

# **Universities Australia and Controlled Entities**

ABN 53 008 502 930

## **Financial Statements**

For the Year Ended 31 December 2021

# Universities Australia and Controlled Entities

ABN 53 008 502 930

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For the Year Ended 31 December 2021

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## Universities Australia and Controlled Entities

ABN 53 008 502 930

### Directors' Report

#### For the Year Ended 31 December 2021

The Directors present their report together with the financial statements of Universities Australia, the parent entity, and its controlled entities for the financial year ended 31 December 2021.

Universities Australia Group comprises Universities Australia, which is the parent company, and its wholly owned subsidiaries, Higher Ed Services Pty Ltd and Australian Higher Education Associations Pty Ltd.

#### Appointments and meetings

The name and period of appointment of each person who has been a director of Universities Australia at any time during the year is listed below. Also included in the table are details of the number of meetings attended by each director, together with the number of Board meetings each director was eligible to attend:

Names	Date of appointment	Date of cessation	No of meetings attended	Meetings held while director
Professor John Dewar AO (Deputy Chair from 21 May 2019, Chair from 25 May 2021)	17 May 2016		8	8
Professor Deborah Terry AO (Chair from 21 May 2019 to 25 May 2021)	19 May 2015	25 May 2021	4	4
Professor Margaret Sheil AO (Deputy Chair from 28 July 2020)	21 May 2019		8	8
Ms Catriona Jackson	15 June 2018		8	8
Professor Ian Jacobs	21 May 2019	25 May 2021	4	4
Professor David Lloyd	16 May 2017		7	8
Professor Brian Schmidt AC FAA FRS	16 May 2017		8	8
Professor Steve Chapman	26 May 2020		8	8
Professor Geraldine Mackenzie	28 July 2020		8	8
Professor Attila Brungs	25 May 2021		2	4
Professor Duncan Maskell	25 May 2021		4	4

#### Information on directors

Professor John Dewar AO	BCL, MA (Oxon), PhD (Griffith)	<ul style="list-style-type: none"><li>•Vice-Chancellor, La Trobe University (since 2012)</li><li>•Provost, The University of Melbourne (2009-2011)</li><li>•Deputy Vice-Chancellor (Global Relations), The University of Melbourne (2009)</li><li>•Deputy Vice-Chancellor (Academic), Griffith University (2005-2009)</li><li>•Pro Vice-Chancellor (Business and Law), Griffith University (2002-2004)</li><li>•Dean, Faculty of Law, Griffith University (1999-2002)</li><li>•Director, The Committee for Melbourne (since 2019)</li><li>•Director, Foundation for Australian Studies in China (since 2019)</li><li>•Member, AHEIA Executive Committee (2015-2021)</li><li>•Chair, Victorian Vice-Chancellors' Committee (2014-2015)</li><li>•Chair, Innovative Research Universities (2014-2015)</li><li>•Board member, Education Australia Pty Ltd (2009-2020)</li><li>•Director, The Olivia Newton-John Cancer Research Institute</li><li>•Director, AARNet (2018 - 2021)</li></ul>	<ul style="list-style-type: none"><li>•UA Board member (since 2016)</li><li>•Chair (since 2021)</li><li>•Deputy Chair (2019-2021)</li><li>•Member, UA Conference Program Committee (2019-2021)</li><li>•Lead Vice-Chancellor (Health Professions Education) (2018-2021)</li><li>•Lead Vice-Chancellor (Workforce) (2016-2018)</li></ul>
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# Universities Australia and Controlled Entities

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## Directors' Report For the Year Ended 31 December 2021

### Information on directors (continued)

Professor Deborah Terry AO	BA (Hons), PhD (ANU), Hon. LLD (Aberd), FASSA	<ul style="list-style-type: none"><li>•Vice-Chancellor and President, The University of Queensland (since 2020)</li><li>•Vice-Chancellor, Curtin University (2014-2020)</li><li>•Senior Deputy Vice-Chancellor, The University of Queensland (2013)</li><li>•Deputy Vice-Chancellor (Academic), The University of Queensland (2009-2011)</li><li>•Deputy Vice-Chancellor (Teaching and Learning), The University of Queensland (2007-2008)</li><li>•Executive Dean, Faculty of Social and Behavioural Sciences, The University of Queensland (2006-2008)</li><li>•Director, AARNet (since 2014)</li><li>•Director, ANZSOG (since 2017)</li><li>•Director, Group of Eight (since 2020)</li><li>•Member, National Schools Resourcing Board (since 2020)</li><li>•Member, University Foreign Interference Taskforce (since 2020)</li><li>•Member, Queensland International Education and Training Advisory Group (IETAG) (since 2021)</li><li>•Member, Australian Research Council Advisory Council (since 2018)</li><li>•Director, Committee for Perth (2017-2020)</li><li>•Member, St Hilda's Anglican School Council, Perth (2018-2020)</li><li>•President, Academy of Social Sciences in Australia (2013-2015)</li></ul>	<ul style="list-style-type: none"><li>•UA Board member (2015 - 2021)</li><li>•Chair (2019 - 2021)</li><li>•Deputy Chair (2017 - 2019)</li><li>•Chair, Higher Education Conference Steering Committee (2017-2019)</li><li>•Member UA Finance, Audit and Risk Committee (2017-2019)</li><li>•Lead Vice-Chancellor (Research) (2013-2017)</li></ul>
Ms Catriona Jackson	BA, Grad Dip Politics, MA prelim	<ul style="list-style-type: none"><li>•Chief Executive, Universities Australia (since 2018)</li><li>•Deputy Chief Executive, Universities Australia (2016-2018)</li><li>•Chief Executive Officer, Science and Technology Australia (2013-2016)</li><li>•Director Communications and External Liaison, Australian National University (2009-2012)</li><li>•Press Secretary and senior staff member, Federal Minister for Innovation, Industry, Science and Research (2001-2008)</li><li>•Member, Asialink Business Advisory Council (since 2021)</li><li>•Member Global Reputation Taskforce (since 2020)</li><li>•Member, University Foreign Interference Taskforce (since 2019)</li><li>•Member, Australia India Education Council</li><li>•Advisory Board member and Chair, ARC Centre of Excellence for Nanoscale Biophotonics (2015-2020)</li><li>•Board member Agricultural Biotechnology Council of Australia (2015-2016)</li></ul>	<ul style="list-style-type: none"><li>•UA Board member (since 2018)</li><li>•Member, Higher Education Conference Steering Committee</li></ul>
Professor Ian Jacobs	BA, MA, MBBS (Cambridge), MD, FRCOG	<ul style="list-style-type: none"><li>•President and Vice-Chancellor, UNSW Australia (2015-2021)</li><li>•Vice-President, University of Manchester (2011-2015)</li><li>•Dean of Medicine, University College London (2009-2011)</li><li>•Chair, Group of Eight universities (2018-2019)</li><li>•Board member, Research Australia (2017-2020)</li><li>•Board member, Business/Higher Education Round Table (2017-2020)</li><li>•Board member, Ovarian Cancer Australia (since 2017)</li><li>•Board member, The Conversation (2018-2020)</li><li>•Chair, Sydney Partnership for Health Education, Research and Enterprise (2016-2020)</li></ul>	<ul style="list-style-type: none"><li>•UA Board member (2019-2021)</li></ul>

