



UNIVERSITY OF
TECHNOLOGY SYDNEY

UTS ANNUAL REPORT 2009
FINANCES AND APPENDICES



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Statement by appointed officers

Statement in accordance with section 41C(1B) and (1C) of the *Public Finance and Audit Act 1983*

In accordance with a resolution of the Council of the University of Technology, Sydney and pursuant to section 41C(1B) and (1C) of the *Public Finance and Audit Act 1983*, we state that to the best of our knowledge and belief:

1. the financial reports present a true and fair value of the financial position of the University at 31 December 2009 and the results of its operations and transactions of the University for the year then ended
2. the financial reports have been prepared in accordance with the provisions of the *New South Wales Public Finance and Audit Act 1983*, *Public Finance and Audit Regulation 2005* and the Commonwealth Guidelines for the Preparation of Annual Financial Reports for the 2009 Reporting Period by Australian Higher Education Providers
3. the financial reports have been prepared in accordance with Australian Accounting Standards (AASB), AASB interpretations and other mandatory professional reporting requirements
4. we are not aware of any circumstances which would render any particulars included in the financial reports to be misleading or inaccurate
5. there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due
6. the amount of Commonwealth grants expended during the reporting period was for the purposes for which it was granted, and
7. the University has complied in full with the requirements of various program guidelines that apply to the Commonwealth financial assistance identified in these financial statements.



R D Milbourne
Vice-Chancellor



B Wilson
Chair, Finance Committee

14th April 2010

Independent auditor's report



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

University of Technology, Sydney and controlled entities

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of University of Technology, Sydney (the University), and the University and its controlled entities (the consolidated entity), which comprise the statement of financial position as at 31 December 2009, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. The consolidated entity comprises the University and the entities it controlled at the year's end or from time to time during the financial year.

Auditor's Opinion

In my opinion, the financial statements:

- present fairly, in all material respects, the financial position of the University and the consolidated entity as of 31 December 2009, and of their financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005
- comply with the 'Financial Statement Guidelines for Australian Higher Education Providers for the 31 December 2009 Reporting Period', issued by the Australian Government Department of Education, Employment and Workplace Relations, pursuant to the *Higher Education Support Act 2003*, the *Higher Education Funding Act 1988* and the *Australian Research Council Act 2001*.
- also complies with International Financial Reporting Standards as disclosed in Note 1(a)

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

Council's Responsibility for the Financial Statements

The Council are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Independent auditor's report

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

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

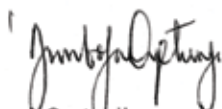
My opinion does *not* provide assurance:

- about the future viability of the University or the consolidated entity,
- that they have carried out their activities effectively, efficiently and economically, or
- about the effectiveness of their internal controls.

Independence

In conducting this audit, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



A Oyetunji
Director, Financial Audit Services

15 April 2010
SYDNEY

Income statement

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Revenue from continuing operations					
Australian Government financial assistance					
> Australian Government grants	2.1	197,118	174,289	197,118	174,289
> HECS-HELP — Australian Government payments	2.1	72,458	67,174	72,458	67,174
> FEE-HELP	2.1	34,065	28,358	27,941	23,076
State and local governments financial assistance	2.2	3,820	4,906	3,820	4,906
HECS-HELP — student payments		23,525	23,055	23,525	23,055
Fees and charges	2.3	186,289	164,242	145,748	130,641
Investment revenue	2.4	11,216	12,592	10,007	10,626
Royalties, trademarks and licences	2.5	457	707	416	612
Consultancy and contracts	2.6	8,112	8,917	7,498	7,945
Other revenue	2.7	13,628	13,117	16,156	17,184
Total revenue from continuing operations		550,688	497,357	504,687	459,508
Gains on disposal of assets	5	–	–	–	–
Investments accounted for using the equity method	14	2,306	2,641	–	–
Other investment income	2.4	–	–	–	–
Other income	2.7	10,888	15,145	11,794	15,601
Total revenue and income from continuing operations		563,882	515,143	516,481	475,109
Expenses from continuing operations					
Employee related expenses	3.1	297,756	273,504	277,526	256,689
Depreciation and amortisation	3.2	53,314	50,610	51,551	49,210
Repairs and maintenance	3.3	8,682	9,354	8,439	9,194
Borrowing costs	4	3,025	3,035	2,949	2,962
Impairment of assets	3.4	(29)	(157)	(141)	(158)
Losses on disposal of assets	5	343	1,528	282	1,528
Deferred super expense	25	400	350	400	350
Other expenses	3.5	133,336	118,115	116,857	102,842
Total expenses from continuing operations		496,827	456,339	457,863	422,617
Operating result before income tax		67,055	58,804	58,618	52,492
Income tax expense	6	27	44	–	–
Operating result from continuing operations		67,028	58,760	58,618	52,492
Operating result from discontinued operations	36	–	2,868	–	–
Operating result attributable to members of the University of Technology, Sydney		67,028	61,628	58,618	52,492

