policy
- Employment Equity Plan 2012–2015
- Employment Plan – People with a Disability
- Enrolment of Academic Staff in CSU Courses and Subjects Policy
- Equal Opportunity Policy
- Executive Remuneration and Appointment Policy and Procedure
- 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
- Indigenous Academic Staff Leadership Development Scheme Guidelines
- Indigenous Employment Strategy 2012-2015
- Indigenous Language Allowance Guidelines
- Indigenous Staff Study Support Scheme Guidelines
- Induction and Development Program Guidelines
- Industrial Action Policy
- Infectious Diseases Policy and Procedure
- Information Technology Access and Induction Guidelines
- Leave Manual
- Mentoring Guidelines
- Motor Vehicle Guidelines – Executive Managers
- Occupational Health, Safety and Welfare Objectives and Responsibilities Guidelines
- Personal Allowances Policy and Payment Determination Procedure
- Personal Files Access Policy
- Professional Activity Work Function Policy
- Professional Enhancement Program Procedure
- Recognition of Service Guidelines
- Remote Work Policy
- Return to Work Program Policy
- Secondment Appointment Policy and Procedure
- Smoking in the Workplace Policy
- Social Media Use Policy
- 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 Guidelines – Targeting Women for Senior Positions
- Staff Who Seek Election to Parliament or Local Government Body Policy
- Standards, Expectations and Qualifications Policy – Academic Staff
- Study Leave Policy
- Study Support Scheme Policy and Procedure – Postgraduate for General Staff
- Teaching and Professional Work Function Policy and Guidelines – Professional Activity
- Traineeships and Apprenticeships Management Guidelines
- Unsatisfactory Performance – Management Procedure
- Vice-Chancellor's Award Guidelines
- Visiting and Adjunct Appointments Policy and Procedure
- Work Health and Safety Action Plans Policy
- Work Health and Safety Policy
- Workforce Planning Guidelines
- Working with Children Check Procedure
- Workplace Inspections and Reports Policy

Item 4. Workforce Diversity

Statistical information (data as at 31 March 2016)

Table 4.1: Trends in Representation of EEO Groups (Academic Staff)

EEO Group	% of total staff						
	Benchmark or Target	2011	2012	2013	2014	2015	2016
Women	50%	46%	46%	48%	49%	49%	51%
Aboriginal people and Torres Strait Islanders	3%	1%	1%	1.6%	2%	1.9%	2%
People whose first language was not English	10%	14%	14%	16%	16%	17%	18%
People with a disability	n/a	3%	3%	3%	3%	3%	2%
People with a disability requiring work-related adjustment	1.1% (2011)	1%	2%	2%	1.3%	1%	0.9%
1.3% (2012)							
1.5% (2013)	2%	2%	1.3%	1%	0.9%	1%	

Benchmark or target is for academic and professional staff combined

Table 4.2: Trends in Representation of EEO Groups (Professional Staff)

EEO Group	% of total staff						
	Benchmark or Target	2011	2012	2013	2014	2015	2016
Women	50%	66%	66%	66%	67%	69%	69%
	67%	69%	69%	69%	3.1%	3%	3.2%
Aboriginal people and Torres Strait Islanders	3%	3%	3%	3.1%	3%	3.2%	3%
People whose first language was not English	10%	4%	4%	4%	4%	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%	1.2%	1%	1.1%	1%	

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	2011	2012	2013	2014	2015	2016
Women	100	82	82	82	82	82	83
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	92	92	97	95	96	97
People with a disability	100	119	119	105	103	98	n/a
People with a disability requiring work-related adjustment	100	n/a	n/a	n/a	n/a	n/a	n/a

Table 4.4: Trends in Distribution of EEO Groups (Professional Staff)

EEO Group	Benchmark or Target	2011	2012	2013	2014	2015	2016
Women	100	87	87	87	87	86	86
Aboriginal people and Torres Strait Islanders	100	97	94	94	90	94	90
People whose first language was not English	100	104	108	110	108	109	108
People with a disability	100	93	92	91	93	91	92
People with a disability requiring work-related adjustment	100	n/a	n/a	n/a	n/a	n/a	n/a

Explanatory notes

1. Staff numbers are as at 31 March 2016.
2. Excludes casual staff.

Item 5. Disability Inclusion Action Plans

Achievements in 2016

Key achievements

- The new Disability Action Plan was finalised for 2016–2019 and lodged with the Australian Human Rights Commission. This plan identifies desired outcomes that relate to our culture, recruitment and admission processes, student experience, employment, and evaluation practices and overall governance.
- A full review of the disability service for students was conducted with a final report due in March 2017. The aim is to comprehensively refine our approach to access for students.
- The Web Strategy Office uses the tool SiteImprove to track web accessibility, broken links, SEO and content readability. A significant number of main sites underwent active accessibility remediation in 2016.

Activities planned for 2017

Planned activities

- Progress against the Disability Action Plan.
- Implementation of recommendations arising from the Disability Service Review.
- Conduct disability awareness training for staff in areas that will increase accessibility for CSU students.

Item 6. Multicultural Policies and Services Program

Charles Sturt University is committed to raising awareness and promoting practice and attitudes that ensure an inclusive approach that values diversity. We have adopted a range of strategies and initiatives to support this approach. This section highlights some of the strategies and achievements in this area.

Progress in implementing the University's Multicultural Policies and Services Program is divided into the seven outcomes as outlined by Multicultural NSW.

Planning and Evaluation	Outcome 1: Planning
Planning and Evaluation	Outcome 2: Consultation and Feedback
Capacity Building and Resourcing	Outcome 3: Leadership
Capacity Building and Resourcing	Outcome 4: Human Resources
Programs and Services	Outcome 5: Access and Equity
Programs and Services	Outcome 6: Communication
Programs and Services	Outcome 7: Social and Economic Development

Planning and evaluation

Acknowledging the culture and insight of Indigenous Australians, CSU'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'. Identified as important to multiculturalism are key enduring long-term CSU objectives for our regional and professional communities, students and ourselves.

CSU has a whole-of-University approach to inclusive practice, and in particular to Aboriginal and Torres Strait Islander engagement with tertiary study. Our demonstrated strong commitment to facilitating the success of Aboriginal and Torres Strait Islander people is evidenced through the strategies implemented in education and research, and through our work with communities.

Complementing the CSU staff Code of Conduct and the CSU Student Charter are a number of key plans that inform our approach to multiculturalism.

In 2016 the University established the International Student Group. This group provides a forum to advocate for the interests and needs of all onshore CSU International students, to facilitate the collaboration and exchange of ideas between International students at CSU on each campus including the Study Centres, to be a reference/consultation group for establishing CSU as a preferred destination for International students, and to contribute to the improvement of services and to enhance the international student experience at CSU.

The CSU International Student Consultation Group piloted workshops and seminars of interest to international students on matters, such as employment rights, immigration, and social and cultural engagement. The aim is for the CSU International Student Consultation Group to liaise with the Student Senate and campus Student Representative Committees and International Student Clubs to develop ways to increase participation from International students in these groups.

The CSU International Student Consultation Group is coordinated and assisted by the Office for Students, Inclusion Team Leader. At least two international students from each campus are able to be nominated to join the CSU International Student Consultation Group with nominations called for by the International Student Liaison Officers in the Office for Students.

Programs and services

Key initiatives in 2016

- We have continued to strengthen our services for English language and literacy, numeracy and career development support. To enable successful participation support is offered to students from culturally and linguistically diverse backgrounds.
- The inclusion of weekend and evening services and workshops have enhanced access for students needing additional support in literacy and numeracy.
- In addition we have established a new approach to career development services with material being increasingly embedded into courses and available through our Learning Management System as well as the student portal.
- The Office for Students reviewed strategies for international students and developed a new approach to enhancing the experience for International students. The latter is captured in a strategy that is being piloted in 2017 in Port Macquarie. This pilot includes the appointment of two staff who are trialling strategies, and developing resources and materials that will be used at scale for all international students at CSU. The Student Liaison Officer will be the key point of contact for international students at CSU and will work with the Head of Campus, the Division of International Education and Partnerships, and the Port Macquarie community to design, implement and evaluate strategies that enhance international student experience, in particular to find solutions to known issues (e.g. access to health services, accommodation, transport, etc). The Career Development Officer is a member of the Career Development Service team at CSU, and is designing and piloting strategies that enhance employability of international students during their enrolment, and subsequently as graduates. The Port Macquarie International Student Experience Pilot encompasses the student lifecycle across three service domains.
 - › A quality education
 - › A quality university life
 - › A quality Australian experience

The aim is to effectively immerse international students in Australian society and culture, and to develop international students' skills and expertise to be successful in their study at CSU and in living in Australia. Service provision will be tailored to suit international exchange, undergraduate and postgraduate student cohorts.

Item 7. Work Health and Safety

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

WHS management

The WHS Unit commenced updating the Work Health Safety Management System (WHSMS) and has updated and reviewed a number of key policies including the Work Health and Safety Policy. This is now the overarching policy for WHS at CSU.

Quarterly meetings have been held with Division of Facilities Management and Charles Sturt Campus Services to discuss current WHS activities and emerging issues.

CSU has continued to expand the suite of ELMO training modules to allow greater flexibility and opportunities for training for all staff and students.

Throughout 2016 CSU monitored changes in WHS and/or Injury Management legislation that would affect CSU and its operations. Updates were provided to CSU's Senior Executive and the University's Finance Audit and Risk Committee (FARC) wherever changes occurred.

Health and wellbeing

The WHS team continued to promote and offer a series of wellbeing initiatives for all staff and students.

CSU's annual Wellness & Wellbeing Expo was held at seven CSU campuses/sites during March and July 2016. The expo aims to improve staff and student attitudes towards their personal health and wellbeing and provides an opportunity for all participants to engage with service providers in their local area. Over 2,500 staff and students registered their attendance. Improvements to the Health, Safety and Wellbeing website were also completed including the development of extensive Wellness and Wellbeing resources to complement the offerings at the annual expo.

Other wellbeing activities included:

- Annual Flu Vaccination Program
- Global Corporate Challenge – 10,000 Step Program
- Fitness Passport – Corporate Health and Fitness Program
- Employee Assistance Service – Optum
- WHS website offering comprehensive information and links to service providers
- Red Cross Blood Challenge / Donor Mobile to Bathurst Campus
- Mindfulness Program – six week trial program for staff at Bathurst Campus.

Incident and workers compensation claims management

Proactive management of the University's workers compensation claims throughout 2016 has achieved the following results.

- Current premium estimate for 2017 is the lowest it has been since 2010.
- For the 2017 policy period, CSU's premium has reduced by approximately 32 per cent from previous year alone.
- In 2016, CSU's wage loss (due to WC injuries) reduced by almost 45 per cent in comparison to performance in 2013–2014.
- The number of WC Claims lodged by CSU has reduced by greater than 50 per cent in comparison to performance in 2013–2014.
- Collectively in 2015 and 2016, CSU performed approximately eight per cent better than the industry benchmark set by icare NSW.

WHS performance

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

Table 7.1: OHS performance indicators (employees)

Year	Total Number Incidents (1)	Number of Fatal Incidents	Total Lost Time Claims	Total Employees
2016	186	Nil	15 (5)	2115 (2)
2015	165	Nil	20(5)	2072 (2)
2014	184	Nil	22(6)	2116 (3)

Table 7.2: OHS Performance Indicators (Students, Visitors, Service Company and Contractors)

Year	Total Number Student Incidents	Total Number Visitor Incidents	Total Number Service Company Incidents	Total Number Contractor Incidents
2016	172	25	53	12
2015	213	19	37	14
2014	203	20	22	5

Explanatory notes

1. As per recognised reporting standards, the above performance indicators do not include near miss incidents or commuting injuries (injury does not occur through the course of employment or during a recess period).
2. Total employees is from Alesco as at 31 December 2016. It does not include casual employees.
3. Total employees is from Alesco as at 31 December 2015. It does not include casual employees.
4. Total Employees is from Alesco as at 31 December 2014. It does not include casual employees.
5. Total number of lost time workers' compensation claims received under the Charles Sturt University policy (Policy No. MWR0024606033) for the period of 1 January 2016 to 31 December 2016 (excludes incident only reports where no cost was incurred as a result of the incident/injury).
6. Total number of lost time workers' compensation claims received under the Charles Sturt University policy (Policy No. MWR0024606033) for the period of 1 January 2015 to 31 December 2015 (excludes incident only reports where no cost was incurred as a result of the incident/injury).
7. Total number of lost time workers' compensation claims received under the Charles Sturt University policy (Policy No. MWR0024606033) for the period of 1 January 2014 to 31 December 2014 (excludes incident only reports where no cost was incurred as a result of the incident/injury).

Activities planned for 2017

- Continue to review and implement the University's WHSMS in line with AS 4801; Occupational Health and Safety Management System.
- Continue to implement the chosen online OHS management system (SCRIM Safety First) within the University including appropriate education and training tools for delivery to staff and managers required to work in the system for the purpose of performing incident and hazard reporting, investigations, corrective actions; workers compensation records management and/or WHS audits (e.g. workplace inspections).
- Introduce further online training for staff and students including incident investigation, hazard identification and assessment and risk management.
- Continue to promote the University's Employee Assistance Program (EAP) to ensure appropriate usage both in terms of volume and primary presenting problems.
- Continue to support the University's agreed OHS Consultation arrangements, including Health and Safety Representatives (HSR) and H&S Committees.
- Plan and conduct CSU's 2017 Wellness & Wellbeing Conference & Expo across seven sites of the University and use the feedback provided to offer ongoing wellness and wellbeing initiatives throughout 2017.

Item 8. Promotion (Overseas Travel)

The University paid \$2.7 million for staff overseas travel in 2016 (2015: \$2.3 million). These payments supported a very wide range of activities including attendance and presentation of research papers at international conferences, staff development, and research and teaching at affiliated institutions. There were 417 individual trips made by staff covering most continents.

Item 9. Funds Granted

Charles Sturt University makes significant contributions to community activities and initiatives related to its core educational mission. Funding for non-government community organisations is drawn from resources made available for regional engagements. \$112,560 in funds were granted to such initiatives in 2016 as detailed below.

Key: CUP = Community University Partnerships, HOC = Head of Campus

Table 9.1 Funds granted listing

Non-government community organisation	Funds granted 2015	Description	Program
Albury Public School P&C/ Justine Parer	\$500	Family Fun Fair	CUP HOC Small Grants Program
Zoe Jelinek	\$500	Assistance for International Frisbee competition in Poland	CUP HOC Small Grants Program
Geraldine (Nicky) Spalding	\$500	Enhancing Child Protection Training	CUP HOC Small Grants Program
Laura Andrews	\$500	Annual award from HOC at Scholarship Ceremony	David Battersby Award for Student Citizenship
Claire Garner	\$500	Annual award from HOC at Scholarship Ceremony	David Battersby Award for Student Citizenship
Chloe-Sue Grey	\$500	Chipembele Film Project	CUP HOC Small Grants Program
Wodonga Senior Secondary College/Vern Hilditch	\$100	WSSC selected Konnor Williams as recipient for 2016	CSU Prize for senior student citizenship – HOC AW
Skye Veech – VESA Unearthed	\$500	VESA Africa Unearthed Program	CUP HOC Small Grants Program
David Stanley – Health Care Olympics	\$500	Health Practitioner Olympics	CUP HOC Small Grants Program
Cathedral Restoration Appeal	\$4,000	Cathedral of St Michael and St John	CUP HOC Small Grants Program
Kinross Wolaroi School CAMKIDS movie night	\$500	CAMKIDS movie night	CUP HOC Small Grants Program
CSU O'Physio Club	\$500	CSU O'Physio Games	CUP HOC Small Grants Program
CSU Foundation Day	\$590	CSU Beanies	CUP HOC Small Grants Program
Summer Hill Creek Care Inc.	\$320	Event insurance and subscription	CUP HOC Small Grants Program
Luminosity Youth Incorporated	\$3,000	Luminosity Youth Summit Sponsorship	CUP HOC Small Grants Program
Great Lakes Education Fund	\$1,000	2016 Sponsorship	CUP HOC Small Grants Program
Port Macquarie Lions Club Incorporated	\$50	Corporate Duck Race	CUP HOC Small Grants Program
Tacking Point Hockey Club Inc.	\$1,000	Sponsorship	CUP HOC Small Grants Program
Riverina Equestrian Association	\$1,000	2016 Horse trials one day event	CUP HOC Small Grants Program
Albury Library Museum – business unit of Albury City Council	\$2,500	Up Top: Mayday Hills stories collection	CUP Community Initiated Research Program
Age Concern Albury Wodonga Inc	\$2,500	An oral history of 'Age Concern' Ages care voluntary worked in regional Australia	CUP Community Initiated Research Program
Bathurst Child & Family Network (BCFN) auspiced by Centacare Bathurst	\$2,500	Impact measurement: evaluation of the impact of Building a child-safe, child-friendly community initiative in Bathurst.	CUP Community Initiated Research Program
Canobolas High Performance Athlete (CHPA) program	\$2,500	Pre-school exercise and recovery and the effects on performance in youth athletes	CUP Community Initiated Research Program
Kinross Wolaroi School	\$2,500	Collaborative approaches to programming and teaching primary school science: Opportunities and impacts	CUP Community Initiated Research Program
CareWest Ltd	\$2,500	Towards a model of improved school transition.	CUP Community Initiated Research Program

Non-government community organisation	Funds granted 2015	Description	Program
Byron Shire Council	\$2,500	Adapting Bhutanese Gross National Happiness (wellbeing) sustainability planning and policy for rural community wellbeing and sustainability in Australia	CUP Community Initiated Research Program
Touched by Olivia Foundation	\$2,500	Social inclusion: Exploring community views on Livvi's Place Playspace, Port Macquarie	CUP Community Initiated Research Program
Wagga Women's Health Centre	\$2,500	Focus Groups to assess the readiness of the Wagga Wagga community to address domestic violence	CUP Community Initiated Research Program
Albury Library Museum	\$1,000	Writing about madness: Using the Up Top exhibition as a springboard for creative writing during WAM	CUP Rural and Regional Arts and Culture Program
Lowesdale Public School	\$1,000	Our Place in Australia – Lowesdale Land Art and Culture	CUP Rural and Regional Arts and Culture Program
Murray Arts Inc	\$1,000	Billet Doux – An exhibition where beautiful things come in small sizes	CUP Rural and Regional Arts and Culture Program
Brooke Murray, auspiced by ArtsOutWest	\$1,000	Boat: A Theatre for Young People project in the Bathurst Community.	CUP Rural and Regional Arts and Culture Program
Bathurst Theatre Company	\$1,000	Theatre for the Very Young – Artist in Residence	CUP Rural and Regional Arts and Culture Program
Bathurst Regional Council T/A Bathurst Memorial Entertainment Centre	\$1,000	Bathurst Writers' & Readers' Festival (38 characters)	CUP Rural and Regional Arts and Culture Program
Dubbo Koori Interagency Network (Funds to be auspiced by the Dubbo City Council)	\$1,000	Art show at Barraamielinga Indigneous Student Centre Dubbo Campus by CSU students and community artists	CUP Rural and Regional Arts and Culture Program
Marathon Health trading as headspace Dubbo	\$1,000	Creative Psychotherapy for Vision Impaired Young People	CUP Rural and Regional Arts and Culture Program
Wee Waa High School	\$1,000	Inaugural Combined Schools Art Exhibition & Art Workshops	CUP Rural and Regional Arts and Culture Program
Spring Hill Public School	\$1,000	Artist in residence Nyree Reynolds- Painting Our Songlines Project	CUP Rural and Regional Arts and Culture Program
Orange Regional Museum Fund Ltd	\$1,000	Orange Regional Museum	CUP Rural and Regional Arts and Culture Program
Canobolas Rural Technology High	\$1,000	Canobolas High Dance Performance Team	CUP Rural and Regional Arts and Culture Program
Mid North Coast Strings Alliance Inc	\$1,000	Strings Outreach Program for Young People	CUP Rural and Regional Arts and Culture Program
Port Macquarie Historical Society	\$500	Creative Design for Port Macquarie Museum	CUP Rural and Regional Arts and Culture Program
Kempsey Shire Council for the Macleay River Festival	\$1,000	Macleay River Festival – Float Your Art schools program.	CUP Rural and Regional Arts and Culture Program
The Wired Lab	\$1,000	The Edge' – Artist Residency and skills development project with Tamara Dean	CUP Rural and Regional Arts and Culture Program
Mount Austin High School	\$1,000	School Spectacular 2016	CUP Rural and Regional Arts and Culture Program
Henry Lawson Festival of Arts	\$1,000	Henry Lawson Festival of Arts – Short Story & Verse Competition	CUP Rural and Regional Arts and Culture Program
GOJU EBC Karate School	\$1,000	Saiko Shihan (Grand Master) Goshi Yamaguchi visits Albury Goju Kia Dojo	CUP Sports Development Program
Mudgee Endurance Riders Club Inc	\$750	Gulgong Endurance Ride – 31 July 2016	CUP Sports Development Program
Western Region Academy of Sport (WRAS)	\$1,000	Matilda Flood selected NSW Country Basketball U16 team – Nationals	CUP Sports Development Program
Mudgee District Hockey Association	\$1,000	Mudgee Hockey Tour of Samoa 2016 – Hire of Mini buses in Samoa	CUP Sports Development Program
Mudgee high School	\$750	Hockey team safety equipment	CUP Sports Development Program
PCYC Dubbo	\$1,000	PCYC Dubbo Nations of Origin	CUP Sports Development Program
Western Region Academy of Sport (WRAS)	\$1,000	Annie Miller selected NSW Country Basketball U16 team – Nationals	CUP Sports Development Program
Molong Central School	\$1,000	Molong Central School Student Gymnasium Project	CUP Sports Development Program