## Universities Australia and Controlled Entities

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### Directors' Report

For the Year Ended 31 December 2021

#### Information on directors (continued)

Professor David Lloyd	BSc (Hons), PhD (Dublin), FTSE, FRSC, CChem	<ul style="list-style-type: none"><li>•Vice-Chancellor and President, University of South Australia (since 2013)</li><li>•Bursar &amp; Director of Strategic Innovation, Trinity College Dublin (2011-2012)</li><li>•Dean &amp; Vice-President of Research, Trinity College Dublin (2007-2011)</li><li>•Chair, Committee for Adelaide (since 2019)</li><li>•Member of South Australian Economic Development Board (2014-2018)</li><li>•Chair, South Australian Vice Chancellor's Committee (2017-2018)</li><li>•Chair, Australian Technology Network (2016-2017)</li><li>•Inaugural Chairman, Irish Research Council (2012)</li></ul>	<ul style="list-style-type: none"><li>•UA Board member (since 2017)</li><li>•Deputy Chair (since May 2021)</li><li>•Chair, UA Finance, Audit and Risk Committee (since July 2020)</li><li>•Lead Vice-Chancellor (Indigenous Higher Education (since 2021)</li><li>•Lead Vice-Chancellor (Research and Innovation) (2017-2021)</li></ul>
Professor Brian Schmidt AC FAA FRS	BSc Astronomy (Arizona), BSc Physics (Arizona), AM Astronomy (Harvard), PhD Astronomy (Harvard)	<ul style="list-style-type: none"><li>•Vice-Chancellor and President, Australian National University (since 2016)</li><li>•Member, Australian-American Fulbright Commission Board (since 2021)</li><li>•Member, National Foundation for Australia-China Relations Board (since 2020)</li><li>•Member, Academic Research Council of Singapore (since 2019)</li><li>•Chair, Australian Genomic Advisory Board (since 2017)</li><li>•Board member, Group of Eight Australia (since 2016)</li><li>•Board member, Ian Potter Foundation (since 2015)</li><li>•Member, National Science and Technology Council (formerly Commonwealth Science Council) (since 2014)</li><li>•Chair of the Board, Astronomy Australia Limited (2013-2015)</li><li>•Member, Global Access Partners Council</li><li>•Member, Research Australia (since 2021)</li><li>•Member, Universities Foreign Interference Taskforce Steering Group (since 2021)</li><li>•Member, ANU Connect Ventures Board</li><li>•Director, MTAA Super Venture Capital P/L</li><li>•Member, ANU Foundation Board</li></ul>	<ul style="list-style-type: none"><li>•UA Board member (since 2017)</li><li>•Lead Vice-Chancellor (Safety and Equality) (since June 2018)</li><li>•Member, UA Conference Steering Committee (since 2017)</li></ul>
Professor Margaret Sheil AO	BSc (Hons), PhD (UNSW), FRACI, FTSE, FANZSMS	<ul style="list-style-type: none"><li>•Vice-Chancellor and President, Queensland University of Technology (since 2018)</li><li>•Provost, University of Melbourne (2012-2017)</li><li>•Chief Executive Officer, Australian Research Council (2007-2012)</li><li>•Deputy Vice-Chancellor (Research), University of Wollongong (2002-2007)</li><li>•Dean of Science, University of Wollongong (2001-2002)</li><li>•Professor of Chemistry, University of Wollongong (2000-2007)</li><li>•Member, Australian Space Agency Advisory Group (since June 2019)</li><li>•Chair, Board of the Queensland Museum (since August 2019)</li><li>•Director, Australian Nuclear Science and Technology Organisation (ANSTO) (2015-June 2019)</li><li>•Director, Australian Academy of Technological Sciences and Engineering (ATSE) (2016-2017)</li></ul>	<ul style="list-style-type: none"><li>•UA Board member (since 2019)</li><li>•Deputy Chair (since July 2020)</li><li>•Member, UA Conference Steering Committee (since April 2019)</li><li>•Lead Vice-Chancellor (Research and Innovation) (since 2021)</li></ul>

# Universities Australia and Controlled Entities

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## Directors' Report

For the Year Ended 31 December 2021

### Information on directors (continued)

Professor Stephen Chapman	CBE, PhD BSc (Newc), HonDSc (Edin), FRSE, FRSC, CChem	<ul style="list-style-type: none"><li>•Vice-Chancellor and President, Edith Cowan University (since April 2015)</li><li>•Principal and Vice-Chancellor, Heriot-Watt University (2009-2015)</li><li>•Vice-Principal, University of Edinburgh (2006-2009)</li><li>•Higher Education Standards Panel member (since 2020)</li><li>•Member of the Board of Governors of the Forrest Research Foundation (since 2020)</li><li>•Board member Higher Ed Services (since 2020)</li><li>•Non-Executive Director of the Cyber Security Cooperative Research Centre Board (2017-2020)</li><li>•Board member of the Mindarie Senior College Board (since 2015)</li></ul>	<ul style="list-style-type: none"><li>•UA Board member (since 2020)</li><li>•Member, UA Finance, Audit and Risk Committee (since July 2020)</li></ul>
Professor Geraldine Mackenzie	LLB (QIT), LLM (QUT), PhD (UNSW), FAAS; FAIML; FAAL	<ul style="list-style-type: none"><li>•Vice-Chancellor, University of Southern Queensland (since 2017)</li><li>•Deputy Vice-Chancellor (Research), Southern Cross University (2014-2017)</li><li>•Pro Vice-Chancellor (Research), Bond University (2011-2013)</li><li>•Executive Dean, Faculty of Law, Bond University (2009-2014)</li><li>•Pro Vice-Chancellor (Business and Community Engagement), Bond University (2009-2010)</li><li>•Chair, NSW DVC (Research) Committee (2017)</li><li>•Chair, RUN Research Group (2015)</li><li>•Board member and Chair Ipswich Hospital Foundation (2019-2020)</li><li>•Board member Toowoomba and Surat Basin Enterprise (2020)</li><li>•Board member Regional Australia Institute (2020-)</li><li>•Member Australian Space Agency Industry Leaders Forum (2019-)</li></ul>	<ul style="list-style-type: none"><li>•UA Board member (since July 2020)</li></ul>
Professor Attila Brungs	BSc(Hons) UNSW, DPhil Oxon FTSE FRSN	<ul style="list-style-type: none"><li>•President and Vice-Chancellor, UNSW Australia (since 2022)</li><li>•Vice-Chancellor, University of Technology Sydney (2014-2021)</li><li>•Deputy Vice-Chancellor, University of Technology Sydney (2009-2014)</li><li>•CSIRO - Management roles (2002-2009)</li><li>•McKinsey &amp; Company (1998-2002)</li><li>•NSW Digital Identity Ministerial Advisory Council</li><li>•NSW Innovation and Productivity Council member</li><li>•Committee for Sydney Board member</li><li>•NSW Industry Advisory Group Tech Central</li></ul>	<ul style="list-style-type: none"><li>•UA Board member (since 2021)</li><li>•Lead Vice-Chancellor (International) (since 2021)</li></ul>
Professor Duncan Maskell	MA, PhD, FMedSci, HonAssoc RCVS	<ul style="list-style-type: none"><li>•Vice-Chancellor, University Melbourne (since 2018)</li><li>•Senior Pro-Vice-Chancellor, University of Cambridge</li><li>•Board Member, Melbourne Business School</li><li>•Board Member, Melbourne Theatre Company</li><li>•Board Member, Grattan Institute</li><li>•Board Member, The Group of Eight</li><li>•Chair, Victorian Vice Chancellor's Committee</li><li>•Board Member, CSL Australia Pty Ltd</li><li>•Member of the Innovation and Development Committee (CSL)</li></ul>	<ul style="list-style-type: none"><li>•UA Board member (since 2021)</li><li>•Member, Conference Steering Committee (since 2021)</li></ul>