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

Statement of comprehensive income

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Operating result after income tax for the period		67,028	61,628	58,618	52,492
Exchange differences on translation of foreign operations	22 (b)	(2,562)	1,251	–	–
Change in fair value of available for sale financial assets	22 (b)	(1)	(3,185)	(1)	(3,185)
Gain/(loss) on revaluation of property, plant and equipment	22 (b)	31,845	(19,311)	31,845	(19,311)
Net actuarial gains (losses) recognised in respect of defined benefit plans	25	794	(4,089)	794	(4,089)
Total comprehensive income attributable to members of the University of Technology, Sydney		97,104	36,294	91,256	25,907

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

Statement of financial position

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Assets					
Current assets					
Cash and cash equivalents	9	244,635	175,506	206,741	143,308
Receivables	10	13,329	7,565	12,452	6,781
Other financial assets	11	43	41	43	41
Other non-financial assets	12	21,010	24,137	18,631	22,237
Non-current assets classified as held for sale	13	-	-	-	-
Total current assets		279,017	207,249	237,867	172,367
Non-current assets					
Receivables	10	257,436	297,750	255,674	295,386
Investments accounted for using the equity method	14	9,527	10,439	-	-
Other financial assets	11	342	255	421	323
Other non-financial assets	12	273	179	273	179
Property, plant and equipment	15	949,825	918,384	946,179	915,918
Intangible assets	16	17,959	17,461	17,241	16,225
Total non-current assets		1,235,362	1,244,468	1,219,788	1,228,031
Total assets		1,514,379	1,451,717	1,457,655	1,400,398
Liabilities					
Current liabilities					
Trade and other payables	17	29,041	27,594	27,596	24,651
Borrowings	18	3,328	2,893	3,328	2,893
Provisions	19	54,581	52,550	53,160	51,357
Other liabilities	20	24,905	23,186	10,664	9,570
Total current liabilities		111,855	106,223	94,748	88,471
Non-current liabilities					
Borrowings	18	42,989	42,836	42,989	42,836
Provisions	19	268,759	309,072	267,158	307,587
Other liabilities	20	226	140	-	-
Total non-current liabilities		311,974	352,048	310,147	350,423
Total liabilities		423,829	458,271	404,895	438,894
Net assets		1,090,550	993,446	1,052,760	961,504
Equity					
Parent entity interest					
Restricted funds	21	-	-	-	-
Reserves	22 (a)	475,344	446,062	477,047	445,203
Retained surplus	22 (d)	615,206	547,384	575,713	516,301
Total equity		1,090,550	993,446	1,052,760	961,504

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 2009

	Restricted funds	Reserves	Retained surplus	Total
Consolidated				
Balance at 1 January 2008	-	467,559	489,593	957,152
Retrospective application/restatement	-	-	-	-
Balance as restated	-	467,559	489,593	957,152
Total comprehensive income	-	(21,245)	57,539	36,294
Transfers from reserves to retained earnings	-	(252)	252	-
Balance at 31 December 2008	-	446,062	547,384	993,446
Balance at 1 January 2009	-	446,062	547,384	993,446
Total comprehensive income	-	29,282	67,822	97,104
Balance at 31 December 2009	-	475,344	615,206	1,090,550
Parent				
Balance at 1 January 2008	-	467,951	467,646	935,597
Retrospective application/restatement	-	-	-	-
Balance as restated	-	467,951	467,646	935,597
Total comprehensive income	-	(22,496)	48,403	25,907
Transfers from reserves to retained earnings	-	(252)	252	-
Balance at 31 December 2008	-	445,203	516,301	961,504
Balance at 1 January 2009	-	445,203	516,301	961,504
Total comprehensive income	-	31,844	59,412	91,256
Balance at 31 December 2009	-	477,047	575,713	1,052,760