Non-government community organisation	Funds granted 2015	Description	Program
Western NSW Football Club	\$1,000	Football (Soccer) Player Development at an Elite Level	CUP Sports Development Program
St Edwards Primary School Canowindra	\$1,000	Sports Equipment Upgrade	CUP Sports Development Program
Orange Waratah's Cricket Club	\$1,000	Club equipment and shirt purchase	CUP Sports Development Program
Wilson River Pony club Incorporated	\$1,000	Polocrosse Sports Equipment for members	CUP Sports Development Program
Port Macquarie Cycle Club	\$1,000	Cycling Development Program for Juniors	CUP Sports Development Program
Camden Haven Physical Culture Club	\$1,000	Camden Haven Physical Culture Club – Empowering girls and women through the joy of dance and the power of belonging	CUP Sports Development Program
Wagga Lake Run and Ride	\$1,000	Wagga Lake Run and Ride – community annual fun run and ride	CUP Sports Development Program
Meg Senior	\$1,000	Meg Senior National Swimming Darwin	CUP Sports Development Program
Abbey Senior	\$1,000	Abbey Senior School Nationals Swimming	CUP Sports Development Program
Narrandera Lizards Junior Rugby League Football Club	\$1,000	Sports Uniform and Training Equipment	CUP Sports Development Program
Albury Wodonga Aboriginal Health Service	\$500	Healthy Lifestyle and Chronic Disease Program	CUP Indigenous Community Engagement Program
Murray Arts Inc.	\$1,000	Aboriginal Design workshop and mentorship	CUP Indigenous Community Engagement Program
Giiangyaldhaanygalang	\$750	Investigating current Maori language teaching in community	CUP Indigenous Community Engagement Program
Barnardos Australia	\$500	Music lessons for indigenous children attending Wellington Barnardos Learning Centre	CUP Indigenous Community Engagement Program
Wiradjuri Traditional Owners Central West Aboriginal Corporation	\$1,500	Elders Attending Native Title Conference	CUP Indigenous Community Engagement Program
New England North West First Aid Training	\$750	Indigenous Elders First Aid Training	CUP Indigenous Community Engagement Program
Canobolas Rural Technology High School	\$750	Girri Girri Aboriginal girls sports academy	CUP Indigenous Community Engagement Program
Christine Grieves	\$500	Casino Fusion Dance Troupe for NAIDOC	CUP Indigenous Community Engagement Program
Gentacare	\$1,000	Port Macquarie NAIDOC Family Fun Day	CUP Indigenous Community Engagement Program
Gurnang Ngurang Community Garden	\$500	Gurnang Ngurang Community Garden – Native Plant Place	CUP Indigenous Community Engagement Program
Touch Team	\$500	Touch team for Wagga Wagga all indigenous team from youth to adults. Encouraging engagement in the community and fitness	CUP Indigenous Community Engagement Program
Mt. Austin High School	\$1,500	Support for Wiradjuri Elders and students at Mt Austin HS to attend Redfern Science Experience 2016	CUP Indigenous Community Engagement Program
Wagga Wagga AECG	\$1,000	Proud and Deadly Awards Wagga Wagga Area	CUP Indigenous Community Engagement Program
Wagga Wagga City Council	\$1,000	Wagga NAIDOC Week 2016	CUP Indigenous Community Engagement Program
Wagga Wagga High School	\$750	Stories from Our Place – Wiradjuri Language and Culture	CUP Indigenous Community Engagement Program
Balranald Central School	\$1,000	Heaps Decent Music Workshops for Indigenous Students	CUP Indigenous Community Engagement Program
KU Kookaburra Preschool	\$500	KU Kookaburra Preschool Dry Riverbed Project	CUP Indigenous Community Engagement Program
Tirkandi Inaburra Cultural & Development Centre Inc.	\$1,000	Aboriginal Traditional Cultural Arts Program	CUP Indigenous Community Engagement Program
Cobram Secondary College	\$1,000	Intentional Reading Programme	CUP Education Development Program
Holbrook Early Learning Centre Inc.	\$1,000	Developing a road safety program for young children, using tricycles	CUP Education Development Program

Non-government community organisation	Funds granted 2015	Description	Program
Tooleybuc Parents & Citizens Associations	\$1,000	Creating for our Community	CUP Education Development Program
Thurgoona Public School	\$1,000	Greening Thurgoona Public School	CUP Education Development Program
Chess World Australia	\$1,000	ChessKids Tournament	CUP Education Development Program
Denison College of Secondary Education Kelso High Campus	\$1,000	Technology in the Creative Arts	CUP Education Development Program
Carenne School SSP	\$750	To provide support for students to assist in designing, programming and building a robot to take part in the 2016/2017 First Tech Challenge	CUP Education Development Program
Cathedral Catholic Primary School Bathurst	\$1,000	Response to Intervention – Read Live Naturally	CUP Education Development Program
Elizabeth Chifley Presbyterian Preschool	\$250	Replacing toy tools with real workable tools for the children to use	CUP Education Development Program
Peak Hill Preschool Kindergarten Inc.	\$1,000	Sustainability in our Preschool	CUP Education Development Program
Condobolin High School	\$1,000	Seedling Establishment in Agriculture	CUP Education Development Program
Condobolin Preschool and Childcare Centre	\$1,000	Sensory Processing Support Promotes Engaged Learners	CUP Education Development Program
Dubbo and District Preschool	\$1,000	Construction of chook yard and picture book library	CUP Education Development Program
Telegraph Point Public School P&C Association	\$1,000	Let's Play Percussion: Learning Music and Learning Through Music	CUP Education Development Program
Catholic Parish of St Agnes Port Macquarie as the operator of a PBI	\$1,000	#LitFest2444 – a Youth Literature Festival for Port Macquarie	CUP Education Development Program
Melville High School Support Unit	\$1,000	Trampoline	CUP Education Development Program
Port Macquarie Tutorial Centre	\$1,000	Xtremecise – FitBit Fit Fun	CUP Education Development Program
Mullion Creek Public School	\$1,000	STEM to STEAM: Recognising the value of creative skills	CUP Education Development Program
Lyndhurst Public School	\$1,000	New drums beat for rural kids	CUP Education Development Program
Orange High School	\$1,000	Liquid Nitrogen Dewar	CUP Education Development Program
Orange Christian School	\$1,000	Improving Fluency, Accuracy and Comprehension for Struggling Readers program	CUP Education Development Program
Wagga Wagga High School Special Education Unit	\$1,000	Physical Education, Specific Exercise (PESE) project	CUP Education Development Program
Wagga Wagga High School	\$1,000	3D scanner for Technical and Applied Studies faculty	CUP Education Development Program
Wagga Wagga High School	\$1,000	Technology for Inclusive Maths Lessons	CUP Education Development Program
Ashmont Public School	\$1,000	School Learn to Swim Scheme	CUP Education Development Program

Item 10. Consumer Response

Complaints management

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

The University Ombudsman maintains a register of complaints and concerns and provides reports to the Senior Executive, Faculty Executive Deans and Divisional Executive Directors identifying systemic issues and recommendations. January to December 2016 saw 237 complaints received and managed by the University Ombudsman.

This is a significant increase from 2015; however, it was considered that 2015 was an anomaly and reporting may have been influenced by changed recording processes. This number does not account for first-line management of issues that are dealt with locally, through Student Central or through the Division of Information Technology Help Desk.

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

There were several complaints of discrimination, one of which was found and resolved through conciliation. Several matters were escalated to external agencies, the Australian Human Rights Commission or the NSW Ombudsman. One matter that was unable to be resolved in conciliation has been escalated by the plaintiff to the NSW Civil and Administrative Tribunal.

The major themes in complaints continue to reflect concerns with communication difficulties. These difficulties include student concerns about failures to receive timely responses from academic and professional staff and course advice regarding progression and enrolment patterns.

The University Ombudsman conducts staff training on complaints management and provides advice to all students at the commencement of the academic year regarding the complaints processes.

GOVERNANCE

Item 11. Risk Management and Insurance Activities

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

Effective risk management, supported by efficient, effective and robust business processes, is necessary to successfully achieve the University's strategic objectives. This allows the University to identify risks to be managed to acceptable levels or capitalise on arising opportunities. Strategic, operational and risks associated with individual projects/initiatives are identified, analysed, evaluated and treated against seven broad risk categories relevant to the key operations of the University, including academic quality; research performance; community engagement and brand reputation; financial and commercial; service delivery and infrastructure; health, safety and environment; culture, legal and compliance.

Principal opportunities and risks that are considered to require active monitoring and management include:

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

During 2016, the University completed a comprehensive review of its risk management framework, which resulted in revisions to the Risk Management Policy, approval of a Risk Appetite Statement by the University Council and implementation of a new Risk Register Procedure (including enhanced risk register template and risk management function). The revised risk management framework has been developed with a view to strengthening risk management at operational levels and maturing the organisation's risk management capability.

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

Table 11.1: Insurance Policy listing

Class of Insurance	Insurer/Broker	Policy Number	Expiry Date	Protection/Comments
Clinical Trials Protection	Unimutual/AJGallagher	CSU 17 CT	31 Oct 2017	\$30 Million per claim – \$120 Million aggregate ¹
General and Products Liability	Unimutual/AJGallagher	CSU 17 GPL	31 Oct 2017	\$250 Million each claim \$250 in the aggregate for Product Liability
Professional Liability Protection	Unimutual/AJGallagher	CSU 17 PL	31 Oct 2017	\$30 Million per claim \$120 Million aggregate ¹
Malpractice Protection	Unimutual/AJGallagher	CSU 17 MM	31 Oct 2017	\$30 Million per claim \$120 Million aggregate ¹
Cyber Protection	Unimutual/AJGallagher	CSU 17 CYB	31 Oct 2017	\$2 Million any one claim and in the aggregate
Environmental Liability Protection	Unimutual/AJGallagher	CSU 17 ENV	31 Oct 2017	\$2.5 Million any one claim and in the aggregate
Property Protection	Unimutual/AJGallagher	CSU 17 PR	31 Oct 2017	\$1.2 Billion. Subject to sub-limits
NON-UNIMUTUAL NON-CORE COVERS BELOW				
Contract works	Allianz/AJGallagher	99-0106949-CMD	31 Oct 2017	\$25 Million any one occurrence any one location. Subject to sub-limits
Corporate Travel (overseas only)	AIG Australia Ltd/ AJGallagher	2200103601	31 Oct 2017	Staff Capital Benefit up to \$500,000 Weekly max. \$1500 Council Members: Capital Benefit up to \$500,000 Weekly max. \$1500
Expatriate Medical & Additional Expenses	CHUBB/AJGallagher	01PX530477	31 Dec 2017	\$1 Million Medical Expenses & Emergency Evacuation

Class of Insurance	Insurer/Broker	Policy Number	Expiry Date	Protection/Comments
Farm Insurance	Allstate Underwriting Agency Pty Ltd/Peter Brown & Associates	AUS0030110FAR	31 Oct 2017	Grain on farm \$315,000 Farm Buildings \$20,000 Farm Theft \$20,000
Group Personal Accident & Sickness (Council & Committee members)	AIG Australia Ltd/AJGallagher	2200103646	1 Nov 2017	Death & Capital \$300,000 Weekly max. \$2000
Group Personal Accident & Sickness (Police College)	CHUBB/AJGallagher	02PO014230	31 Dec 2017	Death & Capital \$300,000 Weekly max. \$1300
Group Personal Accident & Sickness (Students)	AHI/AJGallagher	0035104	31 Dec 2017	Death & Capital \$55,000 Weekly max. \$450
Group Personal Accident & Sickness (Journey)	CHUBB/AJGallagher	01PJ531368	31 Dec 2017	Death & Capital \$500,000 Weekly max. \$4000
Management Liability	Chubb Unimutual/AJGallagher	93315347	1 Nov 2017	\$10 Million any one claim. \$10 Million in the aggregate
Excess Crime	Dual-Lloyds/AJGallagher	EVO10218516I3	1 Nov 2017	\$3 Million (underlying limit \$2 Million in Management Liability Policy)
Marine Transit	QBE/AJGallagher	M6 M028864 CAN	31 Oct 2017	\$400,000 Transit Cover any one loss
Motor Vehicles-Australia	CGU/AJGallagher	24F 2045359	31 Oct 2017	Comprehensive market value. Third party Legal Liability \$35 Million
Workers Compensation NSW-Charles Sturt University	Employers Mutual/AJGallagher	MWR0024606033	31 Dec 2017	As per NSW Legislation
Workers Compensation NSW-CSCS Ltd	Employers Mutual/AJGallagher	MWR0024618033	31 Dec 2017	As per NSW Legislation
Workers Compensation-ACT- CSCS Ltd	CGU/AJGallagher	O/16-3523	1 Jan 2018	As per ACT Legislation
Workers Compensation-CSU ACT	QBE/AJGallagher	CA1899851GWC	31 Dec 2017	As per ACT Legislation
Workers Compensation-CSU Northern Territory	Allianz/AJGallagher	TWY0008726	31 Dec 2017	As per NT Legislation
Workers Compensation-CSU Queensland	Workcover Queensland	WCA150569240	30 June 2017	As per Queensland Legislation
Workers Compensation-CSU Tasmania	Allianz/AJGallagher	LWL0007915	31 Dec 2017	As per Tasmanian Legislation
Workers Compensation-CSU Western Australia	Allianz/AJGallagher	WWH0050599	31 Dec 2017	As per WA Legislation
Workers Compensation-CSU Victoria	Gallagher Bassett/AJGallagher	13790637	30 June 2017	As per Vic Legislation
Workers Compensation-CSU South Australia	Gallagher Bassett/AJGallagher	26407609	30 June 2017	As per SA Legislation

Explanatory notes

¹The 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 2015

Consultant	Project	Actual Cost
Added Value Australia Pty Limited	Brand Strategy Renewal	\$65,412
Altis Consulting Pty Ltd	Student Recruitment Project	\$117,286
Amicus Advisory Pty Ltd	Investment performance and advice	\$73,525
Austin, Robin Navarre	Service Improvement Project	\$63,820
Consulting & Implementation Services Pty Ltd	Cooperative research centres programme	\$57,118
Cultivate Solutions Pty Ltd	Medical School Business Case advice	\$151,515
Elementary Holdings Pty Ltd	Structural review of student administration	\$57,479
Holding Redlich Partnership	Legal services	\$59,181
KPMG	Operational and Financial Assessment	\$67,425
Meta PM Pty Ltd	Business Analyst assistance to projects	\$90,050
Realizeit	Accelerated development of academic program	\$63,412
RHH Consulting	Fundraising services	\$50,000
Roof & Building Service (AUS)	Specialist roof audits	\$55,719
Savills Project Management Pty Ltd	Agric Park Business Development	\$133,500
The Leading Edge Consulting Group	Course Marketing	\$55,850
The Trustee for Endeavour Consulting Group Unit Trust	Medical School Business Case advice	\$80,000
Unimarket NZ Limited	Implementation of eProcurement system	\$101,260
Woods Bagot Pty Ltd	Campus Master Planning Design	\$121,500
Grand total >\$50,000		\$1,464,052

Consultant engagements <\$50,000

252 vendors for a total cost of \$1,631,756

Item 13. Land Disposals

In 2016 there were nil transacted land and property acquisitions or disposals.

Item 14. Major Works

Category	Campus	Project	Budget	Status
Strategic Initiatives	Bathurst	CSU engineering	\$14,800,000	Completed 2016
	Port Macquarie	Port Macquarie Stage 1 new campus development	\$48,500,000	Completed 2016
On Campus Learning and Teaching	Albury Wodonga	CD Blake Theatre and Teaching Spaces Upgrade	\$1,300,000	Completed 2016
	Wagga Wagga	Wal Fife Lecture Theatre(s) – Bldg 14	\$1,950,000	Completed 2016
	University Wide	Minor Projects <\$1m	\$1,130,000	Completed 2016
	Dubbo	Indigenous Student Study Centre	\$1,090,000	Completed 2016
Enabling Infrastructure	Bathurst	Research Station Drive Pavement Upgrade and New Link Road	\$1,132,000	Completed 2016
	University Wide	Minor Projects <\$1m	\$5,000,000	Multiple Stages
	Canberra	New Pavilion & Great Cross Refurbishment	\$1,450,000	Completed 2016
Estate Planning and Management	University Wide	Minor Projects <\$1m	\$2,600,000	Multiple Stages
	South Campus Divestment	South Campus Disposal and Divestment-Planning and Assessment	\$760,000	
Energy Initiatives	Wagga Wagga	Solar PV Roof Mounted Power Station	\$3,182,500	Contract Execution
	Multiple	Minor Projects <\$1m	\$230,000	Multiple Stages
	Bathurst	Energy Performance Contracts - Stage 2 Bld 1412	\$1,693,000	Completed 2016
SSAF - DFM	Multiple	(Student focused facility upgrade and provision Minor Projects <\$1m	\$1,000,000	Multiple Stages
Commercial Services (Residential)	Wagga Wagga	"Stewards Halls" refurbishment	\$2,200,000	Completed 2016
	University Wide	Minor Projects <\$1m	\$1,000,000	Multiple Stages

Item 15. Legal Change

Changes in Acts and subordinate legislation and significant judicial decisions affecting the University or users of its services – 2016

Legislative changes

Australian Consumer Law

From 12 November 2016, the unfair contract terms regime in the Australian Consumer Law was extended to small business. In the University context the new laws will potentially capture University contracts with suppliers, contractors and consultants. Currently the Australian Consumer Law prohibits unfair contract terms in standard form consumer contracts.

The current prohibitions do not apply to unfair contract terms between businesses or where one party is a small business. The new laws extend the prohibition on unfair contract terms to:

- subject matter: standard form contracts for the supply of goods or services, or a sale or grant of an interest in land
- size of parties: where at the time the contract is entered into, at least one party to the contract employs fewer than 20 people
- contract price: where the upfront contract price does not exceed \$300,000, or \$1 million where the contract term exceeds 12 months.

Crown Land Management Act 2016 (NSW)

On 9 November 2016, the NSW Parliament passed the Crown Land Management Bill 2016, as part of the first stage in a process that will consolidate eight complex pieces of legislation into one harmonised piece of legislation with the goal of delivering, streamlined and transparent management of the state's Crown lands. Some, but not all, provisions have commenced.

It is the intention of the new legislation to reduce complexity and duplication, and deliver better social, environmental and economic outcomes and facilitate community involvement with Crown land. It is anticipated that the majority of the new legislation will commence in early 2018.

Defence Trade Controls Act 2012 (Cth)

Changes to the Defence Trade Controls Act 2012 introduced new export controls for Australia in respect of electronic supply of controlled goods (closing the loop on supply of controlled goods and technology by email etc), brokering and publications. From 2 April 2016, the Act imposes substantial criminal penalties on anyone who "intangibly" supplies details of restricted technologies listed in the Defence and Strategic Goods List.

Education Services for Overseas Students Act 2000 (Cth)

The Education Services for Overseas Students Act 2000 was amended by the Education Services for Overseas Students Amendment (Streamlining Regulation) Act 2015, which was assented to on 11 December 2015. Some of the amendments came into effect on 11 December 2015; the balance came into effect on 1 July 2016.

Health Practitioner Regulation (New South Wales) Regulation 2016

This regulation remade the Health Practitioner Regulation (New South Wales) Regulation 2010, with some minor amendments. Among other things the Regulation makes provision in Part 5 with respect to who must notify the council for a health profession of the mental incapacity of a health practitioner or student registered in the profession.

Higher Education Legislation Amendment (Miscellaneous Measures) Act 2015 (Cth)

This Act amended the Higher Education Support Act 2003 to, among other things, enable certain New Zealand citizens who are Special Category Visa holders to be eligible for HELP assistance from 1 January 2016.

Higher Education Support Legislation Amendment (2016 Measures No. 1) Act 2016 (Cth)

Following on from changes to the Higher Education Support Act 2003 commencing 1 January 2016, the Higher Education Support Legislation Amendment (2016 Measures No.1) Act (the Act), assented to on 23 November 2016, enacted further measures to consolidate funding for Indigenous students and to facilitate the administration of VET FEE-HELP. Some, but not all, provisions have commenced.

The Act amends five Acts to provide for grants to higher education providers to assist Indigenous students: the Higher Education Support Act 2003 to enable the secretary to be notified of tax file numbers (TFNs) for the purpose of administering student assistance under the VET FEE-HELP scheme; the Income Tax Assessment Act 1936 to enable the use and disclosure of TFNs by Commonwealth officers for the purposes of administering VET FEE-HELP; and the Social Security Act 1991 and Student Assistance Act 1973 to make consequential amendments.

Power of Attorney Regulation 2016 (NSW)

This regulation remade the Powers of Attorney Regulation 2011, with some minor amendments. Prescribed forms for powers of attorney are found in Schedule 2 of the Powers of Attorney Regulation 2016.

Privacy and Personal Information Protection Act 1988 (NSW)

The Privacy and Personal Information Protection Act 1998 (PPIPA) was amended in late 2015 to substantially amend the provisions regarding disclosure of personal information to recipients overseas, and to permit the use of personal information for investigative purposes. The changes came into effect on 1 April 2016.

VET Student Loans Act 2016 (Cth)

The VET Student Loans Bill 2016 received assent on 7 December 2016, as part of a package of three bills to replace the VET FEE-HELP loan scheme with a student loans program, commencing 1 January 2017. The VET Student Loans Act provides that student loans are approved only for eligible students for approved courses; limits course eligibility for loans through a courses and loan caps determination; imposes stronger eligibility requirements for qualification as an approved course provider; bans providers from using brokers or agents to interact or engage with students in relation to the loans; and provides for monitoring and investigations powers and enforcement powers.

Judicial decisions

There was no litigation in 2016 involving the University that had or could have a material impact on the University.

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 uses of its services. The University gives due consideration to any changes to by-laws, policies, regulations, rules, procedures or guidelines that may be warranted as a result of such decisions. For example, the following two judicial decisions are relevant to the University given the University is directly involved in facilitating compulsory work placements for students.

Fair Work Ombudsman v AIMG BQ Pty Ltd & Anor [2016] FCCA 1024: AIMG BQ Pty Ltd and the director of the company were ordered to pay pecuniary penalties for denying that an advertised role for a three-month “Events Coordinator Intern” that required 180 hours unpaid work was, in fact, a casual paid position. Where universities promote extracurricular workplace learning to students (which is separate to workplace learning being a requirement of a course), universities must ensure employers are aware of their obligations regarding unpaid work pursuant to the Fair Work Act 2009.

Attorney General of New South Wales v Tho Services Limited (in liquidation) [2016] NSWCCA 221: a host company was found to have breached the NSW work health and safety (WHS) legislation when a work experience (high school) student suffered injuries performing work while on work experience. The relevance to universities is that where universities place (or facilitate placement of) students with host companies, they may also have obligations under the WHS legislation in relation to the student.

