

Statement of Financial Position

As at 31 December 2018

	Notes	2018 \$	2017 \$
ASSETS			
Current assets			
Cash and cash equivalents	10	4,781,563	5,057,252
Receivables	11	1,725,802	1,890,036
Other assets	13	113,010	289,331
Total current assets		6,620,375	7,236,619
Non-current assets			
Other financial assets	12	4,142,456	4,504,607
Property, plant and equipment	14	3,628,262	3,632,298
Intangible assets	15	9,090	36,931
Total non-current assets		7,779,808	8,173,836
Total assets		14,400,183	15,410,455
LIABILITIES			
Current liabilities			
Trade and other payables	16	644,970	536,987
Borrowings	17	32,515	27,102
Provisions	18	1,110,697	1,109,324
Other liabilities	19	745,348	670,218
Total current liabilities		2,533,530	2,343,631
Non-current liabilities			
Borrowings	17	37,578	70,098
Provisions	18	96,000	90,000
Total non-current liabilities		133,578	160,098
Total liabilities		2,667,108	2,503,729
Net assets		11,733,075	12,906,726
EQUITY			
Asset revaluation reserve	20(a)	1,611,946	1,427,909
Retained earnings	20(b)	10,121,129	11,478,817
Total equity attributable to equity holders of the company		11,733,075	12,906,726

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the Period ended 31 December 2018

	Notes	Reserves	Retained Earnings	Total
Balance at 1 January 2017		1,309,039	11,203,368	12,512,407
Net result			275,449	275,449
Revaluation of Land, Buildings and Infrastructure		118,870	-	118,870
Total comprehensive income		<u>118,870</u>	<u>275,449</u>	<u>394,319</u>
Balance at 31 December 2017	20(a)	<u>1,427,909</u>	<u>11,478,817</u>	<u>12,906,726</u>
Balance at 1 January 2018		1,427,909	11,478,817	12,906,726
Net result			(1,357,687)	(1,357,687)
Revaluation of Land, buildings and infrastructure		184,036	-	184,036
Total comprehensive income		<u>184,036</u>	<u>(1,357,687)</u>	<u>(1,173,651)</u>
Balance at 31 December 2018	20(a)	<u>1,611,945</u>	<u>10,121,130</u>	<u>11,733,075</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the Period ended 31 December 2018

	Notes	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from customers		8,795,288	8,373,119
Interest received		252,427	220,328
Payments to suppliers and employees		(9,235,518)	(7,896,487)
GST recovered/paid		(426,634)	(588,513)
Net cash provided by operating activities	26	<u>(614,437)</u>	<u>108,447</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(25,520)	(710,853)
Proceeds from sale of financial assets		364,269	70,633
Net cash used in investing activities		<u>338,749</u>	<u>(640,220)</u>
Cash flows from financing activities			
Repayment of finance leases		-	-
Net cash provided by / (used in) financing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		(275,688)	(531,773)
Cash and cash equivalents at the beginning of the financial year		<u>5,057,252</u>	<u>5,589,025</u>
Cash and cash equivalents at the end of the financial year	10	<u>4,781,564</u>	<u>5,057,252</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Contents of the notes to the financial statements

Note		Page
1	Summary of significant accounting policies	12
	Income	
2	Investment revenue and income	13
3	Gains and losses	13
4	Trading revenue	13
	Expenses	
5	Employee related expenses	13
6	Depreciation and amortisation	13
7	Repairs and maintenance	13
8	Impairment of assets	14
9	Other expenses	14
	Assets	
10	Cash and cash equivalents	14
11	Receivables	15
12	Other financial assets	16
13	Other assets	16
14	Property, plant and equipment	17
15	Intangible assets	18
	Liabilities	
16	Trade and other payables	18
17	Borrowings	18
18	Provisions	18
19	Other Liabilities	19
	Equity	
20	Reserves and retained earnings	19
21	Key management personnel disclosures	20
22	Remuneration of auditors	20
23	Contingencies	20
24	Commitments	21
25	Related parties	21
26	Reconciliation of operating result after income tax to net cash flows	21
27	Events subsequent to reporting period	21
28	Financial risk management	22
29	Fair value measurements	25

Notes to and forming part of the Financial Statements**Note 1. Summary of significant accounting policies**

Agricultural Business Research Institute, an income tax exempt entity, was incorporated in Australia on 11 January 1993 as a company limited by guarantee and is domiciled in Australia. The amount of the guarantee is limited to \$100 per member, which can be called upon in the event of winding up. At December 31, 2018 membership of the company stood at seven.

The company is a controlled entity of the University of New England and as such is considered to be a reporting entity as defined in Australian Accounting Standard AASB 127 "*Consolidated and Separate Financial Statements*".

The principal address of ABRI is: C/o UNE, The Short Run, Armidale, NSW 2351

The financial statements for the year ended 31 December 2018 was authorised for issue in accordance with a resolution of the Board on 12 February 2019

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied unless otherwise stated.

(a) Basis of preparation

The annual financial statements represent the audited general purpose financial statements of Agricultural Business Research Institute. They have been prepared on an accrual basis and comply with Australian Accounting Standard, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

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

- *Public Finance and Audit Act 1983*,
- *Public Finance and Audit Regulations 2015*.
- *Corporations Act 2001*.

The Financial Statements has been prepared in accordance with the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss and certain classes of property, plant and equipment.

(b) Foreign currency translation**(i) Functional and presentation currency**

The financial statements are presented in Australian dollars which is the Entity's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions have been translated to Australian currency at the exchange rates ruling on the date of the respective transactions and losses and gains arising are taken directly to the income statement. Balances existing at balance date have been translated at the exchange rates ruling at that date.

(c) Income tax

Agricultural Business Research Institute does not provide for Australian Income Tax as it is exempt under the provisions of Section 50-B of the *Income Tax Assessment Act 1997 (ITAA)*.

(d) Goods and Services Tax (GST)

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

(e) Comparative amounts

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

(f) New standards and interpretations issued but not yet adopted.

Certain new Accounting Standards and Interpretations have been published that are not mandatory for the 31 December 2018 reporting period.

The Entity has elected not to early adopt any of these standards. The Entity has assessed the impact of these future interpretations and considers the impact to be insignificant for the year ending December 2018.

Australian Accounting Standard AASB 16 '*Leases*' is mandatory from 1 January 2019 and replaces the current standard AASB 117 '*Leases*'. The Entity expects minimal impact as it only hold finance leases with NAB for vehicles.

AASB 9 - *Financial Instruments* - the entity had in previous years classified its financial assets at fair value through the Income Statement. There is no impact to the treatment of the financial assets of the entity in adopting AASB 9.

Agricultural Business Research Institute
ABN 59 781 301 088
2018 Financial Statements

Notes to the financial statements
(continued)
31 December 2018

	Notes	2018	2017
		\$	\$
Note 2. Investment revenue			
Interest		252,427	220,328
Dividend Income		-	-
Total investment revenue		<u>252,427</u>	<u>220,328</u>

The Entity recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Entity and specific criteria have been met for each of the Entity'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 Entity bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Interest income is recognised as it accrues. Dividend income is recognised when the dividend is declared by the investee.

Note 3. Gains and losses			
Other investment gains/(losses)		(181,918)	190,950
Gain on sale of assets		-	5,627
Total gains and losses		<u>(181,918)</u>	<u>196,577</u>

Note 4. Trading revenue			
Fees and charges		7,686,121	8,090,612
Total trading revenue		<u>7,686,121</u>	<u>8,090,612</u>

Revenue from fees and charges, which is predominantly rendering of services, is recognised in proportion to the level of service provided under the sales contract.

Note 5. Employee related expenses			
Salaries		4,601,901	4,610,062
Contribution to funded superannuation and pension schemes		422,397	426,569
Payroll tax		439,247	235,967
Worker's compensation		20,658	12,712
Leave accrual expense		47,740	(34,573)
Other (Allowances, penalties and fringe benefits tax)		8,977	10,289
Total employee related expenses		<u>5,540,920</u>	<u>5,261,026</u>

Refer to note 18 for accounting policies on employee benefits.

Note 6. Depreciation and amortisation			
Depreciation			
Buildings		80,811	81,320
Infrastructure		3,625	3,850
Furniture and Fittings		17,402	22,399
Plant and Equipment		82,164	56,216
Motor Vehicles		17,785	19,528
Leased assets		11,806	7,375
Total depreciation		<u>213,593</u>	<u>190,688</u>
Amortisation			
Intangibles		27,840	54,228
Total amortisation		<u>27,840</u>	<u>54,228</u>
Total depreciation and amortisation		<u>241,433</u>	<u>244,916</u>

Land is not subject to depreciation. 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:

Buildings 3 - 60 yrs,	Furniture and Fittings - 7-20 yrs,
Computing Equipment / Software - 4 - 15 yrs,	Other Plant and Equipment - 4 - 15 yrs,
Motor Vehicles - 5 yrs,	Intangible 3 - 5yrs
Infrastructure - 10 yrs.	

Note 7. Repairs and maintenance			
Plant/furniture/equipment		33,272	40,324
Total repairs and maintenance		<u>33,272</u>	<u>40,324</u>

Agricultural Business Research Institute
ABN 59 781 301 088
2018 Financial Statements

Notes to the financial statements
(continued)
31 December 2018

	Notes	2018	2017
		\$	\$
Note 8. Impairment of assets			
Total impairment of assets		30,511	22,230
Total impairment of assets		<u>30,511</u>	<u>22,230</u>

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

Note 9. Other expenses

Non-capitalised equipment		13,886	17,774
Advertising, marketing and promotional expenses		35,098	20,996
Utilities		33,656	31,631
Postal and Telecommunications		455,226	422,970
Travel and Entertainment		214,322	158,875
Operating Lease Rental Charges		48,598	42,447
Consultants		937,632	880,013
Royalties		300,445	135,575
Computer and Office Supplies		727,712	373,876
Other Expenditure		487,947	567,424
Total other expenses		<u>3,254,522</u>	<u>2,651,581</u>

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

Borrowing costs		<u>13,659</u>	<u>11,990</u>
Reconciliation of Finance costs			
Finance lease interest		13,659	11,990
Less : amount capitalised		-	-
Total borrowing costs expensed		<u>13,659</u>	<u>11,990</u>

Note 10. Cash and cash equivalents

Cash at bank		216,977	313,182
At call investments		4,564,586	4,744,070
Total cash and cash equivalents		<u>4,781,563</u>	<u>5,057,252</u>

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

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

Balances as above		4,781,563	5,057,252
Less: Bank Overdrafts		-	-
Balance per cash flow statement		<u>4,781,563</u>	<u>5,057,252</u>

(b) Deposits at call

The deposits are bearing floating interest rates between 2.6% and 2.68% (2017: 2.5% and 2.75%). These deposits have an average maturity of 172 days.

For cash flow statement 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 twelve 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.

Agricultural Business Research Institute
ABN 59 781 301 088
2018 Financial Statements

Notes to the financial statements
(continued)
31 December 2018

	Notes	2018	2017
		\$	\$
Note 11. Receivables			
Current			
Trade and Other Debtors		1,791,767	1,927,632
Less: Provision for impaired receivables	1(h)	<u>(65,966)</u>	<u>(37,596)</u>
Total receivables		<u><u>1,725,801</u></u>	<u><u>1,890,036</u></u>

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are due for settlement no more than 30 days from the date of recognition.

(a) Impaired receivables

As at 31 December 2018 current receivables of the entity with a nominal value of \$65,966 (2017: \$37,596) were impaired. The amount of the provision was \$65,966 (2017: \$37,596).

The ageing of these receivables is as follows:

3 to 6 months		-	-
Over 6 months		65,966	37,596
		<u>65,966</u>	<u>37,596</u>

As of 31 December 2018, trade receivables of \$205,768 (2017: \$358,654) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

3 to 6 months		114,866	276,562
Over 6 months		90,902	82,091
		<u>205,768</u>	<u>358,654</u>

Movements in the provision for impaired receivables are as follows:

As at 1 January		37,596	18,055
Provision for impairment recognised during the year		28,370	41,771
Receivables written off during the year as uncollectible		<u>(30,511)</u>	<u>(22,230)</u>
		<u><u>35,455</u></u>	<u><u>37,596</u></u>

The creation and release of the provision for impaired receivables has been included in 'other expenses' 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.

Collectability of 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 Entity will not be able to collect all amounts due according to the original terms of receivables. 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 receivable are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement.

The carrying amount of the asset is reduced through the use of an expense account and the amount of the loss is recognised in the income statement under note 8. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited to Bad Debts Recovered in the income statement.

**Notes to the financial statements
(continued)
31 December 2018**

	Notes	2018 \$		2017 \$
Note 12. Other financial assets				
Non-current				
Summary of portfolio as at 31 December:				
Fair value through profit and loss		4,142,456		4,504,607
Total non-current other financial assets		4,142,456		4,504,607

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised costs
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss

(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, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the income statement.

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Entity has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Entity has transferred substantially all the risks and rewards of the asset, or (b) the Entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Entity has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Entity continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the HEP also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Entity has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Entity could be required to repay.

Impairment of debt instruments other than receivables

The Entity recognises an allowance for expected credit losses (ECLs) for all debt instruments other than receivables and not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Entity expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Note 13. Other assets

Current			
Accrued Income		100,653	278,475
Prepaid Expenses		12,358	10,856
Total current other non-financial assets		113,011	289,331

Note 14. Property, plant and equipment

	Freehold land \$	Freehold buildings \$	Infrastructure \$	Plant and equipment \$	Motor vehicle \$	Leased assets \$	Furniture & fittings \$	Total \$
Year ended 31 December 2017								
Opening net book amount	400,000	2,393,000	77,000	108,310	33,253	35,729	64,841	3,112,133
Additions	-	-	-	505,569	-	80,639	16,705	602,912
Revaluation increment/(decrement)	50,000	69,520	(650)	-	-	-	-	118,870
Assets classified as held for sale and other disposals	-	-	-	-	(10,930)	-	-	(10,930)
Depreciation charge	-	(81,320)	(3,850)	(56,216)	(6,088)	(20,815)	(22,399)	(190,688)
Closing net book amount	450,000	2,381,200	72,500	557,663	16,235	95,553	59,147	3,632,298
At 31 December 2017								
- Cost	-	-	-	2,079,959	50,775	116,368	292,493	2,539,595
- Valuation	450,000	2,381,200	72,500	-	-	-	-	2,903,700
Accumulated depreciation	-	-	-	(1,522,296)	(34,539)	(20,815)	(233,347)	(1,810,997)
Net book amount	450,000	2,381,200	72,500	557,663	16,235	95,553	59,147	3,632,298
Year ended 31 December 2018								
Opening net book amount	450,000	2,381,200	72,500	557,663	16,235	95,553	59,147	3,632,298
Additions	-	-	-	24,305	-	-	1,216	25,521
Revaluation increment/(decrement)	45,000	135,911	3,125	-	-	-	-	184,036
Adjustment to accumulated depreciation on revaluation	-	-	-	-	-	-	-	-
Assets classified as held for sale and other disposals	-	-	-	-	-	-	-	-
Depreciation charge	-	(80,811)	(3,625)	(82,164)	(6,087)	(23,503)	(17,402)	(213,593)
Closing net book amount	495,000	2,436,300	72,000	499,804	10,148	72,050	42,961	3,628,262
At 31 December 2018								
- Cost	-	-	-	2,104,264	71,590	95,553	293,709	2,565,116
- Valuation	495,000	2,436,300	72,000	-	-	-	-	3,003,300
Accumulated depreciation	-	-	-	(1,604,460)	(61,442)	(23,503)	(250,749)	(1,940,154)
Net book amount	495,000	2,436,300	72,000	499,804	10,148	72,050	42,960	3,628,262

Land and buildings are shown at fair value, based on periodic, but at least triennial, 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.

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 Entity 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 or loss. Decreases that reverse previous increases of the same asset class are also recognised in other comprehensive income to the extent of the remaining reserve attributable to the asset class. All other decreases are charged to the income statement.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the income statement. When revalued assets are sold, it is Entity policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

Land, Buildings and Infrastructure controlled by the Entity were revalued as at 31 December 2018 by Global Valuation Services.

Notes to the financial statements
(continued)
31 December 2018

Note 15. Intangible assets	Notes	2018	2017
	1(l)	\$	\$
At 1 January			
Cost		2,474,137	2,474,137
Accumulated amortisation and impairment		<u>(2,465,047)</u>	<u>(2,437,206)</u>
Net book amount		<u>9,090</u>	<u>36,931</u>
Year ended 31 December			
Opening net book amount		36,931	91,159
Amortisation charge		<u>(27,841)</u>	<u>(54,228)</u>
Closing net book amount		<u>9,090</u>	<u>36,931</u>

Expenditure on development activities, relating to the design and testing of new or improved products, are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development expenditure is recorded as intangible assets and amortised from the point at which the asset is ready for use. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit, which varies from 3 to 5 years.

Note 16. Trade and other payables

Current

Trade Payables	483,916	364,793
Other Payables	161,054	172,194
Total current trade and other payables	<u>644,970</u>	<u>536,987</u>

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

Note 17. Borrowings

Current

Finance Lease (i)

ALP Automotive	32,515	27,102
Total current borrowings	<u>32,515</u>	<u>27,102</u>

Non-current

Finance Lease

ALP Automotive	37,578	70,098
Total non-current borrowings	<u>37,578</u>	<u>70,098</u>

Leases of property, plant and equipment where the Entity, 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.

Note 18. Provisions

1(n)

Current provisions expected to be settled within 12 months

Annual leave	327,651	309,724
Long service leave	108,000	84,000
Make good provision	3,600	3,600
Total Current Provision	<u>439,251</u>	<u>397,324</u>

Current provisions expected to be settled wholly after more than 12 Months

Employee benefits

Annual leave	302,447	315,000
Long service leave	369,000	397,000
Make good provision	-	-
Subtotal	<u>671,447</u>	<u>712,000</u>
Total Current Provision	<u>1,110,698</u>	<u>1,109,324</u>

Non-current provisions

Employee benefits

Long service leave	96,000	90,000
Total non-current provision	<u>96,000</u>	<u>90,000</u>

Total provisions	<u>1,206,698</u>	<u>1,199,324</u>
-------------------------	------------------	------------------

Note 18. Provisions (continued)

Provisions for legal claims and service warranties are recognised when: the Entity 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 has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance 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.

Employee benefits

(i) Wages and salaries

Liabilities for short-term employee benefits including wages and salaries, non-monetary benefits and profit-sharing bonuses due to be settled within 12 months after the end of the period are measured at the amount expected to be paid when the liability is settled and are recognised in other payables. Liabilities for non-accumulating sick leave are recognised when the leave is taken and is measured at the rates paid or payable.

(ii) Annual leave and sick leave

The liability for long-term employee benefits such as annual leave and accumulating sick leave 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 of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

Annual leave is not expected to be settled within 12 months after the end of the annual reporting period in which the employees render the related service. As such it is measured at nominal value, which is not materially different to present value.

(iii) Long service leave

Long service leave recognised in respect of employee benefits which are not expected to be settled within twelve months are measured at present value in accordance with AASB119 Employee Benefits. This is based on external actuarial advice obtained based on the application of certain factors to employees with five or more years of service. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

Note 19. Other Liabilities

Current

Accrued Liabilities

Accrued Expenses	447,837	373,603
Fees in Advance	228,783	241,087
GST Payable	68,728	55,529
Total current other liabilities	745,348	670,219

Note 20. Reserves and retained earnings

a) Reserves

Revaluation Reserve		
- Land	415,000	370,000
- Buildings	1,160,442	1,024,530
- Infrastructure	36,504	33,379
	1,611,946	1,427,909

Agricultural Business Research Institute
ABN 59 781 301 088
2018 Financial Statements

Notes to the financial statements
(continued)

31 December 2018

	2018	2017
	\$	\$
Note 20. Reserves and retained earnings (continued)		
Movements in reserves were as follows:		
Reserves at 1 January - Land	370,000	320,000
Increment/(decrement) on revaluation	45,000	50,000
Reserves at 31 December	415,000	370,000
Reserves at 1 January - Buildings	1,024,530	955,010
Increment/(decrement) on revaluation	135,911	69,520
Reserves at 31 December	1,160,441	1,024,530
Reserves at 1 January - Infrastructure	33,379	34,029
Increment/(decrement) on revaluation	3,125	(650)
Reserves at 31 December	36,504	33,379
b) Retained earnings		
Movements in retained earnings were as follows:		
Retained earnings at 1 January	11,478,817	11,203,368
Net Operating Result for the year	(1,357,687)	275,449
Retained Earnings at 31 December	10,121,130	11,478,817
Total Equity	11,733,075	12,906,726

Note 21. Key management personnel disclosures

Remuneration of Board Members

The Directors of the company act in an honorary capacity and receive only a nominal amount to cover costs for their services as Directors. The Directors did not receive benefits and fees from a related body corporate except for H.P. Nivison in his capacity as Managing Director of ABRI.

	No.	No.
Nil to \$9,999	10	8
	10	8

Aggregate Remuneration of Board Members

	\$	\$
Total Aggregate Remuneration	6,400	6,000

Remuneration of executive officers

	No.	No.
\$100,000 to \$129,999	4	2
\$130,000 to \$159,999	2	3
\$160,000 to 240,000	1	1
	7	6

Aggregate Remuneration of executive officers

Total Aggregate Remuneration	998,503	919,102
------------------------------	---------	---------

Note 22. Remuneration of auditors

During the year, the following fees were paid for services provided by the auditor of the company, its related practices and non-related audit firms:

Audit and review of the Financial Statements

Fees paid to The Audit Office of NSW:	26,800	26,000
Total remuneration for audit services	26,800	26,000

Note 23. Contingencies

At balance date, no legal proceeding had been identified as being progressed against or on behalf of the company.

At balance date, no contingent liabilities or contingent assets of a material nature to the company had been identified.

Agricultural Business Research Institute
ABN 59 781 301 088
2018 Financial Statements

Notes to the financial statements
(continued)
31 December 2018

Note 24. Commitments	2018	2017
	\$	\$
(i) Operating Leases		
Within one year	35,906	34,860
Between one and five years	100,222	-
Total future minimum lease payments	<u>136,128</u>	<u>34,860</u>
(ii) Finance Leases		
Within one year	32,515	27,102
Between one and five years	37,578	70,098
Total future minimum lease payments	<u>70,093</u>	<u>97,200</u>
Total lease commitments	<u>206,221</u>	<u>132,060</u>

No lease arrangements, existing as at 31 December 2018, contain contingent rental payments, purchase options, escalation clauses or restrictions imposed by lease arrangements including dividends, additional debt or further leasing.

Note 25. Related parties

(a) Parent entities

The ultimate parent entity within the group is the University of New England which is incorporated in Australia.

(b) Subsidiaries

The entity does not have any interest in a subsidiary.

(c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 21.