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 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Cash flows from operating activities					
Australian Government grants	33	297,398	267,835	291,274	262,553
OS-Help (net)	33	(173)	(348)	(173)	(348)
State government grants received	2.2	3,430	4,538	3,430	4,538
Local government grants received	2.2	390	368	390	368
HECS-HELP - student payments		23,517	23,049	23,517	23,049
Receipts from student fees and other customers		235,115	225,732	198,710	191,498
Dividends received		3,049	538	1,188	538
Interest received		13,256	9,453	10,925	6,889
Payments to suppliers and employees (inclusive of goods and services tax)		(453,038)	(415,858)	(414,513)	(382,088)
Interest and other costs of finance		(2,949)	(3,035)	(2,949)	(2,962)
Income tax paid		(16)	(67)	-	-
Net cash provided by/(used in) operating activities	32	119,979	112,205	111,799	104,035
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment	5	2,398	1,157	2,361	150
Proceeds from sale of financial assets		-	354,109	-	354,109
Payments for financial assets		-	(265,752)	-	(265,746)
Purchase of shares		(677)	(223)	(676)	(223)
Payments for property, plant and equipment		(49,171)	(49,432)	(46,651)	(48,434)
Net cash provided by/(used in) investing activities		(47,450)	39,859	(44,966)	39,856
Cash flows from financing activities					
Repayment of finance leases		(3,400)	(2,967)	(3,400)	(2,967)
Net cash provided by/(used in) financing activities		(3,400)	(2,967)	(3,400)	(2,967)
Net increase/(decrease) in cash and cash equivalents					
Cash and cash equivalents at the beginning of the year		175,506	26,365	143,308	2,384
Effect of exchange rate changes on cash and cash equivalents		-	44	-	-
Cash and cash equivalents at end of year	9	244,635	175,506	206,741	143,308
Financing arrangements	18				
Non-cash financing and investing activities	24				

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

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied by all entities to all the years presented, unless otherwise stated. The financial report includes separate financial statements for the University of Technology, Sydney as an individual entity and the consolidated entity consisting of University of Technology, Sydney and its subsidiaries.

The financial report was authorised for issue by the Council of the University of Technology, Sydney on 14 April 2010.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with the requirements of:

- (i) the Australian Accounting Standards including the Australian equivalents to the International Financial Reporting Standards (AIFRS)
- (ii) other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and AASB Interpretations
- (iii) the *Financial Statements Guidelines for Australian Higher Education Providers for the 2009 Reporting Period* issued by the Commonwealth Department of Education, Employment and Workplace Reform (DEEWR)
- (iv) the *Public Finance and Audit Act 1983* (NSW) and the *Public Finance and Audit Regulation 2005* (NSW).

These financial statements have been prepared on an accrual accounting and going concern basis and under the historical cost convention, modified by the revaluation at fair value of land and buildings, financial assets, derivative instruments and certain classes of plant and equipment.

Compliance with International Financial Reporting Standards

Australian Accounting Standards include Australian equivalents to the International Financial Reporting Standards (AIFRS) but also include some requirements specific to not-for-profit entities that are inconsistent with IFRS requirements. The financial statements and notes of the University of Technology, Sydney comply with the Australian Accounting Standards as they apply to not-for-profit entities and hence are inconsistent with IFRS requirements in some instances.

Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the University of Technology, Sydney's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are the calculation of the long service leave and doubtful debt provisions.

(b) Principles of consolidation

(i) Subsidiaries

The financial report is for the University of Technology, Sydney consolidated reporting entity consisting of:

- > University of Technology, Sydney
- > INSEARCH Limited, a controlled entity of the university
- > INSEARCH Shanghai Limited, a controlled entity of INSEARCH Limited
- > accessUTS Pty Ltd, a controlled entity of the university
- > UTSM Services (Malaysia) Sdn. Bhd, a controlled entity of the university

The accounting policies adopted in preparing the financial report have been consistently applied by entities in the consolidated entity except as otherwise indicated. The balances, and effects of transactions, between controlled entities included in the consolidated financial reports have been eliminated. Separate financial reports are prepared for the same period by the university's controlled entities, which are audited by the Auditor General of New South Wales.

(c) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are initially translated into Australian currency at the rate of exchange current at the date of transaction. At balance date, amounts payable and receivable in foreign currencies are translated to Australian currency at rates current at balance date. Resulting exchange differences are brought to account in determining the profit or loss for the year.