Item 16. Access to Information

Government Information (Public Access) Act

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
No	No

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
2

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

Number of Applications	Refused	Wholly Partly	Total
	0	0	0
% of Total	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	1	0	0	0	0	0	0	0	1	100%
Private sector business	0	0	0	0	0	0	0	0	0	0%
Not for profit organisations or community groups	0	0	0	0	0	0	0	0	0	0%
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0	0	0%
Members of the public (other)	0	0	0	0	0	0	0	0	0	0%
Total	1	0	0	0	0	0	0	0	1	
% of Total	100%	0%	0%	0%	0%	0%	0%	0%		

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table 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*	0	0	0	0	0	0	0	0	0	0%
Access applications (other than personal information applications)	1	0	0	0	0	0	0	0	1	100%
Access applications that are partly personal information applications and partly other	0		0	0	0	0	0	0	0	0%
Total	1	0	0	0	0	0	0	0	1	
% of Total	100%	0%	0%	0%	0%	0%	0%	0%		
Members of the public (other)	0	0	0	0	0	0	0	0	0	0%
Total	1	0	0	0	0	0	0	0	1	
% of Total	100%	0%	0%	0%	0%	0%	0%	0%		

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

Table C: Invalid applications

Reason for invalidity	No 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 the Act

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

* 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 the Act

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

Table F: Timeliness

	Number of applications	% of Total
Decided within the statutory timeframe (20 days plus any extensions)	1	100%
Decided after 35 days (by agreement with applicant)	0	0%
Not decided within time (deemed refusal)	0	0%
Total	1	

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

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

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)

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

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

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

Item 17. Privacy and Personal Information

Privacy Management Plan and issues

Charles Sturt University has a Privacy Management Plan (PMP) to ensure continued compliance with the Privacy and Personal Information Protection Act 1998 (NSW) (PPIPA). A review of the University's PMP was undertaken in 2015, with further refinement scheduled to take place in 2017, as part of the University's policy review process and to embed into the PMP changes in the Privacy Act 1988 (Cth) and the Privacy Amendment (Enhancing Privacy protection) Act 2012 (Cth).

While the University is considered a State identity, there are significant grant funds and activities that connect it to Commonwealth agencies, and as such, it was appropriate to consider compliance with both State and Federal legislation.

The University Ombudsman has undertaken Privacy Assessments as part of a new technology assessment process for the University, and continues this practice through representation on the Data Governance Committee and other projects to ensure privacy assessment and awareness is identified within decision-making.

Charles Sturt University participated in Privacy Week 2016, following the theme of 'Privacy in Your Hands', through communications to staff and students highlighting privacy protection of professional and personal matters.

There were two breaches of privacy managed by the University that were the result of technical failures, in one instance an online form retained the data of the previous user and displayed this to the next user. This was managed by immediately removing the online availability of the form and working with the Division of Information Technology to remedy the error. A further matter was an issue of human error and a review of process identified that there was no additional treatment or control required, besides the staff member being counselled.

Item 18. Public Interest Disclosures

The University Auditor is responsible for the coordination of any Public Interest Disclosures (PID) that relate to the operation of the University. No PID disclosures were submitted during 2016.

Item 19. Information and Communication Technology (ICT) Service Delivery

The focus of 2016 activities was to improve ICT asset health and value and access to technology services, and to support specific initiatives enabling the delivery of the CSU Strategy. A substantial investment was undertaken during the period to refresh the CSU communications network while continuing to maintain and enable the core University services of teaching and learning, research, and administrative functions and service delivery.

Highlights from 2016

- The complete replacement of the CSU wired and wireless network in every campus and building across CSU provides access to the latest available wireless technology and improved network security. By the end of February 2017, this program of work had been completed at 10 of 11 campus locations and offices.
- The delivery and coordination of system changes as part of the Three Faculty Common Support Model.
- The delivery of a streamlined, more user-friendly online application form and process for prospective students.
- Implementation of the Enabling Technology Strategy, supporting the new CSU Port Macquarie Campus.
- The successful delivery of an innovative adaptive learning and topic management system for the launch of the engineering course in 2016.
- The migration of CSU data centres housing IT infrastructure in Bathurst and Wagga Wagga to state-of-the-art third party facilities.
- The completion of the replacement of approximately 58 kilometers of communications fibre across the five main campuses.
- Expanded disaster recovery capability with over 50 applications and services successfully disaster recovery tested during the year.
- The rollout of the CSU next generation software-based video conferencing solution to deliver personal virtual meeting rooms to both staff and students, able to be used from any location using a range of devices.
- The introduction of an agile project methodology, CSU Agile, aimed to deliver better quality project outcomes, improved engagement between project resources, and enable earlier deployment of tested functionality and project benefits.
- The delivery of new systems and solutions focused on admissions workflow, mass communication and safety, fleet management and upgrades to learning management, timetabling and HR systems.
- The development of new online training modules for staff, focused on ICT induction, security awareness and technology in the classroom.

Digital Information and Security Policy attestation

CSU continues to work towards compliance with the NSW Digital Information Security Policy and operating Information Security Management System (ISMS). Policy development continues including an updated CSU Password Policy and a new Information and Communications Technology Security Policy that specifies roles and responsibilities to support a risk management approach to information security. Driven by changes to infrastructure hosting, an independent consultant was engaged to perform four security penetration and vulnerability tests of CSU's information systems. These tests show continued improvement of the effectiveness of CSU's security controls.

CSU promotes the awareness of cyber security to staff through online learning modules and in October 2016 CSU became a partner in the Australian Governments Stay Smart Online Week program. CSU also maintains engagement with information security communities of practice via AusCERT, Aarnet and CAUDIT, and will work with an IT Security partner to improve IT Security governance and enhanced ISMS in 2017.

Item 20. Compliance Statement

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

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

No	Item	Compliance
3	<p>A university should have the duties of the members of its governing body and sanctions for the breach of these duties specified in its enabling legislation. Other than the Chancellor, the Vice-Chancellor and Presiding Member of the Academic Board each member should be appointed or elected ad personam. All members of the governing body should be responsible and accountable to the governing body. When exercising the functions of a member of the governing body, a member of the governing body should always act in the best interests of the University.</p> <p>Duties of members should include the requirements to:</p> <ul style="list-style-type: none"> (a) act always in the best interests of the university as a whole, with this obligation to be observed in priority to any duty a member may owe to those electing or appointing him or her; (b) act in good faith, honestly and for a proper purpose; (c) exercise appropriate care and diligence; (d) not improperly use their position to gain an advantage for themselves or someone else; and (e) disclose and avoid conflicts of interest (with appropriate procedures for that purpose similar to those for public companies). <p>There should be safeguards, exemptions and protections from members of a university's governing body for matters or things done or omitted in good faith in pursuance of the relevant legislation. Without limitation, this should include safeguards, exemptions and protections as are the equivalent of those that would be available were the member a director under the Corporations Act. A university (with the exception of those subject to the Corporations Act) should have a requirement included in its enabling legislation that its governing body has the power (by a two-thirds majority) to remove any member of the governing body from office if the member breaches the duties specified above. A member should be required, automatically, to vacate the office if he or she is, or becomes disqualified from acting as a director of a company or managing corporations under Park 2D.6 of the Corporations Act.</p>	<p>The duties of members are specified in section 24F and Schedule 3 of the Charles Sturt University Act 1989. 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 Charles Sturt University Act 1989.</p> <p>The Council may remove a member by a two-third majority under clause 24G of the Charles Sturt University Act 1989.</p> <p>Clause 5 of Schedule 1 of the Charles Sturt University Act 1989 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>Charles Sturt University complies with this standard.</p>
4	<p>If permitted by its enabling legislation, a university should develop procedures:</p> <ul style="list-style-type: none"> (a) to provide that the Chancellor and Deputy Chancellor hold office subject to retaining the confidence of the governing body; and (b) to deal with removal from office if the governing body determines such confidence is no longer held. 	<p>Section 11 A of the Charles Sturt University Act 1989 provides for the removal of the Chancellor and/or Deputy Chancellor if they have lost the confidence of the Council.</p> <p>Charles Sturt University complies with this standard.</p>
5	<p>Each governing body should make available a program of induction and professional development for members to build the expertise of the governing body and to ensure that all members are aware of the nature of their duties and responsibilities.</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 sessions 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>Charles Sturt 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 the performance of its committees. The Chancellor should have responsibility for organising the assessment process, drawing on external resources if required. On an annual basis, the governing body should also review its conformance with this Code of Best Practice and identify needed skills and expertise for the future.</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 2016.</p> <p>The University Council reviews its compliance with the Code of Best Practice.</p> <p>The University has a defined process for identifying needed skills and expertise for the future.</p> <p>Charles Sturt University complies with this standard.</p>

No	Item	Compliance
7	<p>The size of the governing body should not exceed 22 members. There should be at least two members having financial expertise (as demonstrated by relevant qualifications and financial management experience at a senior level in the public or private sector) and at least one member with commercial expertise (as demonstrated by relevant experience at a senior level in the public or private sector).</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.</p> <p>There should be a majority of external members who are neither enrolled as a student nor employed by the university. There should not be current members of any State or Commonwealth parliament or legislative assembly other than where specifically selected by the governing body itself.</p>	<p>The Council is comprised of 15 members under the Charles Sturt University Act 1989. The Council must have a majority of external members, and that two members must possess financial qualifications and expertise, and one member must possess commercial expertise in conformance with the Code of Practice. The Council complies with this requirement with respect to its membership.</p> <p>Charles Sturt University complies with this standard.</p>
8	<p>A university should adopt systematic procedures for the nomination of prospective members of the governing body for those categories of members that are not elected. The responsibility for proposing such nominations for the governing body may be delegated to a nominations committee of the governing body that the Chancellor would ordinarily chair.</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 a university's external community needs from 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 a maximum continuous period to be served. This should not generally exceed 12 years unless otherwise specifically agreed by the majority of the governing body.</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 that members should be selected on the basis of their ability to contribute to the effective working of the governing body by having needed skills, knowledge and experience, an appreciation of the values of a university and its core activities of teaching and research, its independence and academic freedom, and the capacity to appreciate what a university's external community needs from it.</p> <p>The Act requires that there must be a balance of new and experienced members, and that a member's term must not exceed 12 years unless otherwise specifically agreed by a majority of the Council.</p> <p>Charles Sturt University complies with this standard.</p>
9	<p>A university should codify its internal grievance procedures and publish them with information about the procedure for submitting complaints to the relevant ombudsman or the equivalent relevant agency.</p>	<p>The University's Complaints Policy sets out the policy for the management of concerns, complaints and grievances and is supported by codified procedures for dealing with such grievances.</p> <p>The Complaints Policy and related procedures are published in the Charles Sturt University Policy Library at csu.edu.au/policy.</p> <p>Charles Sturt University complies with this standard.</p>
10	<p>The annual report of a university should be used for reporting on high-level outcomes.</p>	<p>The Annual Report details high-level objectives and outcomes of the University during the reporting period.</p> <p>Charles Sturt 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>Charles Sturt 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 of the entity 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 that reports on and updates annually the entity's long-term objectives, and includes an annual business plan containing achievable and measurable performance targets and milestones; and</p> <p>(e) establishing and documenting clear expectations of reporting to the governing body, such as a draft business plan for consideration and approval before the commencement of the financial year and at least quarterly reports against the business plan.</p>	<p>Section 19A of the Act requires that the Council oversight 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>Charles Sturt 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 a university should, where appropriate in light of the risk assessment, use its best endeavours to obtain an auditor's report (including audit certification and management letter) of the entity by a State, Territory or Commonwealth Auditor-General or by an external auditor.</p>	<p>Refer to the Commercial Activities Policy 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 Committees.</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>Charles Sturt 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>Charles Sturt University complies with this standard.</p>

FINANCIAL REPORT

Item 21. Accounts Payment Performance

Table 21.1: Totals for 2016 (value)

	Paid in 30 Days	Paid in 31–60 Days	Paid in 61–90 Days	Paid in 91+ Days	Total
March	\$54,781,709.55	\$2,367,011.73	\$915,637.02	\$336,124.90	\$58,400,483.20
June	\$61,873,188.79	\$2,515,498.33	\$237,090.74	\$124,479.23	\$64,750,257.09
September	\$56,936,999.25	\$1,542,859.02	\$143,555.46	\$77,098.60	\$58,700,512.33
December	\$64,956,840.16	\$1,692,745.90	\$177,392.13	\$101,949.69	\$66,928,927.88
TOTAL	\$238,548,737.75	\$8,118,114.98	\$1,473,675.35	\$639,652.42	\$248,780,180.50

Table 21.2: Totals for 2016 (invoices)

	Paid in 30 Days	Paid in 31–60 Days	Paid in 61–90 Days	Paid in 91+ Days	Total
March	9,960	926	127	98	11,111
June	14,243	1,243	123	65	15,674
September	13,523	1,221	119	112	14,975
December	11,439	944	83	82	12,548
TOTAL	49,165	4,334	452	357	54,308

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

	Target	Actual	Paid in 30 Days	Total Amount Paid
March	85%	94%	\$54,781,709.55	\$58,400,483.20
June	85%	96%	\$61,873,188.79	\$64,750,257.09
September	85%	97%	\$56,936,999.25	\$58,700,512.33
December	85%	97%	\$64,956,840.16	\$66,928,927.88
TOTAL	85%	96%	\$238,548,737.75	\$248,780,180.50

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

	Target	Actual	Paid in 30 Days	Total Amount Paid
March	85%	90%	9,960	11,111
June	85%	91%	14,243	15,674
September	85%	90%	13,523	14,975
December	85%	91%	11,439	12,548
TOTAL	85%	91%	49,165	54,308

Note: There were four payments where interest totalling \$413.01 was charged for late payment.

Item 22. Disclosure of Controlled Entities and Subsidiaries

Please refer to note 38 of the financial statements (page 119) for details of the University's subsidiaries.

Item 23. Investment Performance

The average rate of return on all funds was 4.06 per cent. Interest earnings were \$3.98 million, while distributions from equity and fixed interest based managed funds totalled \$5.44 million. Charles Sturt University's investment strategy is overseen by a committee of the University Council and has been using the current strategy since 2002. Prior to this, funds were generally invested in interest bearing deposits and bank bills. Many of the University's legacy investments continue to be held to maturity.

Table 23.1: Investment performance results*

Charles Sturt University utilises the brokerage services of numerous institutional fund managers as listed below to administer all of its long-term portfolio, excluding the University's legacy investments.

These brokers adopt appropriate benchmarking facilities and CSU has accepted these in accordance with its investment strategy requirements.

Ausbil Dexia MicroCap Fund	1 year (%)	2 year (%)	3 year (%)	5 year (%)
Net return	2.64	24.55	19.16	24.94
Benchmark	24.61	18.14	7.51	(0.27)
Net relative to benchmark	(21.97)	6.41	11.65	25.21
BT Wholesale Fixed Interest Fund	1 year (%)	2 year (%)	3 year (%)	5 year (%)
Net return	5.27	3.65	-	-
Benchmark	2.92	2.75	-	-
Net relative to benchmark	2.35	0.90	-	-
Colonial First State Wholesale Index Australian Bond Fund	1 year (%)	2 year (%)	3 year (%)	5 year (%)
Net return	2.91	-	5.05	4.95
Benchmark	2.92	-	5.05	4.95
Net relative to benchmark	(0.01)	-	-	-
Magellan Global Equity Fund	1 year (%)	2 year (%)	3 year (%)	5 year (%)
Net return	6.30	11.00	12.40	-
Benchmark	8.02	9.70	11.38	-
Net relative to benchmark	(1.72)	1.30	1.02	-
PIMCO Diversified Fixed Interest Fund	1 year (%)	2 year (%)	3 year (%)	5 year (%)
Net return	5.04	-	6.12	6.15
Benchmark	4.08	-	5.67	5.54
Net relative to benchmark	0.96	-	0.45	0.61
TCorp Long-Term Growth Facility Trust	1 year (%)	2 year (%)	3 year (%)	5 year (%)
Net return	7.33	-	7.38	11.71
Benchmark	8.13	-	7.94	11.68
Net relative to benchmark	(0.80)	-	(0.56)	0.03
UBS Diversified Credit Fund	1 year (%)	2 year (%)	3 year (%)	5 year (%)
Net return	5.80	3.66	4.01	5.65
Benchmark	2.07	2.20	2.36	2.78
Net relative to benchmark	3.73	1.46	1.65	2.87
The average rate of return on all funds was (interest + distributions / average portfolio capital balance)	4.26%			
Interest earnings were	\$ 4.06 million			
Distributions from equity-based managed funds totalled	\$ 6.90 million			
Totals	\$ 10.96 million			

* Excludes managed funds entered into within three months of year end.

Item 24. Economic or Other Factors

The Australian economy has grown slowly in 2016 with a growth rate of 1.5 per cent expected. A significantly more competitive Australian dollar is assisting exports with education leading the way, growing by 17 per cent on the previous year and now the third largest Australian export.

During 2016, the official cash rate has remained steady at 1.5 per cent (2015: 2 per cent). Similarly, the national unemployment rate has held firm at 5.7 per cent with that being only 3.2 per cent for university graduates. The share market moved late in the year to end at 5,719 (5,214 2015).

Australia has ensured its AAA debt rating and Australia's growth prospects remain heavily aligned to development in China.

A new US President will also influence world economic events with the new US government embracing infrastructure, deregulation and tax policy. Growth prospects are encouraging, but a tightening of trade arrangements may impact how this manifests in local and other world economies.

These factors have not impacted on the operational objectives being met in 2016.

Item 25. Credit Card Certification

The Vice-Chancellor certified that credit card use during 2016 was managed in accordance with established requirements and practices.

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Charles Sturt University

ABN 83 878 708 551

Budgeted Financial Statements for the year ending 31 December 2017

The budgeted financial statements for 2017 do not form part of the audited financial statements.

Charles Sturt University Budgeted Income Statement
For the year ending 31 December 2017

	Consolidated		Parent Entity	
	2017 Budget \$'000	2016 Actual \$'000	2017 Budget \$'000	2016 Actual \$'000
Income from continuing operations				
Australian Government Financial Assistance				
Australian Government grants	215,309	214,583	215,309	214,583
HELP - Australian Government payment	91,025	128,610	91,025	128,610
State and local Government financial assistance	-	717	-	717
HECS-HELP student payments	17,338	10,956	17,338	10,956
Fees and charges	183,611	162,017	183,611	161,549
Investment revenue	10,200	11,882	9,200	10,961
Royalties, trademarks and licences	-	9	-	9
Consultancies and contracts	3,652	6,547	3,652	6,547
Other revenue	30,275	19,341	29,475	15,570
Gain on disposal of available-for-sale financial investments	-	88	-	-
Other investment income	-	547	-	514
Deferred Superannuation Contributions	-	-	-	-
Total income from continuing operations	551,410	555,297	549,610	550,016
Expenses from continuing operations				
Employee related expenses	247,972	277,918	241,672	272,960
Depreciation and amortisation	38,880	38,424	38,880	38,424
Repairs and maintenance	8,313	7,236	8,313	7,193
Borrowing costs	1,000	819	1,000	819
Impairment of assets	-	1,586	-	1,586
Loss on disposal of property, plant & equipment	-	1,190	-	1,058
Deferred Superannuation Expense	-	482	-	482
Other Expenses	246,033	194,444	251,033	198,358
Total expenses from continuing operations	542,198	522,099	540,898	520,880
Operating result for the year	9,212	33,198	8,712	29,136

Charles Sturt University Budgeted Statement of Financial Position
For the year ending 31 December 2017

	Consolidated		Parent Entity	
	2017 Budget \$'000	2016 Actual \$'000	2017 Budget \$'000	2016 Actual \$'000
Assets				
CURRENT ASSETS				
Cash and cash equivalents	30,830	56,620	28,000	53,754
Receivables	19,486	30,046	19,486	29,920
Inventories	3,715	3,628	3,715	3,628
Other financial assets	60,000	73,357	60,000	73,007
Other assets	313	304	313	304
Non-current assets held for sale	-	659	-	659
Total current assets	114,344	164,614	111,514	161,272
NON-CURRENT ASSETS				
Receivables	402,565	392,678	402,565	392,678
Other financial assets	200,672	157,408	185,000	142,214
Property, plant and equipment	840,048	767,256	840,000	767,196
Intangible assets	2,096	2,876	2,096	2,876
Other assets	5,115	5,036	5,115	5,036
Total non-current assets	1,450,496	1,325,254	1,434,776	1,310,000
Total assets	1,564,840	1,489,868	1,546,290	1,471,272
Liabilities				
CURRENT LIABILITIES				
Trade and other payables	25,744	17,289	25,744	17,258
Borrowings	1,360	1,360	1,360	1,360
Provisions	55,600	51,525	55,000	50,926
Other liabilities	41,882	46,038	41,882	46,038
Total current liabilities	124,586	116,212	123,986	115,582
NON-CURRENT LIABILITIES				
Borrowings	38,100	32,981	38,100	32,981
Provisions	410,297	399,444	410,187	399,343
Other liabilities	-	3,799	-	3,799
Total non-current liabilities	448,397	436,224	448,287	436,123
Total liabilities	572,983	552,436	572,273	551,705
Net assets	991,857	937,432	974,017	919,567
Equity				
Reserves	347,643	302,430	346,072	300,334
Retained earnings	644,214	635,002	627,945	619,233
Total Equity	991,857	937,432	974,017	919,567

Charles Sturt University Budgeted Income Statement
For the year ending 31 December 2017

	Consolidated		Parent Entity	
	2017 Budget \$'000	2016 Actual \$'000	2017 Budget \$'000	2016 Actual \$'000
Cash flows from operating activities				
Australian Government Grants	306,334	343,193	306,334	343,193
OS-HELP (net)	-	1,885	-	1,885
State Government Grants	-	717	-	717
HECS-HELP Student payments	17,338	10,956	17,338	10,956
Receipts from students fees and other customers	173,690	210,209	172,890	199,176
Distributions Received	6,786	7,978	5,786	6,904
Interest Received	3,414	4,148	3,414	4,073
GST recovered	22,000	19,080	22,000	19,080
Payments to suppliers	(230,892)	(227,756)	(237,192)	(225,005)
Payments to employees	(262,890)	(278,210)	(256,590)	(273,263)
Interest paid	(1,000)	(819)	(1,000)	(819)
Net cash provided by operating activities	34,780	91,381	32,980	86,897
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment	659	1,939	659	1,939
Payments for property, plant and equipment	(42,940)	(54,658)	(42,940)	(54,592)
Proceeds from sale of financial assets	101,000	105,847	100,000	103,630
Payments for financial assets	(132,615)	(160,017)	(129,779)	(152,227)
Net cash used in investing activities	(73,896)	(106,889)	(72,060)	(101,250)
Cash flows from financing activities				
Increase in finance lease commitments	3,326	5,628	3,326	5,628
Increase in loan facility	10,000	-	10,000	-
Net cash used in financing activities	13,326	5,628	13,326	5,628
Net increase / (decrease) in cash and cash equivalents	(25,790)	(9,880)	(25,754)	(8,725)
Cash and cash equivalents at the beginning of the financial year	56,620	66,500	53,754	62,479
Cash and cash equivalents at the end of the financial year	30,830	56,620	28,000	53,754

Charles Sturt University

ABN 83 878 708 551

Audited Financial Statements for the year ending 31 December 2016



INDEPENDENT AUDITOR'S REPORT

Charles Sturt University

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Charles Sturt University (the University), which comprise the statement of financial position as at 31 December 2016, the income statement, the statement of comprehensive income, 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 and the Statement by the Council 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 2016, 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 2016 Reporting Period' (the Guidelines), issued by the Australian Government Department of Education and Training, pursuant to the *Higher Education Support Act 2003*, the *Higher Education Funding Act 1988* and the *Australian Research Council Act 2001*
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

Basis for Opinion

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

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

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

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

The PF&A Act further promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

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

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

University Council's Responsibility for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/auditors_files/ar7.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 of NSW

19 April 2017
SYDNEY

**Report by the Members of the Council
For the Year Ended 31 December 2016**

The members of the University Council present their report on the consolidated entity consisting of Charles Sturt University and the entities (the Group) it controlled at the end of, or during, the year ended 31 December 2016.