(d) Transactions with related parties

Transactions with related parties are on normal terms no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

Transactions during the period

University of New England

Income received from	-	-
Payments made to	115,407	123,231
Net	<u>115,407</u>	<u>123,231</u>

Outstanding balances

The following balances are outstanding at the reporting date in relation to transactions with related parties:

University of New England

Payables to	0	81,861
-------------	---	--------

(e) Guarantees

There have been no guarantees given.

(f) Terms and conditions

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

Note 26. Reconciliation of operating result after income tax to net cash flows from operating activities

	2018	2017
	\$	\$
Operating result for the period	(1,357,687)	275,449
Depreciation and amortisation	241,434	244,916
Provision for impaired receivables	30,511	22,230
(Gain)/Loss on revaluation of land, buildings and infrastructure	(184,036)	-
(Gain)/Loss on revaluation of investments	181,918	(190,950)
Gain on sale	-	(5,627)
Increase/(Decrease) in Payables and Prepaid Income	153,865	264,446
Increase/(Decrease) in Provision for Employee Entitlements	2,000	(14,000)
Increase/(Decrease) in Provision for Annual Leave	5,374	(25,572)
(Increase)/Decrease in Receivables and Prepaid Expenses	312,185	(462,445)
Net cash provided by / (used in) operating activities	<u>(614,436)</u>	<u>108,447</u>

Note 27. Events subsequent to reporting period

There are no reportable events occurring after balance date.

Note 28. Financial risk management

The economic entity's accounting policies, including the terms and conditions of each class of financial asset and financial liability, both recognised and unrecognised at balance date, are as follows:

(a) Market Risk**(i) Terms and conditions**

Recognised Financial Instruments	Note	Accounting Policies	Terms and Conditions
Financial Assets			
Receivables and Accrued Income	11 & 18	Receivables are carried at nominal amounts due less any provision for impairment	Accounts Receivable credit terms are 30 days
Deposits at Call	10(c)	Term Deposits are stated at cost	Bank Call Deposits interest rate is determined by the official Money Market
Term Deposits	10(c)	Term Deposits are stated at cost	Term deposits are for a period of up to one year. Interest rates are between 2.5% and 2.68%. Average maturity of 172 days
Listed Shares	12	Listed Shares are carried at bid price	
Financial Liabilities			
Creditors and Accruals	16 & 18	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not invoiced to the economic entity.	Creditors are normally settled on 30 day terms

(ii) Foreign exchange risk

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

The economic entity undertakes certain transactions denominated in foreign currencies. These transactions expose the economic entity to exchange rate fluctuations. As the company recognises all transactions, assets and liabilities in Australian dollars only, it has some exposure to foreign exchange risk.

(iii) Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market prices.

The entity is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the entity diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the entity's Investment Committee.

(iv) Cash flow and fair value interest rate risk

The economic entity invests in term deposits with various financial institutions and is exposed to interest rate risk arising from normal interest rate variations.

The company interest rate risk arises primarily from investments in long term interest bearing financial instruments, due to the potential fluctuation in interest rates. In order to minimise exposure to this risk, the company invests in a diverse range of financial instruments with varying degrees of potential returns.

(v) Summarised sensitivity analysis

The table on the last page of the financial report summarises the sensitivity of the economic entity's financial assets and liabilities to interest rate risk.

(b) Credit Risk

Credit risk is the risk of financial loss, arising from another party, to a contract or financial position failing to discharge a financial obligation thereunder. The Economic Entity's maximum exposure, to credit rate risk, is represented by the carrying amounts of the financial assets included in the statement of financial position.

Financial risk management (continued)

(c) Liquidity Risk

Liquidity risk refers to the risk that, as a result of operational liquidity requirements, the company:

- will not have sufficient funds to settle a transaction on the due date
- will be forced to sell financial assets at a value which is less than their worth
- may be unable to settle or recover a financial asset at all

The finance committee monitors the actual and forecast cash flow of the economic entity on a regular basis, ensuring that sufficient cash reserves are held to meet the ongoing operations and obligations of the economic entity as they fall due.

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

31 December 2018	Average Interest Rate	Variable Interest Rate	Less than 1 Year	1 to 5 Years	5+ Years	Non Interest	Total
	%	\$	\$	\$	\$	\$	\$
Financial Assets							
Cash & cash equivalents	1.00	216,977					216,977
Investments-Term Deposits	2.60		4,564,586				4,564,586
Receivables						1,725,802	1,725,802
Listed Shares						4,142,456	4,142,456
Accrued Income						100,653	100,653
Total Financial Assets		216,977	4,564,586			5,968,911	10,750,474
Financial Liabilities							
Borrowings			-	-		-	-
Payables						483,916	483,916
Total Financial Liabilities						483,916	483,916
Net Financial Assets(Liabilities)		216,977	4,564,586			5,484,995	10,266,558

Comparative figures for the previous year are as follows:

31 December 2017	Average Interest Rate	Variable Interest Rate	Less than 1 Year	1 to 5 Years	5+ Years	Non Interest	Total
	%	\$	\$	\$	\$	\$	\$
Financial Assets							
Cash and cash equivalents	1.10	313,182					313,182
Investments - Term Deposits	2.60		4,744,070				4,744,070
Receivables						1,890,036	1,890,036
Listed Shares						4,504,607	4,504,607
Accrued Income						278,475	278,475
Total Financial Assets		313,182	4,744,070	-	-	6,673,118	11,730,370
Financial Liabilities							
Borrowings							
Payables						364,793	364,793
Total Financial Liabilities						364,793	364,793
Net Financial Assets(Liabilities)		313,182	4,744,070			6,308,325	11,365,577

Financial risk management (continued)**Summarised sensitivity analysis**

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

31 December 2018	Carrying amount	Interest rate risk				Other price risk			
		-1%		+1%		-1%		+1%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
		\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets									
Cash and cash equivalents	216,977	(2,170)	(2,170)	2,170	2,170	N/A	N/A	N/A	N/A
Investments-Term Deposits	4,564,586	(45,646)	(45,646)	45,646	45,646	N/A	N/A	N/A	N/A
Receivables	1,725,802								
Listed Shares	4,142,456					(41,425)	(41,425)	41,425	41,425
Accrued Income	100,653								
Total Financial Assets	10,750,474	(47,816)	(47,816)	47,816	47,816	(41,425)	(41,425)	41,425	41,425
Financial Liabilities									
Creditors	644,970	(6,450)	(6,450)	6,450	6,450	N/A	N/A	N/A	N/A
Total Financial Liabilities	644,970	(6,450)	(6,450)	6,450	6,450				
Total increase / (decrease)	10,105,504	(41,366)	(41,366)	41,366	41,366	(41,425)	(41,425)	41,425	41,425

Comparative figures for the previous year are as follows:

31 December 2017	Carrying amount	Interest rate risk				Other price risk			
		-1%		+1%		-1%		+1%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
		\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets									
Cash and cash equivalents	313,182	(3,132)	(3,132)	3,132	3,132	N/A	N/A	N/A	N/A
Investments-Term Deposits	4,744,070	(47,441)	(47,441)	47,441	47,441	N/A	N/A	N/A	N/A
Receivables	1,890,036								
Listed Shares	4,504,607					(45,046)	(45,046)	45,046	45,046
Accrued Income	278,475								
Total Financial Assets	11,730,370	(50,573)	(50,573)	50,573	50,573	(45,046)	(45,046)	45,046	45,046
Financial Liabilities									
Creditors	536,987	(5,370)	(5,370)	5,370	5,370	N/A	N/A	N/A	N/A
Total Financial Liabilities	536,987	(5,370)	(5,370)	5,370	5,370				
Total increase / (decrease)	11,193,383	(45,203)	(45,203)	45,203	45,203	(45,046)	(45,046)	45,046	45,046

Note 29 Fair value measurements

The fair value of financial assets and financial liabilities are estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as available for sale securities) is based on quoted market prices at the balance date. The quoted market price used for financial assets held by the Entity is the current bid price.

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. The Entity uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market exit prices declared by fund managers are used to estimate fair value for unlisted unit trusts.

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 Entity for similar financial instruments.

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

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

- Financial assets at fair value through profit or loss
- Land and buildings
- Infrastructure

A full revaluation of Land, Buildings and Infrastructure was conducted in October 2018.

Fair value measurements recognised in the balance sheet are categorised into the following levels by valuation method:

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 (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3- inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Listed securities

Fair values have been determined by reference to their quoted bid prices at the reporting date.

Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2018.

	31 Dec 2018	Level 1	Level 2	Level 3
	\$	\$		
Financial assets				
Other financial assets	4,142,456	4,142,456	-	-
Total	<u>4,142,456</u>	<u>4,142,456</u>	<u>-</u>	<u>-</u>
Non financial assets				
Land	495,000	-	495,000	
Buildings	2,436,300	-	-	2,436,300
Infrastructure	72,000	-	-	72,000
Total	<u>3,003,300</u>	<u>-</u>	<u>495,000</u>	<u>2,508,300</u>
	31 Dec 2017	Level 1	Level 2	Level 3
	\$	\$		
Financial assets				
Other financial assets	4,504,607	4,504,607	-	-
Total	<u>4,504,607</u>	<u>4,504,607</u>	<u>-</u>	<u>-</u>
Non financial assets				
Land	450,000	-	450,000	
Buildings	2,381,200	-	-	2,381,200
Infrastructure	72,500	-	-	72,500
Total	<u>2,903,700</u>	<u>-</u>	<u>450,000</u>	<u>2,453,700</u>

Valuation techniques used to derive level 3

Land, buildings and infrastructure are valued independently at least every three years. At the end of each reporting period, the Entity updates the assessment of the fair value of each property, taking into account the most recent independent valuations.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the Entity 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
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based on a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence

All resulting fair value estimates for properties are included in level 3 except for vacant land.

Note 29 Fair value measurements (continued)**Fair value measurements using significant unobservable inputs (level 3)**

Level 3 Fair value measurements 2018	Land	Buildings	Infrastructure	Total
Opening balance	450,000	2,381,200	72,500	2,903,700
Adoption of AASB 13	0	0	0	0
Total gains /(losses)	0	0	0	0
Recognised in profit or loss *	0	(80,811)	(3,625)	(84,436)
Recognised in other comprehensive income	45,000	135,911	3,125	184,036
Closing balance	495,000	2,436,300	72,000	3,003,300
Level 3 Fair value measurements 2017				
Opening balance	400,000	2,393,000	77,000	2,870,000
Recognised in profit or loss *	0	(81,320)	(3,850)	(85,170)
Recognised in other comprehensive income	50,000	69,520	(650)	118,870
Closing balance	450,000	2,381,200	72,500	2,903,700

*change in unrealised gains/(losses) recognised in profit or loss attributable to assets held at the end of the reporting period

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

Description	Fair value at 31 Dec	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Land	495,000	Global Valuation	2	For land, buildings and infrastructure, market date is not observable. These are valued using a discounted recovery approach.
Buildings	2,436,300	Global Valuation	3	
Infrastructure	72,000	Global Valuation	3	

END OF AUDITED FINANCIAL STATEMENTS



FINANCIAL REPORT

FOR THE YEAR ENDED

31 December 2018

INDEPENDENT AUDIT REPORT

The Audit Office of NSW will provide this report on March 2019 as per CSP. The report is provided after the Board has signed the financial report.

INDEPENDENT AUDIT REPORT

The Audit Office of NSW will provide this report on March 2019 as per CSP. The report is provided after the Board has signed the financial report.

UNE FOUNDATION LIMITED

Directors' Report

The Directors present their report together with the financial statements of UNE Foundation Ltd ("the Company") for the financial year ended 31 December 2018 and the Auditors Report thereon.

Director details

The following persons were Directors of the Company during or until the end of the financial year:

Mr Paul Barratt AO

BSc (Hons) (UNE) BA (ANU) FAICD

Paul Barratt joined the Department of Defence in 1966. He spent the next 25 years of his career in the Commonwealth Public Service, mainly in areas relating to resources, energy and international trade, becoming Deputy Secretary of the Department of Trade and Resources (1978-85); Special Trade Representative for North Asia (1985-88); and Deputy Secretary in the Department of Foreign Affairs and Trade (1988-91).

In 1992 he became Executive Director of the Business Council of Australia, a body consisting of the Chief Executive Officers of about 90 of the 100 largest companies in Australia.

In 1996 he returned to the Public Service, becoming Secretary to the Departments of Primary Industries and Energy (1996-98) and Defence (1998-9).

In 1997 he received a Distinguished Alumni Award from the University of New England. In 1999 he was made an Officer in the General Division of the Order of Australia, for service to public administration, public policy development, business and international trade.

He now runs his own consulting business, and is a director of Australia 21, a non-profit company dedicated to stimulating research and development on issues of strategic importance to Australia in the 21st century. He was appointed an Adjunct Professor in the University's School of Humanities in 2015.

Appointed a Director of UNE Foundation Ltd on 5 September 2006.

Special responsibilities : Chairman of the Board since 17 March 2015.

Professor Annabelle Duncan

BSc DipSc MSc (Otago) PhD (La Trobe) HonDsc (Murdoch) PSM FTSE

Professor Annabelle Duncan is the Vice-Chancellor and Chief Executive Officer of the University of New England. She joined the University in September 2010, initially as Deputy Vice-Chancellor Research and then as Deputy Vice-Chancellor.

Prior to joining UNE, Professor Duncan spent 16 years in the CSIRO, including 6 years as Chief of the Division of Molecular Science. She has also served in managerial roles within the Bio21 Institute at University of Melbourne and AgriBio Institute at La Trobe University.

Professor Duncan acted as an advisor to the Department of Foreign Affairs and Trade on biological weapons control, representing Australia at international arms control meetings and acting as a biological weapons inspector with the United Nations in Iraq.

She was awarded a Public Service Medal in 1996 and Honorary Doctor of Science (DSc) from Murdoch University in 2005, for her work in arms control.

Appointed a Director of UNE Foundation Ltd on 12 March 2014.

Ms Caroline Forrest

BComm BA Grad Dip Applied Finance (Finsia)

Caroline is an Investment Manager at New Zealand Trade & Enterprise, promoting investment opportunities, exports and trade across the Tasman. Prior to joining NZTE, Caroline worked at JPMorgan for six years as a relationship banker, looking after resources companies in Perth, superannuation funds in Melbourne and the New Zealand client base. Between 2000 and 2004, she was the research analyst for the JBWere Private Equity Fund.

Caroline has been involved in student mentoring through the Australian Business and Community Network. She completed an Advice Bank project with the Victorian State Library foundation and has been an active member of the Committee of Convocation at Melbourne University. She founded the Wine & Philosophy Club at Melbourne Business School.

Appointed a Director of UNE Foundation Ltd on 27 September 2011. Retired on 27 February 2018.

Mr Geoff Gorrie

BEC BA (ANU) BSc DipEd (UNE) PSM

Geoff Gorrie has a long history in agricultural policy and programs, food policy, regional development and natural resources management at Australian Government level as well as extensive experience in change management and administration. He was involved in the implementation of food regulation reforms, water reform policies, water management in the Murray Darling Basin, the establishment of the Regional Forest Agreements and the Decade of Landcare which led into the establishment of the Natural Heritage Trust.

Geoff is a Director of Australia21. He has held Directorships with Australian Forestry Standard Ltd, Seafoods Services Australia, Safe Food Production Queensland and a number of Commonwealth authorities. Geoff was also a Commissioner on the then Murray Darling Basin Authority, Chair of the National Land and Water Resources Audit Advisory Council and a member of the Serco Advisory Board.

Geoff has a very high affinity with rural Australia - he was born in Gulgong, grew up in Binnaway and then attended high school in Bathurst and went on to university in Armidale and Canberra. From the mid-1970s Geoff's public sector work dealt with aspects of rural and regional Australia.

Geoff was awarded the Public Service Medal on Australia Day 2002. He retired as Deputy Secretary of the Australian Government Department of Agriculture, Fisheries and Forestry in January 2003.

Appointed a Director of UNE Foundation Ltd on 12 May 2009.

Ms Meredith Symons

BFA FCA

Meredith Symons is a UNE Graduate (Bachelor of Financial Administration, Accounting and Finance) and ICA, who has lived on-campus at Earle Page College – and loved all aspects of the UNE college experience.

A corporate financial services professional with extensive domestic and international experience, Meredith has a global mindset with expertise in the treasury, tax, finance and shared services aspects of corporate financial management.

Meredith sits on a number of subsidiary boards at Goodman Fielder, as well as a Joint Venture board based in Indonesia. She has a group perspective, is skilled at considering the business implications from the numbers and has experience with technology including introducing new systems.

Meredith's career has taken her overseas and she has had responsibility for overseeing international portfolios. She has held senior financial positions at some of Australia's top corporates, including Goodman Fielder (FMCG, Food manufacturing); Macquarie Bank, UBS and Price Waterhouse Coopers.

Appointed a Director of UNE Foundation Ltd on 21 September 2015.

Mr John Wilson

BA LLB Melbourne; LLM Duke; MAICD

John has over 25 years' experience in financial markets, working in the investment management industry.

He has a comprehensive knowledge of investment markets, portfolio management and portfolio risk management, along with an understanding of all asset sectors, a strong theoretical background in portfolio construction and practical experience of portfolio management.

John sits on the board of LG Super Queensland where he is Chairman of the Investment Committee; is the inaugural Chairman of the Australian Rugby Foundation, the official philanthropy of Australian rugby; is a director of Etihad Stadium in Melbourne; and Chairman of Domus Private Clients. Along with Rugby, he has passion for history, photographic art, literature and music.

Appointed a Director of UNE Foundation Ltd on 17 August 2014. Retired on 27 February 2018.

Mr Martin Dolan

Martin Dolan was born in Scotland in 1957 and raised in Armidale, where his parents both taught at the University. He was educated at Armidale High School and the University of New England, where he completed a Bachelor of Arts degree with Honours in French.

Martin had a thirty-six year career with the Australian Government. He started his public service career in 1980 with AusAid, managing aid projects in developing countries, including a two-year posting to Bangladesh. He then undertook various corporate management roles in the Department of Agriculture, Fisheries and Forestry, including as Chief Finance Officer and Head of Corporate Management.

From 2001–2005 he was Executive Director, Aviation and Airports at the Department of Transport and Regional Services, with responsibility for airport sales and regulation, aviation security, aviation safety policy and international aviation negotiations. He was given charge of aviation security for two years in the aftermath of the events of 11 September 2001. In 2006, Martin was the first Chief Executive Officer of the Australian Energy Markets Commission. Following that, he was Deputy Chief Executive Officer and then CEO of Comcare, with responsibility for the occupational health and safety and workers' compensation of Commonwealth employees.

In July 2009, Martin was appointed as the first Chief Commissioner of the Australian Transport Safety Bureau for a term of five years, which was later extended for a further two years. The ATSB investigates transport accidents in the air, rail and marine sectors. In addition, it had led the search for the missing Malaysia Airlines flight MH 370.

Martin retired from the Australian Public Service in 2016 to focus on his writing. He is currently a PhD candidate in creative writing at the University of Canberra.

Appointed a Director of UNE Foundation Ltd on 29 November 2016.

Company Secretary

The following person held the position of corporate secretary at the end of the financial year.

Mr Brendan Peet

LL.B, Grad Dip ACG, AGIA, ACIS, MAICD

Chief Legal and Governance Officer, University of New England

Brendan is a lawyer and Chartered Secretary with over seventeen years' experience. Brendan's legal career included roles with leading Australian firms Clayton Utz and Minter Ellison, prior to moving to his current in-house role with the University in 2010.

He is a member of the senior executive at the University with responsibility for the legal, audit and risk, records management, policy and governance and secretariat functions. His role includes acting as the General Counsel and University Secretary.

Brendan is the company secretary of UNE Foundation Limited and UNE Life Pty Ltd. He is the Secretary of the Association of Australian University Secretaries and is Secretary of the Presbyterian Ladies College Armidale Foundation.

Principal Activities

The principal activity of the company during the year was the provision of trustee services.

There have been no significant changes in the nature of these activities during the year.

Short-term objectives

To hold funds raised that are to be applied in the provision of money, property or benefits to the University in accordance with subclause (a); (as the objects of its constitution).

Long-term objectives

To provide money, property or benefits to the University (being a fund, authority or institution covered by an Item in a table in Subdivision 30-B of the Tax Act):

(i) for any purposes set out in the Item in the table in Subdivision 30-B of the Tax Act applicable to the University; or

(ii) where the Item in the table in Subdivision 30-B of the Tax Act applicable to the University does not set out specific purposes, for purposes within the objects, functions and powers of the University, including but without limitation the provision of money, property or benefits to the University in or towards:

(a) the provision of scholarships;

(b) research;

(c) teaching and learning

And to act as trustee of a charitable trust to be known as UNE Foundation or such other name as may from time to time be determined by the Company to be established to carry out and give effect to these objects

Strategies for achieving short and long-term objectives:

- to meet with or provide advice to persons making inquiry about leaving a bequest to UNE.

- to meet as a board of Directors to act as trustees of the UNE Foundation and, by a decision of quorum, administer or dispense of funds held in trust for particular donative purposes.

The board implemented an investment policy by engaging a Funds Manager to manage invested funds in two investment pools namely "Immediate" and "Perpetual". The Board receives reports on these investments at every meeting. The financial statements include cash flow narrative and, twice per annum, the University of New England seeks reimbursement of funds paid out on behalf of UNE Foundation for specific scholarship, prize or other purposes for which the funds were donated.

Income and expenditure is measured on year to date and total year data for the current and previous years. These financial statements presented to the Board include comprehensive explanatory notes against performance indicators.

The Board, as a matter of policy, seeks high quality advice in making its investment decisions, and from time-to-time will change its adviser in line with its contractual arrangements.

Directors' meetings

The number of meetings of Directors held during the year and number of meetings attended by each Director were as follows:

Board of Directors	Meetings Attended	Eligible to Attend
Mr Paul Barratt	5	5
Professor Annabelle Duncan*	2	5
Mr Martin Dolan	3	5
Ms Caroline Forrest	1	1
Mr Geoff Gorrie	5	5
Ms Meredith Symons	4	5
Mr John Wilson	1	1

* When an apology, Prof Duncan was represented by Mr Kris Kauffmann, Chief Financial Officer (and Ms Sandra Matthews, Acting Chief Financial Officer at 13 July 2018 meeting).

Contribution in winding up

The company is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. There is only one class of member who has \$100 liability should the company be wound up. At 31 December 2018, the collective liability of members was \$500 (\$100 per member, maximum number of members is 9).

Review of Operations

During 2018, the company continued to operate as trustee of UNE Foundation and had no financial results.

Likely Developments and Expected Results of Operations

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

Environmental Regulation

The Company is not subject to any significant Commonwealth, State or Local Government statutes and requirements related to environmental matters.

Indemnification of Officers

Insurance coverage is provided for directors and officers of the Company under the University of New England global policies and no premium is apportioned to or paid by the Company.

Events after reporting date

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

Legal proceedings on behalf of the Company

There were no legal proceedings brought against the company during the financial year. At the date of this report, the directors are not aware of any legal proceedings which have arisen since the end of the financial year and up to the date of this report.