## Universities Australia and Controlled Entities

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### Directors' Report For the Year Ended 31 December 2021

#### Information about Universities Australia Group

##### Universities Australia

##### Description

Universities Australia (UA) is the peak body representing Australia's 39 universities.

Its key role is to assist in securing, through policy development and political advocacy, a policy, regulatory, and funding environment that supports the maintenance of a world class university system.

UA also promotes the role of university education and research in underpinning national economic, social and cultural wellbeing. The organisation seeks to ensure that relevant policy discussion is as well informed as possible through the development and prosecution of whole-of-sector policy positions.

##### Objectives and principal activities

Universities Australia's strategic objectives are detailed in our strategic plan. The current plan is available on Universities Australia's website.

The plan identifies three functional areas within which Universities Australia undertakes activities for the benefit of all universities.

- Policy development and political advocacy;
- Positioning and profile-raising; and
- Coordination of collective sector effort.

##### Members' guarantee

- In accordance with Universities Australia's constitution, each member is liable to contribute \$20 in the event that Universities Australia be wound up. The total amount members would contribute is \$780.

##### Higher Ed Services Pty Ltd

##### Description

Higher Ed Services Pty Limited (HES) is a not-for-profit company wholly owned by Universities Australia. HES's mission is to serve the tertiary education sector and the research community for the benefit of Australian universities.

##### Objectives

HES' short and long-term objectives are to:

- foster collaboration and achieve economies of scale in national higher education projects;
- save money for universities;
- assist in improving management and business process administration in universities; and
- be an efficient services company, recognised and respected as a service company, fostering innovation and collaboration in support of best practice administration in Australian universities, and other higher education providers.

##### Strategy

The strategy for HES to achieve its objectives involves:

- continuing to foster a high degree of collaboration amongst universities;
- being agile and responsive to the emerging needs of the sector;
- strengthening personal contacts with senior staff of universities; and
- implementing HES's communications plan in support of these strategies.

**Universities Australia and Controlled Entities**

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**Directors' Report  
For the Year Ended 31 December 2021**

**Australian Higher Education Associations Pty Ltd**

**Description**

Australian Higher Education Associations Pty Ltd (AHEA) is a not-for-profit company wholly owned by Universities Australia. The objective of AHEA is to own and maintain the premises occupied by Universities Australia at One Geils Court, Deakin, ACT.

**Performance evaluation**

The AHEA Board regularly monitors building occupancy levels, rental income and reviews. The AHEA Board also ensures short term maintenance issues are addressed. Any medium and long-term improvements are identified, prioritised and are planned to minimise disruption to the building occupants. All activities are reviewed to ensure their cost effectiveness before being undertaken.

**Events occurring after the reporting period**

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

**Auditor's independence declaration**

The auditor's independence declaration in accordance with subdivision 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, for the year ended 31 December 2021 has been received and can be found on page 7 of the financial report.

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

On behalf of the directors



Director: .....

Professor John Dewar AO

Chair

26 April 2022

Canberra, ACT

**Auditor's Independence Declaration  
Under Subdivision 60-40 of the Australian Charities and Not-For-Profits  
Commission Act 2012 to the Directors of Universities Australia**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2021 there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.



**Nexia Duesburys (Audit)**  
Canberra, 26 April 2022



**G J Murphy**  
**Partner**

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## Universities Australia and Controlled Entities

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### Statements of Comprehensive Income

For the Year Ended 31 December 2021

		Consolidated		Parent	
	Note	2021	2020	2021	2020
		\$	\$	\$	\$
Revenue	2	<b>11,427,582</b>	13,511,173	<b>8,947,570</b>	10,844,787
Employee benefits expense		<b>(6,261,634)</b>	(6,119,682)	<b>(4,820,386)</b>	(4,489,678)
Depreciation and amortisation		<b>(240,829)</b>	(223,263)	<b>(106,468)</b>	(99,190)
Other expenses	3	<b>(5,084,142)</b>	(6,789,219)	<b>(4,125,869)</b>	(5,878,454)
Surplus/(deficit) attributable to members of the parent entity		<b>(159,023)</b>	379,009	<b>(105,153)</b>	377,465
<b>Other comprehensive income/(loss)</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Change in fair value of financial assets		<b>12,047</b>	(24,093)	<b>12,047</b>	(24,093)
<b>Total other comprehensive income/(loss)</b>		<b>12,047</b>	(24,093)	<b>12,047</b>	(24,093)
<b>Total comprehensive income/(loss)</b>		<b>(146,976)</b>	354,916	<b>(93,106)</b>	353,372

The above statements are to be read in conjunction with the attached notes.