Members

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

Names	Position	Appointed/Resigned
Dr Michele Allan	Chancellor	
Professor Andrew Vann	Vice Chancellor	
Professor Jo-Anne Reid	Presiding Officer, Academic Senate	Term re-commenced 14 Sep 2016
Ms Saranne Cooke	Ministerial appointee	
Mrs Jennifer Hayes	Ministerial appointee	
Mr Graeme Bailey	Council appointee	
Mr Neville Page	Council appointee	
Mr Robert Fitzpatrick	Council appointee	Term ceased 26 Feb 2016
Mr Peter Hayes	Graduate member	
Mr Jamie Newman	Graduate member	
Dr Rowan O'Hagan	Graduate member	
Ms Lisa Schofield	Graduate member	Term commenced 1 Jan 2016
Associate Professor Lyn Angel	Elected academic staff member	Term ceased 30 Jun 2016
Ms Carmen Frost	Elected general staff member	Term ceased 30 Jun 2016
Ms Rowan Alden	Elected student member	Term ceased 30 Jun 2016
Dr Susan Wood	Elected academic staff member	Term commenced 1 Jul 2016
Ms Liz Smith	Elected general staff member	Term commenced 1 Jul 2016
Ms Elise McMahon	Elected student member	Term commenced 1 Jul 2016

Meetings of Members

For the year ended 31 December 2016, the number of meetings of the University Council and committees, as well as those meetings attended by each member were:

Member	University Council		Meetings of Committees of Council							
			Nomination and Remuneration Committee		Finance, Audit and Risk Committee		Investment Committee		Chancellor's Foresighting Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Dr Michele Allan	10	10	4	4	-	-	6	5	21	21
Mr Peter Hayes	10	10	4	4	5	5	-	-	21	21
Professor Andrew Vann [#]	10	10	4	4	-	-	-	-	21	21 ⁺
Professor Jo-Anne Reid	10	9	4	4	-	-	-	-	21	20
Ms Rowan Alden	6	6	-	-	3	2	-	-	-	-
Associate Professor Lyn Angel	6	6	2	2	-	-	-	-	-	-
Mr Graeme Bailey	10	9	-	-	-	-	6	6	-	-
Ms Saranne Cooke	10	10	-	-	5	5	-	-	-	-
Mr Rob Fitzpatrick	2	2	-	-	-	-	-	-	-	-
Ms Carmen Frost	6	6	-	-	-	-	3	3	-	-
Mrs Jennifer Hayes	10	10	-	-	5	4	-	-	-	-
Ms Elise McMahon	4	4	-	-	-	-	-	-	-	-
Mr Jamie Newman	10	9	4	4	-	-	-	-	-	-
Dr Rowan O'Hagan	10	10	-	-	5	4	-	-	-	-
Mr Neville Page	10	10	-	-	5	5	-	-	-	-
Ms Lisa Schofield	10	10	-	-	-	-	3	2	-	-
Ms Liz Smith	4	4	-	-	-	-	-	-	-	-
Dr Susan Wood	4	4	-	-	-	-	-	-	-	-

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

+Two meetings were attended by the Acting Vice-Chancellor.

The Vice Chancellor was an attendee of the Nomination and Remuneration Committee, Finance Audit and Risk Committee, and Investment Committee.

Report by the Members of the Council For the Year Ended 31 December 2016

Principal Activities

Charles Sturt University is committed to conducting quality teaching, research and engagement activities for the benefit of its communities and industries.

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

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

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

Review of Operations

The Group recorded a net result from continuing operations of \$33.2 million for the year ended 31 December 2016, compared to \$38.6 million in 2015. Total assets as at 31 December 2016 was \$1,490 million compared to \$1,456 million as at December 2015.

Significant Changes in the State of Affairs

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

Matter Subsequent to the End of the Financial Year

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

Likely Developments and Expected Results of Operations

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

Environmental Regulation

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

CSU is working towards the implementation of a series of voluntary environmental sustainability targets as part of its University Strategy. In 2016, CSU became Australia's first certified carbon neutral university under the Nation Carbon Offset Standard Carbon Neutral Program. Also in 2016, CSU awarded a contract to establish one of the largest roof-mounted solar energy systems in Australia. CSU is working on the integration of sustainability content into all courses and proactively seeking opportunities to partner with its local, 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 Australia Limited - Policy No. 93315347
Expiry date 1 November 2017

Group Personal Accident Policy
AIG Australia Limited - Policy number: 2200103646
Expiry date 1 November 2017

**Report by the Members of the Council
For the Year Ended 31 December 2016**

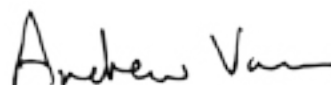
Proceedings on Behalf of Charles Sturt University

The Group is not aware of any proceedings.

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

19 April 2017

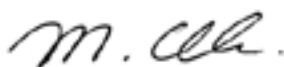
Statement by the Council
For the Year Ended 31 December 2016

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:

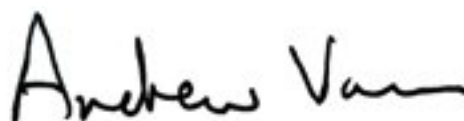
1. The financial reports present a true and fair view of the financial position of the University and its controlled entities at 31 December 2016 and the results of its operations and transactions of the Group for the year then ended;
2. The financial reports have been prepared in accordance with the provisions of the *New South Wales Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015*, the *Australian Charities and Not-for-profits Commission Act 2012* and the Financial Statement Guidelines for Australian Higher Education Providers for the 2015 Reporting Period;
3. The financial reports have been prepared in accordance with Australian Accounting Standards and Interpretations; and
4. We are not aware of any circumstances which would render any particulars included in the financial reports to be misleading or inaccurate.

In addition to the above, we state that:

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



.....
Dr Michele Allan
Chancellor



.....
Professor Andrew Vann
Vice Chancellor

Dated 19 April 2017

The accompanying notes form part of these financial statements.



To the Vice-Chancellor
Charles Sturt University

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Charles Sturt University for the year ended 31 December 2016, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to read 'Margaret Crawford'.

Margaret Crawford
Auditor-General of NSW

13 April 2017
SYDNEY

Income Statement

For the Year Ended 31 December 2016

		Consolidated		Parent		
		2016	2015	2016	2015	
		\$'000	\$'000	\$'000	\$'000	
Notes						
Income from continuing operations						
Australian Government financial assistance						
	Australian Government grants	3	214,583	208,236	214,583	208,236
	HELP - Australian Government Payment	3.b	128,610	130,827	128,610	130,827
	State and local Government financial assistance	4	717	770	717	770
	Fees and charges	5	162,017	126,478	161,549	126,079
	HECS-HELP - Student Payments		10,956	11,515	10,956	11,515
	Consultancy and contracts	8	6,547	6,327	6,547	6,327
	Investment revenue	6	11,882	11,662	10,961	10,820
	Royalties, Trademarks and Licences	7	9	2	9	2
	Other revenue	9	19,341	14,452	15,570	13,977
	Gains on disposal of assets		88	163	-	-
	Other investment income	6	547	(24)	514	-
Total income from continuing operations			555,297	510,408	550,016	508,553
Expenses from continuing operations						
	Employee Related Expenses	10	277,918	271,157	272,960	266,195
	Depreciation and amortisation	11	38,424	37,021	38,424	37,021
	Repairs and maintenance	12	7,236	6,689	7,193	6,656
	Borrowing costs	13	819	1,090	819	1,090
	Impairment of assets	14	1,586	2,226	1,586	2,121
	Loss on disposal of assets		1,190	28	1,058	28
	Deferred superannuation expense	10	482	114	482	114
	Other expenses	15	194,444	153,485	198,358	159,976
Total expenses from continuing operations			522,099	471,810	520,880	473,201
Net result from continuing operations			33,198	38,598	29,136	35,352
Net result attributable to members from:						
	Continuing Operations		33,198	38,239	29,136	34,993
	Discontinued operations	16	-	359	-	359
Total			33,198	38,598	29,136	35,352

The accompanying notes form part of these financial statements.

**Statement of Comprehensive Income
For the Year Ended 31 December 2016**

	Note	Consolidated		Parent	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Net result after income tax for the period		33,198	38,598	29,136	35,352
Items that may be reclassified to profit or loss					
Gain (loss) on value of available for sale financial assets, net of tax		1,883	3,236	1,895	3,526
Exchange differences on translation of foreign operations		-	446	-	446
Total		1,883	3,682	1,895	3,972
Items that will not be reclassified to profit or loss					
Gain(loss) on revaluation of land and buildings, net of tax		(28,440)	20,727	(28,440)	20,727
Transfers in		-	140	-	-
Total		(28,440)	20,867	(28,440)	20,727
Total other comprehensive income		(26,557)	24,549	(26,545)	24,699
Total comprehensive income		6,641	63,147	2,591	60,051
Total comprehensive income attributable to:					
Members of the parent entity		6,641	63,147	2,591	60,051
Non-controlling interest		-	-	-	-
Total		6,641	63,147	2,591	60,051
Total comprehensive income attributable to members from:					
Continuing operations		6,641	62,788	2,591	59,692
Discontinued operations		-	359	-	359
Total		6,641	63,147	2,591	60,051

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2016

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

2015		Parent		
	Note	Reserves	Retained Earnings	Total
		\$'000	\$'000	\$'000
Balance at 1 January 2015		302,180	554,745	856,925
Net result		-	35,352	35,352
Gain on revaluation of land, buildings and infrastructure		20,727	-	20,727
Gain on Foreign exchange		446	-	446
Gain/ (loss) on value of available for sale financial assets		3,526	-	3,526
Total comprehensive income		24,699	35,352	60,051
Balance at 31 December 2015		326,879	590,097	916,976

The accompanying notes form part of these financial statements.

Statement of Changes in Equity For the Year Ended 31 December 2016

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

	Note	Consolidated		
		Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2015		304,578	563,066	867,644
Net result		-	38,598	38,598
Gain on revaluation of land, buildings and infrastructure		20,727	-	20,727
Gain on Foreign exchange		446	-	446
Gain/ (loss) on value of available for sale financial assets		3,236	-	3,236
Transfers in		-	140	140
Total comprehensive income		24,409	38,738	63,147
Balance at 31 December 2015		328,987	601,804	930,791

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 31 December 2016

	Note	Consolidated		Parent	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	17	56,620	66,500	53,754	62,479
Receivables	18	30,046	31,182	29,920	30,682
Inventories	19	3,628	3,472	3,628	3,472
Other financial assets	20	73,357	27,010	73,007	27,010
Other assets	23	304	304	304	304
Non-current assets held for sale		659	-	659	-
TOTAL CURRENT ASSETS		164,614	128,468	161,272	123,947
NON-CURRENT ASSETS					
Receivables	18	392,678	387,565	392,678	387,565
Other financial assets	20	157,408	142,810	142,214	132,802
Property, plant and equipment	21	767,256	789,842	767,196	789,842
Intangible assets	22	2,876	1,669	2,876	1,669
Other assets	23	5,036	5,340	5,036	5,340
TOTAL NON-CURRENT ASSETS		1,325,254	1,327,226	1,310,000	1,317,218
TOTAL ASSETS		1,489,868	1,455,694	1,471,272	1,441,165
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	24	17,289	17,234	17,258	17,208
Borrowings	25	1,360	54	1,360	54
Provisions	26	51,525	50,082	50,926	49,494
Other liabilities	27	46,038	34,125	46,038	34,125
TOTAL CURRENT LIABILITIES		116,212	101,495	115,582	100,881
NON-CURRENT LIABILITIES					
Borrowings	25	32,981	28,134	32,981	28,134
Provisions	26	399,444	395,274	399,343	395,174
Other liabilities	27	3,799	-	3,799	-
TOTAL NON-CURRENT LIABILITIES		436,224	423,408	436,123	423,308
TOTAL LIABILITIES		552,436	524,903	551,705	524,189
NET ASSETS		937,432	930,791	919,567	916,976
EQUITY					
Reserves	28	302,430	328,987	300,334	326,879
Retained Earnings	28	635,002	601,804	619,233	590,097
TOTAL EQUITY		937,432	930,791	919,567	916,976

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2016

	Note	Consolidated		Parent	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES:					
Australian Government Grants	3.i	343,193	339,064	343,193	339,064
OS-HELP (net)	3.i	1,885	1,337	1,885	1,337
State Government Grants		717	770	717	770
HECS-HELP - Student payments		10,956	11,515	10,956	11,515
Receipts from student fees and other customers		210,209	160,085	199,176	150,551
Distributions received		7,978	7,342	6,904	6,665
Interest received		4,148	4,298	4,073	4,271
GST recovered		19,080	18,614	19,080	18,614
Payments to suppliers		(227,756)	(188,124)	(225,005)	(185,715)
Interest paid		(819)	(1,233)	(819)	(1,233)
Payments to employees		(278,210)	(272,709)	(273,263)	(267,843)
Net cash provided by / (used in) operating activities	37	91,381	80,959	86,897	77,996
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from sale of plant and equipment		1,939	1,632	1,939	1,632
Proceeds from sale of investment		105,847	84,049	103,630	82,509
Purchase of property, plant and equipment		(54,658)	(55,441)	(54,592)	(55,441)
Payments for financial assets		(160,017)	(63,138)	(152,227)	(61,122)
Net cash provided by / (used in) investing activities		(106,889)	(32,898)	(101,250)	(32,422)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Increase in finance lease commitments		5,628	-	5,628	-
Net cash provided by / (used in) financing activities		5,628	-	5,628	-
Net increase (decrease) in cash and cash equivalents held		(9,880)	48,061	(8,725)	45,574
Cash and cash equivalents at beginning of year		66,500	18,439	62,479	16,905
Cash and cash equivalents at end of financial year	17	56,620	66,500	53,754	62,479

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

31 December 2016

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.

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

a) Basis of Preparation

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

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

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

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

Date of authorisation for issue

The financial statements were authorised for issue by the members of Charles Sturt University Council on 19 April 2017.

Historical cost convention

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

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying Charles Sturt University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed where applicable in the relevant note to the financial statements, specifically:

Note 20: Other financial assets

Note 21: Property, Plant and Equipment

Note 26: Provisions

Note 36: Defined Benefit Plans

Notes to the Financial Statements

31 December 2016

1 Summary of Significant Accounting Policies

b) Principles of Consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Charles Sturt University ("parent entity") as at 31 December 2016 and the results of all subsidiaries for the year then ended. Charles Sturt University and its subsidiaries together are referred to in this financial report as the Group or the Consolidated Entity.

Subsidiaries are all those entities (including structured entities) over which the Group has control. The Group has control over an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power over the investee exists when the Group has existing rights that give it current ability to direct the relevant activities of the investee. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Returns are not necessarily monetary and can be only positive, only negative, or both positive and negative.

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

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

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Joint Arrangements:

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

(iii) Joint operations:

The University's share of assets, liabilities, revenue and expenses of joint operations have been incorporated in the financial statements under the appropriate headings. Details of the joint operations are set out in note 39 and are incorporated in the relevant line item in the primary statements.

c) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Qualifying cash flow hedges and qualifying net investment hedges in a foreign operation shall be accounted for by recognising the portion of the gain or loss determined to be an effective hedge in other comprehensive income and the ineffective portion in profit or loss.

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

Notes to the Financial Statements

31 December 2016

1 Summary of Significant Accounting Policies

c) Foreign currency translation

(iii) Group entities

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

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

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

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

d) Revenue Recognition

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

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

Revenue is recognised for the major business activities as follows:

(i) Government Grants

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

(ii) HELP payments

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

(iii) Student fees and charges

Fees and charges are recognised as income in the year of receipt, except to the extent that fees and charges relate to courses to be held in future periods. Such income is treated as income in advance. Conversely, 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 2016

1 Summary of Significant Accounting Policies

d) Revenue Recognition

(iv) Royalties, trademarks and licences

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

(v) Consultancy and Contracts / Fee for Service

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

Other human resources revenue is recognised when the service is provided.

(vi) Lease income

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

e) Income Tax

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

f) Leases

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

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (note 34). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

g) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

h) Cash and cash equivalents

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

Notes to the Financial Statements

31 December 2016

1 Summary of Significant Accounting Policies

i) Trade receivables

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

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

j) Inventories

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

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

(ii) Inventories held for distribution

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

k) Non-current assets (or disposal groups) held for sale and discontinued operations

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

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

Notes to the Financial Statements

31 December 2016

1 Summary of Significant Accounting Policies

k) Non-current assets (or disposal groups) held for sale and discontinued operations

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

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

l) Investments and other financial assets

Classification

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

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

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

(ii) Loans and receivables

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

(iii) Held-to-maturity investments

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

(iv) Available-for-sale financial assets

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

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

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

Notes to the Financial Statements

31 December 2016

1 Summary of Significant Accounting Policies

l) Investments and other financial assets

Subsequent measurement

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

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

Fair value

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

Impairment

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

m) Fair value measurement

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

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

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

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

Fair value measurement of non-financial assets is based on the highest and best use of the asset. The Group considers market participants use of, or purchase of the asset, to use it in a manner that would be highest and best use.

Notes to the Financial Statements

31 December 2016

1 Summary of Significant Accounting Policies

m) Fair value measurement

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

n) Property, Plant and Equipment

Land and buildings are shown at fair value, based on periodic, but at least quinquennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include gains or losses that were recognised in other comprehensive income on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

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

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

	2016	2015
	Years	Years
Buildings	10-80	20-40
Infrastructure	20-300	20-40
Computer software and equipment, commercial vehicles and small buses	4	4
Telephone installations, furniture and fittings, catering equipment and appliance, passenger vehicles, farm equipment and large buses	10	10
Library Collections		
Periodicals (serials)	5	5
Monographs and audio visual materials	5	5

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

Freehold land, buildings and works of art are valued at least every five years with assessments performed annually to ensure there are no material movements in the intervening years between full valuations in line with AASB116. Details of these valuations are as follows: Freehold land and buildings and SGARA were revalued as at 31 December 2016 by independent valuation of AssetVal Pty Ltd, and Works of Art revalued as at 31 December 2015 by independent valuation of Digby Hyles Fine Art Service, who is approved to value objects for the Australian Government's Cultural Gifts and Bequests Programs.

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

Notes to the Financial Statements

31 December 2016

1 Summary of Significant Accounting Policies

o) Repairs and Maintenance

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

p) Intangible Assets

(i) Research and development

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

(ii) Computer Software

Internal-use software is capitalised only when the amounts are greater than the Group's capitalisation threshold and they satisfy the conditions for capitalisation. Internal-use software is recognised at cost and amortised over the useful life of 4 years.

q) Trade and other payables

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

r) Borrowings

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

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

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

s) Borrowing costs

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

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

t) Provisions

Provisions for legal claims and service warranties are recognised when: the Group has a present legal or constructive 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.

Notes to the Financial Statements

31 December 2016

1 Summary of Significant Accounting Policies

t) Provisions

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost.

u) Employee benefits

(i) Short-term obligations

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

Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates payable.

(ii) Other long-term obligations

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

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

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

(iii) Retirement benefit obligations

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

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the statement of changes in equity and in the statement of financial position.

Notes to the Financial Statements

31 December 2016

1 Summary of Significant Accounting Policies

u) Employee benefits

Past service costs are recognised in profit or loss immediately.

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

(iv) Deferred government benefit for superannuation

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

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

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

Note 36 discloses specific treatment.

(v) Termination Benefits

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

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

v) Rounding of amounts

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

w) Comparative Amounts

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

x) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost acquisition of the asset or as part of the expense.

Notes to the Financial Statements

31 December 2016

1 Summary of Significant Accounting Policies

x) Goods and Services Tax (GST)

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

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

y) New Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2016 reporting periods. Charles Sturt University's assessment of the impact of these new Standards and Interpretations is set out below, any Accounting Standards issued but not yet effective that are not disclosed below are considered to be insignificant to the Group.