Auditor's Independence Declaration

The Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on the next page and forms part of the directors' report for the financial year ended 31 December 2018.

The report is signed on behalf of the directors in accordance with a resolution of the directors made pursuant to the *Corporations Act 2001* .

.....

Mr Paul Barratt
Chair - Director

06 March 2019

.....

Professor Annabelle Duncan
Director

06 March 2019

Auditors Independence Declaration

Directors' Declaration

The Directors declare that:

- (1) the financial statements and notes comply with Australian Accounting Standards (including Australian Accounting Interpretations);
- (2) the financial statements and notes give a true and fair view of the financial position and performance of the company for the financial year ended 31 December 2018;
- (3) the financial statements and notes are in accordance with the *Corporations Act 2001* ; and
- (4) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to s295(5) of the *Corporations Act, 2001*.

.....

Mr Paul Barratt
Chair - Director

06 March 2019

.....

Professor Annabelle Duncan
Director

06 March 2019

Directors' Statement Pursuant to Section 41C(1B) and (1C) of the Public Finance and Audit Act 1983

In accordance with a resolution of the Directors of UNE Foundation Limited and pursuant to Section 41C (1B) and (1C) of the *Public Finance and Audit Act 1983 and the Corporations Act 2001*, we state that:

1. The attached general purpose financial statements and notes present a true and fair view of the financial position and performance of the Company at 31 December 2018 and the results of its operations and transactions of the Company 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, Public Finance and Audit Regulation 2015 and the Corporations Act 2001*;
3. The financial statements and notes have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and authoritative pronouncements of the Australian Accounting Standards Board;
4. We are not aware of any circumstances which would render any particulars included in the financial reports to be misleading or inaccurate; and
5. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed on behalf of the Board in accordance with a resolution of the Directors.

.....

Mr Paul Barratt
Chair - Director

06 March 2019

.....

Professor Annabelle Duncan
Director

06 March 2019

Statement of Profit or Loss
For the year ended 31 December 2018

	2018	2017
	\$	\$
Income from continuing operations	-	-
Expenses from continuing operations	-	-
	<hr/>	<hr/>
Net result from continuing operations	<hr/>	<hr/>

The above statement of profit or loss should be read in conjunction with the accompanying notes.

Statement of Comprehensive Income
For the year ended 31 December 2018

	2018	2017
	\$	\$
Operating result from continuing operations	-	-
Other comprehensive income	-	-
Other comprehensive income for the period	-	-
	<hr/>	<hr/>
Total comprehensive income for the period	<hr/>	<hr/>

The above statement of other comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position
As at 31 December 2018

	2018	2017
	\$	\$
ASSETS		
Current assets	-	-
Non-current assets	-	-
	<hr/>	<hr/>
Total assets	<hr/>	<hr/>
LIABILITIES		
Current liabilities	-	-
Non-current liabilities	-	-
	<hr/>	<hr/>
Total liabilities	<hr/>	<hr/>
Net assets	<hr/>	<hr/>
EQUITY	-	-
	<hr/>	<hr/>
Total equity	<hr/>	<hr/>

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity
For the year ended 31 December 2018

	Reserves	Retained Earnings	Total
Balance as 1 January 2017	-	-	-
Total comprehensive income			
Net result	-	-	-
Gain/(loss) on revaluation of Buildings, net of tax	-	-	-
Gain on Avail-for-sale Fin Assets	-	-	-
Total comprehensive income	-	-	-
Distribution to owners	-	-	-
Contribution from owners	-	-	-
Balance at 31 December 2017	-	-	-
Balance at 1 January 2018	-	-	-
Net result	-	-	-
Gain/(loss) on revaluation of Buildings, net of tax	-	-	-
Gain on Avail-for-sale Fin Assets	-	-	-
Total comprehensive income	-	-	-
Distribution to owners	-	-	-
Contribution from owners	-	-	-
Balance at 31 December 2018	-	-	-

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows
For the year ended 31 December 2018

	2018 \$	2017 \$
Cash flows from operating activities	-	-
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the financial year	-	-
Cash and cash equivalents at the end of the financial year	-	-

The above statement of cash flows should be read in conjunction with the accompanying notes.

Contents of the notes to the Financial Statements

Note		Page
1	Summary of significant accounting policies	16
2	Auditors remuneration	16
3	Right to indemnify out of the Trust assets	16
4	Directors remuneration	16
5	Employee benefits	16
6	Related parties	17
7	Commitments	17
8	Contingent assets and liabilities	17
9	Events subsequent to reporting period	17
10	New standards and interpretations not yet adopted	17
11	Economic Dependency	17

Notes to and forming part of the Financial Statements

1.0 Summary of significant accounting policies

1(a) Reporting Entity

UNE Foundation Limited, a not for profit entity, was incorporated in Australia as a company limited by guarantee on 23 October 2000 and is domiciled in Australia.

The company is deemed to be a controlled entity of the University of New England for the purposes of meeting the requirements of the Australian Accounting Standards, AASB 127 "*Consolidated and Separate Financial Statements*" and UIG 112 "*Special Purpose Entities*".

The principal address of UNE Foundation Limited is: University of New England, Armidale NSW 2351, Australia.

The financial statements for the year ended 31 December 2018 were authorised for issue in accordance with a resolution of the Board on 06 March 2019.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied unless otherwise stated.

1(b) Basis of preparation

The annual financial statements represent the audited general purpose financial statements of UNE Foundation Limited. They have been prepared on an accrual basis and comply with Australian Accounting Standard, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

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

- *Public Finance and Audit Act 1983*,
- *Public Finance and Audit Regulations 2015*.
- *Corporations Act 2001*

The Financial Statements have been prepared under the historical cost convention. All amounts are expressed in Australian dollars.

2.0 Auditors remuneration

The audit fee for the Company is paid by the University of New England and is included with the fees for UNE Foundation.

3.0 Right to indemnify out of the Trust assets

The assets of the Trusts as at 31 December 2018 are sufficient to meet the Trustee's rights of indemnity out of trust assets for liabilities incurred on behalf of the trust, as and when they fall due.

4.0 Directors remuneration

The Directors act in an honorary capacity and do not receive remuneration in connection with the management of the affairs of the Company.

5.0 Employee benefits

The company did not employ any staff during the year. The University of New England provided and paid for all administrative support.

Notes to the financial statements
31 December 2018
(continued)

6.0 Related parties

University of New England provided the company with a range of administrative support services. Under a service level agreement, these services have been provided at no charge to the Company and comprised the provision of:

- office accommodation facilities
- accounting and administrative services
- electricity and other utility services, and
- personnel services.

The value of these services has not been quantified or reported in the financial statements.

7.0 Commitments

The entity has not identified any material commitments at 31 December 2018 (2017: Nil).

8.0 Contingent assets and liabilities

The Company is not aware of any contingent assets or liabilities existing at 31 December 2018 (2017: Nil).

9.0 Events subsequent to reporting period

There are no reportable events occurring after balance date.

10.0 New standards and interpretations not yet adopted

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2018 reporting period.

The company has assessed the impact of these new Standards and Interpretations and considers the impact to be insignificant.

11.0 Economic Dependency

The Company's operations are dependent upon the ongoing financial and other support of the University of New England.

END OF AUDITED FINANCIAL STATEMENTS

UNE Life Pty Ltd



ABN: 29 065 648 419
Annual Financial Report
for the year ended
31 December 2018

Independent Audit Report

Independent Audit Report

Directors' Statement Pursuant to Section 41C(1B) and (1C) of the Public Finance and Audit Act 1983

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

1. The attached general purpose financial statements and notes present a true and fair view of the financial position and performance of the Company at 31 December 2018 and the results of its operations and transactions of the Company 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, Public Finance and Audit Regulations 2015*;
3. The financial statements and notes have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and authoritative pronouncements of the Australian Accounting Standards Board;
4. We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate; and
5. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable noting the factors outlined in Note 1(r) of the financial statements.

Signed in accordance with a resolution of the Directors.

.....
Dr Kerry Hudson
Director

.....
Mr David Schmude
Director

8 March 2019

Statement of Profit or Loss For the year ended 31 December 2018

	Note	2018 \$	2017 \$
Income from continuing operations			
Trading income	2	8,687,997	6,449,191
Investment revenue	3	14,641	19,865
Other revenue	4	2,547,801	2,241,489
Total income from continuing operations		11,250,439	8,710,545
Expenses from continuing operations			
Employee related expenses	5	5,082,346	3,501,139
Depreciation and amortisation	6	227,687	209,211
Repairs and maintenance	7	160,206	162,133
Other expenses	8	5,706,114	5,118,802
Total expenses from continuing operations		11,176,353	8,991,285
Net result attributable to the Entity	18	74,086	(280,740)

The above statement of profit or loss should be read in conjunction with the accompanying notes.

Statement of Comprehensive Income For the year ended 31 December 2018

	Note	2018 \$	2017 \$
Net result for the period		74,086	(280,740)
Other comprehensive income		-	-
Total comprehensive income for the period		74,086	(280,740)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position As at 31 December 2018

	Note	2018 \$	2017 \$
ASSETS			
Current assets			
Cash and cash equivalents	9	1,269,075	990,376
Receivables	10	632,008	1,146,061
Inventories	11	1,123,179	320,290
Non financial assets	13	7,880	-
Total current assets		<u>3,032,142</u>	<u>2,456,727</u>
Non-current assets			
Other financial assets	12	-	500
Property, plant and equipment	14	536,230	693,338
Intangible assets	15	67,354	122,228
Total non-current assets		<u>603,584</u>	<u>816,066</u>
Total assets		<u>3,635,726</u>	<u>3,272,793</u>
LIABILITIES			
Current liabilities			
Trade and other payables	16	1,473,117	1,240,406
Provisions	17	157,730	104,594
Total current liabilities		<u>1,630,847</u>	<u>1,345,000</u>
Non-current liabilities			
Provisions	17	71,000	68,000
Total non-current liabilities		<u>71,000</u>	<u>68,000</u>
Total liabilities		<u>1,701,847</u>	<u>1,413,000</u>
Net assets		<u>1,933,879</u>	<u>1,859,793</u>
EQUITY			
Retained earnings	18	1,933,759	1,859,673
Share Capital	18	120	120
Total equity		<u>1,933,879</u>	<u>1,859,793</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity For the year ended 31 December 2018

	Shares	Retained earnings	Total
Balance at 1 January 2017	120	2,140,413	2,140,533
Net result	-	(280,740)	(280,740)
Total comprehensive income	-	(280,740)	(280,740)
Balance at 31 December 2017	120	1,859,673	1,859,793
Balance at 1 January 2018	120	1,859,673	1,859,793
Net result	-	74,086	74,086
Total comprehensive income	-	74,086	74,086
Balance at 31 December 2018	120	1,933,759	1,933,879

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows For the year ended 31 December 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from customers		12,975,979	8,543,049
Interest received		14,640	19,865
Payments to suppliers and employees (inclusive of GST)		(12,671,215)	(9,369,909)
Interest and other costs of finance		-	-
Net cash provided by / (used in) operating activities	25	<u>319,404</u>	<u>(806,995)</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	-
Payments for property, plant and equipment		(40,705)	(291,444)
Net cash provided by / (used in) investing activities		<u>(40,705)</u>	<u>(291,444)</u>
Cash flows from financing activities			
Net cash provided by / (used in) financing activities		<u>-</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents		278,699	(1,098,439)
Cash and cash equivalents at the beginning of the financial year		990,376	2,088,815
Cash and cash equivalents at the end of the financial year		<u>1,269,075</u>	<u>990,376</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Contents of the notes to the Financial Statements

Note		Page
1	Summary of significant accounting policies	8
	Income	
2	Trading income	13
3	Investment revenue	13
4	Other revenue	13
	Expenses	
5	Employee related expenses	13
6	Depreciation and amortisation	13
7	Repairs and maintenance	13
8	Other expenses	14
	Assets	
9	Cash and cash equivalents	14
10	Receivables	14
11	Inventories	15
12	Other financial assets	15
13	Other non-financial assets	15
14	Property, plant and equipment	15
15	Intangible assets	16
	Liabilities	
16	Trade and other payables	16
17	Provisions	16
	Equity	
18	Reserves and retained earnings	17
19	Economic Dependency	17
20	Key management personnel disclosures	17
21	Remuneration of auditors	18
22	Contingencies	18
23	Commitments	18
24	Related parties	19
25	Reconciliation of net result after income tax to net cash provided / (used in) operating activities	19
26	Event occurring after the end of the reporting period	20
27	Financial risk management	20
28	Fair value measurements	23

Notes to and forming part of the Financial Statements

Note 1. Summary of significant accounting policies

Services UNE Limited, a not-for-profit entity, was incorporated in Australia as a company limited by guarantee on 14 July 1994 and is domiciled in Australia. On the 19th of December 2013, the University of New England, being the sole Member and owning 100% of the issued shares through a special resolution resolved that Services UNE Limited:

- changed from a public company limited by guarantee to a proprietary company limited by shares;
- changed its name to "Services UNE Pty Ltd"

On 19 August 2014, the company changed its name to UNE Life Pty Ltd.

The principal address of UNE Life Pty Ltd is:
Madgwick Hall, Union Road
University of New England, NSW 2351

The company is a controlled entity of the University of New England and as such is considered to be a reporting entity as defined in Australian Accounting Standard AASB 127 "*Consolidated and Separate Financial Statements*".

The financial statements for the year ended 31 December 2018 were authorised for issue in accordance with a resolution on 8 March 2019.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied unless otherwise stated.

(a) Basis of preparation

The annual financial statements represent the audited general purpose financial statements of UNE Life Pty Ltd. They have been prepared on an accrual basis and comply with Australian Accounting Standard, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

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

- *Public Finance and Audit Act 1983*,
- *Public Finance and Audit Regulations 2015*.

UNE Life Pty Ltd 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 IFRS requirements.

The Financial Statements have been prepared under the historical cost convention except for debt and equity financial assets that have been measured at fair value through profit or loss.

(b) Functional and presentation currency

The financial statements are presented in Australian dollars which is the Entity's functional and presentation currency.

(c) 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 Entity recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Entity and specific criteria have been met for each of the Entity's activities as described below. In some cases this may not be probable until consideration is received or an uncertainty is removed. The Entity 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) Sale of Goods

Revenue from the sale of goods is recognised when there is persuasive evidence, usually in the form of an executed sales agreement at the time of delivery of the goods to customer, indicating that there has been a transfer of risks and rewards to the customer, no further work or processing is required, the quantity and quality of the goods has been determined, the price is fixed and generally title has passed.

(ii) Rendering of services

Revenue from rendering of services is recognised when there is unlikely to be any further effort or contribution necessary by the Entity to fulfil the obligations of the sale and the transfer of risk and reward to the customer is complete.

(iii) Interest received

Interest income is recognised as it accrues.

Note 1. Summary of significant accounting policies (continued)

(iv) Other revenue

Represents income from various activities derived from core business and other miscellaneous income which is recognised when it is earned.

Contributions from the University of New England and the Student Amenities Fee are recognised inline with the agreed funding period as negotiated with the University of New England.

(d) Income tax

UNE Life Pty Ltd does not provide for Australian Income Tax as it is exempt under the provisions of Section 50-B of the *Income Tax Assessment Act 1997* (ITAA).

(e) Leases

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

(f) Impairment of assets

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

(g) 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 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.

(h) 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 30 days from the date of recognition.

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 Entity will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivables are 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.

The carrying amount of the asset is reduced through the use of an expense account and the amount of the loss is recognised in the income statement under note 8. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited to Bad Debts Recovered in the income statement.

(i) Inventories

Raw materials and stores, work in progress, stock on non cancelable order and finished goods

Raw materials and stores, work in progress, stock on non cancelable order 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.

Note 1. Summary of significant accounting policies (continued)

(j) Property, plant and equipment

Plant and equipment is stated at historical cost less depreciation. Historical costs 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 HEP 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.

In 2014, the entity adopted the University of New England policy of capitalising plant and equipment with an initial purchase price of \$5,000 or greater either individually or forming part of a network costing more than \$5,000. All plant and equipment under this threshold is expensed when purchased.

Depreciation on plant and equipment 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:

	2018	2017
Leasehold Improvements -	5 - 50 yrs	5 - 50 yrs
Plant & Equipment -	2 - 10 yrs	2 - 10 yrs
Motor Vehicle -	3 -10 yrs,	3 - 7 yrs,

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting

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 (note 1(f)).

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the income statement.

(k) Intangible assets

(i) Licences

Licences have an infinite useful life and are not amortised. They are assessed for impairment annually and whenever there is an indication that the licences may be impaired, in accordance with note 1(f).

(ii) Software

Computer software is recognised as having a finite life and is amortised over 5 years. Annual subscription fees are expensed when incurred.

(l) Trade and other payables

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

(m) Provisions

Provisions for legal claims and service warranties are recognised when: the Entity 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 has been reliably estimated. Provisions are not recognised for future operating losses.

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.

(n) Employee benefits

(i) Short-term obligations

Liabilities for short-term employee benefits including wages and salaries, non-monetary benefits and profit-sharing bonuses due are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before 12 months after the end of the reporting period, and is recognised in other payables. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates payable.

Note 1. Summary of significant accounting policies (continued)

(n) Employee benefits (continued)

(ii) Annual leave

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 Employee Benefits (although short-cut methods are permitted). Management has obtained external actuarial advice based on the entity's circumstances and has determined that the effect of discounting is immaterial to annual leave.

(iii) Long service leave

Long service leave recognised in respect of employee benefits which are not expected to be settled within twelve months are measured at present value in accordance with AASB 119 Employee Benefits. This is based on external actuarial advice obtained based on the application of certain factors to employees with five or more years of service. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

(iv) Consequential On-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

(o) 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 Australian Taxation Office. 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 Australian Taxation Office 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 Australian Taxation Office, are presented as operating cash flows.

(p) Licenses

Licences have an indefinite useful life and are not amortised. They are assessed for impairment annually and whenever there is an indication that the licences may be impaired, in accordance with note 1(f).

(q) Comparative amounts

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

(r) Going Concern

The financial statements have been prepared on a going concern basis. On this basis, the Entity is expected to be able to pay its debts as and when they become due and payable and continue in operation without any intention or necessity to liquidate or otherwise wind up its operations.

The Board believe the going concern basis of accounting is appropriate as:

- The Entity presently has no external borrowings;
- University of New England has undertaken to support the Entity to ensure it can operate as a "going concern".

Note 1. Summary of significant accounting policies (continued)

(s) New accounting standards and interpretations issued but not yet adopted

Certain new Accounting Standards and Interpretations have been published that are not mandatory for the 31 December 2018 reporting period.

Australian Accounting Standard AASB 15 '*Revenue from Contracts with Customers*' and AASB 1058 '*Income of Not-for-Profit Entities*' are mandatory from 1 January 2019. The standards replace AASB 118 '*Revenue*', AASB 111 '*Construction Contracts*' and AASB 1004 '*Contributions*'.

AASB 15 establishes a single and comprehensive framework which sets out how and when revenue is recognised. The core principle of AASB 15 is that revenue is recognised when transfers of goods or services to customers occur in exchange for consideration which the vendor expects to be entitled to in exchange for the provision of these goods or services. Revenue is only recognised when control over the goods or services is transferred to the customer, which is either over time or at a point in time.

Furthermore, AASB 1058 amends the income recognition requirements that apply to not-for-profit entities and establishes principles for not-for-profit entities that apply to:

- (a) transactions where the consideration to acquire an asset is significantly less than the fair value principally to enable a not-for-profit entity to further its objectives;
- (b) the receipt of volunteer services; and
- (c) transfers made to enable an entity to acquire or construct a non-financial asset for its own use.

The entity has assessed the impact of AASB 15 '*Revenue from Contracts with Customers*' and AASB 1058 '*Income of Not-for-Profit Entities*' and found that these standards will have a NIL effect on the 2018 financial reports of the entity.

Australian Accounting Standard AASB 16 '*Leases*' is mandatory from 1 January 2019 and replaces the current standard AASB 117 '*Leases*'. The Entity has assessed the changes to its recognition of leases upon the adoption of AASB 16 to be immaterial to the 2018 financial statements of the entity.

Note	2018 \$	2017 \$
Note 2. Trading income		
Sale of goods	6,520,774	5,878,760
Rendering of services	2,167,223	570,431
Total trading income	8,687,997	6,449,191
Note 3. Investment revenue		
Interest	14,641	19,865
Total investment revenue	14,641	19,865
Note 4. Other revenue		
UNE contribution	1,631,040	1,295,659
UNE Student Services & Amenities contribution	850,501	836,642
Rent	52,648	71,093
Other revenue	13,612	38,095
Total other revenue	2,547,801	2,241,489
Note 5. Employee related expenses		
Salaries	4,254,714	2,928,072
Contribution to funded superannuation and pension schemes	418,400	287,608
Payroll tax	253,601	172,741
Worker's compensation	73,766	29,857
Annual & long service leave	56,136	44,819
Other (Allowances, penalties and uniforms)	25,729	38,042
Total employee related expenses	5,082,346	3,501,139
Note 6. Depreciation and amortisation		
Depreciation		
Plant and Equipment	108,502	87,264
Motor Vehicles	32,882	13,931
Total depreciation	141,384	101,195
Amortisation		
Leasehold improvements	51,429	73,017
Intangibles	34,874	34,999
Total amortisation	86,303	108,016
Total depreciation and amortisation	227,687	209,211
Note 7. Repairs and maintenance		
Plant/furniture/equipment/grounds	160,206	162,133
Total repairs and maintenance	160,206	162,133

	Notes	2018 \$	2017 \$
Note 8. Other expenses			
Cost of Goods Sold		2,790,429	2,360,005
Advertising		38,110	78,666
Cleaning and materials		120,432	117,055
Computer Expenses		36,848	44,717
Insurance		-	5,585
Printing and Stationery		59,510	36,108
Legal		11,804	1,100
Minor Equipment Purchases		133,416	73,337
Security		114,553	48,492
Utilities		276,603	286,204
Rent		109,902	108,469
Merchant fees		52,909	42,967
Personnel services paid*		951,557	1,136,455
Subscriptions and Membership		73,376	66,924
Student Programs and activities		271,028	325,019
Student Experience Expense		291,154	144,184
Impaired intangibles**		25,500	-
Other Expenditure		348,983	243,515
Total other expenses		<u>5,706,114</u>	<u>5,118,802</u>

*personnel services paid relates to staff supplied by the University of New England to assist in the operations of UNE Life

** Australia Post license agreement and Tertiary Access Group Shares were impaired due to a likely nil value of future return on investment

	1(g)	2018 \$	2017 \$
Note 9. Cash and cash equivalents			
Cash on hand and at bank		1,234,128	956,281
Short term deposits		34,947	34,095
Total cash and cash equivalents		<u>1,269,075</u>	<u>990,376</u>

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

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

Balances as above	1,269,075	990,376
Less: Bank Overdrafts	-	-
Balance per cash flow statement	<u>1,269,075</u>	<u>990,376</u>

(b) Cash on hand

These are non-interest bearing. 23,967 21,367

(c) Deposits at call

The deposits at call and at investment terms of less than 12 months are bearing floating and fixed interest rates between 1% and 2.6% (2017 - 1.75% and 2.5%). These deposits have an average maturity of 30 days.