## Universities Australia and Controlled Entities

ABN 53 008 502 930

### Statements of Financial Position

As At 31 December 2021

	Note	Consolidated		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
<b>ASSETS</b>					
CURRENT ASSETS					
Cash and cash equivalents	4	<b>9,643,038</b>	9,091,609	<b>6,993,611</b>	6,106,281
Trade and other receivables	5	<b>500,641</b>	705,468	<b>201,101</b>	499,605
Other financial assets	6	<b>14,003,005</b>	13,958,120	<b>10,801,220</b>	10,767,496
Other assets	7	<b>148,338</b>	166,935	<b>105,164</b>	55,299
<b>TOTAL CURRENT ASSETS</b>		<b>24,295,022</b>	23,922,132	<b>18,101,096</b>	17,428,681
NON-CURRENT ASSETS					
Trade and other receivables	5	-	-	<b>4,941,822</b>	4,941,822
Other financial assets	6	<b>129,833</b>	117,786	<b>989,194</b>	977,147
Property, plant and equipment	8	<b>6,092,078</b>	6,269,148	<b>222,304</b>	321,266
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6,221,911</b>	6,386,934	<b>6,153,320</b>	6,240,235
<b>TOTAL ASSETS</b>		<b>30,516,933</b>	30,309,066	<b>24,254,416</b>	23,668,916
<b>LIABILITIES</b>					
CURRENT LIABILITIES					
Trade and other payables	9	<b>984,357</b>	930,106	<b>800,054</b>	533,876
Employee benefits	10	<b>776,612</b>	831,001	<b>542,991</b>	575,233
Other liabilities	11	<b>14,454,392</b>	14,072,741	<b>11,812,961</b>	11,336,008
<b>TOTAL CURRENT LIABILITIES</b>		<b>16,215,361</b>	15,833,848	<b>13,156,006</b>	12,445,117
NON-CURRENT LIABILITIES					
Employee benefits	10	<b>254,562</b>	281,232	<b>166,849</b>	199,132
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>254,562</b>	281,232	<b>166,849</b>	199,132
<b>TOTAL LIABILITIES</b>		<b>16,469,923</b>	16,115,080	<b>13,322,855</b>	12,644,249
<b>NET ASSETS</b>		<b>14,047,010</b>	14,193,986	<b>10,931,561</b>	11,024,667
<b>EQUITY</b>					
Reserves	13	<b>554,492</b>	542,445	<b>67,191</b>	55,144
Retained earnings		<b>13,492,518</b>	13,651,541	<b>10,864,370</b>	10,969,523
<b>TOTAL EQUITY</b>		<b>14,047,010</b>	14,193,986	<b>10,931,561</b>	11,024,667

The above statements are to be read in conjunction with the attached notes.

## Universities Australia and Controlled Entities

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### Statements of Changes in Equity For the Year Ended 31 December 2021

2021

	Consolidated			Total
	Retained Earnings	Financial Assets Reserve	Asset Revaluation Reserve	
	\$	\$	\$	
<b>Balance at 1 January 2021</b>	<b>13,651,541</b>	<b>55,144</b>	<b>487,301</b>	<b>14,193,986</b>
Surplus/(deficit) attributable to members of the parent entity	(159,023)	-	-	(159,023)
Other comprehensive income/(loss)	-	12,047	-	12,047
<b>Balance at 31 December 2021</b>	<b>13,492,518</b>	<b>67,191</b>	<b>487,301</b>	<b>14,047,010</b>

2020

	Consolidated			Total
	Retained Earnings	Financial Assets Reserve	Asset Revaluation Reserve	
	\$	\$	\$	
<b>Balance at 1 January 2020</b>	<b>13,272,532</b>	<b>79,237</b>	<b>487,301</b>	<b>13,839,070</b>
Surplus/(deficit) attributable to members of the parent entity	379,009	-	-	379,009
Other comprehensive income/(loss)	-	(24,093)	-	(24,093)
<b>Balance at 31 December 2020</b>	<b>13,651,541</b>	<b>55,144</b>	<b>487,301</b>	<b>14,193,986</b>

2021

	Parent			Total
	Retained Earnings	Financial Assets Reserve	Asset Revaluation Reserve	
	\$	\$	\$	
<b>Balance at 1 January 2021</b>	<b>10,969,523</b>	<b>55,144</b>	<b>-</b>	<b>11,024,667</b>
Surplus/(deficit) attributable to members of the parent entity	(105,153)	-	-	(105,153)
Other comprehensive income/(loss)	-	12,047	-	12,047
<b>Balance at 31 December 2021</b>	<b>10,864,370</b>	<b>67,191</b>	<b>-</b>	<b>10,931,561</b>

2020

	Parent			Total
	Retained Earnings	Financial Assets Reserve	Asset Revaluation Reserve	
	\$	\$	\$	
<b>Balance at 1 January 2020</b>	<b>10,592,058</b>	<b>79,237</b>	<b>-</b>	<b>10,671,295</b>
Surplus/(deficit) attributable to members of the parent entity	377,465	-	-	377,465
Other comprehensive income/(loss)	-	(24,093)	-	(24,093)
<b>Balance at 31 December 2020</b>	<b>10,969,523</b>	<b>55,144</b>	<b>-</b>	<b>11,024,667</b>

The above statements are to be read in conjunction with the attached notes.

## Universities Australia and Controlled Entities

ABN 53 008 502 930

### Statements of Cash Flows For the Year Ended 31 December 2021

Note	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and others	22,479,478	24,021,964	11,685,326	13,472,952
Payments to suppliers and employees	(21,879,353)	(25,219,336)	(10,802,885)	(11,590,954)
Net cash provided by/(used in) operating activities	600,125	(1,197,372)	882,441	1,881,998
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Redemption of term deposits held to maturity	51,743,438	70,713,002	40,769,703	55,541,421
Investment in term deposits held to maturity	(51,788,323)	(68,839,172)	(40,803,427)	(53,629,833)
Interest received	57,085	195,899	43,256	147,770
Trust distribution received	4,417	4,060	4,417	4,060
Payment for property, plant and equipment	(65,313)	(383,195)	(9,060)	(135,121)
Net cash provided by/(used in) investing activities	(48,696)	1,690,594	4,889	1,928,297
Net increase/(decrease) in cash and cash equivalents held	551,429	493,222	887,330	3,810,295
Cash and cash equivalents at beginning of year	9,091,609	8,598,387	6,106,281	2,295,986
Cash and cash equivalents at end of financial year	4 9,643,038	9,091,609	6,993,611	6,106,281

The above statements are to be read in conjunction with the attached notes.

# Universities Australia and Controlled Entities

ABN 53 008 502 930

## Notes to the Financial Statements

For the Year Ended 31 December 2021

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# Universities Australia and Controlled Entities

ABN 53 008 502 930

## Notes to the Financial Statements For the Year Ended 31 December 2021

### 1 Summary of Significant Accounting Policies

#### Corporate information

The consolidated financial statements of Universities Australia ("the Company") for the year ended 31 December 2021 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The principal activities of the Group are described in the Directors' Report.