(iii) Group companies

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

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

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

(d) Revenue recognition

In accordance with AASB 1004 *Contributions* the operating and research grants provided by the Government under the *Higher Education Support Act 2003* (Cwlth) are considered to be contributions of assets, or non-reciprocal transfers, and are therefore recognised in the year in which they are received. Payments from the Higher Education Trust Fund are considered to be revenue arising from the provision of a service and so have been treated as income in advance where they relate to the next reporting period.

Revenue from student fees is recognised for enrolments current as at the census date for each semester.

Investment income is recognised as it accrues.

Revenue from sales or the provision of services is recognised in the period in which the goods are supplied or the services provided.

Donations are accounted for on a cash basis.

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

(e) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities and their carrying amounts in the financial statements and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

(f) Leases

The university leases a range of assets and accounts for these as either operating or finance leases in accordance with the requirements of AASB 117 *Leases*.

Finance leases, which transfer to the group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the present value of the minimum lease payments.

Payments made under operating leases (net of any incentives received from the lessor) are recognised as an expense in the income statement on a straight-line basis over the period of the lease.

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

Operating lease commitments are recorded on a GST inclusive basis. Finance leases are recorded on a GST exclusive basis.

Details of leased assets are provided in note 23.

(g) Business combinations

The purchase method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

(h) Impairment of assets

Assets that have an infinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation 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.

(i) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, cash at banks, term deposits and deposits at call.

(j) Receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less provision for impairment.

Non-current receivables are recognised at fair value.

Collectability of trade receivables is reviewed on an ongoing basis. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Debts which are known to be uncollectible are written off to the income statement.

(k) Inventories

The university holds no material inventory.

(l) Non-current assets held for sale

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

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the holding of assets classified as held for sale continue to be recognised.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

(m) Investments and other financial assets

The group classifies its investments in the following categories:

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

The group's investments in managed funds are classified as financial assets at fair value through profit or loss. The policy of management is to designate a financial asset if there exists the possibility it will be sold in the short term and the asset is subject to frequent changes in fair value. These assets are initially recognised at cost, being the fair value of the consideration given. They are subsequently recognised at fair value and gains or losses are recognised in the income statement.

(ii) Available-for-sale financial assets

Investments in listed securities have been classified as available-for-sale financial assets. These assets are initially recognised at cost including the acquisition charges associated with the investment, being the fair value of the consideration given. Available-for-sale financial assets are subject to review for impairment. Gains or losses on available-for-sale investments are recognised in equity until the investment is sold or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

(iii) Other financial assets

Equity instruments that are not quoted in an active market have been classified as other financial assets and have been recognised at cost less impairment.

(n) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value. Changes in the fair value of any derivative instrument are recognised immediately in the income statement.

Details of the derivatives held by the group are disclosed in note 34.

(o) Fair value estimation

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 is based on quoted market prices at the balance sheet date.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The value of long-term debt instruments has been calculated using the amortised cost method.

(p) Property, plant and equipment

(i) Initial recognition and measurement

Assets with a useful life of more than 12 months and an acquisition cost of more than \$5000 are initially capitalised at cost. Costs incurred on plant and equipment which do not meet the capitalisation criteria are expensed as incurred. Following initial recognition at cost, land, buildings and works of art are carried at fair value. Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the date of revaluation less any subsequent accumulated depreciation on buildings.

The library collection is recorded at depreciated replacement cost.

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

(ii) Revaluations

Independent valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance date.

Revaluation surpluses have been credited to the asset revaluation reserve included in the equity section of the balance sheet.

(iii) Depreciation

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

Asset class	Depreciation rate (%)	Depreciation method
Buildings	2.00	Straight line
Building infrastructure	4.00	Straight line
Electrical installations	4.00	Straight line
Suspended ceilings	5.00	Straight line
Carpet and carpet tiles	6.66 to 10.00	Straight line
Motor vehicles	20.00	Straight line
Computers	33.33	Straight line
Computer software — major	14.30	Straight line
Office, teaching and research equipment	20 to 25	Straight line
Library collection	12.50	Straight line, 5% residual

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

(iv) Impairment

Property, plant and equipment assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

(v) Disposals

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

(q) Intangible assets

(i) Research and development

In accordance with the requirements of AASB 138 *Intangible Assets*, no intangible asset arising from research is recognised. Expenditure on research activities is recognised in the income statement as an expense when it is incurred.