Note 10. Receivables

Current

Trade and other receivables		634,338	1,147,510
Less: Provision for impaired receivables	1(h)	(2,330)	(1,449)
Total receivables		<u>632,008</u>	<u>1,146,061</u>

As of 31 December 2018, trade receivables of \$67,263 (2017: \$48,129) were past due but not impaired current receivables. These relate to a number of related and independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

3 to 6 months	34,209	30,916
6 to 12 months	32,714	17,213
Over 12 months	340	-
Total Past due but not impaired current receivables	<u>67,263</u>	<u>48,129</u>

(a) Impaired receivables

As at 31 December 2018 current receivables of the entity with a nominal value of \$2,329 (2017: \$1,449) were impaired. The amount of the provision was \$2,329 (2017: \$1,449).

	Notes	2018 \$	2017 \$
Note 10. Receivables (continued)			
(a) Impaired receivables (continued)			
The creation and release of the provision for impaired receivables has been included in 'other expenses' 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.			
Note 11. Inventories			
Current			
Stock on hand	1(i)	1,123,179	320,290
Total current inventories		1,123,179	320,290
Note 12. Other financial assets			
Non-current			
Available for sale		-	500
Total non-current other financial assets		-	500
These share in the Territory Access Group Co-operative were reviewed and impaired in 2018 as the recoverable amount has been assessed as nil.			
Note 13. Other non-financial assets			
Current			
Prepaid Expenses		7,880	-
Total current other non-financial assets		7,880	-
Note 14. Property, plant and equipment			
Plant and equipment - At cost		1,049,687	1,013,982
Less: Accumulated depreciation		(658,852)	(550,350)
		390,835	463,632
Motor Vehicles – At cost		198,109	198,109
Less: Accumulated depreciation		(78,038)	(45,156)
		120,071	152,953
Leasehold improvements - At cost		672,527	672,527
Less: Accumulated Amortisation		(647,203)	(595,774)
		25,324	76,753
Total Property Plant & Equipment		536,230	693,338
Reconciliation			
Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:			
Plant and Equipment			
Carrying amount at beginning of year		463,632	384,857
Additions		35,705	166,039
Additions from business transfer		-	-
Disposals		-	-
Depreciation		(108,502)	(87,264)
Carrying amount at end of year		390,835	463,632

	Notes	2018 \$	2017 \$
Note 14. Property, plant and equipment (continued)			
Motor Vehicles			
Carrying amount at beginning of year		152,953	46,230
Additions		-	120,654
Disposals		-	-
Depreciation		(32,882)	(13,931)
Carrying amount at end of year		<u>120,071</u>	<u>152,953</u>
Leasehold improvements			
Carrying amount at beginning of year		76,753	149,770
Additions		-	-
Disposals		-	-
Amortisation		(51,429)	(73,017)
Carrying amount at end of year		<u>25,324</u>	<u>76,753</u>
Note 15. Intangible assets			
	1(k)		
Australia Post Licence – At cost		-	25,000
* Australia Post license agreement was impaired due to a likely nil value future return on investment			
Computer Software		170,258	170,258
Additions		5,000	-
Disposals		-	-
Less Amortisation		(107,904)	(73,030)
		<u>67,354</u>	<u>97,228</u>
Total Intangible assets		<u>67,354</u>	<u>122,228</u>
Note 16. Trade and other payables			
Current			
Trade Payables & Accruals		1,125,630	583,455
Income in Advance		146,041	431,822
Funds held in Trust		116,992	117,759
GST payable		8,160	41,936
PAYG Payable		76,294	65,434
Total current trade and other payables		<u>1,473,117</u>	<u>1,240,406</u>
Note 17. Provisions			
	1(m)		
Current provisions expected to be settled within 12 months			
Employee benefits			
Annual leave		108,730	67,594
Long service leave		13,000	12,000
Subtotal		<u>121,730</u>	<u>79,594</u>
Current provisions expected to be settled after more than 12 months			
Employee benefits			
Long service leave		36,000	25,000
Subtotal		<u>36,000</u>	<u>25,000</u>
Total Current Provision		<u>157,730</u>	<u>104,594</u>
Non-current provisions			
Employee benefits			
Long service leave		71,000	68,000
Total non-current provision		<u>71,000</u>	<u>68,000</u>
Total provisions		<u>228,730</u>	<u>172,594</u>
Summary movements employee benefits			
Carrying amount at start of year		172,594	128,637
Current year movement in provisions			
- Annual Leave		41,136	7,957
- Long Service Leave - current		13,000	12,000
- Long Service Leave - non current		2,000	24,000
Carrying amount at end of year		<u>228,730</u>	<u>172,594</u>

Note 18. Reserves and retained earnings

	2018	2017
	\$	\$
Retained Earnings		
Movements in retained earnings were as follows:		
Retained earnings at 1 January	1,859,673	2,140,413
Net result for the year	74,086	(280,740)
Retained earnings at 31 December	1,933,759	1,859,673
 Share Capital		
Share Capital held - 120 at \$1 owned by the University of New England.	120	120

Note 19. Economic Dependency

Under the present structure the company is dependent upon the continued support of the University of New England.

Note 20. Key management personnel disclosures**(a) Names of responsible persons**

The following persons were responsible persons and executive officers for all or part of the year to the reporting dates:

Director

Mr David Schmude

Board of directors in 2018

Dr Kerry Hudson
Mrs Megan Aitken
Prof Peter Creamer

The following persons were appointed to the board in 2018:

Ms Meg Rice - appointed 9th May 2018

The following persons resigned from the board in 2018:**The following persons held the role of company secretary of the board for the year:**

Mr Brendan Peet

Executive Officers

Mr David Schmude - Managing Director & Chief Executive Officer
Mr Ashley Clee - Deputy Director & Chief Financial Officer

Mr Schmude's and Mr Clee's remuneration is met by the University of New England.

(b) Remuneration of Board Members and Executives

Members of staff serving as Directors receiving remuneration as per their employment conditions are excluded.

Remuneration of Board Members

	2018	2017
	No.	No.
Nil to \$9,999	3	3
 Aggregate Remuneration of Board Members		
Total Aggregate Remuneration	\$'000 21	\$'000 12

	2018	2017
	\$	\$
Note 21. Remuneration of auditors		
During the year, the following fees were paid for services provided by the auditor of the company, its related practices and non-related audit firms:		
Audit and review of the Financial Statements		
Fees paid to The Audit Office of NSW:	43,250	42,000
Total paid for audit services	43,250	42,000

Note 22. Contingencies

At balance date, no contingent liabilities or contingent assets of a material nature to UNE Life Pty Ltd had been identified.

Note 23. Commitments

(a) Capital Commitments

The entity had commitments for Capital Expenditure at 31 December 2018 of \$0 (2017: \$0).

(b) Lease Commitments

(i) Operating Leases

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

Within one year	143,391	118,872
Between one and five years	20,242	118,872
GST Recoverable	(14,876)	(21,613)
Later than five years	-	-
Total operating leases	148,757	216,131

On 3 February 2015 the company exercised an option over the lease of the cinema for a further five years. The operating lease commitments associated with this option have been included above.

(ii) Finance Leases

There were no commitments for Finance Leases at 31 December 2018, (2017: Nil).

Total commitments	148,757	216,131
-------------------	---------	---------

No lease arrangements, existing as at 31 December 2018, contain contingent rental payments, purchase options, escalation clauses or restrictions imposed by lease arrangements including dividends, additional debt or further leasing.

(c) Remuneration commitments

There are no remuneration commitments for senior executives other than the normal employment contract provisions available to general staff under workplace agreements.

Note 24. Related parties

(a) Parent entities

UNE Life Pty Ltd is a 100% owned subsidiary of the University of New England.

(b) Subsidiaries

The entity does not have any interest in a subsidiary.

(c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 20.

(d) Transactions with related parties

Transactions with related parties are on normal terms no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

<i>Transactions during the period</i>	2018	2017
	\$	\$
University of New England		
UNE - Commercial transactions	2,781,803	812,000
UNE Support	1,631,040	1,295,659
Student Ammenities Contribution	850,501	836,642
Payments made	<u>(1,661,376)</u>	<u>(1,868,000)</u>
Net	<u>3,601,968</u>	<u>1,076,301</u>
With other related parties (UNE Foundation)		
Income received	-	-
Payments made	<u>5,150</u>	<u>-</u>
Net	<u>5,150</u>	<u>-</u>

Outstanding balances

The following balances are outstanding at the reporting date in relation to transactions with related parties:

University of New England

Receivables	535,720	1,000,480
Payables	(211,046)	(276,535)

(e) Guarantees

There have been no guarantees given.

(f) Terms and conditions

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

Note 25. Reconciliation of net result after income tax to net cash provided by / (used by) operating activities

Net result for the period	74,086	(280,740)
Depreciation and amortisation	227,687	209,211
Net (gain) / loss on impairment	25,500	-
Increase/(Decrease) in Payables and Prepaid Income	232,711	357,443
Increase/(Decrease) in Provision for Employee Entitlements	56,136	43,957
(Increase)/Decrease in Receivables and Prepaid Expenses	506,173	(1,021,213)
(Increase)/Decrease in Inventories	<u>(802,889)</u>	<u>(115,653)</u>
Net cash provided by / (used in) operating activities	<u>319,404</u>	<u>(806,995)</u>

Note 26. Events occurring after the end of the reporting period

There are no reportable events occurring after balance date.

Note 27. Financial risk management

The economic entity's accounting policies, including the terms and conditions of each class of financial asset and financial liability, both recognised and unrecognised at balance date, are as follows:

(a) Market Risk**(i) Terms and conditions**

Recognised Financial Instruments	Balance Sheet Note	Accounting Policies	Terms and Conditions
Financial Assets			
Receivables (Excludes statutory receivables and prepayments)	10	Receivables are carried at nominal amounts due less any provision for impairment	Accounts Receivable credit terms are 30 days
Deposits At Call	9	Deposits at Call are stated at cost	Bank Call Deposits interest rate is determined by the official Money Market
Term Deposits	9	Term Deposits are stated at cost	Term deposits are for a period of up to one year. Interest rates are 2.6%. Average maturity of 330 days.
Financial Liabilities			
Borrowings		No borrowings were taken up in 2018.	
Creditors and Accruals (Excludes statutory payables and unearned revenue)	16	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not invoiced to the economic entity.	Creditors are normally settled within 30 day terms

(ii) Foreign exchange risk

The entity recognises all transactions, assets and liabilities in Australian dollars only, it has no significant exposure to foreign exchange risk.

(iii) Price risk

The economic entity has no direct exposure to equity securities or commodity price risk.

(iv) Cash flow and fair value interest rate risk

The economic entity invests in term deposits with various financial institutions and is exposed to interest rate risk arising from normal interest rate variations.

The entity interest rate risk arises primarily from investments in long term interest bearing financial instruments, due to the potential fluctuation in interest rates. In order to minimise exposure to this risk, the entity invests in a diverse range of financial instruments with varying degrees of potential returns.

(v) Summarised sensitivity analysis

The table on the last page summarises the sensitivity of the economic entity's financial assets and liabilities to interest rate risk.

(b) Credit Risk

Credit risk is the risk of financial loss, arising from another party, to a contract or financial position failing to discharge a financial obligation there under. The Economic Entity's maximum exposure, to credit rate risk, is represented by the carrying amounts of the financial assets included in the statement of financial position.

(c) Liquidity Risk

Liquidity risk refers to the risk that, as a result of operational liquidity requirements, the entity:
 - will not have sufficient funds to settle a transaction on the due date

Note 27. Financial risk management (continued)

(c) Liquidity Risk (continued)

- will be forced to sell financial assets at a value which is less than their worth
- may be unable to settle or recover a financial asset at all

The Board monitors the actual and forecast cash flow of the economic entity on a regular basis, ensuring that sufficient cash reserves are held to meet the ongoing operations and obligations of the economic entity as they fall due.

The following tables summarise the maturity of the Groups financial assets and financial liabilities:

31 December 2018	Average Interest Rate	Variable Interest Rate	Less than 1 Year	1 to 5 Years	5+ Years	Non Interest bearing	Total
	%	\$	\$	\$	\$	\$	\$
Financial Assets							
Cash & cash equivalents	1.80%	1,210,161	34,947			23,967	1,269,075
Receivables & other non-financial assets						632,008	632,008
Unlisted shares						-	-
Total Financial Assets		1,210,161	34,947			655,975	1,901,083
Financial Liabilities							
Borrowings			-	-			-
Payables						1,125,630	1,125,630
Other Amounts Owing						-	-
Total Financial Liabilities			-	-		1,125,630	1,125,630

31 December 2017	Average Interest Rate	Variable Interest Rate	Less than 1 Year	1 to 5 Years	5+ Years	Non Interest bearing	Total
	%	\$	\$	\$	\$	\$	\$
Financial Assets							
Cash and cash equivalents	1.90%	934,914	34,095			21,367	990,376
Receivables & other non-financial assets						1,146,061	1,146,061
Unlisted shares						500	500
Total Financial Assets		934,914	34,095			1,167,928	2,136,937
Financial Liabilities							
Borrowings	-		-	-			-
Payables	-					583,455	583,455
Other Amounts Owing	-					-	-
Total Financial Liabilities			-	-		583,455	583,455

Note 27. Financial risk management (continued)

(c) Liquidity Risk (continued)

Summarised sensitivity analysis

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

31 December 2018	Carrying amount	Interest rate risk			
		-1%		+1%	
		Result	Equity	Result	Equity
	\$	\$	\$	\$	\$
Financial Assets					
Cash and cash equivalents	1,245,108	(12,451)	(12,451)	12,451	12,451
Receivables	632,008	-	-	-	-
Unlisted shares	-	-	-	-	-
<i>Total Financial Assets</i>	1,877,116				
Financial Liabilities					
Borrowings	-	-	-	-	-
Payables	1,125,630	-	-	-	-
Other Amounts Owing	-	-	-	-	-
<i>Total Financial Liabilities</i>	1,125,630				
Total increase / (decrease)	751,486				

31 December 2017	Carrying amount	Interest rate risk			
		-1%		+1%	
		Result	Equity	Result	Equity
	\$	\$	\$	\$	\$
Financial Assets					
Cash and cash equivalents	969,009	(9,690)	(9,690)	9,690	9,690
Receivables	1,146,061	-	-	-	-
Unlisted shares	500	-	-	-	-
<i>Total Financial Assets</i>	2,115,570				
Financial Liabilities					
Borrowings	-	-	-	-	-
Creditors	583,455	-	-	-	-
Other Amounts Owing	-	-	-	-	-
<i>Total Financial Liabilities</i>	583,455				
Total increase / (decrease)	1,532,115				

Notes to the financial statements
 31 December 2018
 (continued)

Note 28. Fair value measurements

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

The fair value of financial instruments traded in active markets (such as publicly traded derivatives) is based on quoted market prices at the balance date. The quoted market price used for financial assets held by the Entity is the current bid price.

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. The Entity 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 are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. 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 balance date.

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 Entity for similar financial instruments.

The entity categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurement
 Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - inputs other than quoted prices 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)

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

The entity held 500 shares in the Tertiary Access Group Cooperative. These unlisted shares were valued at \$500. The shares were reviewed and subsequently impaired in 2018 as there is no market for trading and the Tertiary Access Group has undergone amalgamation with other student focused groups in the industry.

The carrying amounts of financial assets and liabilities at approximate fair value:

	Note	Carrying Amount		Fair Value	
		2018	2017	2018	2017
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	9	1,269,075	990,376	1,269,075	990,376
Receivables	10	632,008	1,146,061	632,008	1,146,061
Other financial assets	12	0	500	0	500
Total financial assets		1,901,083	2,136,937	1,901,083	2,136,937
Financial liabilities					
Payables	16	1,473,117	1,240,406	1,473,117	1,240,406
Total financial liabilities		1,473,117	1,240,406	1,473,117	1,240,406

End of Audited Financial Statements



FINANCIAL REPORT
FOR THE YEAR ENDED
31 December 2018

Independent Audit Report

The Audit Office of NSW will provide this report on March 2019 as per CSP. The report is provided after the Board has signed the financial report.

Independent Audit Report

The Audit Office of NSW will provide this report on March 2019 as per CSP. The report is provided after the Board has signed the financial report.

UNE FOUNDATION

TRUSTEE'S REPORT

The Trust was established by deed dated 6 December 2000. Under that deed the UNE Foundation Limited was appointed to act as Trustee of a charitable trust to be known as UNE Foundation.

Principal Activities

The principal activities of the Trust during the course of the financial year were to provide money, property or benefits to the University of New England (UNE) towards the provision of scholarships, research, and teaching and learning.

Review of Operations

UNE Foundation adopted AASB 9 "*Financial Instruments*" effective 1 January 2018 by reclassifying its financial assets from 'financial assets at fair value through other comprehensive income' to 'financial assets at fair value through profit and loss'. Effectively, gains or losses on the revaluation of financial assets previously charged to reserves will now be disclosed as investment income in the Income Statement. The comparative 2017 results were restated to reflect the adoption of AASB 9 in 2018.

The operating result for the Trust for the year ended 31 December 2018 was a surplus of \$36,558 (2017: \$4,203,032).

The net investment return in 2018 was a net loss of \$280,162 (2017: gain of \$1,497,837). While investment returns from dividend and interest in 2018 and 2017 were \$1,037,926 and \$1,156,868 respectively, the loss in 2018 was attributed to the net unrealised loss in the market value of investments for \$1,318,088 compared to an unrealised gain of \$340,969 in 2017.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the company.

Matters Subsequent to the End of the Financial Year

The Trustee is not aware of any matter or circumstances that have arisen since the end of the financial year and that have significantly affected, or may significantly affect, the operations of the Trust, the results of those operations, or the state of affairs in future financial years.

Likely Developments and Expected Results of Operations

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

Environmental Regulation

The Trust is not subject to any significant Commonwealth, State or Local Government statutes and requirements related to environmental matters.

Insurance of Officers

Insurance coverage is provided for directors and officers of the Trustee under the University of New England global policies and no premium is apportioned to or paid by the Trust.

Legal proceedings on behalf of the Trust

There were no legal proceedings brought against the Trust during the financial year. At the date of this report, the Trustees are not aware of any legal proceedings which have arisen since the end of the financial year and up to the date of this report.

By resolution of the Board of the UNE Foundation Limited, as Trustee of UNE Foundation.

.....

Mr Paul Barratt
Chair - Director

06 March 2019

.....

Professor Annabelle Duncan
Director

06 March 2019

STATEMENT BY TRUSTEE

In the opinion of the Trustees of UNE Foundation:

1. The attached general purpose financial statements and notes present a true and fair view of the financial position and performance of the Trust at 31 December 2018 and the results of its operations and transactions of the Trust 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 (including Australian Accounting Interpretations) and authoritative pronouncements of the Australian Accounting Standards Board;
4. We are not aware of any circumstances which would render any particulars included in the financial report to be misleading or inaccurate; and
5. 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 06 March 2019.

Signed in accordance with a resolution of the Board of UNE Foundation Limited, as Trustee for UNE Foundation.

.....

Mr Paul Barratt
Chair - Director

06 March 2019

.....

Professor Annabelle Duncan
Director

06 March 2019

Statement of Profit or Loss
For the year ended 31 December 2018

	Notes	2018 \$	2017 \$
Income from continuing operations			
Donations and fundraising	2	1,583,721	1,615,615
Investment income	3	1,037,926	1,497,837
Other revenue	4	90,132	2,176,959
Total income from continuing operations		<u>2,711,779</u>	<u>5,290,411</u>
Expenses from continuing operations			
Administrative expenses	5	159,933	129,224
Investment loss	3	1,318,088	-
Loss on disposal of assets		571	3,534
Total expenses from continuing operations		<u>1,478,592</u>	<u>132,758</u>
Net result from continuing operations before distributions to UNE		<u>1,233,187</u>	<u>5,157,653</u>
Distribution to UNE	6	1,196,629	954,621
Net result for the year after distribution to UNE		<u>36,558</u>	<u>4,203,032</u>

The above statement of profit or loss should be read in conjunction with the accompanying notes.

Statement of Comprehensive Income
For the year ended 31 December 2018

	Notes	2018 \$	2017 \$
Net result for the year after distribution to UNE		36,558	4,203,032
Items that will be reclassified to profit or loss			
Reclassification adjustments (i.e. recycling from OCI to P&L)	11 (a)	-	120,190
Items that will not be reclassified to profit or loss			
Transfer from reserves	11 (a)	-	3,218
Total comprehensive income for the period		<u>36,558</u>	<u>4,326,440</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 31 December 2018

	Notes	2018 \$	2017 \$
ASSETS			
Current assets			
Cash and cash equivalents	7	344,922	49,433
Trade and other receivables	8	316,238	2,215,799
Total current assets		661,160	2,265,232
Non-current assets			
Other financial assets	9	20,487,083	18,635,265
Total non-current assets		20,487,083	18,635,265
Total assets		21,148,243	20,900,497
LIABILITIES			
Current liabilities			
Trade and other payables	10	290,160	78,972
Total current liabilities		290,160	78,972
Total liabilities		290,160	78,972
Net assets		20,858,083	20,821,525
EQUITY			
Reserves	11 (a)	-	-
Retained earnings	11 (b)	20,858,083	20,821,525
Total equity		20,858,083	20,821,525

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity
For the year ended 31 December 2018

	Reserves	Retained earnings	Total
Balance at 1 January 2017	120,190	16,495,085	16,615,275
Effect of adopting of new accounting standard	(123,408)	123,408	-
Balance as restated	<u>(3,218)</u>	<u>16,618,493</u>	<u>16,615,275</u>
Net result	-	4,203,032	4,203,032
Transfer (from) reserves on disposal of available for sale financial assets	3,218	-	3,218
Total comprehensive income	<u>3,218</u>	<u>4,203,032</u>	<u>4,206,250</u>
Balance at 31 December 2017	<u>-</u>	<u>20,821,525</u>	<u>20,821,525</u>
Balance at 1 January 2018	-	20,821,525	20,821,525
Balance as restated	<u>-</u>	<u>20,821,525</u>	<u>20,821,525</u>
Net result	-	36,558	36,558
Total comprehensive income	<u>-</u>	<u>36,558</u>	<u>36,558</u>
Balance at 31 December 2018	<u>-</u>	<u>20,858,083</u>	<u>20,858,083</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows
For the year ended 31 December 2018

	Notes	2018 \$	2017 \$
Cash flows from operating activities			
Donations received		1,363,836	1,568,234
Transfer from UNE		2,131,959	44,200
Dividends received		142,655	109,942
Interest received		1,914	23,412
Other inflows		99,810	60,296
Payments to suppliers		(150,460)	(120,287)
Distribution to beneficiary		(994,894)	(982,297)
Net cash provided by operating activities	16	<u>2,594,820</u>	<u>703,500</u>
Cash flows from investing activities			
Purchase of financial assets		(7,321,579)	(3,558,804)
Proceeds from sale of financial assets		5,022,248	2,794,002
Net cash used in investing activities		<u>(2,299,331)</u>	<u>(764,802)</u>
Net decrease in cash and cash equivalents		295,489	(61,302)
Cash and cash equivalents at the beginning of the financial year		49,433	110,735
Cash and cash equivalents at the end of the financial year	7	<u>344,922</u>	<u>49,433</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Contents of the notes to the Financial Statements

Note		Page
1	Summary of significant accounting policies	10
2	Donation and fundraising	11
3	Investment income	11
4	Other revenue	11
	Expenses	
5	Administrative Expenses	11
6	Distribution to beneficiary	11
	Assets	
7	Cash and cash equivalents	12
8	Trade and other receivables	12
9	Other financial assets	13
	Liabilities	
10	Trade and other payables	13
	Equity	
11	Reserves and retained earnings	14
12	Remuneration of auditors	14
13	Contingencies	14
14	Commitments	14
15	Related parties	15
16	Reconciliation of operating result after income tax to net cash flow from operating activities	16
17	Events subsequent to reporting period	16
18	Financial risk management	17
19	Fair value measurements	20

Notes to and forming part of the Financial Statements

1.0 Summary of significant accounting policies

UNE Foundation, a not for profit entity, was established by deed of settlement on 6 December 2000 and is domiciled in Australia.