Universities Australia is the parent company of the Group, is incorporated and domiciled in Australia and is a not-for-profit company limited by guarantee. The Company's Constitution provides that if the Company is wound up each member would be required to contribute a maximum of \$20 towards any outstanding obligations.

The Group comprises the following Group entities:

Parent company	ACN	Ownership
Universities Australia	008 502 930	
Controlled entities		
Australian Higher Education Associations Pty Limited	008 641 450	100%
Higher Ed Services Pty Ltd	060 566 029	100%

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

1 Geils Court  
DEAKIN ACT 2600

The following company names used in the financial statements have been abbreviated as shown below:

AHEA - Australian Higher Education Associations Pty Limited

HES - Higher Ed Services Pty Ltd

#### Basis of preparation

#### Authorisation

The issue of these financial statements was authorised by resolution of the directors on the date of signing of the attached Directors' declaration.

#### Statement of compliance

The consolidated financial statements of the Group are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (Reduced Disclosure Requirements of the Australian Accounting Standards Board) and the Australian Charities and Not-for-Profits Commission Act 2012.

#### Basis of measurement

The consolidated financial statements have been prepared on an accruals basis, and are based on historical costs unless otherwise stated in the notes. The measurement bases are more fully described below.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2021**

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

##### **Basis of preparation (continued)**

##### **Use of estimates and judgments**

The preparation of financial statements in conformity with Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. A description of calculation methodology is included in the accounting policy or the note to the financial statements where an estimate, assumption or judgment has been applied.

Estimates and underlying assumptions are reviewed on an ongoing basis and revisions are recognised in the period of the revision.

##### **Accounting policies**

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year.

##### **(a) Principles of consolidation**

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by the Company at reporting date.

A controlled entity is an entity over which the Company has the power to control the financial and operating policies so as to obtain benefits from its activities. A list of controlled entities is included in note 18(c) to the financial statements. All controlled entities have a December financial year-end.

As at the end of the reporting period, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the reporting period then ended.

All inter-company balances and transactions between entities in the Group have been eliminated on consolidation. The accounting policies of the subsidiaries are consistent with the policies of the parent entity.

Where controlled entities have entered or left the group during the year, the financial performance of those entities are included only for the period of the year that they were controlled.

##### **(b) Cash and cash equivalents**

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

##### **(c) Receivables**

Receivables are initially recognised at fair value and are subsequently measured at amortised cost, with any adjustments to carrying value being recorded in comprehensive income.

Trade receivables arise in the normal course of business and are payable within 30 days after the issue of an invoice or the provision of goods/services under a contractual arrangement. Other receivables include reimbursements of expenses and a loan to a related party.

## Notes to the Financial Statements For the Year Ended 31 December 2021

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

#### (d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Expenditure subsequent to original acquisition is 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 costs are recognised in profit or loss during the financial period in which they are incurred.

Where a revaluation has been performed, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation reserve and recognised in other comprehensive income. Decreases that offset previous increases of the same class of asset are charged against fair value reserves and recognised in other comprehensive income. All other decreases are charged to the profit or loss.

#### Depreciation

The depreciable amount of all fixed assets including capitalised leased assets, is depreciated on a straight-line basis over their useful lives to the Group, commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Furniture, plant & equipment	10-50%
Buildings and buildings improvements	2.5-30%

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.

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss.

#### (e) Financial instruments

##### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. In most circumstances trade receivables are initially measured at the transaction price.

## Notes to the Financial Statements For the Year Ended 31 December 2021

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

#### (e) Financial instruments (continued)

##### Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value or amortised cost using the effective interest rate method. The subsequent measurement depends on the classification of the financial instrument as described below.

##### *Financial assets*

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL), subject to limited exceptions.

For an equity investment designated as measured at FVTOCI, the cumulative gain or loss previously recognised in other comprehensive income is not subsequently reclassified to profit or loss.

##### *Financial liabilities*

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

##### *Impairment of financial assets*

The Group recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or at FVTOCI. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

The Group recognises lifetime expected credit losses for trade receivables. The expected credit losses on these financial assets are estimated based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

## Notes to the Financial Statements For the Year Ended 31 December 2021

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

#### (f) Impairment of non-financial assets

At the end of the reporting period, the carrying values of tangible and intangible assets are reviewed to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash generating unit to which the asset belongs is estimated.

#### (g) Revenue

Revenue is measured at the amount which the entity expects to receive in consideration for satisfying performance obligations to a customer. A performance obligation is the distinct good or service defined within the contract with a customer. The transaction price is allocated to one or more performance obligations contained within the contract, with revenue being recognised as or when the performance obligation is satisfied.

##### *Timing of Revenue Recognition*

Revenue is recognised either at a point in time or over time, when (or as) the entity satisfies performance obligations by transferring the promised goods or services to its customers.

If the entity satisfies a performance obligation before it receives the consideration, the entity recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

##### *Members' contributions*

Revenue in relation to members' contributions is recognised in the year that member services are provided. Members' contributions are generally received up-front on an annual basis. In addition to annual member levies, members' contributions of the Group includes management fees and commissions received under various arrangements where the Group manages activities on behalf of members. When income is received prior to the provision of services, a contract liability is recognised and recorded as income in advance.

##### *Members' special levies*

Special levies from members are generally received up-front and are for specific activities to be undertaken by the Group. Levies are imposed on members to cover disbursements specific to those activities. Revenue is recognised on an input basis as the Group undertakes those activities. Any unexpended levies are recognised as part of other liabilities in the statement of financial position. If a levy is to be imposed after the end of the financial year to cover excess expenditure, that excess is carried forward as a contract asset and included in other current assets in the statement of financial position.

## Universities Australia and Controlled Entities

ABN 53 008 502 930

# Notes to the Financial Statements

## For the Year Ended 31 December 2021

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

#### (g) Revenue (continued)

##### *Grants and donations*

Grants and donations received that are subject to specific conditions on the use of those funds are recognised as and when the Group satisfies its performance obligations by providing goods or services under the funding agreements or in accordance with the directions of the donor. A financial liability is recognised for unspent grant funds for which a refund obligation exists in relation to the funding period. General grants and donations that do not impose specific performance obligations on the Group are recognised as income when the Group obtains control of those funds, which is usually on receipt. Grant funding may either be received up front or at the completion of milestones. Any deferred revenue arising from grants and donations is recognised as part of other liabilities in the statement of financial position.

##### *Conferences*

Revenue from conferences is recognised when the performance obligation is satisfied, being when the conference is held. Registration and sponsorship revenue is generally received prior to the conference.

##### *Interest income*

Interest income is recognised on an accruals basis using the effective interest method.