Standard	Application date	Implications
2014-5 Amendments to Australian Accounting Standards	1 Jan 2018	Refer to section on AASB 15 below.
2014-7 Amendments to Australian Accounting Standards	1 Jan 2018	Refer to section on AASB 9 below.
2015-8 Amendments to Australian Accounting Standards	1 Jan 2018	Refer to section on AASB 15 below.
2016- Amendments to Australian Accounting Standards	1 Jan 2018	The impact is likely to be insignificant as financing activities are limited. On initial application of AASB 9, all existing financial instruments will need to be classified according to the AASB 9 criteria and transitional requirements. The impact on the University's financial assets and liabilities will be significant in relation to the impairment model as nearly all will be classified as held for trading.
AASB 9 Financial Instruments	1 Jan 2018	The application of AASB 15 is likely to have a material impact on the University's revenue recognition policy. The impact of the new standard is not known or currently estimable and therefore the University is still assessing and quantifying the impact.
AASB15 Revenue from Contracts with Customers	1 Jan 2018	The application of IFRS 16 is likely to have a material impact on the University's recognition of leases. The impact of the new standard is not known or currently estimable and therefore the University is still assessing and quantifying the impact.
AASB 16 Leases	1 Jan 2019	

Notes to the Financial Statements

31 December 2016

2 Disaggregated information

a) Geographical - Consolidated entity

	Total revenue		Net results		Total assets	
	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australia	555,297	507,922	33,198	38,239	1,489,868	1,455,581
Canada	-	2,486	-	359	-	113
Total	555,297	510,408	33,198	38,598	1,489,868	1,455,694

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

a) Commonwealth Grants Scheme and Other Grants

	Note	Consolidated		Parent	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Commonwealth Grants Scheme #1		183,528	173,177	183,528	173,177
Indigenous Support Program		2,219	2,291	2,219	2,291
Disability Support Program		112	117	112	117
Promotion of Excellence in Learning and Teaching		270	87	270	87
Partnership & Participation Program #2		8,005	9,344	8,005	9,344
Total Commonwealth Grants Scheme and Other Grants	40.a)	194,134	185,016	194,134	185,016

b) Higher Education Loan Programs

HECS - HELP		94,808	94,828	94,808	94,828
FEE - HELP #4		31,803	34,393	31,803	34,393
SA-HELP		1,999	1,606	1,999	1,606
Total Higher Education Loan Programmes	40.b)	128,610	130,827	128,610	130,827

c) Scholarships

Australian Postgraduate Awards		1,842	1,726	1,842	1,726
International Postgraduate Research Scholarships		137	135	137	135
Commonwealth Education Costs Scholarship #5		134	254	134	254
Commonwealth Accommodation Scholarships #5		99	221	99	221
Indigenous Access scholarships		197	241	197	241
Total Scholarships	40.c)	2,409	2,577	2,409	2,577

Notes to the Financial Statements

31 December 2016

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

d) EDUCATION Research

	Note	Consolidated		Parent	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Joint Research Engagement Program		1,741	1,684	1,741	1,684
Research Training Scheme		4,075	3,917	4,075	3,917
Research Infrastructure Block Grants		861	820	861	820
Sustainable Research Excellence in Universities		1,042	944	1,042	944
Total EDUCATION Research Grants	40.d)	7,719	7,365	7,719	7,365

e) Other Capital Funding

Education Investment Fund		-	750	-	750
Total Other Capital Funding	40.e)	-	750	-	750

f) Australian Research Council

(i) Discovery					
Project		385	989	385	989
Fellowships #6		82	42	82	42
Total Discovery	40.f(i)	467	1,031	467	1,031
(ii) Linkages					
Project		169	149	169	149
Industrial Transformational Research Program		747	734	747	734
Total Linkages	40.f(ii)	916	883	916	883
Total ARC	40.f)	1,383	1,914	1,383	1,914

#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 #3 Includes Collaboration & Structural Adjustment Program #4 Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP #5 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively #6 Includes Early Career Researcher Award

g) Other Australian Government Financial Assistance

Non-capital					
ATAS and AFB Schemes		1,751	1,362	1,751	1,362
Other assistance		7,187	9,252	7,187	9,252
Total		8,938	10,614	8,938	10,614
Total Other Australian Government Financial Assistance		8,938	10,614	8,938	10,614

Notes to the Financial Statements

31 December 2016

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

h) Total Australian Government Financial Assistance

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Total Australian Government Financial Assistance	343,193	339,063	343,193	339,063
Reconciliation				
Australian Government Grants (a + c + d + e + f +g)	214,583	208,236	214,583	208,236
HECS - HELP	94,808	94,828	94,808	94,828
FEE - HELP	31,803	34,393	31,803	34,393
SA-HELP payments	1,999	1,606	1,999	1,606
Total Australian Government Financial Assistance	343,193	339,063	343,193	339,063

i) Australian Government Grants received - cash basis

CGS and Other Education Grants	40.a)	194,134	185,016	194,134	185,016
Higher Education Loan Programs	40.b)	128,610	130,827	128,610	130,827
Scholarships	40.c)	2,409	2,577	2,409	2,577
Education research	40.d)	7,719	7,365	7,719	7,365
Other Capital Funding	40.e)	-	750	-	750
ARC grants - Discovery	40.f(i)	467	1,031	467	1,031
ARC grants - Linkages	40.f(ii)	916	883	916	883
Other Australian Government financial assistance	3.g)	8,938	10,614	8,938	10,614
Total Australian Government Grants received - cash basis		343,193	339,063	343,193	339,063
OS-Help (Net)	40.g)	1,885	1,337	1,885	1,337
Total Australian Government funding received - cash basis		345,078	340,400	345,078	340,400

4 State and local government financial assistance

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

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Non-capital				
NSW State Government	717	770	717	770
Total State and Local Government Financial Assistance	717	770	717	770

Notes to the Financial Statements 31 December 2016

5 Fees and charges

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Course Fees and Charges				
Fee-paying onshore overseas students	93,816	65,185	93,816	65,185
Fee-paying offshore overseas students	12,973	7,737	12,973	7,737
Continuing education	1,251	1,329	1,251	1,329
Fee-paying domestic postgraduate students	12,816	12,656	12,368	12,257
Fee-paying domestic undergraduate students	1,395	294	1,395	294
Total Course Fees and Charges	122,251	87,201	121,803	86,802
Other Non-Course Fees and Charges				
Student accommodation	21,518	21,612	21,518	21,612
Conferences / function charges	1,395	1,458	1,395	1,458
Other student fees	2,048	2,007	2,048	2,007
Fees for services rendered	8,669	8,220	8,649	8,220
Parking fees	11	9	11	9
Memberships	260	274	260	274
Other fees	2,085	2,223	2,085	2,223
Student Services and Amenities Fees from students	3,780	3,474	3,780	3,474
Total Other Fees and Charges	39,766	39,277	39,746	39,277
Total Fees and Charges	162,017	126,478	161,549	126,079

6 Investment revenue and income

Investment revenue

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Interest income	4,132	4,183	4,057	4,155
Dividend income	7,750	7,479	6,904	6,665
Total investment revenue	11,882	11,662	10,961	10,820

Other investment income

Reversal of impairment losses on available for sale investments in debt instruments

	547	(24)	514	-
Total other investment income	547	(24)	514	-

Notes to the Financial Statements 31 December 2016

7 Royalties, trademarks and licences

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Royalties, trademarks and licences	9	2	9	2
Total royalties, trademarks and licences	9	2	9	2

8 Consultancy and contracts

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Consultancy	296	354	296	354
Contract research	1,441	1,318	1,441	1,318
Other contract revenue	1,219	1,972	1,219	1,972
NSW Police contract scholarship	3,591	2,683	3,591	2,683
Total consultancy and contracts	6,547	6,327	6,547	6,327

9 Other revenue and income

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Donations and bequests	3,824	729	602	640
Scholarships and prizes	1,701	1,809	1,152	1,423
Non-government grants	2,780	2,115	2,780	2,115
Other revenue	177	189	177	189
Sale of trading stock	5,203	4,852	5,203	4,852
Commissions	306	304	306	304
Rental	1,313	986	1,313	986
Reimbursements	2,178	1,622	2,178	1,622
Miscellaneous sales	1,700	1,679	1,700	1,679
Subscriptions	159	167	159	167
Total other revenue and income	19,341	14,452	15,570	13,977

Notes to the Financial Statements

31 December 2016

10 Employee related expenses

	Note	Consolidated		Parent	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Academic					
Salaries		101,800	98,132	101,800	98,132
Contributions to superannuation and pension schemes		16,134	15,498	16,134	15,498
Payroll tax		5,991	6,206	5,991	6,206
Worker's compensation		708	612	708	612
Long service leave expense		1,588	2,726	1,588	2,726
Annual leave		569	213	569	213
Total academic		126,790	123,387	126,790	123,387
Non-academic					
Salaries		121,834	117,636	117,875	113,705
Contributions to superannuation and pension schemes		17,744	17,485	17,341	17,108
Payroll tax		8,126	7,487	7,889	7,252
Worker's compensation		1,292	1,046	934	708
Long service leave expense		1,629	3,907	1,612	3,869
Annual leave		504	209	519	166
Total non-academic		151,129	147,770	146,170	142,808
Total employee related expenses		277,919	271,157	272,960	266,195
Deferred government employee superannuation expense	36	482	114	482	114
Total employee related expenses, including deferred Government Employee Benefits for Superannuation		278,401	271,271	273,442	266,309

11 Depreciation and amortisation

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Depreciation				
Buildings	27,215	26,236	27,215	26,236
Library collection	1,175	1,566	1,175	1,566
Plant and equipment	6,520	6,172	6,520	6,172
Infrastructure	1,868	1,689	1,868	1,689
Motor vehicles	1,173	981	1,173	981
Total depreciation	37,951	36,644	37,951	36,644
Amortisation				
Computer software	473	377	473	377
Total amortisation	473	377	473	377
Total depreciation and amortisation	38,424	37,021	38,424	37,021

Notes to the Financial Statements

31 December 2016

12 Repairs and maintenance

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Other repairs and maintenance	7,236	6,689	7,193	6,656
Total repairs and maintenance	7,236	6,689	7,193	6,656

13 Borrowing costs

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Interest expense	1,144	1,216	1,144	1,216
Interest rate swap	(338)	(143)	(338)	(143)
Other borrowing costs	13	17	13	17
Total borrowing costs expensed	819	1,090	819	1,090

14 Impairment of assets

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Impairment of investments	188	(315)	188	(420)
Impairment of receivables	1,398	3,118	1,398	3,118
Impairment of fixed assets	-	(577)	-	(577)
Total impairment of assets	1,586	2,226	1,586	2,121

Notes to the Financial Statements

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15 Other expenses

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Advertising, marketing and promotional expenses	6,697	4,880	6,697	4,880
Audit fees, bank charges, legal costs, insurance and taxes	2,772	3,019	2,747	2,996
Cleaning	6,121	5,682	6,115	5,675
Conferences and seminars	277	744	276	744
Consultants	4,521	3,276	4,460	3,226
Consumables and administration	2,589	2,137	2,589	2,137
Contract tuition services	80,917	52,328	80,917	52,328
Contracts	6,116	4,580	6,116	4,580
Cost of goods sold	7,233	7,945	7,233	7,945
Electronic information resources	5,724	4,550	5,724	4,550
Equipment services	2,013	1,389	2,013	1,389
Membership fees	1,391	998	1,391	998
Non-capitalised equipment	7,337	5,132	7,337	5,132
Operating lease and rental expenses	3,200	2,305	3,200	2,305
Other expenses	13,146	11,653	12,275	11,016
Printing and stationery	612	584	612	584
Publications and general resources	984	948	984	948
Scholarships, grants and prizes	17,645	19,331	16,511	21,263
Services rendered	4,959	2,715	10,969	7,991
Telecommunications	3,136	2,852	3,136	2,852
Travel, staff development and entertainment	10,386	9,297	10,386	9,297
Utilities	6,670	7,141	6,670	7,141
Total other expenses	194,444	153,485	198,358	159,976

Notes to the Financial Statements 31 December 2016

16 Discontinued Operations

a) Description of discontinued operation

In October 2014, the Group announced the decision to close the Ontario Canada campus. The campus closed in July 2015.

b) Financial performance and cash flow information

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
The financial performance and cash flow:				
The financial performance and cash flow information presented are for the period ended 31 July 2015 (2015 column) and the year ended 31 December 2016.				
Revenue	-	2,486	-	2,486
Expenses	-	(2,127)	-	(2,127)
Net result before income tax	-	359	-	359
Net result after income tax of discontinued operations	-	359	-	359
Profit/(loss) from discontinued operations	-	359	-	359
Net cash inflow /(outflow) from ordinary activities	-	374	-	374
Net decrease in cash generated by the division	-	374	-	374
Carrying amounts of assets and liabilities				
Other receivables	-	113	-	113
Net Assets	-	113	-	113
Income from discontinued operations				
Australian Government financial assistance				
Fees and charges	5	2,446	-	2,446
Other revenue	9	40	-	40
Total income from discontinued operations		2,486	-	2,486
Expenses from discontinued operations	10			
Employee related expenses		(1,372)	-	(1,372)
Depreciation and amortisation	11	(15)	-	(15)
Other expenses	15	(740)	-	(740)
Total expenses from discontinued operations		(2,127)	-	(2,127)
Net result before income tax		359	-	359

Notes to the Financial Statements

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17 Cash and cash equivalents

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Cash at bank	2,967	2,038	101	(1,983)
Cash on hand	52	101	52	101
Deposits at call	53,601	64,361	53,601	64,361
Total cash and cash equivalent	56,620	66,500	53,754	62,479

a) Cash at bank and on hand

Cash in operating accounts earns interest at the rate of 0.00% to 1.40% (2015: 0.00% to 1.40%). The University maintains cash equivalents of \$3,743,576 (2015: \$2,037,085) 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 2.05% and 2.20% (2015: 0.00% and 3.30%).

18 Trade and other receivables

	Note	Consolidated		Parent	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Current					
Non-Student debtors		15,966	16,703	15,966	16,703
Student debtors		2,738	2,302	2,738	2,302
Less: provision for impairment		(708)	(3,714)	(708)	(3,714)
		17,996	15,291	17,996	15,291
Accrued interest		796	812	796	812
Prepaid salaries		6	(785)	6	(785)
Prepayments		7,424	9,435	7,424	9,435
Other debtors		3,824	6,429	3,698	5,929
Total current receivables		30,046	31,182	29,920	30,682
Non-current					
Prepayments		482	-	482	-
Deferred Government Contributions for Superannuation	36	392,196	387,565	392,196	387,565
Total non-current receivables		392,678	387,565	392,678	387,565
Total receivables		422,724	418,747	422,598	418,247

Notes to the Financial Statements 31 December 2016

18 Trade and other receivables

a) Impaired receivables

As at 31 December 2016 current receivables of the Group with a value of \$708,400 (2015: \$3,714,500) were impaired. The amount of the provision was \$708,400 (2015: \$3,174,500). The ageing of these receivables is as follows:

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Current Receivables				
0-3 months	1	20	1	20
3 to 6 months	5	30	5	30
Over 6 months	702	3,665	702	3,665
	708	3,715	708	3,715

As at 31 December 2016 trade receivables of \$15,805,077 (2015: \$15,645,401) were past due but not impaired. These relate to a number of independent customers. The ageing analysis of these receivables is as follows:

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Trade Receivables				
Between 0 to 3 months	6,057	5,949	6,057	5,949
Between 3 to 6 months	455	176	455	176
Over 6 months	9,293	9,521	9,293	9,521
	15,805	15,646	15,805	15,646

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Movements in the provision for impaired receivables are as follows:				
At 1 January	3,715	1,402	3,715	1,402
Provision for impairment recognised during the year	1,398	3,118	1,398	3,118
Receivables written off during the year as uncollectible	(4,405)	(805)	(4,405)	(805)
As at 31 December	708	3,715	708	3,715

The amount determined for the provision of impaired receivables has been included in the income statement. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash. The other amounts within receivables do not contain impaired assets and are not past due. Based on credit history, it is expected that these amounts will be received when due.

Notes to the Financial Statements

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19 Inventories

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Current				
Winery stock held for sale	262	610	262	610
Mixed farm stock held for distribution	2,427	1,971	2,427	1,971
Other stock on hand held for distribution	939	891	939	891
Total inventories	3,628	3,472	3,628	3,472

20 Other financial assets

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Current				
Available-for-sale financial assets	3,007	2,010	3,007	2,010
Held to maturity	70,350	25,000	70,000	25,000
Total current other financial assets	73,357	27,010	73,007	27,010
Non-current				
Available-for-sale financial assets	157,408	142,810	142,214	132,802
Total non-current other financial assets	157,408	142,810	142,214	132,802
Total other financial assets	230,765	169,820	215,221	159,812

Notes to the Financial Statements

31 December 2016

21 Property, plant and equipment

Parent	Construction in progress \$'000	Land \$'000	Buildings \$'000	Plant and Equipment* \$'000	Other Plant and Equipment** \$'000	Library \$'000	Infrastructure \$'000	Total \$'000
At 1 January 2015								
- Cost	17,286	-	-	65,331	8,691	29,584	-	120,892
- Valuation	-	53,933	617,999	-	2,912	-	30,180	705,024
Accumulated depreciation & impairment	-	-	-	(45,162)	(2,889)	(25,974)	-	(74,025)
Net book amount	17,286	53,933	617,999	20,169	8,714	3,610	30,180	751,891
Year ended 31 December 2015								
Opening net book amount	17,286	53,933	617,999	20,169	8,714	3,610	30,180	751,891
Additions	48,783	-	-	3,025	2,429	344	617	55,198
Disposals	-	-	-	(73)	(1,812)	(20)	-	(1,905)
Transfers	(17,517)	-	15,135	-	-	-	2,382	-
Depreciation expense	-	-	(26,236)	(6,172)	(981)	(1,566)	(1,689)	(36,644)
Revaluation surplus	-	1,158	18,074	-	235	-	1,260	20,727
Other changes, movements	(3)	-	578	-	-	-	-	575
Closing net book amount	48,549	55,091	625,550	16,949	8,585	2,368	32,750	789,842
At 31 December 2015								
- Cost	48,549	-	-	67,526	11,399	29,863	-	157,337
- Valuation	-	55,091	625,550	-	-	-	32,750	713,391
Accumulated depreciation & impairment	-	-	-	(50,577)	(2,814)	(27,495)	-	(80,886)
Net book amount	48,549	55,091	625,550	16,949	8,585	2,368	32,750	789,842
Year ended 31 December 2016								
Opening net book amount	48,549	55,091	625,550	16,949	8,585	2,368	32,750	789,842
Additions	35,599	-	-	9,119	2,341	472	895	48,426
Assets included in a disposal group classified as held for sale and other disposals	-	(951)	4,151	(31)	(1,319)	-	(4,648)	(2,798)
Transfers	(82,104)	-	75,805	1,621	-	-	4,678	-
Depreciation expense	-	-	(27,217)	(6,520)	(1,171)	(1,175)	(1,868)	(37,951)
Revaluation surplus/ (deficit)	-	1,928	(56,650)	-	-	-	26,283	(28,439)
Other changes, movements	(27)	-	(1,857)	-	-	-	-	(1,884)
Closing net book amount	2,017	56,068	619,782	21,138	8,436	1,665	58,090	767,196
At 31 December 2016								
- Cost	2,017	-	-	73,824	9,267	30,336	-	115,444
- Valuation	-	56,068	619,782	-	2,459	-	58,090	736,399
Accumulated depreciation & impairment	-	-	-	(52,686)	(3,290)	(28,671)	-	(84,647)
Net book amount	2,017	56,068	619,782	21,138	8,436	1,665	58,090	767,196

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21 Property, plant and equipment

Consolidated	Construction in progress \$'000	Land \$'000	Buildings \$'000	Plant and Equipment* \$'000	Other Plant and Equipment** \$'000	Library \$'000	Infrastructur e \$'000	Total \$'000
At 1 January 2015								
- Cost	17,286	-	-	65,331	8,691	29,584	-	120,892
- Valuation	-	53,933	617,999	-	2,912	-	30,180	705,024
Accumulated depreciation & impairment	-	-	-	(45,162)	(2,889)	(25,974)	-	(74,025)
Net book amount	17,286	53,933	617,999	20,169	8,714	3,610	30,180	751,891
Year ended 31 December 2015								
Opening net book amount	17,286	53,933	617,999	20,169	8,714	3,610	30,180	751,891
Additions	48,783	-	-	3,025	2,429	344	617	55,198
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	(73)	(1,812)	(20)	-	(1,905)
Transfers	(17,517)	-	15,135	-	-	-	2,382	-
Depreciation expense	-	-	(26,236)	(6,172)	(981)	(1,566)	(1,689)	(36,644)
Revaluation surplus	-	1,158	18,074	-	235	-	1,260	20,727
Other changes, movements	(3)	-	578	-	-	-	-	575
Closing net book amount	48,549	55,091	625,550	16,949	8,585	2,368	32,750	789,842
At 31 December 2015								
- Cost	48,549	-	-	67,526	11,399	29,863	-	157,337
- Valuation	-	55,091	625,550	-	-	-	32,750	713,391
Accumulated depreciation & impairment	-	-	-	(50,577)	(2,814)	(27,495)	-	(80,886)
Net book amount	48,549	55,091	625,550	16,949	8,585	2,368	32,750	789,842
Year ended 31 December 2016								
Opening net book amount	48,549	55,091	625,550	16,949	8,585	2,368	32,750	789,842
Additions	35,599	-	-	9,119	2,401	472	895	48,486
Disposals	-	(951)	4,151	(31)	(1,319)	-	(4,648)	(2,798)
Transfers	(82,104)	-	75,805	1,621	-	-	4,678	-
Depreciation expense	-	-	(27,217)	(6,520)	(1,171)	(1,175)	(1,868)	(37,951)
Revaluation surplus/ (deficit)	-	1,928	(56,650)	-	-	-	26,283	(28,439)
Other changes, movements	(27)	-	(1,857)	-	-	-	-	(1,884)
Closing net book amount	2,017	56,068	619,782	21,138	8,496	1,665	58,090	767,256
At 31 December 2016								
- Cost	2,017	-	-	73,824	9,327	30,336	-	115,504
- Valuation	-	56,068	619,782	-	2,459	-	58,090	736,399
Accumulated depreciation & impairment	-	-	-	(52,686)	(3,290)	(28,671)	-	(84,647)
Net book amount	2,017	56,068	619,782	21,138	8,496	1,665	58,090	767,256

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

Notes to the Financial Statements 31 December 2016

22 Intangible Assets

	Note	Consolidated		Parent	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Computer software					
Cost		8,713	7,034	8,713	7,034
Accumulated amortisation and impairment		(5,837)	(5,365)	(5,837)	(5,365)
Net carrying value		2,876	1,669	2,876	1,669

a) Details of Intangible Assets

	Computer software \$'000	Total \$'000
Parent		
Year ended 31 December 2016		
Opening net book amount	1,669	1,669
Additions	1,680	1,680
Amortisation	(473)	(473)
Closing value at 31 December 2016	2,876	2,876
Year ended 31 December 2015		
Opening net book amount	1,019	1,019
Additions	1,027	1,027
Amortisation	(377)	(377)
Closing value at 31 December 2015	1,669	1,669
Consolidated		
Year ended 31 December 2016		
Opening net book amount	1,669	1,669
Addition	1,680	1,680
Amortisation	(473)	(473)
Closing value at 31 December 2016	2,876	2,876
Year ended 31 December 2015		
Opening net book amount	1,019	1,019
Addition	1,027	1,027
Amortisation	(377)	(377)
Closing value at 31 December 2015	1,669	1,669

Notes to the Financial Statements 31 December 2016

23 Other non-financial assets

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Current				
Prepaid lease	304	304	304	304
Total current other non-financial assets	304	304	304	304
Non-current				
Prepaid lease	5,036	5,340	5,036	5,340
Total non-current other non-financial assets	5,036	5,340	5,036	5,340
Total other non-financial assets	5,340	5,644	5,340	5,644

Other non-financial assets include right to access assets in respect to the University's Wangaratta Campus.