UNE Foundation Limited acts as Trustee to the Trust. The Trust is for the benefit of the University of New England.

The principal address of UNE Foundation Trust is: University of New England, Armidale NSW 2351.

The financial statements for the year ended 31 December 2018 were authorised for issue by the Trustee on 06 March 2019.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied unless otherwise stated.

(a) Basis of preparation

The annual financial statements represent the audited general purpose financial statements of UNE Foundation. They have been prepared on an accrual basis and comply with Australian Accounting Standard, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

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

- *Public Finance and Audit Act 1983*,
- *Public Finance and Audit Regulations 2015*.

The Financial Statements have been prepared under the historical cost convention except for debt and equity financial assets that have been measured at fair value through profit or loss. All amounts are in Australian currency.

(b) Comparative amounts

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

(c) Income Tax

UNE Foundation does not provide for Australian Income Tax as it is exempt under the provisions of Section 50-B of the *Income Tax Assessment Act 1997 (ITAA)*.

(d) New standards and interpretations issued but not yet adopted.

Certain new Accounting Standards and Interpretations that are not mandatory for the 31 December 2018 reporting period. The Entity has elected not to early adopt any of these standards.

Australian Accounting Standard AASB 15 '*Revenue from Contracts with Customers*' and AASB 1058 '*Income of Not-for-Profit Entities*' are mandatory from 1 January 2019. The standards replace AASB 118 '*Revenue*', AASB 111 '*Construction Contracts*' and AASB 1004 '*Contributions*'.

AASB 15 establishes a single and comprehensive framework which sets out how and when revenue is recognised. The core principle of AASB 15 is that revenue is recognised when transfers of goods or services to customers occur in exchange for consideration which the vendor expects to be entitled to in exchange for the provision of these goods or services. Revenue is only recognised when control over the goods or services is transferred to the customer, which is either over time or at a point in time.

Furthermore, AASB 1058 amends the income recognition requirements that apply to not-for-profit entities and establishes principles for not-for-profit entities that apply to:

- (a) transactions where the consideration to acquire an asset is significantly less than the fair value principally to enable a not-for-profit entity to further its objectives;
- (b) the receipt of volunteer services; and
- (c) transfers made to enable an entity to acquire or construct a non-financial asset for its own use.

Australian Accounting Standard AASB 16 '*Leases*' is mandatory from 1 January 2019 and replaces the current standard AASB 117 '*Leases*'. This standard does not have any impact to UNE Foundation.

Notes to the financial statements
31 December 2018
(continued)

	Notes	2018 \$	2017 \$
Note 2. Donation and fundraising			
Donations and fundraising		1,583,721	1,615,615
Total donations and fundraising		1,583,721	1,615,615

The Trust receives all donations by way of cheques, direct deposits and electronic funds transfer. All donations are recognised when the amount can be reliably measured and it is probable that future economic benefits will flow to the Trust.

Note 3. Investment income

Bank interest		1,919	11,571
Interest - financial assets at fair value through profit and loss		47,879	110,041
Dividend - financial assets at fair value through profit and loss		988,128	1,035,256
Net gain on financial assets at fair value through profit and loss		-	340,969
Total investment income		1,037,926	1,497,837
Net (loss) on financial assets at fair value through profit and loss		(1,318,088)	-
Net investment income		(280,162)	1,497,837

Interest income is recognised on an accrual basis. Dividends and distributions are recognised as revenue when the Trust's right to receive payment is established. Refunds of imputation credits arising from investment income received, are recognised as revenue when the application for refund is lodged with the Australian Taxation Office.

Gains and losses on realisation of investments are taken to the income statement when the investment is disposed of. The gain or loss is the difference between the net proceeds of disposal and the carrying value of the investment.

Note 4. Other revenue

Transferred from UNE		61,830	2,114,381
Franking credits		27,256	57,991
Other		1,046	4,587
Total other revenue		90,132	2,176,959

Note 5. Administrative expenses

Consultancy fees		159,900	129,052
Bank fees		33	172
Total administrative expenses		159,933	129,224

Note 6. Distribution to beneficiary

University of New England - scholarships and prizes		1,196,629	954,621
Total distribution to beneficiary		1,196,629	954,621

In accordance with the Trust Deed, the Trust fully distributes by cash or reinvests its distributable income. Any funds remaining on hand are held available for distribution to the University of New England.

Notes to the financial statements
31 December 2018
(continued)

2018 **2017**
\$ **\$**

Note 7. Cash and cash equivalents

Cash at bank	344,922	49,433
At call investments	-	-
Total cash and cash equivalents	344,922	49,433

Reconciliation to cash at the end of the year

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

Balances as above	344,922	49,433
Less: Bank Overdrafts	-	-
Balance per statement of cash flows	344,922	49,433

There were no at call investments in 2018 hence interest rate of Nil% (2017 - Nil%).

For cash flow statement 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.

Note 8. Trade and other receivables

Trade receivables	271,850	47,150
Less: Provision for impaired receivables	-	-
Total trade receivables	271,850	47,150

Impaired trade receivables

As at 31 December 2018 current receivables of the entity with a nominal value of \$271,850 (2017: \$47,150) were not impaired.

Other receivables

Other accrued income	44,376	2,168,641
Accrued Interest	12	8
Total other receivables	44,388	2,168,649

Total trade and other receivables	316,238	2,215,799
--	----------------	------------------

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are due for settlement no more than 30 days from the date of recognition.

Notes to the financial statements
31 December 2018
(continued)

2018 **2017**
\$ **\$**

Note 9. Other financial assets

Non-current

Financial assets at fair value through profit and loss	20,487,083	18,635,265
Total non-current other financial assets	20,487,083	18,635,265

Movement of available for sale financial assets are as follows:

Shares as at 1 January	18,635,265	14,698,083
Acquired through purchase, dividend reinvestment and capital distribution	8,192,725	3,596,212
Disposed	(5,022,819)	-
Unrealised gain in available for sale reserve	(1,318,088)	340,970
Fair value of investment at 31 December	20,487,083	18,635,265

Financial assets are classified, at initial recognition and subsequent measurement at fair value through profit or loss.

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the income statement.

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Entity has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Entity has transferred substantially all the risks and rewards of the asset, or (b) the Entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Note 10. Trade and other payables

Accrued expense for scholarships, prizes and consultancy fees	290,160	78,972
Total trade and other payables	290,160	78,972

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 18.

These amounts represent liabilities for goods and services provided to the Trust prior to the end of financial year, which are unpaid and unsecured.

Notes to the financial statements

31 December 2018

(continued)

	2018	2017
	\$	\$
Note 11. Reserves and retained earnings		
(a) Reserves		
Available for Sale Reserve - Investments	-	-
Total reserves	<u>-</u>	<u>-</u>
Movements		
Available for Sale Reserve - Investments		
Balance 1 January	-	120,190
Transfer to/(from) on disposal of investments	-	3,218
Reclassification adjustments (i.e. recycling from OCI to P&L)	-	(123,408)
Balance 31 December	<u>-</u>	<u>-</u>
(b) Retained earnings		
Movements in retained earnings were as follows:		
Retained earnings at 1 January	20,821,525	16,495,085
Reclassification adjustments (i.e. recycling from OCI to P&L)	-	123,408
Net result for the year	36,558	4,203,032
Retained earnings at 31 December	<u>20,858,083</u>	<u>20,821,525</u>

(c) Nature and purpose of reserves**Revaluation Reserve**

Prior year increments and decrements on the revaluation of available for sale financial assets were recorded in the asset revaluation reserve. Adopting AASB 9 "Financial Instruments", the Foundation reclassified its financial instruments from "financial assets at fair value through OCI to financial assets at fair value through the income statement". The gain/(loss) in fair value are now processed in the income statement. A retrospective adjustment of the 2017 accounts were done to reflect the adoption of the changes in 2018.

Note 12. Remuneration of auditors

The audit fee payable by the University of New England, in respect of the audit of the financial reports for the Trust and Trustee to the Audit Office of NSW for the financial year ended 31 December 2018 was \$12,150 (2017: \$11,800).

Note 13. Contingencies

At balance date, no legal proceedings had been identified as being progressed on behalf of or against the Trust.

At balance date, no contingent liabilities or contingent assets of a material nature to the Trust had been identified.

Note 14. Commitments

The entity has not identified any material commitments at 31 December 2018 (2017: Nil).

Capital Commitments

There was no capital expenditure contracted for at the reporting date. (2017 Nil).

Notes to the financial statements
31 December 2018
(continued)

Note 15. Related parties

(a) Corporate Trustee

Directors of the Corporate Trustee

Directors who held office at any time during the financial year were:

Mr Paul Barratt (Chairman)	Mr John Wilson - retired on 27 February 2018.
Professor Annabelle Duncan	Ms Meredith Symons
Mr Geoff Gorrie	Mr Martin Dolan
Ms Caroline Forrest - retired on 27 February 2018.	

(b) Controlling entity

For the purposes of meeting the requirements of the Australian Accounting Standards, the University of New England is deemed to be the controlling entity of the Trust and its Corporate Trustee, UNE Foundation Limited.

(c) Related Party Transactions

University of New England provided the Trust with a range of administrative support services. Under a service level agreement, these services have been provided at no charge to the Trust and comprised the provision of:

- office accommodation facilities
- accounting and administrative services
- electricity and other utility services, and
- personnel services.

The value of these services has not been quantified or reported in the financial statements.

The following transactions occurred with related parties:

	2018	2017
	\$	\$
<i>Transactions during the period</i>		
University of New England		
Income received from	-	-
Transferred prizes and scholarship funds	48,017	2,114,381
Expenditures incurred for scholarships and prizes	(1,196,628)	(954,621)
Net	(1,148,611)	1,159,760
With other related parties		
Income received - UNE Life Pty Ltd	5,150	-
Income received - Agricultural Business Research Institute	-	12,100
Net	5,150	12,100

Outstanding balances

The following balances are outstanding at the reporting date in relation to transactions with related parties:

University of New England		
Receivables	334	2,075,298
Payables	245,618	44,383
With other related parties		
Receivables	-	-
Payables	-	-

Notes to the financial statements
31 December 2018
(continued)

Note 16. Reconciliation of operating result after income tax to net cash flows from operating activities

Net result for the period	36,558	4,203,032
Less non cash revenue		
Capitalisation and reinvestment of dividend	(871,146)	(1,026,923)
Net (Gain)/Loss on sale of Units	571	3,534
Fair value (gain)/loss - financial assets at fair value through profit and loss	1,318,088	(340,969)
Add non cash expenditures		
Impairment of assets	-	-
Decrease/(increase) in trade and other debtors	1,899,561	(2,116,264)
Increase/(decrease) in payables	211,188	(18,910)
Net cash provided by operating activities	2,594,820	703,500

Note 17. Events subsequent to reporting period

There are no reportable events occurring after balance date.

Note 18. Financial risk management

The economic entity's accounting policies, including the terms and conditions of each class of financial asset and financial liability, both recognised and unrecognised at balance date, are as follows:

(a) Market Risk

(i) Terms and conditions

Recognised Financial Instruments	Note	Accounting Policies	Terms and Conditions
Financial Assets			
Receivables	8	Receivables are carried at nominal amounts due less any provision for impairment	Accounts Receivable credit terms are 30 days
Financial assets at fair value through profit and loss	9	Domestic and International equity carried at market value	Investment of perpetual pool funds managed by the Fund Managers.
	9	Australian cash enhanced fund - stated at market value	Investment of immediate pool funds managed by the Fund Managers.
	9	Listed Shares are carried at bid price	Funds for a particular project invested only on listed shares.
Financial Liabilities			
Creditors and accruals	10	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not invoiced to the economic entity.	Creditors are normally settled on 30 day terms except for reimbursements to the University of New England which are settled twice per year.

(ii) Foreign exchange risk

UNE Foundation Trust recognises all transactions, assets and liabilities in Australian currency only and is not exposed to foreign exchange risk.

(iii) Price risk

The Trust is exposed to Price Risk through its investments classified as financial assets at fair value through profit and loss. The risk is managed through diversification of the portfolio.

(iv) Cash flow and fair value interest rate risk

The entity interest rate risk arises primarily from investments in long term interest bearing financial instruments, due to the potential fluctuation in interest rates.

(v) Summarised sensitivity analysis

The table at the end of the note summarises the sensitivity of the economic entity's financial assets and liabilities to interest rate risk.

(b) Credit Risk

Credit risk is the risk of financial loss, arising from another party, to a contract or financial position failing to discharge a financial obligation there under. The entity's maximum exposure to credit rate risk is represented by the carrying amounts of the financial assets included in the statement of financial position.

(c) Liquidity Risk

Liquidity risk refers to the risk that, as a result of operational liquidity requirements, the entity :

- will not have sufficient funds to settle a transaction on the due date
- will be forced to sell financial assets at a value which is less than their worth
- may be unable to settle or recover a financial asset at all

The Trustee monitors the actual and forecast cash flow of the entity on a regular basis, ensuring that sufficient cash reserves are held to meet the ongoing operations and obligations of the entity as they fall due.

Notes to the financial statements
 31 December 2018
 (continued)

Financial risk management - continued

31 December 2018	Average Interest Rate	Variable Interest Rate	Less than 1 Year	1 to 5 Years	5+ Years	Non Interest	Total
	%	\$	\$	\$	\$	\$	\$
Financial Assets							
Cash & cash equivalents	1.50%	-	344,922				344,922
Receivables						316,238	316,238
Financial assets at fair value through profit and loss					20,487,083	-	20,487,083
Total Financial Assets		-	344,922	-	20,487,083	316,238	21,148,243
Financial Liabilities							
Payables						290,160	290,160
Total Financial Liabilities			-	-	-	290,160	290,160
Net Financial Assets(Liabilities)		-	344,922	-	20,487,083	26,078	20,858,083

Comparative figures for the previous year are as follows:

31 December 2017	Average Interest Rate	Variable Interest Rate	Less than 1 Year	1 to 5 Years	5+ Years	Non Interest	Total
	%	\$	\$	\$	\$	\$	\$
Financial Assets							
Cash and cash equivalents	1.50%	-	49,433				49,433
Receivables						2,215,799	2,215,799
Financial assets at fair value through profit and loss					20,487,083	-	20,487,083
Total Financial Assets		-	49,433	-	20,487,083	2,215,799	22,752,315
Financial Liabilities							
Payables		-				78,972	78,972
Total Financial Liabilities			-	-	-	78,972	78,972
Net Financial Assets(Liabilities)		-	49,433	-	20,487,083	2,136,827	22,673,343

Financial risk management - continued

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.

31 December 2018	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-1%		+1%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Financial Assets													
Cash and cash equivalents	344,922	(3,449)	(3,449)	3,449	3,449	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Receivables	316,238												
Financial assets at fair value through profit and loss	20,487,083									(204,871)	(204,871)	204,871	204,871
Total Financial Assets	21,148,243												
Financial Liabilities													
Payables	290,160	N/A	N/A	N/A	N/A								
Total Financial Liabilities	290,160												
Total increase / (decrease)	20,858,083												

Comparative figures for the previous year are as follows:

31 December 2017	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-1%		+1%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Financial Assets													
Cash and cash equivalents	49,433	(494)	(494)	494	494	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Receivables	2,215,799												
Financial assets at fair value through profit and loss	18,635,265									(186,353)	(186,353)	186,353	186,353
Total Financial Assets	20,900,497												
Financial Liabilities													
Creditors	78,972	N/A	N/A	N/A	N/A								
Total Financial Liabilities	78,972												
Total increase / (decrease)	20,821,525												

Note 19. Fair Value Measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets (such as publicly traded derivatives) is based on quoted market prices at the balance date. The quoted market price used for financial assets held by the Trust is the current bid price.

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 Entity for similar financial instruments.

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

The Trust uses various methods in estimating the fair value of a financial instrument. The methods comprise;

Level 1 - the fair value is calculated using quoted prices in active markets for identical assets or liabilities.

Level 2 - the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 - the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

	Carrying Amount		Fair Value	
	2018	2017	2018	2017
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	344,922	49,433	344,922	49,433
Financial assets at fair value through profit and loss	20,487,083	18,635,265	20,487,083	18,635,265
Total financial assets	20,832,005	18,684,698	20,832,005	18,684,698

Fair value measurements recognised in the statement of financial position are categorised into the following levels:

	31 Dec 2018	Level 1	Level 2	Level 3
Financial assets				
Financial assets at fair value through profit and loss	20,487,083	173,813	20,313,269	-
Receivables	316,238	-	316,238	-
Total	20,803,321	173,813	20,629,507	-
	31 Dec 2017	Level 1	Level 2	Level 3
Financial assets				
Financial assets at fair value through profit and loss	18,635,265	205,136	18,430,129	-
Receivables	2,215,799	-	2,215,799	-
Total	20,851,064	205,136	20,645,928	-

END OF AUDITED FINANCIAL STATEMENTS

**UNE Partnerships
Pty Ltd**



**ABN: 74 003 099 125
Annual Financial Report
for the year ended
31 December 2018**

Independent Auditors Report

Independent Auditors Report

UNE Partnerships Pty Limited

Directors' Statement Pursuant to Section 41C(1B) and (1C) of the Public Finance and Audit Act 1983

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

1. The attached general purpose financial statements and notes present a true and fair view of the financial position and performance of the Company at 31 December 2018 and the results of its operations and transactions of the Company 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, Public Finance and Audit Regulation 2015;
3. The financial statements and notes have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and authoritative pronouncements of the Australian Accounting Standards Board;
4. We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate; and
5. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

.....

Director / Chairman

.....

Director

6 March 2019

Income Statement

For the year ended 31 December 2018

	Notes	2018 \$	2017 \$
Income from continuing operations			
Fees and Charges	2	4,536,975	5,879,729
Investment revenue	3	7,391	3,056
Total income from continuing operations		4,544,366	5,882,785
Expenses from continuing operations			
Employee related expenses	4	2,420,437	2,791,311
Depreciation and amortisation	5	261,186	152,520
Impairment of assets	6	(16,890)	380,936
Marketing and promotion		68,582	95,741
Travel and accommodation		52,275	108,271
Course delivery expenses		851,630	623,669
Other expenses	7	1,003,546	2,620,593
Total expenses from continuing operations		4,640,766	6,773,041
Net result attributable to UNE Partnerships Pty Limited	16(b)	(96,400)	(890,256)

The above income statement should be read in conjunction with the accompanying notes.

Statement of Comprehensive Income

For the year ended 31 December 2018

	Notes	2018 \$	2017 \$
Net result for the period		(96,400)	(890,256)
Other comprehensive income		-	-
Total comprehensive income for the period		(96,400)	(890,256)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 31 December 2018

	Note	2018 \$	2017 \$
ASSETS			
Current assets			
Cash and cash equivalents	8	566,992	678,817
Receivables	9	461,718	282,819
Other non-financial assets	10	232,509	53,753
Total current assets		1,261,219	1,015,389
Non-current assets			
Plant and equipment	11	29,467	34,163
Intangible assets	12	865,924	802,232
Total non-current assets		895,391	836,395
Total assets		2,156,610	1,851,784
LIABILITIES			
Current liabilities			
Trade and other payables	13	362,019	442,922
Provisions	14	325,264	270,044
Other liabilities	15	1,376,865	1,036,173
Borrowings		700,000	700,000
Total current liabilities		2,764,148	2,449,139
Non-current liabilities			
Provisions	14	26,676	25,164
Borrowings		1,386,869	1,302,164
Total non-current liabilities		1,413,545	1,327,328
Total liabilities		4,177,693	3,776,467
Net assets		(2,021,083)	(1,924,683)
EQUITY			
Issued capital	16(a)	1,198,937	1,198,937
Retained earnings	16(b)	(3,220,020)	(3,123,620)
Total equity attributable to equity holders of the company		(2,021,083)	(1,924,683)
Total equity		(2,021,083)	(1,924,683)

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 31 December 2018

	Issued Capital	Retained Earnings	Total
Balance at 1 January 2017	\$1,198,937	(\$2,233,364)	(\$1,034,427)
Net result attributable to UNE Partnerships Pty Ltd	-	(\$890,256)	(\$890,256)
Total comprehensive income	<u>-</u>	<u>(\$890,256)</u>	<u>(\$890,256)</u>
Balance at 31 December 2017	<u>\$1,198,937</u>	<u>(\$3,123,620)</u>	<u>(\$1,924,683)</u>
Balance at 1 January 2018	\$1,198,937	(\$3,123,620)	(\$1,924,683)
Net result attributable to UNE Partnerships Pty Ltd	-	(\$96,400)	(\$96,400)
Total comprehensive income	<u>-</u>	<u>(\$96,400)</u>	<u>(\$96,400)</u>
Balance at 31 December 2018	<u>\$1,198,937</u>	<u>(\$3,220,020)</u>	<u>(\$2,021,083)</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 31 December 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from student fees and other customers		4,236,762	5,905,848
Receipts from government funded students		607,706	415,033
Interest received		7,391	3,056
Payments to suppliers and employees		(4,586,220)	(6,460,061)
GST recovered/(paid)		(52,780)	47,311
Net cash provided by / (used in) operating activities	22	<u>212,859</u>	<u>(88,813)</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	1,773
Payments for property, plant and equipment		(4,578)	(23,665)
Net cash outflow for intangibles purchased/created		(313,151)	(360,424)
Net cash provided by / (used in) investing activities		<u>(317,729)</u>	<u>(382,316)</u>
Cash flows from financing activities			
Proceeds from borrowings		-	908,789
Repayment of borrowings		(6,955)	(1,834)
Net cash provided by / (used in) financing activities		<u>(6,955)</u>	<u>906,955</u>
Net increase / (decrease) in cash and cash equivalents		(111,825)	435,826
Cash and cash equivalents at the beginning of the financial year		<u>678,817</u>	<u>242,991</u>
Cash and cash equivalents at the end of the financial year	8	<u>566,992</u>	<u>678,817</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Contents of the notes to the financial statements

Note		Page
1	Summary of significant accounting policies	9
	Income	
2	Fees and Charges	11
3	Investment revenue	11
	Expenses	
4	Employee related expenses	11
5	Depreciation and amortisation	11
6	Impairment of assets	12
7	Other expenses	12
	Assets	
8	Cash and cash equivalents	12
9	Receivables	13
10	Other non-financial assets	13
11	Plant and equipment	14
12	Intangible assets	15
	Liabilities	
13	Trade and other payables	16
14	Provisions	17
15	Other Liabilities	18
	Equity	
16	Retained earnings	18
	Note Disclosures	
17	Key management personnel disclosures	19
18	Remuneration of auditors	19
19	Contingencies	19
20	Commitments	19
21	Related parties	20
22	Reconciliation of net result after income tax to net cash provided by / (used in) operating activities	21
23	Events subsequent to reporting period	21
24	Financial risk management	22

Notes to and forming part of the Financial Statements

Note 1. Summary of significant accounting policies

UNE Partnerships Pty Limited, a not for profit entity, was incorporated in Australia as a company limited by shares on 15 May 1986 and is domiciled in Australia.