The group has not incurred expenditure on development activities that meets the capitalisation criteria under AASB 138 *Intangible Assets* and hence has not recognised any intangible assets arising from development projects.

(ii) Software

Software, where the software is not an integral part of the related hardware is classified as an intangible asset with a finite life. Amortisation is charged on a straight line basis at the rate of 14.30 per cent per annum.

(iii) Perpetual licences for online serials

The consolidated entity has purchased a number of licences which provide access to online serials in perpetuity. These assets are not subject to amortisation as they have an indefinite useful life but are tested annually for impairment.

(r) Unfunded superannuation

In accordance with the 1998 instructions issued by the Department of Education, Science and Training (DEST) the effects of the unfunded superannuation liabilities of the group were recorded in the income statement and the balance sheet for the first time in 1998. The previous practice had been to disclose these liabilities by way of a note to the financial statements.

The unfunded liabilities recorded in the balance sheet under provisions have been determined by the fund's actuary. The projected unit credit valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. Actuarial gains and losses are recognised immediately in the statement of comprehensive income in the year in which they occur.

An arrangement exists between the Australian Government and the NSW State Government to meet the unfunded liability for the group's beneficiaries of the State Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the *State Grants (General Revenue) Amendment Act 1987* (Cwlth), *Higher Education Funding Act 1988* (Cwlth) and subsequent amending legislation. Accordingly the unfunded liabilities have been recognised in the balance sheet under provisions with a corresponding asset recognised under receivables. The recognition of both the asset and the liability consequently does not affect the year end net asset position of the group.

(s) Trade and other payables

Accounts payable including accruals, represent liabilities for goods and services provided to the economic entity prior to the end of the 2009 reporting period. These amounts are usually settled on 30 day terms.

(t) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the income statement through the amortisation process.

Borrowings are classified as non-current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(u) Finance costs

Finance costs except those incurred for the construction of any qualifying asset are expensed as per AASB 123 *Borrowing Costs*. Finance costs incurred for the construction of any qualifying assets are capitalised as per AASB 123 *Borrowing Costs*.

(v) Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, that is, when it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at the Australian Government bond rate.

(w) Employee benefits

(i) Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in other payables and provisions in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Sick leave is included in salaries and wages when the sick leave is taken.

(ii) Long service leave

The liability for long service leave is calculated on a present value basis. This is done using the total nominal value, including on costs and allowing for known pay increases, of all leave accrued but not taken, including pre-conditional leave. This figure is then adjusted according to the staff profile and a factor designed to compensate for inflation and wage increases. Expected future payments are discounted using market yields at the reporting date on national government bonds. The group records long service leave as a current liability when all conditions for settlement are met.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

(iii) Superannuation

Employees of the group are entitled to benefits on retirement, disability or death from the group's superannuation plans. The group has both defined contribution plans and defined benefit plans. The defined benefit plans provide employees with defined benefits based on years of service and final average salary.

Contributions to the superannuation funds are recognised in the income statement as an expense as they become payable.

The liability or asset in respect of the defined benefit plans is measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments, which arise from membership of the fund to the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service.

A liability or asset in respect of the defined benefit superannuation plan for UniSuper has not been recognised in the balance sheet based on advice from UniSuper that the defined benefit plan is a contribution fund for the purposes of AASB 119 *Employee Benefits* due to the amendment of the trust deed during 2006 (clause 34 of the UniSuper Trust Deed). The plan has been classified as a contribution plan in the parent entity's accounts.

(iv) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for those benefits. The group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

(x) Joint ventures

For the consolidated entity financial statements, the interest in jointly controlled entities are accounted for using the equity method. Under this method, the share of the profits or losses of the joint venture is recognised in the income statement, whilst the share of retained earnings is recognised in the balance sheet. Details of joint ventures are set out in note 14.

(y) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the costs of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(z) Comparative figures

Where necessary, the classifications of 2008 comparative figures have been adjusted to conform with the mandatory presentation for the current year. These reclassifications have no effect on the 2008 operating result (or the financial position) of the university.

Other minor changes have been made to the comparative figures in order to improve the quality of information in the report. These changes are not considered material.

(aa) New accounting standards and interpretations

With the exception of AASB 101 *Presentation of Financial Statements*, certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2009 reporting period. The university has not exercised the right to early adopt any new or revised accounting standard.