24 Trade and other payables

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Current				
Trade creditors	12,430	13,457	12,398	13,431
Other accrued expenses	2,838	2,932	2,838	2,932
Accrued salaries	695	-	695	-
OS-HELP liability to Australian Government	1,327	845	1,327	845
Total current trade and other payables	17,290	17,234	17,258	17,208
Total trade and other payables	17,290	17,234	17,258	17,208

25 Borrowings

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Current				
Secured				
Finance lease obligations	1,360	54	1,360	54
Total current borrowings	1,360	54	1,360	54
Non-current				
Secured				
Finance lease obligations	4,456	134	4,456	134
Unsecured				
Loan facility	28,525	28,000	28,525	28,000
Total non-current borrowings	32,981	28,134	32,981	28,134
Total borrowings	34,341	28,188	34,341	28,188

Notes to the Financial Statements

31 December 2016

25 Borrowings

All borrowings are interest bearing, except for a finance lease on network infrastructure which has no interest payable under the agreement. In respect to 2015, there were only interest bearing borrowings.

a) Assets pledged as security

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

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Finance lease				
Plant and equipment	5,876	184	5,876	184
Total assets pledged as security	5,876	184	5,876	184

b) Financing arrangements

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

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Bank loan facilities				
Total facilities	39,000	28,000	39,000	28,000
Used at balance date	28,525	28,000	28,525	28,000
Unused at balance date	10,475	-	10,475	-

The University has a \$10 million business card limit facility, with a balance used of \$1.068 million at 31 December 2016 (2015: \$1.047 million).

c) Class of borrowings

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

In addition to the student residences loan facility, the University entered into a loan facility for \$4m in respect to constructing a solar power station on the Wagga Wagga campus.

d) Fair value

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

Consolidated	2016		2015	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000
On-balance sheet				
Non-traded financial liabilities	34,341	34,341	28,188	28,188
	34,341	34,341	28,188	28,188

Notes to the Financial Statements

31 December 2016

25 Borrowings

d) Fair value

(i) On-balance sheet

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

26 Provisions

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Current provisions expected to be settled within 12 months				
Employee benefits				
Long service leave	5,197	4,789	5,149	4,748
Employee entitlement oncost	4,200	3,923	4,200	3,923
Annual Leave	11,522	10,889	11,268	10,610
Short-term provisions				
	20,919	19,601	20,617	19,281
Current provisions expected to be settled after more than 12 months				
Employee benefits				
Annual leave	4,303	3,917	4,171	3,803
Long service leave	21,193	21,507	21,028	21,353
Employee entitlement oncost	5,110	5,057	5,110	5,057
Long-term provisions				
	30,606	30,481	30,309	30,213
Total current provisions	51,525	50,082	50,926	49,494
Non-current provisions				
Employee benefits				
Long service leave	5,755	6,403	5,654	6,303
Defined benefit obligation	392,638	387,700	392,638	387,700
Employee entitlement oncost	1,051	1,171	1,051	1,171
Long-term provisions				
	399,444	395,274	399,343	395,174
Total non-current provisions	399,444	395,274	399,343	395,174
Total provisions	450,969	445,356	450,269	444,668

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.

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31 December 2016

26 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 expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The provision for LSL was assessed by KPMG for the year ended 31 December 2016. Key assumptions in for this calculation are detailed in note 1(u).

Defined benefit obligation

The estimate of the superannuation liability is calculated on the basis of information provided by Pillar Administration 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 defined superannuation of \$392,638,117 (2015: \$387,699,703) 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 defined superannuation liability (where applicable), and the increase/(decrease) in unfunded liability are set in Note 35 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.

27 Other liabilities

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Current				
Student fees in advance	40,388	28,137	40,388	28,137
Other income in advance	5,650	5,650	5,650	5,650
Interest rate swap	-	338	-	338
Total current other liabilities	46,038	34,125	46,038	34,125
Non-current				
Student fees in advance	3,799	-	3,799	-
Total non-current other liabilities	3,799	-	3,799	-
Total other liabilities	49,837	34,125	49,837	34,125

Notes to the Financial Statements
31 December 2016

28 Reserves and retained surplus

a) Reserves

Note	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Reserves and retained earnings				
Available-for-sale financial assets revaluation reserve	20,488	18,605	18,392	16,497
Property, plant and equipment revaluation reserve	281,942	310,382	281,942	310,382
Total reserves	302,430	328,987	300,334	326,879

b) Movements

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Foreign currency translation reserve				
Balance 1 January	-	(446)	-	(446)
Transfers out	-	446	-	446
Balance 31 December	-	-	-	-
Available-for-sale financial assets revaluation reserve				
Balance 1 January	18,605	15,369	16,497	12,971
Revaluation - increment/ (decrement)	1,883	3,236	1,895	3,526
Balance 31 December	20,488	18,605	18,392	16,497
Property, plant and equipment revaluation reserve				
Balance 1 January	310,382	289,655	310,382	289,655
Revaluation - increment/ (decrement)	(28,440)	20,727	(28,440)	20,727
Balance 31 December	281,942	310,382	281,942	310,382
Total reserves	302,430	328,987	300,334	326,879

c) Movements in retained earnings

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Retained earnings at 1 January	601,804	563,066	590,097	554,745
Net result for the period	33,198	38,598	29,136	35,352
Transfers in	-	140	-	-
Retained earnings at 31 December	635,002	601,804	619,233	590,097

d) Nature and purpose of reserves

(i) Foreign currency translation reserve - exchange differences arising on translation of the foreign operations are taken to the foreign currency translation surplus, as described in note 1(c). Amounts are recognised in the income statement when the net investment is disposed or impaired. The University ceased activity in its foreign establishment during the year ended 31 December 2015 and fully repatriated all investments.

Notes to the Financial Statements

31 December 2016

28 Reserves and retained surplus

d) Nature and purpose of reserves

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

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

29 Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as interest rate swaps to hedge certain risk exposures. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

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

a) Market risk

(i) Foreign exchange risk

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

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

(ii) Price risk

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

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

The impact of the increase/decrease of the ASX 300 index on the Group's equity is disclosed at 29(a)(iv). The analysis is based on the assumption that the ASX 300 index increased / decreased by 10%, with all other variables held in constant, and the Group's equity portfolio moves according to the historical correlation with the index.

(iii) Cash flow and fair value interest rate risk

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

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

Notes to the Financial Statements

31 December 2016

29 Financial Risk Management

a) Market risk

As at 31 December 2016 if interest rates decreased/ increased by 1% with all other variables held constant, equity would have been \$338,000 higher/ \$338,000 lower (2015: \$282,000/ \$282,000) 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 \$1,605,000 higher/ \$1,605,000 lower (2015: \$1,448,000/ \$1,448,000) 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 the Group's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

31 December 2016

Carrying amount \$'000s	Interest rate risk				Other price risk				
	-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	56,620	(566)	(566)	566	566	-	-	-	-
Accounts Receivable	796	(8)	(8)	8	8	-	-	-	-
Available-for-sale financial assets	160,415	(1,604)	(1,604)	1,604	1,604	(16,042)	(16,042)	16,042	16,042
Held to maturity financial assets	70,350	(704)	(704)	704	704	-	-	-	-
Financial liabilities									
Borrowings	33,816	338	338	(338)	(338)	3,382	3,382	(3,382)	(3,382)
Total increase/(decrease)		(2,544)	(2,544)	2,544	2,544	(12,660)	(12,660)	12,660	12,660

31 December 2015

Carrying amount \$'000s	Interest rate risk				Other price risk				
	-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	66,500	(665)	(665)	665	665	-	-	-	-
Accounts Receivable	812	(8)	(8)	8	8	-	-	-	-
Available-for-sale financial assets	144,820	(1,448)	(1,448)	1,448	1,448	(14,482)	(14,482)	14,482	14,482
Held to maturity financial assets	25,000	(250)	(250)	250	250	-	-	-	-
Financial liabilities									
Borrowings	28,188	282	282	(282)	(282)	2,819	2,819	(2,819)	(2,819)
Total increase/(decrease)		(2,089)	(2,089)	2,089	2,089	(11,663)	(11,663)	11,663	11,663

b) Credit risk

Credit risk is the risk that a contracting party will not complete its obligations under a financial instrument, leading to financial loss for the Group. Credit risk arises largely from outstanding receivables and to a lesser degree from cash and cash equivalents. To assist in managing risk, the Group assesses the credit quality of a potential non-student debtor, based on information obtained during the credit application process. Despite not being a material value, a credit assessment is performed on the guarantor for a student loan prior to the loan being granted by the University. The carrying amount of financial assets (as contained in the table in sub note 29.c) below) represents the Group's maximum exposure to credit risk.

Notes to the Financial Statements
31 December 2016

29 Financial Risk Management

c) Liquidity risk

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

To mitigate these risks, the Group has in its investment policy targets for minimum and average levels of cash and cash equivalents to be maintained, and a business card facility limited to \$10 million. The University generally uses instruments that are tradeable in highly liquid markets and have readily accessible standby facilities in place. The following tables summarise the maturity of the Group's financial assets and financial liabilities:

	Average		Variable interest rate		Less than 1 year		1 - 5 years		5+ years		Non-Interest		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets:														
Cash and cash equivalents	2.00	3.83	56,620	66,500	-	-	-	-	-	-	-	-	56,620	66,500
Receivables	-	-	-	-	-	-	-	-	-	-	22,569	23,601	22,569	23,601
Other financial assets	2.67	2.85	-	-	73,357	27,010	15,500	4,693	130,881	128,919	11,027	9,198	230,765	169,820
Total Financial Assets			56,620	66,500	73,357	27,010	15,500	4,693	130,881	128,919	33,596	32,799	309,954	259,921
Financial Liabilities:														
Bank loans and overdrafts	2.82	4.34	-	-	-	-	33,816	28,188	-	-	-	-	33,816	28,188
Payables	-	-	-	-	17,290	17,229	-	-	-	-	-	-	17,290	17,229
Total Financial Liabilities			-	-	17,290	17,229	33,816	28,188	-	-	-	-	51,106	45,417

30 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 and based on credit history it is expected that the receivable that are neither past due nor impaired will be received when due.

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

	Carrying Amount		Fair Value	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	56,620	66,500	56,620	66,500
Trade and other receivables	22,569	24,101	22,569	24,101
Financial assets	230,765	169,820	230,765	169,820
Total financial assets	309,954	260,421	309,954	260,421
Financial Liabilities				
Payables	17,290	17,234	17,290	17,234
Borrowings	33,816	28,188	33,816	28,188
Interest rate swap	-	338	-	338
Total financial liabilities	51,106	45,760	51,106	45,760

Notes to the Financial Statements

31 December 2016

30 Fair Value Measurement

a) Fair value measurements

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

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

b) Fair value hierarchy

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

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 2016.

Fair value measurements at 31 December 2016

	Note	2016 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements					
Financial assets		-	-	-	-
Available-for-sale financial assets	20				
Equity securities		151,998	46,570	94,401	11,027
Debt securities		8,417	3,807	1,603	3,007
Total financial assets		160,415	50,377	96,004	14,034
Non-financial assets					
Land and buildings	21				
Land		49,907	-	16,270	33,637
Buildings		614,019	-	1,043	612,976
Other property, plant and equipment		2,459	-	2,459	-
Infrastructure		57,818	-	-	57,818
Total non-financial assets		724,203	-	19,772	704,431

Notes to the Financial Statements

31 December 2016

30 Fair Value Measurement

b) Fair value hierarchy

Fair value measurements at 31 December 2015

	Note	2015 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements					
Financial assets					
Available-for-sale financial assets	20				
Equity securities		131,240	43,483	78,559	9,198
Debt securities		13,580	3,856	1,630	8,094
Total financial assets		<u>144,820</u>	<u>47,339</u>	<u>80,189</u>	<u>17,292</u>
Non-financial assets					
Land and buildings	21				
Land		49,328	-	49,328	-
Buildings		618,573	-	-	618,573
Other property, plant & equipment		2,391	-	2,391	-
Infrastructure		32,290	-	-	32,290
Total non-financial assets		<u>702,582</u>	<u>-</u>	<u>51,719</u>	<u>650,863</u>
Financial liabilities					
Interest rate swap		388	388	-	-
Total liabilities		<u>388</u>	<u>388</u>	<u>-</u>	<u>-</u>

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

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

(ii) Disclosed fair values

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

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

The fair value of non-current borrowings disclosed in note 25 is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the group for similar financial instruments. For the period ending 31 December 2016, 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 2016

30 Fair Value Measurement

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

(i) Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

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

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

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

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

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

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

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

Notes to the Financial Statements

31 December 2016

30 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 2016 and 2015.

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

Level 3 Fair Value Measurement 2015	Unlisted equity securities \$'000	Other financial assets \$'000	Buildings & Infrastructure \$'000	Total \$'000
Opening balance	4,853	10,832	640,358	656,043
Acquisitions	-	-	17,498	17,498
Disposals	-	(3,020)	-	(3,020)
Recognised in profit or loss*	-	-	(26,146)	(26,146)
Recognised in other comprehensive income	4,345	282	19,153	23,780
Closing balance	9,198	8,094	650,863	668,155

(i) Valuation inputs, processes and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See 29(c) above for the valuation techniques adopted.

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

Notes to the Financial Statements

31 December 2016

30 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 and debt instruments	<p>Net assets and capitalisation of maintainable earnings method.</p> <p>Correlation pricing models</p> <p>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.</p>	<p>Comparable market transactions' data adjusted for factors including complexity of an instrument, market liquidity, credit risk profiles, impairment indicators</p> <p>Earnings multiples</p> <p>Discount factors</p>	<p>The estimated fair value increases (decreases) as the market liquidity increases (decreases).</p> <p>The estimated fair value increases (decreases) as the credit risk profile and impairment indicators decrease (increase).</p> <p>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).</p>
Land, buildings & infrastructure	<p>Depreciated replacement cost approach:</p> <p>Assets are valued by adopting and adjusting the written down value provided by AssetVal Pty Ltd as at 31 December 2016, with adjustments made including capital improvements and remaining useful lives.</p> <p>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.</p> <p>Market approach: 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.</p>	<p>Current replacement costs</p> <p>Adjustments including capital improvements, remaining useful lives</p> <p>Comparable property sales values</p> <p>Adjustments including condition, location, restrictions on use or comparability of the asset.</p>	<p>The estimated fair value increases (decreases) as the estimated replacement cost per square metre increases (decreases).</p> <p>The estimated fair value increases (decreases) as the estimated consumed economic benefit decreases (increases).</p>

31 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 Responsible Persons

-Dr Michelle Allan	-Professor Andrew Vann	-Professor Jo-Anne Reid
-Ms Saranne Cooke	-Mrs Jennifer Hayes	-Mr Graeme Bailey
-Mr Neville Page	-Mr Robert Fitzpatrick	-Mr Peter Hayes
-Mr Jaime Newman	-Dr Rowan O'Hagan	-Ms Lisa Schofield
-Associate Professor Lyn Angel	-Ms Carmen Frost	-Ms Rowan Alden
-Dr Susan Wood	-Ms Liz Smith	-Ms Elise McMahon

Notes to the Financial Statements

31 December 2016

31 Key Management Personnel Disclosures

a) Names of responsible persons and executive officers

(ii) Names of Executive Officers

-Professor Andrew Vann
-Professor Ken Dillon

-Professor Toni Downes
-Mr Paul Dowler

-Professor Mary Kelly
-Mr Adam Browne

b) Remuneration of board members and executives

	Consolidated		Parent	
	2016 Number	2015 Number	2016 Number	2015 Number
Remuneration of Board Members				
Nil to \$14,999	3	1	3	1
\$15,000 to \$29,999	7	9	7	9
\$30,000 to \$44,999	1	-	1	-
\$45,000 to \$59,999	1	1	1	1
\$120,000 to \$134,999	1	1	1	1
\$150,000 to \$164,999	1	-	1	-
\$195,000 to \$209,999	1	-	1	-
\$225,000 to \$239,999	1	2	1	2
\$240,000 to 254,999	1	-	1	-
\$300,000 and above	1	1	1	1
Remuneration of executive officers				
\$180,000 to \$194,999	-	1	-	1
\$210,000 to \$224,999	-	1	-	1
\$285,000 to \$299,999	1	1	1	1
above \$300,000	5	5	5	5

Included in the above is remuneration paid to the Vice Chancellor for the year ended 31 December 2016 of \$734,311 (2015: \$720,322). The Vice Chancellor is both a member of University Council and an executive officer and so included in both tables of note 31(b).

c) Key management personnel compensation

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Short-term employee benefits	3,257	3,783	3,257	3,783
Post-employment benefits	495	532	495	532
Termination benefits	-	131	-	131
Total key management personnel compensation	3,752	4,446	3,752	4,446

d) Other transactions with key management personnel

During the year ended 31 December 2016, the University provided scholarship based payments of \$3,500 to key management personnel (2015: \$4,000). Scholarships awarded to any person are issued based on merit of the application and bear no relationship to key management positions held.

Notes to the Financial Statements

31 December 2016

32 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	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Audit of the Financial Statements				
Fees paid to NSW Audit Office	335	324	298	291
Total	335	324	298	291

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

33 Contingencies

a) Contingent assets

There are no known contingent assets at balance date (2015: Nil).

b) Contingent liabilities

(i) Bank guarantee and credit facility

The University currently has bank guarantee facility up to a limit of \$500,000 of which \$496,085 was used as at 31 December 2016. In addition the University has a bank guarantee in respect to amounts held in INR for 2,559,257, or \$54,218.10 AUD of which the whole amount was used as at 31 December 2016. The bank guarantees given primarily relate to security for work undertaken in Port Macquarie on a road reserve.

34 Commitments

a) Capital commitments

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

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Property, plant and equipment				
Within one year	10,540	32,027	10,540	32,027
Between one year and five years	-	8,122	-	8,122
Total	10,540	40,149	10,540	40,149

Notes to the Financial Statements

31 December 2016

34 Commitments

b) Lease commitments

(i) Operating Leases

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

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Within one year	320	1,301	320	1,301
Between one year and five years	10,485	1,184	10,485	1,184
Later than five years	32,101	-	32,101	-
Total future minimum lease payments	42,906	2,485	42,906	2,485

(ii) Finance Leases

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

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Within one year	1,379	67	1,379	67
Between one year and five years	4,446	144	4,446	144
Total future minimum lease payments	5,825	211	5,825	211
Future finance charges	(9)	(23)	(9)	(23)
Recognised as a liability	5,816	188	5,816	188
Representing lease liabilities				
Current	1,370	54	1,370	54
Non-current	4,446	134	4,446	134
	5,816	188	5,816	188

The weighted average interest rate implicit in the finance leases is 0.15% (2015: 7.91%)

35 Related Parties

a) Parent entities

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

b) Subsidiaries

Interests in subsidiaries are set out in note 38.

Notes to the Financial Statements

31 December 2016

35 Related Parties

c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 31

d) Transactions with related parties

The following material transactions occurred with related parties:

	Parent	
	2016 \$'000	2015 \$'000
Purchase of goods		
Cleaning and maintenance services (Charles Sturt Campus Services Limited)	6,506	5,691
Scholarships (The Charles Sturt University Foundation Trust)	-	3,000

36 Defined Benefits Plans

a) Fund specific disclosure

The Group contributes to the following superannuation schemes:

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

The Group incurs an obligation for deferred contributions which become payable on and after retirement of staff. The deferred liability at 31 December 2016 was estimated based on actuarial assumptions by Pillar Administration for the State Schemes. An arrangement exists between the Australian Government and the State Government to meet most of the unfunded liability for the Group's beneficiaries of the State Superannuation Scheme on an emerging cost basis. This Memorandum of Understanding (MoU) is evidenced by the Higher Education Funding Act 1988 and subsequent amending legislation.

Accordingly the unfunded liabilities have been recognised in the Statement of Financial Position under Provisions with a corresponding asset recognised under Receivables. The MoU has restrictions in the form of limitations on excess salaries paid to members. Information relating to the SSS, SASS and SANCS funds based on the latest actuarial assessment and the financial statements for the Funds for the year ended 31 December 2016 is set out below.

The Charles Sturt University expects to make a contribution of \$1,431,808 (2015: \$1,685,873) to the defined benefit plan during the next financial year.