The company is a controlled entity of the University of New England and as such is considered to be a reporting entity as defined in Australian Accounting Standard AASB 127 "*Consolidated and Separate Financial Statements*".

The principal address of UNE Partnerships Pty Limited is: Building C012, University of New England, NSW.

The financial statement for the year ended 31 December 2018 was authorised for issue in accordance with a resolution of the Board on 6 March 2019.

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied unless otherwise stated.

(a) Basis of preparation

The annual financial statements represent the audited general purpose financial statements of UNE Partnerships Pty Limited. They have been prepared on an accrual basis and comply with Australian Accounting Standard, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

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

- *Public Finance and Audit Act 1983*,
- *Public Finance and Audit Regulations 2015*.

The Financial Statements have been prepared under the historical cost convention, except for debt and equity financial assets that have been measured at fair value through profit or loss and certain classes of property, plant and equipment.

(b) Foreign currency translation

(i) Functional and presentation currency

The financial reports are presented in Australian dollars which is the Entity's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

(c) Income tax

UNE Partnerships Pty Limited does not provide for Australian Income Tax as it is exempt under the provisions of Section 50-B of the *Income Tax Assessment Act 1997 (ITAA)*.

(d) Leases

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

(e) Goods and Services Tax

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 of acquiring the asset or as part of the expense.

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

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

(f) Comparative amounts

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

(g) Going concern

The Financial Statements have been prepared on a going concern basis. On this basis, the Entity is expected to be able to pay its debts as and when they become due and payable. The Board believe the going concern basis of accounting is appropriate as the University of New England has undertaken to support the Entity to ensure it can operate as a going concern.

UNE Partnerships Pty Limited
ABN 74 003 099 125
Notes to the 2018 Financial Statements

(h) New accounting standards and interpretations not yet adopted.

The following Accounting Standards and Interpretations have been published but are not mandatory for the 31 December 2018 reporting period. The Entity has elected not to early adopt any of these standards. The Entity's assessment of the impact of these new standards and interpretations is set out below. These standards are mandatory from 1 January 2019.

AASB 15 'Revenue from Contracts with Customers'

This standard replaces AASB 118: *Revenue* and AASB 111: *Construction Contracts* in establishing the framework for revenue recognition and is effective for the year ended 31 December 2019. AASB 15 requires revenue to be recognised when performance obligations within a contract are satisfied, which could alter the timing and classification of revenue recognition.

Management has performed an initial assessment of the impact of AASB 15 and expects the recognition and measurement of revenue to materially change under the new standard. For Fee-for-Service students that pay tuition fees upfront, the Entity's services typically consist of student support, assessment, provision of learning materials, and provision of online learning platforms. These services are determined to be performed uniformly over the students contractual term, which is generally 12-24 months, meaning that revenue will be recognised evenly across the contractual term.

Had the Entity adopted AASB 15 for the year ended 31 December 2018, the nature and effect of the changes are as follows:

Income Statement (increase/(decrease))	2018 \$
Revenue	\$138,419
Net Profit/(Loss)	\$138,419
Statement of Financial Position (increase/(decrease))	2018 \$
Liabilities	
Other liabilities - income received in advance	(\$138,419)
Equity	\$138,419

AASB 1058 'Income of Not-for-Profit Entities'

AASB 1058 amends the income recognition requirements that apply to not-for-profit entities and establishes principles for not-for-profit entities that apply to:

- (a) transactions where the consideration to acquire an asset is significantly less than the fair value principally to enable a not-for-profit entity to further its objectives;
- (b) the receipt of volunteer services; and
- (c) transfers made to enable an entity to acquire or construct a non-financial asset for its own use.

These amendments are considered to not materially impact the entity in the current or subsequent reporting periods. Any changes and material impacts will be reported on.

AASB 16 'Leases'

Australian Accounting Standard AASB 16 'Leases' is mandatory from 1 January 2019 and replaces the current standard AASB 117 'Leases'. The Entity is in the process of assessing the changes, if any, to its recognition of leases upon the adoption of AASB 16. Until this process is complete, the Entity is unable to reasonably quantify the expected financial impacts of those standards in future periods.

Note	2018 \$	2017 \$
Note 2. Fees and Charges		
Education services - fee paying	2,376,915	1,717,819
Education services - government funded	607,706	415,033
Workshops	294,518	405,217
Consultancy	1,180,993	3,203,104
Product sales	7,855	12,558
Other revenue	68,988	125,968
Profit on sale of assets	-	30
Total fees and charges	4,536,975	5,879,729

Accounting Policy - 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 Entity recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Entity and specific criteria have been met for each of the Entity'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 Entity 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) Education services: fee paying students

Course income or fees are recognised in the financial statements using the 'Percentage of Completion' method described in *AASB 118 Revenue*. As course fees are invoiced, all educational delivery components of sales are posted to deferred liability and recognised over the contract term as measured by individually measured delivery. Over the enrolment period individually measured service delivery by reference to submitted assessments as the indicator of percent complete is maintained. A corresponding proportion of enrolment fees are transferred from the liability 'Income received in advance' to income on recognition.

(ii) Education services: government funded students

Revenue is recognised when students attain certain milestones or when certain eligibility criteria have been satisfied or the relevant services have been provided, which may coincide with the date of receipt.

(iii) Workshops, Consultancy, Product Sales and Annual enrolment and administration fees

Revenue is recognised as income in the year when the relevant fee becomes payable. 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.

(iv) Interest income

Interest income is recognised as it accrues.

Note 3. Investment revenue

Interest	7,391	3,056
Total investment revenue	7,391	3,056

Note 4. Employee related expenses

Salaries	1,840,447	2,188,769
Contribution to funded superannuation and pension schemes	204,127	236,512
Payroll tax	129,652	125,003
Worker's compensation	38,530	20,801
Long service leave expense	32,393	33,282
Annual leave	175,288	190,126
Other (allowances, penalties and fringe benefits tax)	-	(3,182)
Total employee related expenses	2,420,437	2,791,311

Note 5. Depreciation and amortisation

Depreciation

Furniture and Fittings	314	342
Computer equipment	11,812	13,135
Total depreciation	12,126	13,477

Amortisation

Intellectual property and courseware	242,955	136,696
Software developments	6,105	2,347
Total amortisation	249,060	139,043

Total depreciation and amortisation	261,186	152,520
--	----------------	----------------

	Note	2018	2017
		\$	\$
Note 6. Impairment of assets			
Bad debts		13,724	10,508
Movement in provision for doubtful debts		(38,944)	8,231
Impairment of assets		8,330	362,197
Total impairment of assets		<u>(16,890)</u>	<u>380,936</u>

Accounting Policy - Impairment of assets

Intangible assets that have an indefinite useful life (e.g. goodwill) 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.

Intangible assets with a definite useful life (e.g. contracts transferred during an acquisition) are subject to individual amortisation on a straight line basis over the known life of the contract.

Note 7. Other expenses

Non-capitalised equipment		1,740	1,711
Utilities		38,482	15,622
Consumables and materials		9,823	20,605
Telecommunications		14,937	30,546
Consultants and authors' fees		541,260	2,089,981
Room hire and catering		89,250	73,199
Interest expense		92,264	65,283
Property and facilities		73,240	103,169
Other expenditure		142,550	220,477
Total other expenses		<u>1,003,546</u>	<u>2,620,593</u>

Note 8. Cash and cash equivalents

1(g)

Cash on hand		304	439
Cash at bank		566,688	678,378
Total cash and cash equivalents		<u>566,992</u>	<u>678,817</u>

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

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

Balances as above		566,992	678,817
Less: Bank overdrafts		-	-
Balance per cash flow statement		<u>566,992</u>	<u>678,817</u>

(b) Cash at bank and on hand

Cash at bank (credit funds) is interest-generating; cash on hand is non interest-bearing.

(c) Deposits at call

The deposits are bearing floating interest rates between 1% and 2% (2017 - 1.0% and 1.50%).

Accounting Policy - Cash and cash equivalents

For cash flow statement 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.

	Note	2018	2017
		\$	\$
Note 9. Receivables			
Current			
Trade and other debtors		463,045	323,090
Less: Provision for impaired receivables	1(h)	(1,327)	(40,271)
Total receivables		<u>461,718</u>	<u>282,819</u>

(a) Impaired receivables

As at 31 December 2018 current receivables of the entity with a nominal value of \$1,327 (2017: \$40,271) were impaired. The amount of the provision was \$1,327 (2017: \$40,271). The individually impaired receivables mainly relate to a number of individual students who are in unexpectedly difficult economic situations.

The ageing of these receivables is as follows:

3 to 6 months	900	9,700
Over 6 months	427	30,571
	<u>1,327</u>	<u>40,271</u>

As of 31 December 2018, trade receivables of \$318,452 (2017: \$127,182) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

0 to 3 months	314,000	108,524
Over 3 months	4,452	18,658
	<u>318,452</u>	<u>127,182</u>

Movements in the provision for impaired receivables are as follows:

As at 1 January	40,271	32,040
Provision for impairment recognised during the year	(25,220)	18,739
Receivables written off during the year as uncollectible	(13,724)	(10,508)
As at 31 December	<u>1,327</u>	<u>40,271</u>

The creation and release of the provision for impaired receivables has been included in 'Impairment of assets' 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.

Accounting Policy - Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are due for settlement no more than 30 days from the date of invoice.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are expensed. A provision for impairment of receivables is established when there is objective evidence that the Entity will not be able to collect all amounts due according to the original terms of receivables. 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.

The carrying amount of the asset is reduced through the use of an expense account and the amount of the loss is recognised in the income statement under Note 6. When a receivable is uncollectable, it is expensed as a bad debt receivables. Subsequent recoveries of amounts previously written off are credited to Bad Debts Recovered in the income statement.

Note 10. Other non-financial assets

Current

Accrued Income	232,509	45,345
Securitiy bonds	-	8,408
Total current other non-financial assets	<u>232,509</u>	<u>53,753</u>

Accounting Policy - Other assets

Accrued income is recognised for services being provided to students or clients that have contracted invoice milestones in future financial years.

Other assets are reviewed for impairment whenever events or changes in circumstances indicate 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 that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Note	2018 \$	2017 \$
Note 11. Plant and equipment:		
Plant and equipment:		
At cost	14,342	48,045
Accumulated depreciation	(9,235)	(43,305)
	<u>5,107</u>	<u>4,740</u>
Computer cost:		
At cost	85,630	209,830
Accumulated depreciation	(61,270)	(184,780)
	<u>24,360</u>	<u>25,050</u>
Leasehold improvements:		
At cost	-	122,701
Accumulated depreciation	-	(118,328)
	<u>-</u>	<u>4,373</u>
Total Plant and Equipment	<u><u>29,467</u></u>	<u><u>34,163</u></u>

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:

	Plant & Equipment	Computer Equipment	Leasehold Improvements	Total
Balance at 1 January 2017	3,069	17,933	4,716	25,718
Additions	2,835	20,830	-	23,665
Depreciation expense	(1,164)	(11,970)	(343)	(13,477)
Derecognition	-	(2,425)	-	(2,425)
Depreciation written back on disposal	-	682	-	682
Balance at 31 December 2017	<u>4,740</u>	<u>25,050</u>	<u>4,373</u>	<u>34,163</u>
Balance 1 January 2018	4,740	25,050	4,373	34,163
Additions	1,999	13,761	-	15,760
Depreciation expense	(1,632)	(10,180)	(314)	(12,126)
Derecognition	(35,702)	(137,961)	(122,701)	(296,364)
Depreciation written back on disposal	35,702	133,690	118,642	288,034
Carrying amount at 31 December 2018	<u>5,107</u>	<u>24,360</u>	<u>-</u>	<u>29,467</u>

Accounting Policy - Plant and equipment

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 Entity 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.

Depreciation on 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:

Furniture and Fittings: 3 - 11 yrs

Computing Equipment / Software: 2 - 5 yrs

Intangibles: 3 - 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 (note 1(f)).

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the income statement.

Note	2018 \$	2017 \$
Note 12. Intangible assets		
(a) Course Development Expenses		
Cost	977,921	859,892
Accumulated amortisation	(449,663)	(206,708)
Course materials - work in progress	313,532	123,845
Net carrying value	<u>841,790</u>	<u>777,029</u>
Reconciliation of course development expenses		
Balance at the beginning of year	777,029	580,451
Additions	118,029	517,634
Amortisation charge	(242,955)	(136,696)
Work in progress movement	189,687	(184,360)
Closing carrying value at 31 December	<u>841,790</u>	<u>777,029</u>
(b) Acquisition Expenses		
Goodwill at cost (incl contingent portion)	-	584,504
Accumulated impairment losses	-	(584,504)
Value of contracts and client relationships, at cost	-	684,575
Accumulated amortisation	-	(684,575)
Net carrying value	<u>-</u>	<u>-</u>
Reconciliation of acquisition outlays		
Balance as at the beginning of year	-	362,197
Impairment charge	-	(362,197)
Closing carrying value at 31 December	<u>-</u>	<u>-</u>
(c) Software Expenses		
Cost	32,586	46,755
Accumulated amortisation	(8,452)	(21,552)
Net carrying value	<u>24,134</u>	<u>25,203</u>
Reconciliation of software expenses		
Balance as at the beginning of year	25,203	-
Additions	5,036	27,550
Amortisation	(6,105)	(2,347)
Closing carrying value at 31 December	<u>24,134</u>	<u>25,203</u>
Total net carrying value	<u>865,924</u>	<u>802,232</u>

Accounting Policy - Intangible assets

(i) Research and development

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

Development expenditures on an individual project are recognised as an intangible asset when the entity can demonstrate:

- (a) The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- (b) Its intention to complete and its ability and intention to use or sell the asset
- (c) How the asset will generate future economic benefits
- (d) The availability of resources to complete the asset
- (e) The ability to measure reliably the expenditure during development.

The expenditure capitalised comprises only directly attributable costs including costs of materials, services and direct labour. Other development expenditure is recognised in the income statement as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development expenditure is recorded as intangible assets and amortised from the point at which the asset is ready for use. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit, which varies from 3 to 5 years.

(ii) Licences

Licences have an infinite useful life and are not amortised. They are assessed for impairment annually and whenever there is an indication that the licences may be impaired, in accordance with note 1(f).

(iii) Goodwill

Goodwill represents the excess of the aggregate of the fair value measurement of the consideration transferred in an acquisition, over the fair value of the Group's share of the net identifiable assets of the acquiree at the date of acquisition.

Goodwill is not amortised, instead it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(iv) Work in progress

Work in progress is stated at the lower of cost and net realisable value. Costs comprise of direct materials and/or labour only.

	Note	2018	2017
		\$	\$
Note 13. Trade and other payables			
Current			
Trade payables		363,350	422,642
GST payable		(1,331)	20,280
Total current trade and other payables		362,019	442,922

For an analysis of the sensitivity of trade and other payables to foreign exchange risk, refer to note 24.

Accounting Policy - Trade and other payables

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

	Note	2018 \$	2017 \$
Note 14. Provisions			
Current provisions expected to be settled within 12 months			
Employee benefits			
Annual leave		119,742	105,054
Subtotal		<u>119,742</u>	<u>105,054</u>
Current provisions expected to be settled after more than 12 months			
Employee benefits			
Annual leave		47,490	35,983
Long service leave		158,032	129,007
Subtotal		<u>205,522</u>	<u>164,990</u>
Total Current Provision		<u>325,264</u>	<u>270,044</u>
Non-current provisions			
Employee benefits			
Long service leave		26,676	25,164
Total non-current provision		<u>26,676</u>	<u>25,164</u>
Total provisions		<u>351,940</u>	<u>295,208</u>

Accounting Policy - Provisions

Provisions for legal claims and service warranties are recognised when: the Entity 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 has been reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance 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.

Accounting Policy - Employee benefits

(i) Wages and salaries

Liabilities for short-term employee benefits including wages and salaries, non-monetary benefits and profit-sharing bonuses due to be settled within 12 months after the end of the period are measured at the amount expected to be paid when the liability is settled and recognised in other payables. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Annual leave and sick leave

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

Annual leave is not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. As such, it is measured at nominal value which is not materially different to present value.

(iii) Long service leave

Long service leave recognised in respect of employee benefits which are not expected to be settled within twelve months are measured at present value in accordance with AASB119 Employee Benefits. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

	Note	2018	2017
		\$	\$
Note 15. Other Liabilities			
(a) Current			
Accrued Liabilities			
Salary Related		51,244	39,575
Income received in advance		1,325,621	996,598
Total current other liabilities		<u>1,376,865</u>	<u>1,036,173</u>
Note 16. Retained earnings			
(a) Issued Capital			
1,198,937 ordinary shares @ \$1.00 each fully paid		<u>1,198,937</u>	<u>1,198,937</u>
(b) Retained earnings			
Movements in retained earnings were as follows:			
Retained earnings at 1 January		(3,123,620)	(2,233,364)
Net Operating Result for the year		(96,400)	(890,256)
Retained earnings at 31 December		<u>(3,220,020)</u>	<u>(3,123,620)</u>

Note 17. Key management personnel disclosures

(a) Names of responsible persons

The following persons were responsible persons and executive officers of UNE Partnerships Pty Limited from the beginning of the year to the reporting date:

Directors

Professor Annabelle DUNCAN - Chairman (resigned 26 February 2018)

Professor Todd WALKER - appointed alternate director on 18 January 2018, appointed Chairman 5 March 2018.

Appointed Managing Director 30 March 2018 until 27 August 2018.

Dr Exmond DECRUZ

Professor Aron MURPHY

Executive Officer

Timothy J. Catterall (resigned 29 March 2018)

Suzanne E. Crew (commenced 27 August 2018)

(b) Remuneration of Board Members and Executives

Remuneration of Board Members

The non-executive directors of the company are entitled to earn Directors' Fees.

All 2018 payments to non-executive directors have been included as paid/accrued.

	2018	2017
	No.	No.
Nil to \$9,999	3	3
	3	3
	\$	\$
Aggregate Remuneration of Board Members		
Total Aggregate Remuneration	18,000	19,500
	No.	No.
Remuneration of executive officers		
Nil to \$150,000	2	-
\$175,001 to \$200,000	-	-
\$200,001 to \$224,999	-	1
	2	1
	\$	\$
Aggregate Remuneration of executive officers		
Total Aggregate Remuneration	213,478	200,505

Note 18. Remuneration of auditors

During the year, the following fees were paid for services provided by the auditor of UNE Partnerships Pty Ltd, its related practices and non-related audit firms:

	2018	2017
	\$	\$
Audit and review of the financial statements		
Fees paid to The Audit Office of NSW:	38,100	37,000
Total remuneration for audit services	38,100	37,000

Note 19. Contingencies

At balance date, no proceeding had been identified as being progressed on behalf of UNE Partnerships Pty Limited.

Note 20. Commitments

(a) Capital Commitments

There were no commitments for capital expenditure at 31 December 2018 (2017: Nil).

No lease arrangements, existing as at 31 December 2018, contain contingent rental payments, purchase options, escalation clauses or restrictions imposed by lease arrangements including dividends, additional debt or further leasing.

Note 21. Related parties

(a) Parent entities

The ultimate parent entity within the group is the University of New England.

(b) Subsidiaries

The entity does not have any interest in a subsidiary.

(c) Key management personnel

Disclosures relating to directors and specified executives are set out in Note 17.

(d) Transactions with related parties

Transactions with related parties are on normal terms no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

<i>Transactions during the period</i>	2018	2017
	\$	\$
University of New England		
Sales to University of New England	-	-
Purchases from the University of New England	106,880	184,288
Net	<u>(106,880)</u>	<u>(184,288)</u>
Loans from University of New England		
Beginning of the year	1,995,210	1,028,255
Loans advanced	-	900,000
Interest charged	91,659	66,955
Interest received	-	-
End of year	<u>2,086,869</u>	<u>1,995,210</u>

Outstanding balances

The following balances are outstanding at the reporting date in relation to transactions with related parties:

Receivables

Current receivables (sale of goods and services)

University of New England	-	-
Other related entities	-	-
Total current receivables	<u>-</u>	<u>-</u>

Current payables (purchases of goods and services)

University of New England	21,863	65,227
Other related entities	-	-
Total current payables	<u>21,863</u>	<u>65,227</u>

Current payables (loans)

University of New England	700,000	700,000
Total non-current payables	<u>700,000</u>	<u>700,000</u>

Non-current payables (loans)

University of New England	1,386,869	1,295,210
Total non-current payables	<u>1,386,869</u>	<u>1,295,210</u>

With other related parties

Receivables	-	-
Payables	-	-

(e) Guarantees

There have been no guarantees given.

(f) Terms and conditions

Related party outstanding balances are unsecured. Sales and purchases of goods and services are provided on interest-free terms.

(g) loan facilities

A loan agreement between UNE Partnerships and the University of New England was signed on 12th December 2016, providing an unsecured loan facility of up to \$1,900,000 until 31 March 2020. Interest is currently charged at 4.5% per annum and capitalised.