(ab) Changes in accounting policy

In accordance with Department of Education, Employment and Workplace Relations guidelines the entity has changed its policy on the recognition of superannuation actuarial gains and losses. The actuarial gains and losses in relation to superannuation funds is now recognised outside the income statement and is included in the statement of comprehensive income. Previously, actuarial gains and losses were recognised through the income statement.

The change in accounting policy decreases 2009 profit for the year from \$67.8 million to \$67 million (2008: \$57.5 million to \$61.6 million) for the economic entity and \$59.4 million to \$58.6 million (2008: \$48.4 million to \$52.5 million) for the parent entity.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
2. REVENUE FROM CONTINUING OPERATIONS					
2.1 Australian Government financial assistance including HECS-HELP and FEE-HELP					
(a) Commonwealth Grant Scheme and other grants	33.1				
Commonwealth Grant Scheme ¹		117,535	106,709	117,535	106,709
Indigenous Support Program		1,195	1,301	1,195	1,301
Equity Support Program		135	118	135	118
Workplace Reform Program		1,518	1,500	1,518	1,500
Workplace Productivity Program		476	476	476	476
Learning and Teaching Performance Fund		4,880	8,399	4,880	8,399
Capital Development Pool		–	900	–	900
Disability Support Program		381	353	381	353
Diversity and Structural Adjustment Fund ²		625	1,201	625	1,201
Transitional Cost Program		2,020	2,031	2,020	2,031
Improving the Practical Component of Teacher Education Initiative		257	273	257	273
Total Commonwealth Grant Scheme and other grants		129,022	123,261	129,022	123,261
(b) Higher Education Loan Programs	33.2				
HECS-HELP		72,458	67,174	72,458	67,174
FEE-HELP		34,065	28,358	27,941	23,076
Total Higher Education Loan Programs		106,523	95,532	100,399	90,250
(c) Scholarships	33.7				
Australian Postgraduate Awards		2,033	1,571	2,033	1,571
International Postgraduate Research Scholarships		306	293	306	293
Commonwealth Education Cost Scholarships ³		1,360	1,157	1,360	1,157
Commonwealth Accommodation Scholarships		1,483	1,535	1,483	1,535
Indigenous Staff Scholarships		–	34	–	34
Indigenous Access Scholarships		96	196	96	196
Total scholarships		5,278	4,786	5,278	4,786
(d) Department of Innovation, Industry, Science and Research — research grants	33.6				
Institutional Grants Scheme		5,167	5,190	5,167	5,190
Research Training Scheme		9,139	9,054	9,139	9,054
Research Infrastructure Block Grants		2,608	2,789	2,608	2,789
Australian Scheme for Higher Education Repositories		237	225	237	225
Implementation Assistance Program		130	128	130	128
Commercialisation Training Scheme		96	92	96	92
Small grants		–	40	–	40
Total DIISR — research grants		17,377	17,518	17,377	17,518

¹ Includes the basic Commonwealth Grant Scheme amount, CGS — Regional Loading, CGS — Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.

² Includes Collaboration and Structural Reform Program.

³ Includes National Priority and National Accommodation Priority Scholarships respectively.

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
(e) Australian Research Council	33.3				
<i>(i) Discovery</i>					
> Project		4,760	4,188	4,760	4,188
> Federation Fellowships		336	329	336	329
> Future Fellowships		87	–	87	–
> Indigenous Researchers Development		(2)	–	(2)	–
Total Discovery		5,181	4,517	5,181	4,517
<i>(ii) Linkages</i>	33.4				
> Projects		2,906	2,670	2,906	2,670
> International		–	40	–	40
> Infrastructure		1,716	–	1,716	–
> Special Research Initiatives		–	–	–	–
Total Linkages		4,622	2,710	4,622	2,710
<i>(iii) Networks and Centres</i>	33.5				
> Research Networks		686	1,217	686	1,217
> Centres		641	716	641	716
Total Networks and Centres		1,327	1,933	1,327	1,933
(f) Other Capital Funding	33.8				
Better Universities Renewal Funding Grant		–	13,698	–	13,698
Teaching and Learning Capital Fund		16,042	–	16,042	–
Total Other Capital Funding		16,042	13,698	16,042	13,698
(g) Other Australian Government financial assistance					
Department of Infrastructure, Transport, Regional Development and Local Government		8,000	–	8,000	–
National Health and Medical Research Council		2,010	898	2,010	898
Department of Education, Employment and Workplace Relations		1,592	704	1,592	704
Department of Innovation, Industry, Science and Research		1,145	–	1,145	–
CSIRO		1,154	488	1,154	488
Department of Health and Ageing		1,040	219	1,040	219
AusAID		403	98	403	98
University of Queensland		361	174	361	174
La Trobe University		200	–	200	–
National Water Commission		193	162	193	162
University of New South Wales		178	486	178	486
DEEWR – International Undergraduate Research Scholarships		184	398	184	398
University of Melbourne		140	39	140	39
University of South Australia		140	278	140	278
Department of Environment, Water, Heritage and the Arts		109	236	109	236
Other		1,420	1,686	1,420	1,686
Total other Australian Government financial assistance		18,269	5,866	18,269	5,866
Total Australian Government financial assistance		303,641	269,821	297,517	264,539