The weighted average duration of the defined benefit obligation is 12.1 years (2015: 12.4 years). The expected maturity analysis of undiscounted benefit payments is as follows:

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Total \$'000
Defined benefit obligations - 31 December 2016	21,856	22,664	69,392	462,011	575,923
Defined benefit obligations - 31 December 2015	21,381	21,899	68,518	456,970	568,768

Notes to the Financial Statements 31 December 2016

36 Defined Benefits Plans

b) Categories of plan assets

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

	2016 (%)		2015 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Cash and Cash Equivalents	18.00	10.00	17.00	10.00
Equity instruments	53.00	3.00	53.00	3.00
Debt instruments	7.00	-	9.00	-
Property	4.00	5.00	4.00	4.00
Total	82.00	18.00	83.00	17.00

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

	2016	2015
	%	%
Discount rate(s)	2.78 2.5% to 30 Jun 2019, then 3.5% to 30 Jun 2021, then 3% to 30 Jun 2026, then 3.5% pa thereafter	2.9
Expected rate(s) of salary increase	1.75% to 30 Jun 2017, then 2.25% to 30 June 2018, then 2.5% pa thereafter	3.0% to 30 Jun 2019, then 3.5% pa thereafter
Rate of CPI increase		2.5

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%	(47,701,816)	57,778,225
Salary growth rate	0.50%	1,383,980	(1,324,481)
Rate of CPI increase	0.50%	25,501,405	(23,413,454)
Pensioner mortality	5.00%	(4,619,412)	5,571,153

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

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

Notes to the Financial Statements

31 December 2016

36 Defined Benefits Plans

d) Statement of financial position amounts

Amounts recognised in the statement of financial position - 2016	Note	\$'000	\$'000	\$'000	\$'000
		SASS	SANCS	SSS	Total
Liabilities					
Provision for deferred government benefits for superannuation		7,816	5,521	379,301	392,638
Total liabilities		7,816	5,521	379,301	392,638
Total pension entitlements (incl on-costs)		7,816	5,521	379,301	392,638
Assets					
Receivable for deferred government benefit for superannuation		7,468	5,449	379,279	392,196
Net liability recognised in the statement of financial position		348	72	22	442

Net liability reconciliation - 2016	Note	\$'000	\$'000	\$'000	\$'000
		SASS	SANCS	SSS	Total
Defined benefit obligation		37,018	6,415	407,524	450,957
Fair value of plan assets		(29,202)	(894)	(28,223)	(58,319)
Net liability	26	7,816	5,521	379,301	392,638
Reimbursement right	18	(7,468)	(5,449)	(379,279)	(392,196)
Total net liability/(asset)		348	72	22	442

Reimbursement rights - 2016	Note	\$'000	\$'000	\$'000	\$'000
		SASS	SANCS	SSS	Total
Opening value of reimbursement right		7,804	5,217	374,544	387,565
Return on reimbursement rights		(188)	135	10,590	10,537
Remeasurements		(148)	97	(5,855)	(5,906)
Closing value of reimbursement right	18	7,468	5,449	379,279	392,196

Present value of obligation - 2016	Note	\$'000	\$'000	\$'000	\$'000
		SASS	SANCS	SSS	Total
Opening defined benefit obligation		38,440	6,877	415,581	460,898
Current service cost		1,163	252	629	2,044
Past service cost		(74)	(123)	1,918	1,721
Interest expense		1,081	189	11,804	13,074
		40,610	7,195	429,932	477,737

Notes to the Financial Statements

31 December 2016

36 Defined Benefits Plans

d) Statement of financial position amounts

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Present value of obligation - 2016					
Remeasurements					
Actuarial losses/(gains) arising from changes in financial assumptions		202	43	1,576	1,821
Experience (gains)/losses		(20)	117	(7,517)	(7,420)
		182	160	(5,941)	(5,599)
Payments from plan					
Benefits paid		(4,279)	(940)	(16,788)	(22,007)
Contributions - plan participants		505	-	321	826
		(3,774)	(940)	(16,467)	(21,181)
Closing defined benefit obligation		37,018	6,415	407,524	450,957
Present value of plan assets - 2016					
Opening fair value of plan assets		30,618	1,651	40,929	73,198
Interest (income)		867	41	944	1,852
Taxes, premiums & expenses		(74)	(123)	1,918	1,721
		31,411	1,569	43,791	76,771
Remeasurements					
Return on plan assets, excluding amounts included in net interest expense		678	7	564	1,249
Contributions					
Employers		887	258	335	1,480
Plan participants		505	-	321	826
		1,392	258	656	2,306
Payments from plan					
Benefits paid		(4,279)	(940)	(16,788)	(22,007)
Closing fair value of plans assets		29,202	894	28,223	58,319
Amounts recognised in the statement of financial position - 2015					
Liabilities					
Provision for deferred government benefits for superannuation		7,822	5,226	374,652	387,700
Total liabilities		7,822	5,226	374,652	387,700
Assets					
Receivable for deferred government benefit for superannuation		7,804	5,217	374,544	387,565
Net liability recognised in the statement of financial position		18	9	108	135

Notes to the Financial Statements 31 December 2016

36 Defined Benefits Plans

d) Statement of financial position amounts

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Net liability reconciliation - 2015					
Defined benefit obligation		38,440	6,877	415,581	460,898
Fair value of plan assets		(30,618)	(1,651)	(40,929)	(73,198)
Net liability	26	7,822	5,226	374,652	387,700
Reimbursement right	18	(7,804)	(5,217)	(374,544)	(387,565)
Total net liability/(asset)		18	9	108	135

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Reimbursement rights - 2015					
Opening value of reimbursement right		6,319	5,470	354,602	366,391
Return on reimbursement rights		(29)	186	9,641	9,798
Remeasurements		1,514	(439)	10,301	11,376
Closing value of reimbursement right	18	7,804	5,217	374,544	387,565

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Present value of obligation - 2015					
Opening defined benefit obligation		38,988	7,634	407,994	454,616
Current service cost		1,282	297	732	2,311
Past service cost		(105)	176	1,637	1,708
Interest expense		1,050	208	11,317	12,575
		41,215	8,315	421,680	471,210
Remeasurements					
Actuarial losses/(gains) arising from changes in demographic assumptions		636	(88)	14,502	15,050
Actuarial losses/(gains) arising from changes in financial assumptions		(52)	-	(3,865)	(3,917)
Experience (gains)/losses		930	(351)	(336)	243
		1,514	(439)	10,301	11,376
Payments from plan					
Benefits paid		(4,720)	(999)	(16,853)	(22,572)
Contributions - plan participants		431	-	453	884
Closing defined benefit obligation		38,440	6,877	415,581	460,898

Notes to the Financial Statements

31 December 2016

36 Defined Benefits Plans

d) Statement of financial position amounts

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Present value of plan assets - 2015					
Opening fair value of plan assets		32,669	2,164	53,392	88,225
Interest (income)		885	56	1,288	2,229
Taxes, premiums & expenses		(105)	176	1,637	1,708
		33,449	2,396	56,317	92,162
Remeasurements					
Return on plan assets, excluding amounts included in net interest expense		520	19	588	1,127
Contributions					
Employers		938	235	425	1,598
Plan participants		431	-	452	883
		1,369	235	877	2,481
Payments from plan					
Benefits paid		(4,720)	(999)	(16,853)	(22,572)
		30,618	1,651	40,929	73,198

e) Amounts recognised in other statements

Amounts recognised in the Income Statement - 2016

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

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Amounts recognised in the Income Statement - 2016					
Current service cost		1,163	252	629	2,044
Interest income		214	148	10,860	11,222
	10	1,377	400	11,489	13,266

Notes to the Financial Statements 31 December 2016

36 Defined Benefits Plans

e) Amounts recognised in other statements

Amounts recognised in other comprehensive income - 2016

The amounts recognised in the statement of comprehensive income are restricted to the SASS, SANCS and SSS schemes in accordance with note 1.u). The amounts are included in retained earnings (note 28).

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Remeasurements					
Actuarial losses (gains) arising from changes in financial assumptions		182	160	(5,941)	(5,599)
Actual return on plan assets less interest income		(678)	(7)	(564)	(1,249)
Total remeasurements in OCI		(496)	153	(6,505)	(6,848)
Total amounts recognised in the Statement of Comprehensive Income	28	(496)	153	(6,505)	(6,848)

Amounts recognised in the Income Statement - 2015

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

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Amounts recognised in the Income Statement - 2015					
Current service cost		1,282	297	732	2,311
Interest income		166	152	10,029	10,347
Total expense recognised in the Income Statement	10	1,448	449	10,761	12,658

Amounts recognised in other comprehensive income - 2015

The amounts recognised in the statement of comprehensive income are restricted to the SASS, SANCS and SSS schemes in accordance with note 1.u). The amounts are included in retained earnings (note 28).

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
Remeasurements					
Actuarial losses (gains) arising from changes in financial assumptions		1,513	(439)	10,301	11,375
Actual return on plan assets less interest income		(521)	(19)	(587)	(1,127)
Total remeasurements in OCI		992	(458)	9,714	10,248
Total amounts recognised in the Statement of Comprehensive Income		992	(458)	9,714	10,248

Notes to the Financial Statements

31 December 2016

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

	Note	Consolidated		Parent	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Net result for the period		33,198	38,598	29,136	35,352
Depreciation and amortisation		38,424	37,021	38,424	37,021
(Gain)/loss on disposal of property, plant and equipment		1,058	28	1,058	28
Gain on financial assets through income statement		26	(139)	-	-
Loss on interest rate swap		(338)	(143)	(338)	(143)
Impairment of assets		1,586	656	1,586	551
Non-cash retirement benefits expense		-	114	-	114
Change in operating assets and liabilities, net of effects from purchase of controlled entity:					
(Increase) / decrease in trade debtors		(4,987)	521	(5,367)	793
(Increase) / decrease in accrued interest		16	116	16	116
(Increase) / decrease in prepaid salaries		(791)	541	(791)	526
(Increase) / decrease in other prepayments		1,529	(4,120)	1,529	(4,120)
(Increase) / decrease in inventories		(156)	448	(156)	448
Increase / (decrease) in fees received in advance		15,712	5,343	15,712	5,343
Increase / (decrease) in accrued salaries		695	(4,219)	695	(4,219)
Increase/ (decrease) in trade payables		(1,035)	2,075	(1,033)	2,147
Increase / (decrease) in accrued expenses		395	1,994	388	1,994
Increase / (decrease) in provision for leave and other employee entitlements		6,049	2,125	6,038	2,045
Net cash provided by / (used in) operating activities		91,381	80,959	86,897	77,996

38 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	
		2016	2015
Charles Sturt Campus Services Limited (CSCS)	Panorama Avenue Bathurst NSW	100.00	100.00
The Charles Sturt University Foundation Trust	Panorama Avenue Bathurst NSW	100.00	100.00

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

39 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 (%)	
			2016	2015
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 \$531,469 (2015: \$455,991) and liabilities held jointly is \$Nil (2015: \$Nil). The amounts are included in the financial statements under their respective categories.

**Notes to the Financial Statements
31 December 2016**

40 Acquittal of Australian Government financial assistance

a) Education - CGS and Other Education Grants

Parent Entity (University) Only

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

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

#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.

	Commonwealth Grants Scheme#1		Indigenous Support Program		Partnership & Participation Program #2		Disability Support Program		Promo of Exc in Learn & Teach		Total
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	183,528	173,177	2,219	2,291	8,005	9,344	112	117	270	87	194,134
	183,528	173,177	2,219	2,291	8,005	9,344	112	117	270	87	194,134
	-	-	653	530	962	2,320	-	-	178	256	1,793
	183,528	173,177	2,872	2,821	8,967	11,664	112	117	448	343	195,927
	183,528	173,177	1,932	2,168	7,845	10,702	112	117	399	165	193,816
	-	-	940	653	1,122	962	-	-	49	178	2,111

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

Parent Entity (University) Only

Cash Payable/(Receivable) at beginning of year

Financial assistance received in cash during the reporting period

Cash available for the period

Revenue earned

Cash Payable/(Receivable) at end of year

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

	HECS-HELP (Aust. Government payments only)		FEE-HELP #4		SA-HELP		Total
	2016	2015	2016	2015	2016	2015	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	-	-	-	-	-	-	-
	94,808	94,828	31,803	34,393	1,999	1,606	128,610
	94,808	94,828	31,803	34,393	1,999	1,606	128,610
	94,808	94,828	31,803	34,393	1,999	1,606	128,610
	-	-	-	-	-	-	-

Note

3.a)

3.b)

3.b)

Notes to the Financial Statements 31 December 2016

40 Acquittal of Australian Government financial assistance

c) Scholarships

Parent Entity (University) Only

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

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

#5 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.

	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships #5		Commonwealth Accommodation Scholarships #5		Indigenous Access Scholarship		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1,842	1,726	137	135	250	254	172	221	226	241	2,627	2,577
	-	-	-	-	(116)	-	(73)	-	(29)	-	(218)	-
	1,842	1,726	137	135	134	254	99	221	197	241	2,409	2,577
	1,075	837	53	65	5	-	17	-	-	-	1,150	902
	2,917	2,563	190	200	139	254	116	221	197	241	3,559	3,479
	1,363	1,488	91	147	134	249	99	204	216	241	1,903	2,329
	1,554	1,075	99	53	5	5	17	17	(19)	-	1,656	1,150

d) Education Research

Parent Entity (University) Only

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

Revenue for the period

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

	Joint Research Engagement#6		Research Training Scheme		Research Infrastructure Grants		Sustainable Research Excellence in Universities		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1,741	1,684	4,075	3,917	861	820	1,042	944	7,719	7,365
	1,741	1,684	4,075	3,917	861	820	1,042	944	7,719	7,365
	1,741	1,684	4,075	3,917	861	820	1,042	944	7,719	7,365
	1,741	1,684	4,075	3,917	861	820	1,042	944	7,719	7,365
	-	-	-	-	-	-	-	-	-	-

3.d)

Notes to the Financial Statements 31 December 2016

40 Acquittal of Australian Government financial assistance

e) Other Capital Funding

Parent Entity (University) Only

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

Revenue for the period

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

Education Investment Fund		Total	
2016	2015	2016	2015
\$'000	\$'000	\$'000	\$'000
-	750	-	750
-	750	-	750
-	750	-	750
-	750	-	750
-	-	-	-

3.e)

f) Australian Research Council Grants

(i) Discovery

Parent Entity (University) Only

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

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

Projects		Fellowships		Total Discovery	
2016	2015	2016	2015	2016	2015
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
385	989	82	42	467	1,031
385	989	82	42	467	1,031
828	720	11	145	839	865
1,213	1,709	93	187	1,306	1,896
564	881	91	176	655	1,057
649	828	2	11	651	839

3.f(i)

(ii) Linkages

Parent Entity (University) Only

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

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

Industrial Transformation Research Program		Projects		Total Linkages	
2016	2015	2016	2015	2016	2015
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
747	734	169	149	916	883
747	734	169	149	916	883
1,167	773	183	113	1,350	886
1,914	1,507	352	262	2,266	1,769
561	340	137	79	698	419
1,353	1,167	215	183	1,568	1,350

3.f(ii)

Notes to the Financial Statements 31 December 2016

40 Acquittal of Australian Government financial assistance

g) 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

24

OS - HELP	
2016	2015
\$'000	\$'000
1,885	1,337
(1,403)	(1,315)
482	22
845	823
1,327	845

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

3.b)

5

SA - HELP	
2016	2015
\$'000	\$'000
6,041	4,353
1,999	1,606
3,802	3,495
11,842	9,454
3,105	3,413
8,737	6,041

41 Change in Accounting Estimate

The Group changed its accounting estimates relating to the effective useful life of buildings. During the year's ended 31 December 2015 and 31 December 2016 buildings and infrastructure were depreciated on a straight-line basis over a maximum of 40 years based on independent valuation performed as at 31 December 2012 and subsequent desktop valuations annually thereafter.

During 2016, the University engaged AssetVal Pty Ltd to perform an independent full valuation under current methodology and this resulted in the valuation of buildings to be performed on a component basis: sub structure; super structure; finishes; fittings; and services. For each single building, the valuation provided for a useful life for each of the five components ranging from 10 years to 80 years. This change does have an impact on depreciation expense for buildings for future years, which for the year ended 31 December 2017 is estimated to be \$29m (2016: \$27.2m).

42 Events Occurring After the Reporting Date

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

End of audited financial statements

**The Charles Sturt University
Foundation Trust**

ABN 31 158 135 157

**Audited Financial Statements
for the year ending 31 December 2016**



INDEPENDENT AUDITOR'S REPORT

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 statement of financial position as at 31 December 2016, the statement of profit or loss, the statement of comprehensive income, statement of changes in equity and statement of cash flows, for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Trustees' statement.

In my opinion the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 December 2016, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

Basis for Opinion

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

I am independent of the Trust in accordance with the auditor independence requirements of the:

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

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

The PF&A Act further promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

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

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

The Trustees' Responsibility for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_files/ar3.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Trust carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Margaret Crawford
Auditor-General of NSW

19 April 2017
SYDNEY

The Charles Sturt University Foundation Trust

31 158 135 157

Trustee's Report

31 December 2016

Trustee

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

Review of operations

The surplus of the Trust amounted to \$ 3,454,937 (2015: \$3,204,580).

Significant changes in the state of affairs

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

Principal activities

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

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

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

Events after the reporting date

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

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

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

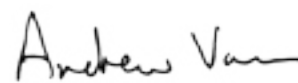
Name: Dr Michele Allan



Signed: _____

Date: 19th April 2017

Name: Professor Andrew Vann



Signed: _____

Date: 19th April 2017

The Charles Sturt University Foundation Trust

31 158 135 157

Trustee's Declaration

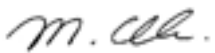
for the year ended 31 December 2016

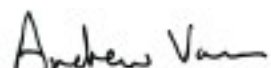
In the opinion of the Trustee of the Charles Sturt University Foundation Trust:

1. The financial statements and notes present a true and fair view of the financial position of the Trust at 31 December 2016 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 19th April 2017.

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


Signed
Dr Michele Allan


Signed
Professor Andrew Vann

Date: 19th April 2017



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

Auditor's Independence Declaration

As auditor for the audit of the financial statements of the Charles Sturt University Foundation Trust for the year ended 31 December 2016, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to read 'Margaret Crawford'.

Margaret Crawford
Auditor-General of NSW

13 April 2017
SYDNEY

The Charles Sturt University Foundation Trust

31 158 135 157

Statement of Profit or Loss

For the Year Ended 31 December 2016

	Note	2016	2015
		\$	\$
Revenue			
Fundraising revenue	2	3,771,798	3,473,740
Investment revenue and other investment income	3	910,022	979,979
Total revenue		4,681,820	4,453,719
Expenses			
Administrative expenses		93,234	76,081
Contributions	4	1,133,649	1,068,048
Impairment of Available-for-sale financial assets		-	105,010
Total expenses		1,226,883	1,249,139
Surplus for the Year		3,454,937	3,204,580

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 2016

	2016	2015
Note	\$	\$
Surplus for the Year	3,454,937	3,204,580
Items that may be reclassified to profit or loss		
Gains / (losses) in fair value of available-for-sale financial assets transferred to profit or loss	(266,120)	(124,607)
Net fair value gains / (losses) on available-for-sale financial assets	254,345	(14,752)
Total other comprehensive income for the year	(11,775)	(139,359)
Total comprehensive income for the year	3,443,162	3,065,221

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 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,149,018	3,030,216
Trade and other receivables		122,714	335,801
Other financial assets	6	350,000	-
TOTAL CURRENT ASSETS		<u>1,621,732</u>	<u>3,366,017</u>
NON-CURRENT ASSETS			
Other financial assets	6	15,193,557	10,008,640
TOTAL NON-CURRENT ASSETS		<u>15,193,557</u>	<u>10,008,640</u>
TOTAL ASSETS		<u>16,815,289</u>	<u>13,374,657</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		14,850	17,380
TOTAL CURRENT LIABILITIES		<u>14,850</u>	<u>17,380</u>
TOTAL LIABILITIES		<u>14,850</u>	<u>17,380</u>
NET ASSETS		<u>16,800,439</u>	<u>13,357,277</u>
EQUITY			
Reserves		2,095,993	2,107,768
Retained Earnings		14,704,446	11,249,509
TOTAL EQUITY		<u>16,800,439</u>	<u>13,357,277</u>

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 2016

2016

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

2015

	Note	Accumulated Funds \$	Available-for-sale financial assets Reserve \$	Total \$
Balance at 1 January 2015		8,044,929	2,247,127	10,292,056
Surplus / (Deficit) for the year		3,204,580	-	3,204,580
Other comprehensive income				
Net fair value gains/(losses) on available-for-sale financial assets		-	(14,752)	(14,752)
Transfer from reserve to profit or loss		-	(124,607)	(124,607)
Total Comprehensive income for the period		3,204,580	(139,359)	3,065,221
Balance at 31 December 2015		11,249,509	2,107,768	13,357,277

The accompanying notes form part of these financial statements.

The Charles Sturt University Foundation Trust

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Statement of Cash Flows

For the Year Ended 31 December 2016

	2016	2015
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Fundraising receipts	3,771,798	3,473,740
Interest received	75,532	27,180
Dividends & distributions received	1,073,932	676,683
Contribution payments	(1,133,649)	(1,068,048)
Payments to suppliers	(100,232)	(92,698)
GST recovered/(paid)	4,468	10,728
Net cash provided by/(used in) operating activities	<u>3,691,849</u>	<u>3,027,585</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of available-for-sale financial assets	2,215,834	1,540,223
Purchase of available-for-sale investments	(7,788,881)	(2,016,143)
Net cash used by investing activities	<u>(5,573,047)</u>	<u>(475,920)</u>
Net increase/(decrease) in cash and cash equivalents held	(1,881,198)	2,551,665
Cash and cash equivalents at beginning of year	<u>3,030,216</u>	478,551
Cash and cash equivalents at end of financial year	5 <u><u>1,149,018</u></u>	<u><u>3,030,216</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 2016

1 Summary of Significant Accounting Policies

(a) Reporting Entity

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

The financial statements have been authorised for release by the Trustee on the 19th April 2017.

(b) Basis of Preparation

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

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

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

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

(c) Revenue Recognition

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

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

Revenue is recognised for the major business activities as follows:

(i) Donations

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

(ii) Interest revenue

Interest revenue is recognised on an accrual basis.

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2016

1 Summary of Significant Accounting Policies

(c) Revenue Recognition

(iii) Dividends and distributions

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

(iv) Disposal of investments

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

(d) Cash and cash equivalents

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

(e) Trade receivables

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

(f) Financial instruments

Financial Assets

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

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

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

Held-to-maturity investments

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

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

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2016

1 Summary of Significant Accounting Policies

(f) Financial instruments

Available-for-sale financial assets

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

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

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

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

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

Impairment of financial assets

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

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

(g) Income Tax

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

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, 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.

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2016

1 Summary of Significant Accounting Policies

(i) Trade and other payables

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

(j) New Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2016 reporting periods. The Charles Sturt University Foundation Trust's assessment of the impact of these new Standards and Interpretations is set out below, any Accounting Standards issued but not yet effective that are not disclosed below are considered to be insignificant to the Trust.