Note 22. Reconciliation of net result after income tax to net cash flows from operating activities

	2018	2017
	\$	\$
Net result for the period	(96,400)	(890,256)
Depreciation and amortisation	261,186	152,520
Write-off of assets	8,330	362,197
Provision for impaired receivables	(38,944)	8,231
Net (gain) / loss on sale of non-current assets	-	(30)
Increase/(Decrease) in payables and prepaid income	237,338	49,991
Increase/(Decrease) in provision for employee entitlements	68,401	(73,643)
Increase/(Decrease) in interest payable	91,659	66,955
(Increase)/Decrease in receivables and prepaid expenses	(318,711)	235,222
Net cash provided by / (used in) operating activities	212,859	(88,813)

Note 23. Events occurring after the end of the reporting period

There are no reportable events occurring after the end of the reporting period.

Note 24. Financial risk management

The economic entity's accounting policies, including the terms and conditions of each class of financial asset and financial liability, both recognised and unrecognised at balance date, are as follows:

(a) Market Risk

(i) Terms and conditions

Recognised Financial Instruments	Note	Accounting Policies	Terms and Conditions
Financial Assets			
Receivables	9	Receivables are carried at nominal amounts due less any provision for impairment	Accounts Receivable credit terms are 30 days; some clients can establish instalment plans spanning 10 months.
Deposits At Call	8	Term Deposits are stated at cost	Bank Call Deposits interest rate is determined by the official Money Market
Term Deposits	8	Term Deposits are stated at cost	
Financial Liabilities			
Borrowings		Borrowings are stated at the amount drawn down plus capitalised interest.	
Creditors and Accruals	13 & 15	Liabilities are recognised at amounts to be paid for goods and services received, or payable under contract, at year-end.	Creditors are normally settled on 30 day terms

(ii) Cash flow and fair value interest rate risk

The economic entity invests in near-dated term deposits with various financial institutions and is exposed to interest rate risk arising from normal interest rate variations at date of rollover.

(iii) Summarised sensitivity analysis

The table on the last page of the financial statement summarises the sensitivity of the economic entity's financial assets and liabilities to interest rate risk.

(b) Credit Risk

Credit risk is the risk of financial loss, arising from another party to a contract or financial position, failing to discharge a financial obligation thereunder. The Economic Entity's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the Statement of Financial Position.

Note 24. Financial risk management (continued)

(c) Liquidity Risk

Liquidity risk refers to the risk that, as a result of operational liquidity requirements, UNE Partnerships Pty Limited:

- will not have sufficient funds to settle a transaction on the due date;
- will be forced to sell financial assets at a value which is less than their worth;
- may be unable to settle or recover a financial asset at all.

Finance personnel monitor the actual and forecast cash flow of the economic entity on a frequent basis, ensuring that sufficient cash reserves are held to meet the ongoing operations and obligations of the economic entity as they fall due.

Financial risk management

31 December 2018	Average Interest Rate	Variable Interest Rate	Less than 1 Year	1 to 5 Years	5+ Years	Non Interest	Total
	%	\$	\$	\$	\$	\$	\$
Financial Assets							
Cash & cash equivalents	1.50	566,992	-	-	-	-	566,992
Investments - term deposits		-	-	-	-	-	-
Receivables	-	-	-	-	-	461,718	461,718
Total Financial Assets		566,992	-	-	-	461,718	1,028,710
Financial Liabilities							
Borrowings	4.50	2,086,869	-	-	-	-	2,086,869
Payables	-	-	-	-	-	362,019	362,019
Other amounts owing	-	-	-	-	-	51,244	51,244
Total Financial Liabilities		2,086,869	-	-	-	413,263	2,500,132
Net Financial Assets(Liabilities)		(1,519,877)	-	-	-	48,455	(1,471,422)

Comparative figures for the previous year are as follows:

31 December 2017	Average Interest Rate	Variable Interest Rate	Less than 1 Year	1 to 5 Years	5+ Years	Non Interest	Total
	%	\$	\$	\$	\$	\$	\$
Financial Assets							
Cash and cash equivalents	1.00	678,817	-	-	-	-	678,817
Investments - Term Deposits		-	-	-	-	-	-
Receivables	-	-	-	-	-	282,819	282,819
Total Financial Assets		678,817	-	-	-	282,819	961,636
Financial Liabilities							
Borrowings	4.50	2,002,164	-	-	-	-	2,002,164
Payables	-	-	-	-	-	442,922	442,922
Other Amounts Owing	-	-	-	-	-	39,575	39,575
Total Financial Liabilities		2,002,164	-	-	-	482,497	2,484,661
Net Financial Assets(Liabilities)		(1,323,347)	0	0	-	(199,678)	(1,523,025)

Note 24. Financial risk management (continued)**Summarised sensitivity analysis**

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

31 December 2018	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-1%		+1%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Financial Assets													
Cash and cash equivalents	566,992	(5,670)	(5,670)	5,670	5,670	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Investments - term deposits	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Receivables	461,718	-	-	-	-	-	-	-	-	-	-	-	-
Total Financial Assets	1,028,710	(5,670)	(5,670)	5,670	5,670	-	-	-	-	-	-	-	-
Financial Liabilities													
Borrowings	2,086,869	20,869	20,869	(20,869)	(20,869)	-	-	-	-	-	-	-	-
Payables	362,019	-	-	-	-	-	-	-	-	-	-	-	-
Other amounts owing	51,244	-	-	-	-	-	-	-	-	-	-	-	-
Total Financial Liabilities	2,500,132	20,869	20,869	(20,869)	(20,869)	-	-	-	-	-	-	-	-
Total increase/(decrease)	(1,471,422)	15,199	15,199	(15,199)	(15,199)	-	-	-	-	-	-	-	-

Comparative figures for the previous year are as follows:

31 December 2017	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-1%		+1%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Financial Assets													
Cash and cash equivalents	678,817	(6,788)	(6,788)	6,788	6,788	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Investments - term deposits	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Receivables	282,819	-	-	-	-	-	-	-	-	-	-	-	-
Total Financial Assets	961,636	(6,788)	(6,788)	6,788	6,788	-	-	-	-	-	-	-	-
Financial Liabilities													
Borrowings	2,002,164	20,022	20,022	(20,022)	(20,022)	-	-	-	-	-	-	-	-
Payables	442,922	-	-	-	-	-	-	-	-	-	-	-	-
Other amounts owing	39,575	-	-	-	-	-	-	-	-	-	-	-	-
Total Financial Liabilities	2,484,661	20,022	20,022	(20,022)	(20,022)	-	-	-	-	-	-	-	-
Total increase / (decrease)	(1,523,025)	13,234	13,234	(13,234)	(13,234)	-	-	-	-	-	-	-	-

END OF AUDITED FINANCIAL STATEMENTS

6. GENERAL ITEMS

6.1. Administrative Change to Principal Dates 2020, #19231

Council is asked to NOTE the minor administrative changes to the 2020 Principal Dates, report #19231

For Noting

Presented by Jonathan Powles

ITEM 6.1**Principal Dates 2020 Administrative Changes #19231****Council OPEN meeting – 15 March 2019****Purpose**

To provide Council with an update regarding administrative changes to the Principal Dates 2020 which were approved by Council in November 2018 via report #18306.

Origin of report: New report.

Related to Terms of Reference: Oversee and monitor the academic activities of the University.

Recommendation Professor Jonathan Powles (Pro Vice-Chancellor Academic Innovation)

Council is asked to NOTE the Principal Dates 2020 Administrative Changes, report #19231.

Executive Summary

Since the 2020 Principal Dates were approved by Council, minor corrections and clarifications have been required:

- a) A minor correction to the census and enrolment date to Year Long Honours teaching period
- b) Removal of duplicate entries
- c) Clarification of the 'results released' dates, to include the earliest and latest dates (previously, the earliest dates only were included)

Attachments

Final 2020 Principal Dates

Principal Dates

2020		
Day	Date	Event
Friday	3 Jan	Block A International Orientation Block A On-Campus Orientation Extended Period 1 International Orientation Extended Period 1 On-Campus Orientation Flexible Period A International Orientation Flexible Period A On-Campus Orientation
Monday	6 Jan	Teaching Starts for Block A Teaching Starts for Extended Period 1 Teaching Starts for Flexible Period A Intensive Schools Start for Trimester 3, 2019 Lectures Recommence for Trimester 3, 2019
Wednesday	8 Jan	Last Day to Enrol in Block A Units
Monday	13 Jan	Last Day to Enrol in Extended Period 1 Units Last Day to Enrol in Flexible Period A Units
Friday	17 Jan	Census Day Block A
Friday	24 Jan	Teaching ends for Trimester 3, 2019
Sunday	26 Jan	AUSTRALIA DAY
Monday	27 Jan	AUSTRALIA DAY HOLIDAY
Tuesday	28 Jan	Examinations for Trimester 3, 2019 Start
Monday	3 Feb	Last Day to Withdraw without Academic Penalty for Block A
Monday	10 Feb	Census Day Extended Period 1 Examinations for Trimester 3, 2019 End Trimester 3, 2019 Ends
Friday	14 Feb	Teaching Ends for Block A
Monday	17 Feb	Block A - Assessment & Intensive period Commences
Friday	21 Feb	Block B International Orientation Flexible Period B International Orientation Trimester 1 International Orientation Year Long Period 1 International Orientation Year-long 2, 2019 and Trimester 3, 2019 Results made available to students Last day to withdraw from Year-Long Honours 2, 2019 without failure
Monday	24 Feb	Block B On-Campus Orientation Flexible Period B On-Campus Orientation Trimester 1 On-Campus Orientation Year Long Period 1 On-Campus Orientation
Friday	28 Feb	Block A Ends Block B International Orientation End Block B On-Campus Orientation End Flexible Period B International Orientation End Flexible Period B On-Campus Orientation End Trimester 1 International Orientation End Trimester 1 On-Campus Orientation End Year Long Period 1 International Orientation End Year Long Period 1 On-Campus Orientation End
Monday	2 Mar	Block A - Earliest Day for Release of Results Teaching Starts for Block B

Day	Date	Event
		Teaching Starts for Flexible Period B Teaching Starts for Trimester 1 Teaching Starts for Year Long Honours 1 Teaching Starts for Year Long Period 1
Wednesday	4 Mar	Last Day to Enrol in Block B Units
Monday	9 Mar	Last Day to Enrol in Flexible Period B Units Last Day to Enrol in Trimester 1 Units Last Day to Enrol in Year Long Honours 1 Units Last Day to Enrol in Year Long Period 1 Units
Wednesday	11 Mar	Block A - Latest Day for Release of Results
Friday	13 Mar	Census Day Block B
Monday	16 Mar	Census Day Flexible Period A
Monday	23 Mar	Census Day Trimester 1
Monday	30 Mar	Last Day to Withdraw without Academic Penalty for Block B
Thursday	9 Apr	Teaching Ends for Block B
Tuesday	14 Apr	Block B - Assessment & Intensive period Commences Trimester 1 - Assessment & Intensive period 1 Commences
Monday	20 Apr	Census Day Year Long Period 1 Year-long Honours 2, 2019 Ends
Thursday	23 Apr	Block C International Orientation Flexible Period C International Orientation
Friday	24 Apr	Block B Ends Block C On-Campus Orientation Flexible Period C On-Campus Orientation Trimester 1 - Assessment & Intensive period 1 Ends
Saturday	25 Apr	ANZAC DAY
Monday	27 Apr	Block B - Earliest Day for Release of Results Census Day Year Long Honours 1 Teaching Starts for Block C Teaching Starts for Flexible Period C Teaching recommences for Trimester 1
Wednesday	29 Apr	Last Day to Enrol in Block C Units
Friday	1 May	Year-long Honours 2, 2019 results made available to students Graduation Day – Faculty of Science, Agriculture, Business and Law Awards
Saturday	2 May	Graduation Day – Faculty of Humanities, Arts, Social Sciences and Education Awards and Faculty of Medicine and Health Awards
Monday	4 May	Last Day to Enrol in Flexible Period C Units Last Day to Withdraw without Academic Penalty for Extended Period 1 Last Day to Withdraw without Academic Penalty for Trimester 1
Wednesday	6 May	Block B - Latest Day for Release of Results
Friday	8 May	Census Day Block C UNE Open Day
Friday	15 May	Census Day Flexible Period B
Monday	25 May	Last Day to Withdraw without Academic Penalty for Block C
Friday	29 May	Teaching Ends for Trimester 1
Monday	1 Jun	Trimester 1 - Assessment & Intensive period 2 Commences
Friday	5 Jun	Teaching Ends for Block C Teaching Ends for Extended Period 1
Monday	8 Jun	QUEEN'S BIRTHDAY
Tuesday	9 Jun	Extended Period 1 - Assessment & Intensive period Commences

Day	Date	Event
		Last day to withdraw from Year-Long Honours 3, 2019 without failure Block C - Assessment & Intensive period Commences
Friday	19 Jun	Block C Ends Extended Period 1 Ends Trimester 1 - Assessment & Intensive period 2 Ends Trimester 1 Ends
Monday	22 Jun	Block C - Earliest Day for Release of Results Block D International Orientation Block D On-Campus Orientation Extended Period 1 - Earliest Day for Release of Results Extended Period 2 International Orientation Extended Period 2 On-Campus Orientation Flexible Period D International Orientation Flexible Period D On-Campus Orientation Last Day to Withdraw without Academic Penalty for Flexible Period A Trimester 1 - Earliest Day for Release of Results Trimester 2 International Orientation Ends Trimester 2 On-Campus Orientation Year Long Period 2 International Orientation Year Long Period 2 On-Campus Orientation
Sunday	28 Jun	<i>Student Services and Amenities Fee Payment Date for Research Period 1</i> <i>Last Day for eligible students to submit an SA-HELP Form</i>
Monday	29 Jun	Teaching Starts for Block D Teaching Starts for Extended Period 2 Teaching Starts for Flexible Period D Teaching Starts for Trimester 2 Teaching Starts for Year Long Honours 2 Teaching Starts for Year Long Period 2
Wednesday	1 Jul	Block C - Latest Day for Release of Results Extended Period 1 - Latest Day for Release of Results Last Day to Enrol in Block D Units Trimester 1 - Latest Day for Release of Results
Monday	6 Jul	Last Day to Enrol in Extended Period 2 Units Last Day to Enrol in Flexible Period D Units Last Day to Enrol in Trimester 2 Units Last Day to Enrol in Year Long Honours 2 Units Last Day to Enrol in Year Long Period 2 Units
Friday	10 Jul	Census Day Block D Census Day Flexible Period C
Monday	20 Jul	Census Day Trimester 2
Monday	27 Jul	Last Day to Withdraw without Academic Penalty for Block D
Monday	3 Aug	Census Day Extended Period 2
Friday	7 Aug	Teaching Ends for Block D
Monday	10 Aug	Block D - Assessment & Intensive period Commences Trimester 2 - Assessment & Intensive period 1 Commences
Thursday	20 Aug	Block E International Orientation Flexible Period E International Orientation
Friday	21 Aug	Block D Ends Block E On-Campus Orientation Flexible Period E On-Campus Orientation

Day	Date	Event
		Trimester 2 - Assessment & Intensive period 1 Ends
Monday	24 Aug	Census Day Year Long Period 2 Teaching recommences for Trimester 2 Block D - Earliest Day for Release of Results Last Day to Withdraw without Academic Penalty for Flexible Period B Teaching Starts for Block E Teaching Starts for Flexible Period E
Wednesday	26 Aug	Last Day to Enrol in Block E Units
Friday	28 Aug	Graduation Day – Faculty of Humanities, Arts, Social Sciences and Education Awards and Faculty of Medicine and Health Awards Year-long Honours 3, 2019 results to be made available to students
Saturday	29 Aug	Graduation Day – Faculty of Science, Agriculture, Business and Law Awards
Monday	31 Aug	Census Day Year Long Honours 2 Last Day to Enrol in Flexible Period E Units Last Day to Withdraw without Academic Penalty for Trimester 2 Last Day to Withdraw without Academic Penalty for Year Long Period 1
Wednesday	2 Sep	Block D - Latest Day for Release of Results
Friday	4 Sep	Census Day Block E
Friday	11 Sep	Census Day Flexible Period D
Friday	25 Sep	Last Day to Withdraw without Academic Penalty for Block E Teaching Ends for Trimester 2 Teaching Ends for Year Long Period 1
Monday	28 Sep	Flexible Period A - Assessment & Intensive period Commences Trimester 2 - Assessment & Intensive period 2 Commences Year Long Period 1 - Assessment & Intensive period Commences
Friday	2 Oct	Teaching Ends for Block E
Monday	5 Oct	LABOUR DAY
Tuesday	6 Oct	Block E - Assessment & Intensive period Commences Last Day to Withdraw without Academic Penalty for Year Long Honours 1
Friday	16 Oct	Block E Ends Block F International Orientation Flexible Period F International Orientation Trimester 2 - Assessment & Intensive period 2 Ends Trimester 2 Ends Trimester 3 International Orientation Year Long Period 3 International Orientation
Monday	19 Oct	Block E - Earliest Day for Release of Results Last Day to Withdraw without Academic Penalty for Flexible Period C Trimester 2 - Earliest Day for Release of Results Year Long Period 1 - Earliest Day for Release of Results
Friday	23 Oct	Block F On-Campus Orientation Flexible Period F On-Campus Orientation Trimester 3 On-Campus Orientation Year Long Period 3 On-Campus Orientation
Monday	26 Oct	Last Day to Withdraw without Academic Penalty for Extended Period 2 Teaching Starts for Block F Teaching Starts for Flexible Period F Teaching Starts for Trimester 3 Teaching Starts for Year Long Honours 3 Teaching Starts for Year Long Period 3

Day	Date	Event
Wednesday	28 Oct	Block E - Latest Day for Release of Results Last Day to Enrol in Block F Units Trimester 2 - Latest Day for Release of Results Year Long Period 1 - Latest Day for Release of Results
Monday	2 Nov	Last Day to Enrol in Flexible Period F Units Last Day to Enrol in Trimester 3 Units Last Day to Enrol in Year Long Honours 3 Units Last Day to Enrol in Year Long Period 3 Units
Friday	6 Nov	Census Day Block F Census Day Flexible Period E
Monday	23 Nov	Census Day Trimester 3
Friday	27 Nov	Last Day to Withdraw without Academic Penalty for Block F Year Long Honours 1 Ends
Friday	4 Dec	Teaching Ends for Block F Teaching Ends for Extended Period 2 Teaching Ends for Flexible Period A
Monday	7 Dec	Block F - Assessment & Intensive period Commences Extended Period 2 - Assessment & Intensive period Commences Trimester 3 - Assessment & Intensive period 1 Commences
Thursday	10 Dec	Graduation Day – Faculty of Humanities, Arts, Social Science and Education Awards
Friday	11 Dec	Graduation Day – Faculty of Medicine and Health Awards
Saturday	12 Dec	Graduation Day – Faculty of Science, Agriculture, Business and Law Awards
Monday	14 Dec	Census Day Year Long Period 3 Last Day to Withdraw without Academic Penalty for Flexible Period D Last Day to Withdraw without Academic Penalty for Trimester 3 Last Day to Withdraw without Academic Penalty for Year Long Period 2
Friday	18 Dec	Block F Ends Extended Period 2 Ends Flexible Period A Ends Trimester 3 - Teaching Ends
Monday	21 Dec	Block F - Earliest Day for Release of Results Extended Period 2 - Earliest Day for Release of Results Flexible Period A - Earliest Day for Release of Results
Friday	25 Dec	CHRISTMAS DAY
Saturday	26 Dec	BOXING DAY
Monday	28 Dec	BOXING DAY HOLIDAY
Tuesday	29 Dec	<i>Student Services and Amenities Fee Payment Date for Research Period 2</i> <i>Last Day for eligible students to submit an SA-HELP Form</i>

2021		
Friday	1 Jan	NEW YEAR'S DAY
Monday	4 Jan	Teaching recommences for Trimester 3 Teaching Starts for Block A, 2021 Teaching Starts for Flexible Period A, 2021
Wednesday	6 Jan	Block F - Latest Day for Release of Results Extended Period 2 - Latest Day for Release of Results Flexible Period A - Latest Day for Release of Results
Friday	8 Jan	Census Day Flexible Period F Census Day Year Long Honours 3

Day	Date	Event
Monday	18 Jan	Census Day Block A, 2021
Tuesday	26 Jan	AUSTRALIA DAY
Friday	5 Feb	Teaching Ends for Flexible Period B Teaching Ends for Trimester 3 Teaching Ends for Year Long Period 2
Monday	8 Feb	Flexible Period B - Assessment & Intensive period Commences Trimester 3 - Assessment & Intensive period 2 Commences Year Long Period 2 - Assessment & Intensive period Commences
Monday	15 Feb	Last Day to Withdraw without Academic Penalty for Flexible Period E
Monday	22 Feb	Last Day to Withdraw without Academic Penalty for Year Long Honours 2
Friday	26 Feb	Flexible Period B Ends Trimester 3 Ends Year Long Period 2 Ends
Monday	1 Mar	Flexible Period B - Earliest Day for Release of Results Trimester 3 - Earliest Day for Release of Results Year Long Period 2 - Earliest Day for Release of Results
Wednesday	10 Mar	Flexible Period B - Latest Day for Release of Results Trimester 3 - Latest Day for Release of Results Year Long Period 2 - Latest Day for Release of Results
Friday	2 Apr	Teaching Ends for Flexible Period C
Monday	12 Apr	Last Day to Withdraw without Academic Penalty for Flexible Period F
Monday	19 Apr	Year Long Honours 2 Ends
Friday	23 Apr	Flexible Period C Ends
Friday	28 May	Teaching Ends for Flexible Period D Teaching Ends for Year Long Period 3
Friday	18 Jun	Flexible Period D Ends Year Long Period 3 Ends
Friday	30 Jul	Teaching Ends for Flexible Period E
Wednesday	18 Aug	Year Long Honours 3 Ends
Friday	20 Aug	Flexible Period E Ends
Friday	24 Sep	Teaching Ends for Flexible Period F
Friday	15 Oct	Flexible Period F Ends

Principal Dates

January 2020

Day	Date	Event
Wednesday	1 Jan	NEW YEAR'S DAY
Friday	3 Jan	Orientation Day for Block A
		Intensive schools start
		Lectures recommence for Trimester 3
Monday	6 Jan	Block A commences
		Extended Period 1 commences
		Flexible Period A commences
Wednesday	8 Jan	Last date to enrol in Block A units
Monday	13 Jan	Last date to enrol in Extended Period 1 and Flexible Period 1 units
		T3 Intensive Schools end
		Census Day Block A:
Friday	17 Jan	<ul style="list-style-type: none"> • Last day to withdraw from Block A units without HECS/Financial liability • Last day UNE can legally accept whole/part up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for Block A • Last day for eligible students to submit an SA-HELP form
Friday	24 Jan	Teaching ends for Trimester 3
Sunday	26 Jan	AUSTRALIA DAY
Monday	27 Jan	AUSTRALIA DAY HOLIDAY
Tuesday	28 Jan	Examinations for Trimester 3, 2019 start