##### *Government assistance*

Government assistance was received in the previous year under the Cash Flow Boost program. Payments under this program are recognised as revenue once the Group is entitled to receive the payments. A receivable is recognised at year end for any payments that the Group is entitled to that have not been received. Payments recognised are included as part of 'Government assistance' in Note 2 of the financial statements.

##### *Principal versus agent*

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (ie the Group is a principal) or to arrange for those goods or services to be provided by the other party (ie the Group is an agent). The Group determines whether it is a principal or an agent for each specified good or service promised to the customer. The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer. Where the Group acts as agent and satisfies a performance obligation, the Group recognises revenue in the amount of any management fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party. The Group has determined that it acts as agent in relation to certain special levies, project expenses, software licence fees and software maintenance and support that the Group arranges on behalf of participating universities. The revenue from managing these arrangements is recognised as part of members' contributions.

## Universities Australia and Controlled Entities

ABN 53 008 502 930

### Notes to the Financial Statements For the Year Ended 31 December 2021

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

##### (g) Revenue (continued)

The receipts and payments that are not recognised as revenues and expenses in relation to these arrangements during the year are:

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
<i>Receipts</i>				
Members' contributions	3,671,701	3,864,779	-	-
Members' special levies	633,682	626,718	633,682	626,718
Licensing and support	3,333,263	6,455,439	-	-
Government grants and special projects	196,875	-	296,725	-
	<u>7,835,521</u>	<u>10,946,936</u>	<u>930,407</u>	<u>626,718</u>
<i>Payments</i>				
Support and maintenance fees	(3,283,083)	(4,915,820)	-	-
Software license fees	-	(1,539,619)	-	-
Government grants and other projects expended	(4,552,438)	(4,491,497)	(930,407)	(626,718)
	<u>(7,835,521)</u>	<u>(10,946,936)</u>	<u>(930,407)</u>	<u>(626,718)</u>

##### (h) Employee benefits

###### Salaries, annual and long service leave

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

###### Superannuation contributions

Contributions to all superannuation plans for the benefit of employees of the Group are charged to profit or loss during the reporting period in which they are incurred. Amounts due at the end of the reporting period but not yet paid are included in the statement of financial position under trade and other payables.

###### Compensation payable to key management personnel

Remuneration for key management personnel, including all monetary and non-monetary components, is valued at the cost to the Group and charged to comprehensive income during the reporting period in which they are incurred.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2021**

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

##### **(i) Leases**

At inception of a contract, the entity assesses whether a contract is, or contains, a lease. A contract is considered to contain a lease if it allows the entity the right to control the use of an identified asset over a period of time in return for consideration.

Where a contract or arrangement contains a lease, the entity recognises a right-of-use asset and a lease liability at the commencement date of the lease.

A right-of-use asset is initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred. Lease assets are depreciated using the straight-line method over the shorter of their useful life and the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses.

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the entity's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments include fixed payments, amounts expected to be paid under a residual value guarantee, the exercise price of purchase options for which the Entity is reasonably certain to exercise and incorporate the entity's expectations of lease extension options.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets.

Short term leases (lease term of 12 months or less) and leases of low value assets (\$10,000 or less) are recognised as incurred as an expense in the statement of comprehensive income.

##### **(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). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an expense. Receivables and payables (except accrued expenses) in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO at the end of the reporting period is included as a current asset or liability in the statement of financial position.

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

##### **(k) Income tax**

The entities within the Group are exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997.

##### **(l) Comparative figures**

When required by Accounting Standards, comparative figures are adjusted to conform to changes in presentation for the current financial year.

## Universities Australia and Controlled Entities

ABN 53 008 502 930

### Notes to the Financial Statements For the Year Ended 31 December 2021

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

##### New and amended accounting policies adopted by the Group

The Group has adopted all of the new, revised or amended accounting standards and interpretations issued by the Australian Accounting Standards Board that are applicable to the Group for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any material impact on the financial performance or position of the Group in either the current or prior financial reporting periods.

#### 2 Revenue

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
<i>Operating activities:</i>				
Members' contributions	7,382,004	7,155,657	5,322,163	5,056,055
Members' special levies	904,482	2,689,783	904,482	2,689,783
Donations	275,975	129,236	275,975	129,236
Conference income	924,092	1,634,194	833,362	1,560,654
Government assistance	-	200,000	-	100,000
Other income	546	14,429	546	3,229
Government grants and special projects	1,232,939	792,648	1,232,939	792,648
Administration and management fees	6,715	-	136,715	130,000
Interest received	55,113	170,755	43,971	126,921
Program administration	193,000	252,201	193,000	252,201
Rent received	448,299	468,210	-	-
Trust distributions received from other trusts	4,417	4,060	4,417	4,060
Total Revenue	<b>11,427,582</b>	13,511,173	<b>8,947,570</b>	10,844,787

#### 3 Other Expenses

Administration expenses	1,471,552	1,248,790	793,198	651,224
Conference expenses	312,350	739,377	312,350	724,576
Travel and meeting costs	87,733	103,601	79,890	83,073
Library and publications	75,855	80,878	75,855	80,878
Government grants and other projects expended	1,958,540	1,648,920	1,958,540	1,648,920
Building operating costs	272,076	277,870	-	-
Special levies expended	904,482	2,689,783	904,482	2,689,783
Loss on disposal of assets	1,554	-	1,554	-
Total other expenses	<b>5,084,142</b>	6,789,219	<b>4,125,869</b>	5,878,454

## Universities Australia and Controlled Entities

ABN 53 008 502 930

### Notes to the Financial Statements For the Year Ended 31 December 2021

#### 4 Cash and Cash Equivalents

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Cash at bank and on hand	2,930,520	620,565	368,993	140,484
Deposits at call	6,712,518	8,471,044	6,624,618	5,965,797
	<b>9,643,038</b>	9,091,609	<b>6,993,611</b>	6,106,281

#### 5 Trade and Other Receivables

##### Current

Trade receivables	<b>500,641</b>	705,468	<b>201,101</b>	499,605
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##### Non-Current

Unsecured loan - AHEA	-	-	<b>4,941,822</b>	4,941,822
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#### 6 Other Financial Assets

##### Current

At amortised cost:

Term deposits	<b>14,003,005</b>	13,958,120	<b>10,801,220</b>	10,767,496
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##### Non-Current

At fair value through other comprehensive income:

*Listed investments:*

Listed shares	<b>129,833</b>	117,786	<b>129,833</b>	117,786
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Investments in subsidiaries at cost:

Unlisted investments:

Shares in AHEA	-	-	<b>859,359</b>	859,359
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Shares in HES	-	-	<b>2</b>	2
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	<b>129,833</b>	117,786	<b>989,194</b>	977,147
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##### Listed investments

The fair value of listed investments is the published bid-price current at the end of the reporting period.