Standard	Application date	Implications
2014-5 Amendments to Australian Accounting Standards arising from AASB 15	1 Jan 2017	The impact on the Trust's revenue recognition policy is expected to be insignificant
2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)	1 Jan 2018	The impact on the Trust's financial statements is expected to be insignificant
2015-8 Amendments to Australian Accounting Standards - Effective Date of AASB 15	1 Jan 2018	The impact on the Trust's revenue recognition policy is expected to be insignificant
2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	1 Jan 2017	The impact on the Trust's financial statements is expected to be insignificant
AASB 9 Financial Instruments	1 Jan 2018	The impact on the Trust's financial statements is expected to be insignificant
AASB 15 Revenue from Contracts with Customers	1 Jan 2018	The impact on the Trust's revenue recognition policy is expected to be insignificant
AASB 1058 Income of Not-for-Profit Entities	1 Jan 2019	The impact on the Trust's financial statements is expected to be insignificant

2 Revenue

	2016	2015
	\$	\$
Fundraising revenue		
Donations	3,192,594	3,107,558
Annually funded scholarships	579,204	366,182
Total fundraising revenue	3,771,798	3,473,740

The Charles Sturt University Foundation Trust

31 158 135 157

Notes to the Financial Statements

For the Year Ended 31 December 2016

3 Investment revenue and other investment income

	2016	2015
	\$	\$
Interest	75,532	27,180
Dividends	469,585	647,931
Distributions	376,260	165,623
Gain /(loss) realised from Available-for-sale financial assets reserve	(11,355)	139,245
Total investment revenue	910,022	979,979

4 Contributions

	2016	2015
	\$	\$
Scholarships - annually funded	580,909	575,723
Scholarships - corpus	530,134	472,025
Grants	22,606	20,300
Total contributions	1,133,649	1,068,048

5 Cash and cash equivalents

	2016	2015
	\$	\$
Cash at bank	1,149,018	3,030,216
Total cash and cash equivalents	1,149,018	3,030,216

6 Other financial assets

	2016	2015
	\$	\$
CURRENT		
Held-to-maturity financial assets	350,000	-
Total current assets	350,000	-
NON-CURRENT		
Available for sale financial assets	15,193,557	10,008,640
Total non-current assets	15,193,557	10,008,640

The Charles Sturt University Foundation Trust

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Notes to the Financial Statements

For the Year Ended 31 December 2016

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 2016 was \$26,950 including GST (2015: \$25,300). The auditors did not receive any other benefits.

8 Key Management Personnel Disclosures

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

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

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

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

(ii) Names of Executive Officers:

Professor Andrew Vann	Professor Toni Downes	Professor Mary Kelly
Professor Ken Dillon	Mr Paul Dowler	Mr Adam Browne

The responsible persons and executive officers of the Trustee of The Charles Sturt University Foundation Trust did not received any income from the Trust in connection with the management of the affairs of the Trust during the financial period.

9 Related Parties

(a) Controlling entity

The ultimate Australian parent entity is Charles Sturt University which at 31 December 2016 controls 100.00% (2015: 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.

The Charles Sturt University Foundation Trust

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Notes to the Financial Statements For the Year Ended 31 December 2016

9 Related Parties

(c) Transactions with related parties

The following transactions occurred with related parties:

	2016	2015
	\$	\$
Charles Sturt University		
Donation by University to the Trust	-	(3,000,000)

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

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

10 Financial Risk Management

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

Charles Sturt University Foundation 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 Foundation's overall risk management strategy focus is 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 Charles Sturt University Foundation Trust is exposed to the price risks of equity securities for the majority of its investments classified as available-for-sale financial assets, and financial assets at fair value through profit or loss.

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

The Charles Sturt University Foundation Trust

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Notes to the Financial Statements

For the Year Ended 31 December 2016

10 Financial Risk Management

(a) Market risk

(ii) Summarised sensitivity analysis

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

31 December 2016	Carrying amount \$	Interest rate risk				Price risk			
		-1%		+1%		-10%		+10%	
		Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$
Financial assets									
Cash and Cash Equivalents - at bank	1,149,018	(11,490)	(11,490)	11,490	11,490	-	-	-	-
Available for sale financial assets	15,193,557	(151,936)	(151,936)	151,936	151,936	(1,519,356)	(1,519,356)	1,519,356	1,519,356
Financial assets - Held to maturity	350,000	(3,500)	(3,500)	3,500	3,500	-	-	-	-
Total increase/(decrease)	16,692,575	(166,926)	(166,926)	166,926	166,926	(1,519,356)	(1,519,356)	1,519,356	1,519,356
31 December 2015									
Financial assets									
Cash and Cash Equivalents - at bank	3,030,216	(30,302)	(30,302)	30,302	30,302	-	-	-	-
Available for sale financial assets	10,008,640	(100,086)	(100,086)	100,086	100,086	(1,000,864)	(1,000,864)	1,000,864	1,000,864
Total increase/(decrease)	13,038,856	(130,388)	(130,388)	130,388	130,388	(1,000,864)	(1,000,864)	1,000,864	1,000,864

(iii) Cash flow and fair value interest rate risk

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

(iv) Recognised fair value measurements

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

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

The Charles Sturt University Foundation Trust

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Notes to the Financial Statements For the Year Ended 31 December 2016

10 Financial Risk Management

(a) Market risk

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

Fair value measurements at 31 December 2016

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

Fair value measurements at 31 December 2015

	Note	2015 \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial assets					
Available-for-sale financial assets	6				
Listed investments		8,571,785	8,571,785	-	-
Unlisted investments		1,436,855	-	1,436,855	-
Total financial assets		10,008,640	8,571,785	1,436,855	-

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

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

(v) Disclosed fair values

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

(vi) Recurring fair value measurements

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

The Trust uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments.

(b) Credit risk

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

The Charles Sturt University Foundation Trust

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Notes to the Financial Statements

For the Year Ended 31 December 2016

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

	2016	2015
	\$	\$
Surplus for the year	3,454,937	3,204,580
Gain /(loss) in fair value of Available-for-sale financial asset transferred to profit or loss	26,355	(139,245)
Impairment of assets	-	105,010
Change in operating assets and liabilities:		
(Increase) / decrease in debtors	213,087	(136,871)
Increase / (decrease) in creditors	(2,530)	(5,889)
Net cash provided by / (used in) operating activities	<u>3,691,849</u>	<u>3,027,585</u>

12 Commitments

The Trust did not have any outstanding commitments as at 31 December 2016 (2015: \$Nil).

13 Contingent Assets and Liabilities

There were no contingent assets or liabilities as at 31 December 2016 (2015: No contingent assets or liabilities).

14 Events Occurring After the Reporting Date

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

15 Change in presentation

The Trust changed the presentation of refunds of franking credits from other income to investment revenue on the Statement of Profit or Loss. The comparative change has resulted in a decrease in other income and an increase in investment income for the period ended 31 December 2015 of \$246,266.

The aggregate effect of the change in presentation on the annual financial statements for the year ended 31 December 2015 is as follows:

	Previously stated	2015 Adjustments	Restated
	\$	\$	\$
Income Statement			
Investment revenue	(594,468)	(246,266)	(840,734)
Other income	(246,266)	246,266	-

End of audited financial statements

Charles Sturt Campus Services Limited

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

Audited Financial Statements for the year ending 31 December 2016



INDEPENDENT AUDITOR'S REPORT

Charles Sturt Campus Services Limited

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

Opinion

I have audited the accompanying financial statements of Charles Sturt Campus Services Limited (the Company), which comprise the statement of financial position as at 31 December 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In my opinion the financial statements:

- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015, including
 - giving a true and fair view of the Company's financial position as at 31 December 2016 and its performance for the year ended on that date
 - complying with Australian Accounting Standards
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

Basis for Opinion

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

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

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

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

The PF&A Act further promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

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

I confirm the independence declaration, required by the *Corporations Act 2001*, provided to the directors of the Company on 21 March 2017, 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.

Directors' Responsibility for the Financial Statements

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

In preparing the financial statements, the directors must assess the Company's ability to continue as a going concern unless they intend to liquidate the Company or cease operations. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_files/ar3.pdf
The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Company carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Margaret Crawford
Auditor-General of NSW

27 March 2017
SYDNEY

Charles Sturt Campus Services Limited

37 063 446 864

Directors' Report

For the Year Ended 31 December 2016

The directors present their report on Charles Sturt Campus Services Limited (the Company) for the financial year ended 31 December 2016.

1. General information

Information on directors

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

Mr P Dowler	
Qualifications	BBus Mitchell CAE, CPA, MBA Charles Sturt, Chief Financial Officer, appointed to the Board 18 May 2011
Mr J Kelly	
Qualifications	Manager, appointed to the Board 2008
Mr J Hamilton	
Qualifications	BBus(Acc) Charles Sturt, CPA, Accountant, appointed to the Board 12th March 2013
Mr A Crowl	
Qualifications	BBus (HR/Economics), Charles Sturt, Manager Employee Relations and Policy, appointed to the Board 30 October 2014
Mrs S Hooker	
Qualifications	BBus (Acc), Grad Dip CA, CA, Accountant, appointed to the Board 15 July 2015
Mr D Pyke	
Qualifications	ACA, Accountant, appointed to the Board 15 July 2015

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

Company Secretary

Mrs L Nicholls, B Bus (Acc), CPA, Accountant has been the Company Secretary since 3 June 2015, resigned from the position 21 March 2016.

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

Company details

Charles Sturt Campus Services Limited, a not for profit entity, 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 of the Company.

Charles Sturt Campus Services Limited

37 063 446 864

Directors' Report

For the Year Ended 31 December 2016

Principal activities

The principal activities of Charles Sturt Campus Services Limited during the financial year were 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 short term objectives are to provide 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 by effective 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 as well as the nature of complaints and feedback received from the University and users of the services. The Board of the Company is accountable to the University which is the parent of the Company.

Review of operations

After providing for income taxation, the profit of the Company was \$ 530,839 in 2016. 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 changes in the Company's state of affairs occurred during the financial year in respect to operations.

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, Charles Sturt Campus Services Limited is prohibited from paying dividends.

Events after the reporting date

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

Environmental issues

There are no known environmental issues affecting the Company.

Charles Sturt Campus Services Limited

37 063 446 864

Directors' Report

For the Year Ended 31 December 2016

2. Other items

Benefits received directly or indirectly by officers

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

Management Liability Policy
Chubb Policy No: 93315347
Expiry Date: 1 November 2017

Meetings of Directors

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

	Directors' Meetings	
	Number eligible to attend	Number attended
Mr P Dowler	6	6
Mr J Kelly	6	6
Mr J Hamilton	6	6
Mr A Crowl	6	5
Mrs S Hooker	6	6
Mr D Pyke	6	5

Indemnification and insurance of officers and auditors


The Company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company or related corporate indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.


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

Auditor's independence declaration

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

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

Director: 
.....
Mr P Dowler

Director: 
.....
Mrs S Hooker

Dated this 23rd day of March 2017

Charles Sturt Campus Services Limited

ABN: 37 063 446 864

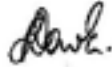
Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 8 to 21, 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*.
 - (b) give a true and fair view of the financial position as at 31 December 2016 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
Mrs S Hooker

Dated 23 March 2017



To the Directors
Charles Sturt Campus Services Limited

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Charles Sturt Campus Services Limited for the year ended 31 December 2016, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to read 'Margaret Crawford'.

Margaret Crawford
Auditor-General of NSW

21 March 2017
SYDNEY

Charles Sturt Campus Services Limited

37 063 446 864

Statement of Comprehensive Income For the Year Ended 31 December 2016

		2016	2015
	Note	\$	\$
Revenue	2	6,522,109	5,690,561
Other income		19,730	28,384
Total revenue		6,541,839	5,718,945
Employee related expenses	3	(4,958,862)	(4,961,149)
Other expenses	4	(1,052,138)	(757,796)
Total expenses		(6,011,000)	(5,718,945)
Profit from continuing operations		530,839	-
Profit for the year		530,839	-
Other comprehensive income			
Other comprehensive income for the year		-	-
Total comprehensive income for the year		530,839	-

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 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		1,184,126	534,318
Trade and other receivables		3,912	164,398
TOTAL CURRENT ASSETS		<u>1,188,038</u>	<u>698,716</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	<u>60,000</u>	-
TOTAL NON-CURRENT ASSETS		<u>60,000</u>	-
TOTAL ASSETS		<u>1,248,038</u>	<u>698,716</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	16,804	9,785
Employee benefits	7	<u>599,093</u>	<u>588,632</u>
TOTAL CURRENT LIABILITIES		<u>615,897</u>	<u>598,417</u>
NON-CURRENT LIABILITIES			
Employee benefits	7	<u>101,302</u>	<u>100,299</u>
TOTAL NON-CURRENT LIABILITIES		<u>101,302</u>	<u>100,299</u>
TOTAL LIABILITIES		<u>717,199</u>	<u>698,716</u>
NET ASSETS		<u>530,839</u>	-
EQUITY			
Retained earnings		<u>530,839</u>	-
TOTAL EQUITY		<u>530,839</u>	-

The accompanying notes form part of these financial statements.

Charles Sturt Campus Services Limited
ABN: 37 063 446 864

Statement of Changes in Equity
For the Year Ended 31 December 2016

2016

	Retained Earnings	Total
Note	\$	\$
Balance at 1 January 2016	-	-
Total comprehensive income for the year	530,839	530,839
Balance at 31 December 2016	530,839	530,839

2015

	Retained Earnings	Total
Note	\$	\$
Balance at 1 January 2015	-	-
Total comprehensive income for the year	-	-
Balance at 31 December 2015	-	-

The accompanying notes form part of these financial statements.

Charles Sturt Campus Services Limited

ABN: 37 063 446 864

Statement of Cash Flows

For the Year Ended 31 December 2016

	2016	2015
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	6,813,538	5,630,327
Payments to employees	(4,947,397)	(4,866,265)
Payments to suppliers	(1,150,333)	(861,256)
Net cash provided by (used in) operating activities	13 <u>715,808</u>	<u>(97,194)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(66,000)</u>	-
Net cash used by investing activities	<u>(66,000)</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	649,808	(97,194)
Cash and cash equivalents at beginning of year	<u>534,318</u>	<u>631,512</u>
Cash and cash equivalents at end of financial year	<u><u>1,184,126</u></u>	<u><u>534,318</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 2016

The financial statements are for Charles Sturt Campus Services Limited (Company) as an individual entity, 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).

In accordance with the Constitution, the liability of each member, in the event of the company winding up is limited to \$20.00.

The registered office for Charles Sturt Campus Services Limited is The Grange Chancellery, Charles Sturt University (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 members of Charles Sturt Campus Services Limited (2015: 6 members). 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)

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

Date of authorisation for issue

The financial statements were authorised for issue by the members of Charles Sturt Campus Services Limited on 23rd March 2017.

Functional and presentation currency

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

Charles Sturt Campus Services Limited

37 063 446 864

Notes to the Financial Statements

For the Year Ended 31 December 2016

1 Summary of Significant Accounting Policies

(c) Statement of Compliance

Critical accounting estimates

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

Note 5: Provision for long service leave

The Company's provision for long service was assessed by KPMG for the year ended 31 December 2016. Key assumptions used in the calculation are detailed in note 1(f).

(d) Going concern

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

(e) Revenue Recognition

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

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

(i) Rendering of Services

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

(f) Employee benefits

(i) Short-term obligations

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

Notes to the Financial Statements For the Year Ended 31 December 2016

1 Summary of Significant Accounting Policies

(f) Employee benefits

(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.

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

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

(iii) Termination Benefits

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

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

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and demand deposits with financial institutions, with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Trade receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are recognised on an accrual basis. After initial measurement at fair value, and due to their short term nature are not discounted. 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, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and

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Notes to the Financial Statements

For the Year Ended 31 December 2016

1 Summary of Significant Accounting Policies

(h) **Trade receivables**

the present value of estimated future cash flows, discounted at the effective interest rate.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the statement of profit or loss and other comprehensive income.

(i) **Income Tax**

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

(j) **Goods and Services Tax (GST)**

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

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

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

(k) **Property, Plant and Equipment**

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

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

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

Depreciable assets	2016
Plant and Equipment	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.

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Notes to the Financial Statements For the Year Ended 31 December 2016

1 Summary of Significant Accounting Policies

(l) Trade and other payables

Payables represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid on creditor payment terms. After initial measurement at fair value, they are subsequently measured at amortised cost. Due to their short term nature they are not discounted.

(m) New Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2016 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 15 Revenue from Contracts with Customers	1 Jan 2018	The application of AASB 15 is likely to have an immaterial impact of the Company's revenue recognition policy.
AASB 16 Leases	1 Jan 2019	The impact on the Company's financial statements is expected to be insignificant.
AASB 1058 Income of Not-for-Profit Entities	1 Jan 2019	The impact on the Company's financial statements is expected to be insignificant.
AASB 2014-5 Amendments to Australian Accounting Standards	1 Jan 2018	As per AASB 15
AASB 2015-8 Amendments to Australian Accounting Standards	1 Jan 2018	As per AASB 15
AASB 2016-2 Amendments to Australian Accounting Standards	1 Jan 2017	The impact on the Company's financial statements is expected to be insignificant.

2 Revenue

	2016	2015
	\$	\$
Revenue		
Fees	6,522,109	5,690,561
Total revenue	6,522,109	5,690,561
Other income		
Reimbursements	19,730	28,384
Total other income	19,730	28,384

Fee revenue

Fees for services rendered is largely derived from services provided to Charles Sturt University in respect to cleaning, maintenance and courier services, refer 1(e).

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Notes to the Financial Statements

For the Year Ended 31 December 2016

3 Employee related expenses

	2016	2015
	\$	\$
Salaries	3,959,113	3,931,368
Superannuation		
- Defined contribution	403,066	377,018
Payroll tax	236,768	234,386
Worker's compensation	357,705	338,083
Long service leave expense	17,410	38,087
Annual leave	(15,200)	42,207
Total employee related expenses	4,958,862	4,961,149

4 Other expenses

	2016	2015
	\$	\$
Auditors fees	12,000	9,800
Buildings, grounds & services	17,521	17,793
Communications	5,918	9,262
Fees for services rendered	511,798	305,182
Maintenance of equipment	30,962	22,896
Motor vehicle expenses	19,110	2,799
Stores and provisions	405,977	356,391
Travel	48,852	33,673
Total other expenses	1,052,138	757,796

5 Property, plant and equipment

	2016	2015
	\$	\$
Motor vehicles		
At cost	60,000	-
Accumulated depreciation	-	-
Total motor vehicles	60,000	-
Total property, plant and equipment	60,000	-

6 Trade and other payables

	2016	2015
	\$	\$
Current		
Other payables	16,804	9,785
Total current trade and other payables	16,804	9,785

Charles Sturt Campus Services Limited

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Notes to the Financial Statements For the Year Ended 31 December 2016

7 Provisions

	2016	2015
	\$	\$
Current provisions expected to be settled wholly within 12 months		
Employee benefits		
Annual leave	253,850	247,054
Long service leave	47,945	41,380
	<u>301,795</u>	<u>288,434</u>
Current provisions expected to be settled wholly after more than 12 months		
Employee benefits		
Annual leave	131,883	146,330
Long service leave	165,415	153,868
	<u>297,298</u>	<u>300,198</u>
Total current provisions	<u>599,093</u>	<u>588,632</u>
Non-current provisions		
Employee benefits		
Long service leave	101,302	100,299
	<u>101,302</u>	<u>100,299</u>
Total non-current provisions	<u>101,302</u>	<u>100,299</u>
Total provisions	<u>700,395</u>	<u>688,931</u>

Annual leave

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

Long service leave

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

The provision for LSL was assessed by KPMG for the year ended 31 December 2016. Key assumptions for this calculation are detailed in note 1(f).

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Notes to the Financial Statements

For the Year Ended 31 December 2016

8 Key Management Personnel

The Company determined that all external Directors would be entitled to receive a set rate remuneration in connection with the management of the affairs of the Company to improve the professionalism and quality of the Board of Directors membership in 2016. All other key management personnel were employed by Charles Sturt University except the Company executive officer who was employed by the Company.

(a) Remuneration of board members and executive officers

	2016 Number	2015 Number
Remuneration of Board Members		
Nil to \$9,999	2	-
	2016 Number	2015 Number
Remuneration of executive officers		
\$100,000 to \$109,999	-	1
\$110,000 to \$119,999	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:

	2016 \$	2015 \$
Short-term employee benefits	121,243	103,954
Total remuneration	121,243	103,954

9 Remuneration of Auditors

	2016 \$	2015 \$
Audit and review of the Financial Statements		
- Fees paid to NSW Audit Office	12,000	9,800
Total	12,000	9,800

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 2016 there were no fees paid to the Audit Office for other consulting and assurance services (2015: Nil).

10 Contingencies

The Company did not have any contingent assets and liabilities as at 31 December 2016 (31 December 2015: Nil).

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Notes to the Financial Statements

For the Year Ended 31 December 2016

11 Commitments

The Company did not have any commitments at 31 December 2016 (2015: Nil).

12 Related Parties

(a) Entity exercising control

The ultimate parent entity, which exercises control over the Company, is Charles Sturt University.

(b) Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 8: Key Management Personnel.

(c) Transactions with related parties

The University meets the expenses of the Company principally in return for cleaning services provided to the University under the service level agreement (expiration: 13 March 2018). All transactions are processed through inter-entity accounts with the University in a manner similar to a bank account. These are treated as payments and receipts for the purposes of the statement of cash flows.

The following transactions occurred with related parties:

	2016	2015
	\$	\$
Sale of goods and services		
Charles Sturt University	6,506,421	5,690,561

(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 has 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

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Notes to the Financial Statements

For the Year Ended 31 December 2016

13 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2016	2015
	\$	\$
Operating result for the period	530,839	-
(Increase) /decrease in trade and other receivables	166,486	(164,398)
(Increase) /decrease in other assets	-	14,590
Increase/(decrease) in other payables	7,019	(27,680)
Increase/(decrease) in provision for annual leave	(7,651)	42,207
Increase/(decrease) in provision for long service leave	19,115	38,087
Cashflow from operating activities	715,808	(97,194)

14 Events Occurring After the Reporting Date

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

End of audited financial statements

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