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

Notes	Economic entity (Consolidated)		Parent entity (University)	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
2. REVENUE FROM CONTINUING OPERATIONS (CONTINUED)				
2.1 Australian Government financial assistance including HECS-HELP and FEE-HELP (continued)				
<i>Reconciliation</i>				
Australian Government grants (a+c+d+e+f+g)	197,118	174,289	197,118	174,289
HECS-HELP payments	72,458	67,174	72,458	67,174
FEE-HELP payments	34,065	28,358	27,941	23,076
Total Australian Government financial assistance	303,641	269,821	297,517	264,539
(h) Australian Government Grants received — cash basis				
CGS and other DEEWR Grants	129,022	123,261	129,022	123,261
Higher Education Loan Programs	101,710	94,849	95,586	89,567
Scholarships	5,278	4,786	5,278	4,786
DIISR Research	17,377	17,518	17,377	17,518
ARC grants — Discovery	4,914	4,248	4,914	4,248
ARC grants — Linkages	4,261	2,580	4,261	2,580
ARC grants — Network and Centres	525	1,029	525	1,029
Other Capital Funding	16,042	13,698	16,042	13,698
Other Australian Government Grants	18,269	5,866	18,269	5,866
Total Australian Government Grants received — cash basis	297,398	267,835	291,274	262,553
OS-HELP (net)	703	485	703	485
Total Australian Government funding received — cash basis	298,101	268,320	291,977	263,038
2.2 State and local government financial assistance				
New South Wales Government	2,896	3,823	2,896	3,823
Other state governments	534	715	534	715
Local government	390	368	390	368
Total state and local government financial assistance	3,820	4,906	3,820	4,906
2.3 Fees and charges				
Course fees and charges				
> fee-paying overseas students	153,551	132,110	113,454	98,959
> continuing education	5,065	4,988	5,069	4,989
> fee-paying domestic postgraduate students	12,979	11,743	12,979	11,743
> fee-paying domestic undergraduate students	8,211	8,801	8,211	8,801
> other domestic course fees and charges	956	1,543	956	1,543
Total course fees and charges	180,762	159,185	140,669	126,035
Other non-course fees and charges				
Library charges	405	385	1,100	1,020
Student accommodation charges	1,096	1,031	–	12
Student union fees	–	(3)	–	(3)
Medical fees	629	608	629	632
English Testing Centre	3,346	2,945	3,346	2,945
Other fees and charges	51	91	4	–
Total other non-course fees and charges	5,527	5,057	5,079	4,606
Total fees and charges	186,289	164,242	145,748	130,641

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
2.4 Investment revenue and income					
Interest		10,028	12,054	8,819	10,088
Dividends received		1,188	538	1,188	538
Total investment revenue		11,216	12,592	10,007	10,626
Change in fair value of financial assets designated at fair value through profit and loss		-	-	-	-
Change in fair value of financial assets classified as held for trading		-	-	-	-
Total other investment income		-	-	-	-
Net investment income		11,216	12,592	10,007	10,626
2.5 Royalties, trademarks and licences					
		457	707	416	612
2.6 Consultancy and contracts					
Contract research		5,099	5,956	5,099	5,956
Consultancy		3,013	2,961	2,399	1,989
Total consultancy and contracts		8,112	8,917	7,498	7,945
2.7 Other revenue and income					
Other revenue					
Contribution from INSEARCH Limited		-	-	3,000	4,000
Donations and bequests		1,761	1,789	1,580	1,789
Foreign exchange gain/(loss) (net) (note (a))		(17)	-	(17)	-
Non-government grants		926	2,036	926	2,036
Scholarships and prizes		3,109	2,133	3,216	2,206
Services		1,565	1,415	1,626	1,444
Sponsorship		2,088	2,152	2,094	2,152
Other		4,196	3,592	3,731	3,557
Total other revenue		13,628	13,117	16,156	17,184
Other income					
Contributions to fixed assets		29	707	29	707
Hire and rental		8,820	9,008	9,604	9,530
Profit on sale of shares		-	3,171	-	3,171
Contributions for salary from other entities		673	503	673	503
Sale of goods		1,366	1,756	1,488	1,690
Total other income		10,888	15,145	11,794	15,601
(a) Net foreign exchange gain/(loss)					
Net foreign exchange gains included in other income for the year		(17)	-	(17)	-
Exchange losses on foreign currency borrowings included in borrowing costs		-	-	-	-
Net foreign exchange gains/losses recognised in operating result before income tax for the year (as either other revenue or expense)		(17)	-	(17)	-