##### Unlisted investments in subsidiaries

Investments in subsidiaries are recorded at cost in accordance with AASB 127 Separate Financial Statements. The investment values are subject to impairment in accordance with AASB 136 Impairment of Assets. Impairment losses are initially recorded through profit or loss. Reversals of impairment losses are also recorded through profit or loss to the extent of the impairment loss previously recognised.

Entities within the group hold membership in the following companies which are limited by guarantee:

- Australian and New Zealand Council for the Care of Animals in Research and Teaching Limited (ANZCCART); and
- Unimutual Limited (Unimutual)

If any of the companies are wound up, each member is required by the relevant memorandum of association to contribute a maximum of \$10 (ANZCCART) or \$1 (Unimutual) towards meeting any outstanding obligations of the company.

## Universities Australia and Controlled Entities

ABN 53 008 502 930

### Notes to the Financial Statements For the Year Ended 31 December 2021

#### 7 Other Assets

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
<b>Current</b>				
Accrued income	5,083	7,055	3,785	3,070
Prepayments and deferred expenditure	143,255	159,880	101,379	52,229
	<b>148,338</b>	166,935	<b>105,164</b>	55,299

#### 8 Property, Plant and Equipment

Leasehold land - at valuation	1,204,000	1,204,000	-	-
Building - at valuation	4,596,000	4,596,000	-	-
Accumulated depreciation	(272,927)	(158,027)	-	-
	<b>4,323,073</b>	4,437,973	-	-
Building improvements - at cost	415,303	369,816	217,731	217,731
Accumulated depreciation	(112,738)	(58,030)	(93,766)	(50,220)
	<b>302,565</b>	311,786	<b>123,965</b>	167,511
Furniture, plant & equipment - at cost	503,804	814,999	325,235	606,563
Accumulated depreciation	(241,364)	(499,610)	(226,896)	(452,808)
	<b>262,440</b>	315,389	<b>98,339</b>	153,755
	<b>6,092,078</b>	6,269,148	<b>222,304</b>	321,266

# Universities Australia and Controlled Entities

ABN 53 008 502 930

## Notes to the Financial Statements

For the Year Ended 31 December 2021

### 8 Property, Plant and Equipment (continued)

#### Movements in Carrying Amounts

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

	Leasehold land - at valuation	Building - at valuation	Building improvements - at cost	Furniture, plant & equipment - at cost	Total
Consolidated	\$	\$	\$	\$	\$
<b>2021</b>					
Balance at the beginning of year	1,204,000	4,437,973	311,786	315,389	6,269,148
Additions	-	-	45,487	19,826	65,313
Disposals	-	-	-	(1,554)	(1,554)
Depreciation	-	(114,900)	(54,708)	(71,221)	(240,829)
<b>Balance at the end of the year</b>	<b>1,204,000</b>	<b>4,323,073</b>	<b>302,565</b>	<b>262,440</b>	<b>6,092,078</b>

	Leasehold land - at valuation	Building - at valuation	Building improvements - at cost	Furniture, plant & equipment - at cost	Total
Parent	\$	\$	\$	\$	\$
<b>2021</b>					
Balance at the beginning of year	-	-	167,511	153,755	321,266
Additions	-	-	-	9,060	9,060
Disposals	-	-	-	(1,554)	(1,554)
Depreciation	-	-	(43,546)	(62,922)	(106,468)
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>	<b>123,965</b>	<b>98,339</b>	<b>222,304</b>

### 9 Trade and Other Payables

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
<b>Current</b>				
Trade and other creditors and accruals	987,289	743,138	820,866	589,206
Net GST payable/ (receivable)	(2,932)	186,923	(20,812)	(55,330)
	<b>984,357</b>	<b>930,061</b>	<b>800,054</b>	<b>533,876</b>

## Universities Australia and Controlled Entities

ABN 53 008 502 930

### Notes to the Financial Statements For the Year Ended 31 December 2021

#### 10 Employee Benefits Provision

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
<b>Current</b>				
Annual leave	439,327	460,399	282,918	299,400
Accrued salaries and superannuation	208,619	215,650	147,897	150,783
Long service leave	98,999	54,542	82,509	54,542
PAYG	29,667	100,410	29,667	70,508
	<b>776,612</b>	<b>831,001</b>	<b>542,991</b>	<b>575,233</b>
<b>Non-current</b>				
Long service leave	254,562	281,232	166,849	199,132

#### 11 Other Liabilities

<b>Current</b>				
Unexpended funds: Operating grants and donations	5,651,401	5,283,556	5,651,401	5,283,556
Income received in advance for contributions and conference registration	7,132,738	6,858,896	6,161,560	6,052,452
Funds held on behalf of others	1,670,253	1,930,289	-	-
	<b>14,454,392</b>	<b>14,072,741</b>	<b>11,812,961</b>	<b>11,336,008</b>

#### 12 Retirement Benefit Obligations

The Group contributes to various superannuation plans which provide benefits to employees on retirement, death or disability. The amount of contributions to defined contribution plans recognised in profit or loss are as follows:

Employee contributions to superannuation plans	726,334	722,862	596,542	578,188
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#### 13 Reserves

Asset revaluation reserve	487,301	487,301	-	-
Financial assets revaluation reserve	67,191	55,144	67,191	55,144
	<b>554,492</b>	<b>542,445</b>	<b>67,191</b>	<b>55,144</b>

##### Nature and purpose of reserves

The asset revaluation reserve records revaluations of the property owned by AHEA since its recognition as a subsidiary together with the Group's share of revaluations of property owned by AHEA prior to its recognition as a subsidiary. This reserve is not able to be distributed as a dividend.

The financial assets revaluation reserve records the changes in the fair value of listed investments. This reserve is not able to be distributed as a dividend. The cumulative gain or loss recognised in the reserve is not subsequently reclassified to profit or loss when the investment is sold or otherwise derecognised.

## Universities Australia and Controlled Entities

ABN 53 008 502 930

### Notes to the Financial Statements For the Year Ended 31 December 2021

#### 14 Operating Lease Arrangements

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
<b><i>The Group as lessor</i></b>				
<i>Operating lease receivables</i>				
Lease of office premises				
Receivable - minimum lease payments				
- not later than 12 months	356,316	383,461	-	-
- between 12 months and 5 years	542,750	879,243	-	-
	<u>899,066</u>	<u>1,262,704</u>	-	-

Operating leases relate to The Australian Universities Centre owned by AHEA. Operating leases are for a period of 1-6 years at market rentals, with options to extend for up to a further 3 years. The operating lease with Universities Australia is on a month by month basis at less than market rent.