February 2020

Day	Date	Event
Monday	3 Feb	Last date to withdraw from Block A without academic penalty Examinations for Trimester 3, 2019 end Trimester 3, 2019 ends
Monday	10 Feb	Census Day Extended Period 1: <ul style="list-style-type: none"> • Last day to withdraw from EP1 units without HECS/Financial liability • Last day UNE can legally accept whole/part up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for EP1 • Last day for eligible students to submit an SA-HELP form
Friday	14 Feb	Block A - Active teaching - ends
Monday	17 Feb	Block A - Assessment & Intensive period commences Trimester 1 International Student Orientation starts
Friday	21 Feb	Year-long 2, 2019 and Trimester 3, 2019 results made available to students. Last day to withdraw from Year-long Honours 2, 2019 units without failure
Monday	24 Feb	Trimester 1 On-Campus Orientation (including International students) starts
Friday	28 Feb	Trimester 1 Orientation ends Block A ends

March 2020

<i>Day</i>	<i>Date</i>	<i>Event</i>
Monday	2 Mar	<p>Teaching starts for Trimester 1 (Year-Long 1 + Year-Long Honours 1)</p> <p>Block B commences</p> <p>Flexible Period B commences</p> <p>Release of Block A results</p>
Wednesday	4 Mar	Last date to enrol in Block B units
Monday	9 Mar	Last day to add Year-long 1, Year-long Honours 1, Trimester 1 or Flexible Period B units to an existing enrolment
Friday	13 Mar	<p>Census Day Block B:</p> <ul style="list-style-type: none"> • Last day to withdraw from Block B units without HECS/Financial liability • Last day UNE can legally accept whole/part up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for Block B • Last day for eligible students to submit an SA-HELP form
Monday	16 Mar	<p>Census Day Flexible Period A:</p> <ul style="list-style-type: none"> • Last day to withdraw from Flexible Period A units without HECS/Financial liability • Last day UNE can legally accept whole/part up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for Flexible Period A • Last day for eligible students to submit an SA-HELP form
Monday	23 Mar	<p>Census Day Trimester 1:</p> <ul style="list-style-type: none"> • Last day to withdraw from Trimester 1 units without HECS/Financial liability • Last day UNE can legally accept whole/part up-front HECS payments • Last day to submit Commonwealth Assistance Form

<i>Day</i>	<i>Date</i>	<i>Event</i>
Monday	30 March	<ul style="list-style-type: none"> • Student Services and Amenities Fee payment date for Trimester 1 • Last day for eligible students to submit an SA-HELP form <p>Last date to withdraw from Block B without academic penalty</p>

April 2020

<i>Day</i>	<i>Date</i>	<i>Event</i>
Thursday	9 Apr	Block B - Active teaching - ends
Friday	10 Apr	GOOD FRIDAY
Saturday	11 April	EASTER SATURDAY
Sunday	12 April	EASTER SUNDAY
Monday	13 April	EASTER MONDAY
Tuesday	14 Apr	<p>Trimester 1 - Assessment & Intensive period 1 commences</p> <p>Block B - Assessment & Intensive period commences</p> <p>Year-long Honours 2, 2019 ends</p> <p>Census Day Year-long 1 (units spanning Trimester 1 and Trimester 2 - March to October):</p>
Monday	20 Apr	<ul style="list-style-type: none"> • Last day to withdraw from Year-long 1 units without HECS/Financial liability • Last day UNE can legally accept whole/partial up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for Year-long 1

<i>Day</i>	<i>Date</i>	<i>Event</i>
		<ul style="list-style-type: none"> • Last day for eligible students to submit an SA-HELP form <p>Census Day Year-long Honours 1 (39 week units ending 27 November 2020):</p> <ul style="list-style-type: none"> • Last day to withdraw from Year-long Honours 1 units without HECS/Financial liability • Last day UNE can legally accept whole/partial up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for Year-long Honours 1 • Last day for eligible students to submit an SA-HELP form
Thursday	23 Apr	International Orientation Day for Block C
Friday	24 Apr	Orientation Day for Block C Block B ends Trimester 1 - Assessment & Intensive period 1 ends
Saturday	25 Apr	ANZAC DAY
Monday	27 Apr	Release of Block B results Teaching recommences for Trimester 1 Block C commences Flexible Period C commences
Wednesday	29 Apr	Last date to enrol in Block C units

May 2020

<i>Day</i>	<i>Date</i>	<i>Event</i>
Friday	1 May	Year-long Honours 2, 2019 results made available to students Graduation Day – Faculty of Science, Agriculture, Business and Law Awards

<i>Day</i>	<i>Date</i>	<i>Event</i>
Saturday	2 May	Graduation Day – Faculty of Humanities, Arts, Social Sciences and Education Awards and Faculty of Medicine and Health Awards
Monday	4 May	Last day to withdraw from Year-long 3, 2019, Trimester 1, or Extended Period 1 units without failure Last date to enrol in Flexible Period C units
Friday	8 May	UNE Open Day Census Day Block C: <ul style="list-style-type: none"> • Last day to withdraw from Block C units without HECS/Financial liability • Last day UNE can legally accept whole/part up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for Block C • Last day for eligible students to submit an SA-HELP form
Friday	15 May	Census Day Flexible Period B: <ul style="list-style-type: none"> • Last day to withdraw from Flexible Period B units without HECS/Financial liability • Last day UNE can legally accept whole/part up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for Flexible Period B • Last day for eligible students to submit an SA-HELP form
Monday	25 May	Last date to withdraw from Block C without academic penalty
Friday	29 May	Teaching ends for Trimester 1

June 2020

<i>Day</i>	<i>Date</i>	<i>Event</i>
Monday	1 Jun	Trimester 1 - Assessment & Intensive period 2 commences

<i>Day</i>	<i>Date</i>	<i>Event</i>
Friday	5 Jun	Block C - Active teaching – ends Extended Period 1 teaching ends
Monday	8 Jun	<i>Last day to withdraw from Year-long Honours 3, 2019 units without failure</i>
Monday	8 Jun	QUEEN'S BIRTHDAY Trimester 1 ends Block C ends
Friday	19 Jun	Extended Period 1 ends Trimester 2 International Student Orientation starts International Orientation Day for Block D
Monday	22 Jun	Trimester 2 On-Campus Orientation (including International students) starts Year-long 3, 2019, Trimester 1, Block C and Extended Period 1 results made available to students Last day to withdraw from Flexible Period A units without failure
Sunday	28 Jun	<i>Student Services and Amenities Fee Payment Date For Research Period 1</i> <i>Last Day for eligible students to submit an SA-HELP form</i>
Monday	29 June	Teaching starts for Trimester 2 (Year-long 2) Block D commences Flexible Period D commences Extended Period 2 commences

July 2020

<i>Day</i>	<i>Date</i>	<i>Event</i>
Wednesday	1 Jul	Last date to enrol in Block D units

<i>Day</i>	<i>Date</i>	<i>Event</i>
Monday	6 Jul	Last date to enrol in Trimester 2, Year-Long 2, Extended Period 2 and Flexible Period D units
Friday	10 Jul	<p>Census Day Block D & Flexible Period C:</p> <ul style="list-style-type: none"> • Last day to withdraw from Block D units without HECS/Financial liability • Last day UNE can legally accept whole/part up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for Block D • Last day for eligible students to submit an SA-HELP form
Monday	20 Jul	<p>Census Day Trimester 2 Units:</p> <ul style="list-style-type: none"> • Last day to withdraw from Trimester 2 units without HECS/Financial liability • Last day UNE can legally accept whole/partial up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for Trimester 2 • Last Day for eligible students to submit an SA-HELP form
Monday	27 Jul	Last date to withdraw from Block D without academic penalty

August 2020

<i>Day</i>	<i>Date</i>	<i>Event</i>
Monday	3 Aug	<p>Census Day Extended Period 2:</p> <ul style="list-style-type: none"> • Last day to withdraw from EP2 units without HECS/Financial liability • Last day UNE can legally accept whole/part up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for EP2 • Last day for eligible students to submit an SA-HELP form

<i>Day</i>	<i>Date</i>	<i>Event</i>
Friday	7 Aug	Block D - Active teaching - ends
Monday	10 Aug	Trimester 2 - Assessment & Intensive period 1 commences
Friday	14 Aug	Year-long Honours 3, 2019 ends
Thursday	20 Aug	International Orientation Day for Block E
Friday	21 Aug	Trimester 2 - Assessment & Intensive period 1 ends Block D ends Orientation Day for Block E Teaching recommences for Trimester 2 Block E commences Flexible Period E commences Release of Block D results Census Day Year-long 2 (units spanning Trimester 2 and Trimester 3 - July 2020 to February 2021):
Monday	24 Aug	<ul style="list-style-type: none"> • Last day to withdraw from Year-long 2 units without HECS/Financial liability • Last day UNE can legally accept whole/partial up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for Year-long 2 • Last Day for eligible students to submit an SA-HELP form <p>Last date to withdraw from Flexible Period B without academic penalty</p>
Wednesday	26 Aug	Last date to enrol in Block E units
Friday	28 Aug	Graduation Day – Faculty of Humanities, Arts, Social Sciences and Education Awards and Faculty of Medicine and Health Awards Year-long Honours 3, 2019 results to be made available to students

<i>Day</i>	<i>Date</i>	<i>Event</i>
Saturday	29 Aug	<p>Graduation Day – Faculty of Science, Agriculture, Business and Law Awards</p> <p>Last date to withdraw from Trimester 2 and Year-long 1 units without academic penalty Last day to enrol in Flexible Period E units</p> <p>Census Day Year-long Honours 2 units (39 week units ending 17 April 2021):</p>
Monday	31 Aug	<ul style="list-style-type: none"> • Last day to withdraw from Year-long Honours 2 units without HECS/Financial liability • Last day UNE can legally accept whole/partial up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for Year-long Honours 2 • Last Day for eligible students to submit an SA-HELP form • Last day to withdraw from Year-long 1 and Trimester 2 units without failure

September 2020

<i>Day</i>	<i>Date</i>	<i>Event</i>
Friday	4 Sep	<p>Block E Census Day</p> <ul style="list-style-type: none"> • Last day to withdraw from Block E units without HECS/Financial liability • Last day UNE can legally accept whole/part up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for Block E • Last day for eligible students to submit an SA-HELP form
Friday	11 Sep	<p>Flexible Period D Census Day</p>

Day	Date	Event
		<ul style="list-style-type: none"> Last day to withdraw from Flexible Period D units without HECS/Financial liability Last day UNE can legally accept whole/part up-front HECS payments Last day to submit Commonwealth Assistance Form Student Services and Amenities Fee payment date for Flexible Period D Last day for eligible students to submit an SA-HELP form
Friday	25 Sep	Last date to withdraw from Block E without academic penalty Teaching ends for Trimester 2
Monday	28 Sep	Trimester 2 - Assessment & Intensive period 2 commences

October 2020

Day	Date	Event
Friday	2 Oct	Block E - Active teaching - ends
Monday	5 Oct	LABOUR DAY <i>Last day to withdraw from Year-Long Honours 1 units without failure</i>
Friday	16 Oct	Trimester 2 ends Block E ends Trimester 3 International Students' Orientation
Monday	19 Oct	Release of Year-long 1, Trimester 2 and Block E results Last day to withdraw from Flexible Period C units without failure
Friday	23 Oct	Trimester 3 On-Campus Orientation (including International students) starts
Monday	26 Oct	Teaching starts for Trimester 3 and Year-long 3 Block F commences

Day	Date	Event
Wednesday	28 Oct	<p>Flexible Period F commences Last day to withdraw from Extended Period 2 units without failure</p> <p>Last date to enrol in Block F units</p>
Friday	30 Oct	Trimester 3 On-Campus Orientation (including International students)

November 2020

Day	Date	Event
Monday	2 Nov	Last date to enrol in Year-long 3, Trimester 3, and Flexible Period F units
Friday	6 Nov	<p>Block F & Flexible Period E Census Day:</p> <ul style="list-style-type: none"> Last day to withdraw from Block F units without HECS/Financial liability Last day UNE can legally accept whole/partial up-front HECS payments Last day to submit Commonwealth Assistance Form Student Services and Amenities Fee payment date for Block F Last day for eligible students to submit an SA-HELP form
Monday	23 Nov	<p>Census Day Trimester 3 Units:</p> <ul style="list-style-type: none"> Last day to withdraw from Trimester 3 units without HECS/Financial liability Last day UNE can legally accept whole/partial up-front HECS payments Last day to submit Commonwealth Assistance Form Student Services and Amenities Fee payment date for Trimester 3 Last day for eligible students to submit an SA-HELP form
Friday	27 Nov	Year-long Honours 1 ends

<i>Day</i>	<i>Date</i>	<i>Event</i>
		Last date to withdraw from Block F without academic penalty

December 2020

<i>Day</i>	<i>Date</i>	<i>Event</i>
Friday	4 Dec	Block F & Extended Period 2 - Active teaching - ends
Thursday	10 Dec	Graduation Day – Faculty of Humanities, Arts, Social Science and Education Awards
Friday	11 Dec	Graduation Day – Faculty of Medicine and Health Awards Year-long Honours 1 results to be made available to students
Saturday	12 Dec	Graduation Day – Faculty of Science, Agriculture, Business and Law Awards Last day to withdraw from Year-long 2, Trimester 3 or Flexible Period D units without failure
Monday	14 Dec	Census Day for Year-long 3 (units spanning Trimester 3, 2020 and Trimester 1, 2021 – October to June): <ul style="list-style-type: none"> • Last day to withdraw from Year-long 3 units without HECS/Financial liability • Last day UNE can legally accept whole/partial up-front HECS payments • Last day to submit Commonwealth Assistance Form • Student Services and Amenities Fee payment date for Year-long 3 • Last day for eligible students to submit an SA-HELP form
Friday	18 Dec	Trimester 3 teaching ends Block F ends Flexible Period A ends

<i>Day</i>	<i>Date</i>	<i>Event</i>
Monday	21 Dec	Extended Period 2 ends Results of Block F, Flexible Period A and Extended Period 2 released.
Friday	25 Dec	CHRISTMAS DAY
Saturday	26 Dec	BOXING DAY
Monday	28 Dec	BOXING DAY HOLIDAY
Monday	28 Dec	Census Day Year-long Honours 3 (39 week units ending 18 August 2020): <ul style="list-style-type: none"> <i>Last day to withdraw from Year-long Honours 3 units without HECS/Financial liability</i> <i>Last day UNE can legally accept whole/partial up-front HECS payments</i> <i>Last day to submit Commonwealth Assistance Form</i> <i>Student Services and Amenities Fee payment date for Year-long Honours 3</i> <i>Last day for eligible students to submit an SA-HELP form</i>
Tuesday	29 Dec	<i>Student Services and Amenities Fee Payment Date for Research Period 2</i> <i>Last Day for eligible students to submit an SA-HELP form</i>

January 2021

<i>Day</i>	<i>Date</i>	<i>Event</i>
Friday	1 Jan	NEW YEAR'S DAY
Monday	4 Jan	Teaching recommence for Trimester 3 Block A commences Flexible Period A commences

Day	Date	Event
Friday	8 Jan	Flexible Period F Census Day <ul style="list-style-type: none"> Last day to withdraw from Flexible Period F units without HECS/Financial liability Last day UNE can legally accept whole/part up-front HECS payments Last day to submit Commonwealth Assistance Form Student Services and Amenities Fee payment date for Flexible Period F Last day for eligible students to submit an SA-HELP form
Monday	18 Jan	Block A Census Day <ul style="list-style-type: none"> Last day to withdraw from Block A units without HECS/Financial liability Last day UNE can legally accept whole/part up-front HECS payments Last day to submit Commonwealth Assistance Form Student Services and Amenities Fee payment date for Block A Last day for eligible students to submit an SA-HELP form
Tuesday	26 Jan	AUSTRALIA DAY

February 2021

Day	Date	Event
Monday	8 Feb	Trimester 3 - Assessment & Intensive period 2 commences
Monday	15 Feb	Last date to withdraw from Flexible Period E units without academic penalty
Friday	19 Feb	Trimester 3, 2020 ends Block A 2021 - Active teaching - ends Trimester 1 International Students' Orientation starts Year-long 2, 2020 and Trimester 3, 2020 results made available to students.
Monday	22 Feb	Last day to withdraw from Year-long Honours 2, 2020 units without failure Trimester 1 On-Campus Orientation (including International students) starts

Day	Date	Event
Friday	26 Feb	Flexible Period B & Trimester 3 end
Monday	29 Feb	Results for Trimester 3 released

March 2021

Day	Date	Event
Monday	1 Mar	Results of Flexible Period B released.

April 2021

Day	Date	Event
Monday	12 Apr	Last day to withdraw from Flexible Period F units without failure
Friday	23 Apr	Flexible Period C ends
Monday	26 Apr	Results of Flexible Period C released.

June 2021

Day	Date	Event
Friday	18 Jun	Flexible Period D ends
Monday	21 Jun	Results of Flexible Period D released.

August 2021

Day	Date	Event
Friday	20 Aug	Flexible Period E ends
Monday	23 Aug	Results of Flexible Period E released.

October 2021

Day	Date	Event
Friday	15 Oct	Flexible Period F ends
Monday	18 Oct	Results of Flexible Period F released.

7. GENERAL BUSINESS

8. MEETING FINALISATION

8.1. Council Open Work Plan 2019

Council is asked to NOTE the 2019
Council Open Work Plan.

For Noting

Presented by Brendan Peet

2019 Council OPEN Work Plan

Report Name	Owner	Status/ Comment
Meeting 1: Thursday,31 January 2019		
#19004 Chancellor's Report to Council	Chancellor	
#19005 Vice-Chancellor's Report to Council	VC	
#19006 Chair Academic Board Report	Chair AB	
2019 Open Council Work plan	CLGO	
Meeting 2: Friday, 15 March 2019		
#19015 University Activities in Focus- Faculty Humanities Arts Social Sciences and Education	Dean HASSE Faculty	
#19016 Chancellor's Report to Council	Chancellor	
#19017 Vice-Chancellor's Report to Council	VC	
#19018 Chair Academic Board Report	Chair AB	
#19019 Approval of Annual Report (Year Ended 31 December 2018)	VC	
#19020 Approval of Annual UNE Group Financial Statements (Year Ended 31 December 2018)	CFO	
#19231 Administrative Change to Principal Dates 2020	PVCAI	
2019 Open Council Work plan	CLGO	
Meeting 3: Friday 24 May 2019		
#19039 University Activities in Focus		
#19035 Chancellor's Report to Council	Chancellor	
#19036 Vice-Chancellor's Report to Council	VC	
#19037 Chair Academic Board Report	Chair AB	
#19038 UNE Alumni Association	VC	
2019 Open Council Work plan	CLGO	

2019 Council OPEN Work Plan

Meeting 4: Friday 26 July 2019		
#19054 University Activities in Focus		
#19055 Chancellor's Report to Council	Chancellor	
#19056 Vice-Chancellor's Report to Council	VC	
#19057 Chair Academic Board Report	Chair AB	
#19058 Student Association Bi-Annual Report to Council	Student Assoc.	
2019 Open Council Work plan	CLGO	

Report Name	Owner	Status/ Comment
Meeting 5: Friday 27 September 2019		
#19072 University Activities in Focus – Faculty Medicine and Health	Dean M&H	
#19073 Chancellor's Report to Council	Chancellor	
#19074 Vice-Chancellor's Report to Council	VC	
#19075 Chair Academic Board Report	Chair AB	
#19076 Joint Medical Program Academic Calendar 2020	Chair AB	
#19077 Council and Committee meeting dates 2020	CLGO	
2019 Open Council Work plan	CLGO	

Meeting 6: Friday 22 November 2019		
#19078 University Activities in Focus		
#19079 Chancellor's Report to Council	Chancellor	
#19080 Vice-Chancellor's Report to Council	VC	
#19081 Chair Academic Board Report	Chair AB	
#19082 Bi-Annual Student Association Report	Student Association	
#19083 Update on Academic Matters	PVCAI	
#19084 Program of Induction for Council Members	CLGO	
#19206 2019 & draft 2020 Open Council Work plan	CLGO	

2019 Council OPEN Work Plan

Report Details:

- i. **2019 Work Plan & Draft 2020 Work Plan:** To provide the Council with an updated work plan for the open session of Council at each meeting to track progress against Council objectives during the year, as well as a draft work plan for endorsement for the coming year (in November).
- ii. **Approval of Annual Report / Financial Statements (Year Ended 31 December 2018):** To provide the Council with a draft copy of the annual report and financial statements for the year ending 31 December 2018. As well as a key statutory requirement these documents are a record of the performance of the University and University Group for the previous year. The report relates to the role and function of Council to (12) d. Approve the University's mission, strategic direction, annual budget and business plan.
- iii. **Bi-Annual Student Association Report to Council:** To provide the Council with a report (twice annually) from the University's Student Association regarding student engagement and feedback the association's perspective. It relates to the role and functions of Council to (12) b. Oversee and monitor the University's performance.
- iv. **Chair Academic Board Report:** The Chair of Academic Board report provides an overview of the work of the Academic Board committees, including an outline of the progress of the University towards meeting its strategic academic and student related priorities as well as key compliance requirements under HESF and ESOS Acts. This report relates to the role and functions of Council to (12) c. Oversee and monitor the academic activities of the University and (12) i. Ensure that the University's grievance procedures, and information concerning any rights of appeal or review conferred by or under any Act are published in a form that is readily accessible to the public.
- v. **Chair Report – Alumni Association:** The University has an Alumni Association which may provide an update on convocation matters. The report relates to the role and functions of Council to (12) h. Establish policies and procedural principles for the University consistent with legal requirements and community expectations.
- vi. **Chancellor's Report to Council:** To provide the Council with the Chancellor's report on activities undertaken on behalf of the Council since the previous meeting. It relates to the role and functions of Council to (3) provide strategic leadership to the University.
- vii. **Council and Committee meeting dates 2020:** To provide Council with proposed meeting dates for the coming year. The report relates to planning of Council business and the role and functions of Council to (12) j. Regularly review its own performance.
- viii. **Program of Induction for Council Members:** To provide Council members with a program of induction to support their understanding of the institution and its operational model. It relates to the role and functions of Council to (12) l. Make available for members of the Council a program of induction and of development relevant to their role as such a Member.
- ix. **University Activities in Focus:** The item is an optional item on the agenda, and may not be provided to every meeting. The report is an opportunity to showcase innovative and progressive University activities which are helping to delivery on the University's strategic priorities. It relates to the role and functions of Council to (12) b. Oversee and monitor the University's performance.
- x. **Update on Academic Matters:** The report provides Council with an update on academic innovation at the University. It relates to the role and functions of Council to (12) c. Oversee and monitor the academic activities of the University.

2019 Council OPEN Work Plan

- xi. **Vice-Chancellor's Report to Council:** To provide the Vice-Chancellor's update to the Council on the activities of the University. It relates to the role and functions of Council to (12) a. Monitor the performance of the Vice-Chancellor and Chief Executive Officer.

8.2. * Next Meeting and Close

The next Council meeting is scheduled for Friday, 24 May 2019. This meeting will be held in the Council Room, Booloominbah, University of New England.

Presented by James Harris