Rental income earned by the Group from its property and direct operating expenses arising on the property for the year are set out in Notes 2 and 3 respectively.

#### 15 Commitments for Expenditure

##### ***Capital expenditure commitments***

Building improvement	180,000	180,000	-	-
Computer equipment upgrade	32,500	-	32,500	-
Video conferencing upgrade	7,500	25,000	7,500	25,000
	<u>220,000</u>	<u>205,000</u>	<u>40,000</u>	<u>25,000</u>

Contracts have not been entered into in relation to the above commitments at 31 December 2021.

#### 16 Key Management Personnel Remuneration

Key management personnel is defined by AASB124 "Related Party Disclosures" as those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the entity.

Key management personnel includes Universities Australia's Chief Executive and Deputy Chief Executive as well as Higher Ed Services Pty Ltd's Chief Executive Officer and Executive Officer.

Aggregate remuneration paid to key management personnel during the financial year:

	2021	2020
	\$	\$
Total key management personnel compensation	<u>1,209,974</u>	<u>1,186,642</u>

No compensation is paid to any of the directors of the board of Universities Australia in their capacity as directors.

# Universities Australia and Controlled Entities

ABN 53 008 502 930

## Notes to the Financial Statements For the Year Ended 31 December 2021

### 17 Auditors' Remuneration

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Remuneration, paid to the auditor of the parent entity, for audit or review of the financial statements of the:				
<b>Parent entity</b>				
2021 financial statements	42,250	36,200	42,250	36,200
<b>Controlled entities</b>				
2021 financial statements	34,000	38,050	-	-
Remuneration paid to the auditor of the parent entity for other services	-	650	-	650
	<b>76,250</b>	<b>74,900</b>	<b>42,250</b>	<b>36,850</b>

### 18 Related Party Disclosures

Transactions between the Group and the universities, in which the directors hold office, are on normal terms and conditions unless otherwise stated.

#### (a) *Ultimate parent entity*

Universities Australia is the ultimate parent entity of the consolidated group.

#### (b) *Transactions between parent entity and controlled companies*

The following are transactions with controlled companies brought to account by the parent entity in the statement of comprehensive income.

	Parent Entity	
	2021	2020
	\$	\$
<b>Income:</b>		
Management fee charged to HES to recover salary expenses	70,000	70,000
Management fee charged to AHEA to recover salary expenses	60,000	60,000
<b>Expenses:</b>		
Rent charged by AHEA	159,480	159,480

Transactions with AHEA are not on a commercial basis. No interest is charged on the loan (refer to Note 5) and rent is charged at less than a commercial rate.

## Universities Australia and Controlled Entities

ABN 53 008 502 930

### Notes to the Financial Statements For the Year Ended 31 December 2021

#### 18 Related Party Disclosures (continued)

##### (c) Controlled entities

	Investment (at cost)		Contribution (Loss) to consolidated profit attributable to members of the parent entity	
	2021	2020	2021	2020
	\$	\$	\$	\$
<i>Parent company</i>				
Universities Australia	-	-	(105,153)	377,465
<i>Controlled entities</i>				
Higher Ed Services Pty Ltd	2	2	(158,424)	(124,531)
Australian Higher Education Associations Pty Limited	859,359	859,359	104,554	126,075
	<b>859,361</b>	<b>859,361</b>	<b>(159,023)</b>	<b>379,009</b>

- All entities are incorporated in Australia.
- Universities Australia owns 100% (2020: 100%) of both controlled entities.
- The cost of the investment in AHEA comprises the original investment of \$1,743 and the fair value of the shares assigned by Education Australia of \$857,616.

## Notes to the Financial Statements

### For the Year Ended 31 December 2021

#### 19 Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, investments, and accounts receivable and payable.

The carrying amount for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments as detailed in the accounting policies to these financial statements, are as follows:

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
<b>Financial Assets</b>				
<i>At amortised cost:</i>				
- Cash and cash equivalents	9,643,038	9,091,609	6,993,611	6,106,281
- Trade and other receivables	500,641	705,468	5,142,923	5,441,427
- Term deposits	14,003,005	13,958,120	10,801,220	10,767,496
- Accrued income	5,083	7,055	3,785	3,070
<i>At fair value through other comprehensive income:</i>				
- Investments	129,833	117,786	129,833	117,786
<b>Total financial assets</b>	<b>24,281,600</b>	<b>23,880,038</b>	<b>23,071,372</b>	<b>22,436,060</b>
<b>Financial Liabilities</b>				
<i>Financial liabilities at amortised cost:</i>				
- Trade and other payables	987,289	743,183	820,866	589,206
- Employee benefits	238,286	316,060	177,564	221,291
- Funds held on behalf of others	1,670,253	1,930,289	-	-
	<b>2,895,828</b>	<b>2,989,532</b>	<b>998,430</b>	<b>810,497</b>

#### 20 Events Occurring After the Reporting Date

The financial report was authorised for issue by the Board of Directors on the date of signing the attached Directors' Declaration. The directors have the right to amend and re-issue the financial statements after they are issued.

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

#### 21 Contingent Liabilities and Contingent Assets

The Group has no contingent liabilities or contingent assets at the end of the financial year.

## Universities Australia and Controlled Entities

ABN 53 008 502 930


### Directors' Declaration

The directors of the Company declare that:

1. the financial statements comprising the Statements of Comprehensive Income, Statements of Financial Position, Statements of Changes in Equity, Statements of Cash Flows and Notes to the Financial Statements satisfy the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, and:
  - a. comply with Australian Accounting Standards (Reduced Disclosure Requirements); and
  - b. give a true and fair view of the financial position as at 31 December 2021 and performance for the year ended on that date of the Company and consolidated group;
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors:



.....  
Professor John Dewar AO

Chair

26 April 2022

Canberra, ACT

## **Independent Auditor's Report To the Members of Universities Australia**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of Universities Australia (the company) and Universities Australia and Controlled Entities (the consolidated entity), which comprise the statements of financial position as at 31 December 2021, the statements of comprehensive income, statements of changes in equity and the statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial statements of Universities Australia and Universities Australia and Controlled Entities are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

- (i) giving a true and fair view of the company's and consolidated entity's financial positions as at 31 December 2021 and of their financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

#### **Basis for opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial statements in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information in Universities Australia's directors' report for the year ended 31 December 2021 but does not include the financial statements and the auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

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## **Directors' responsibility for the financial statements**

The directors of the company are responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements 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 of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibility for the audit of the financial statements**

Our 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 to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A further description of our responsibilities for the audit of the financial statements is located at The Australian Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). This description forms part of our auditor's report.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



**Nexia Duesburys (Audit)**  
Canberra, 26 April 2022



**G J Murphy**  
Partner