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
3. EXPENSES FROM CONTINUING OPERATIONS					
3.1 Employee related expenses					
Academic					
Salaries		115,395	104,894	107,252	97,869
Contributions to funded superannuation and pension schemes		16,871	15,572	16,116	14,917
Payroll tax		8,037	7,648	7,541	7,242
Workers' compensation		652	542	579	510
Long service leave expense		3,007	3,859	2,949	3,738
Annual leave		7,239	6,712	6,839	6,390
Total academic		151,201	139,227	141,276	130,666
Non-academic					
Salaries		110,865	101,944	102,966	95,720
Contributions to funded superannuation and pension schemes		15,962	14,684	15,254	14,114
Payroll tax		8,612	7,259	8,101	6,801
Workers' compensation		632	525	563	492
Long service leave expense		2,638	2,960	2,570	2,905
Annual leave		7,448	6,559	6,796	5,991
Other		398	346		-
Total non-academic		146,555	134,277	136,250	126,023
Total employee related expenses		297,756	273,504	277,526	256,689
Deferred superannuation expense	25	400	350	400	350
Total employee related expenses, including deferred government employee benefits for superannuation		298,156	273,854	277,926	257,039
3.2 Depreciation and amortisation					
Depreciation property, plant and equipment					
Buildings		28,820	28,801	28,820	28,801
Equipment		10,472	9,565	9,298	8,806
Library		3,336	3,450	3,336	3,450
Motor vehicles		142	129	130	99
Total depreciation property, plant and equipment		42,770	41,945	41,584	41,156
Amortisation property, plant and equipment					
Leasehold improvements		1,039	199	1,039	199
Plant and equipment under finance leases		3,409	2,975	3,409	2,975
Total amortisation property, plant and equipment		4,448	3,174	4,448	3,174
Total depreciation and amortisation property, plant and equipment		47,218	45,119	46,032	44,330
Amortisation intangibles					
Software		6,071	5,459	5,519	4,880
Patents and trademarks		25	32	-	-
Development		-	-	-	-
Total amortisation intangibles		6,096	5,491	5,519	4,880
Total depreciation and amortisation		53,314	50,610	51,551	49,210

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
3.3 Repairs and maintenance					
Buildings		6,272	7,160	6,272	7,160
Leasehold improvements		-	-	-	-
Plant and equipment		2,410	2,194	2,167	2,034
Total repairs and maintenance		8,682	9,354	8,439	9,194
3.4 Impairment of assets					
Bad debts		585	358	585	357
Increase/(decrease) in provision for doubtful debts		(813)	(515)	(925)	(515)
Impairment of intangible assets		199	-	199	-
Total impairment of assets		(29)	(157)	(141)	(158)
3.5 Other expenses					
Advertising, marketing and promotional expenses		4,212	3,359	3,657	3,002
Building rent and rates		6,046	4,962	2,563	2,078
Cleaning		4,660	4,798	4,373	4,547
Consultancy		14,774	13,512	13,684	11,837
Contributions (other)		3,699	2,953	3,699	2,953
Contributions (research)		3,317	2,824	3,317	2,824
Diminution of investments		712	404	578	404
Entertainment		3,597	2,733	3,485	2,655
Fees and subscriptions		19,489	17,819	14,770	12,945
Heating and lighting		5,758	4,856	5,519	4,676
Insurance		1,526	1,116	1,456	1,011
Laboratory supplies		1,830	1,919	1,830	1,919
Maintenance software		3,958	3,527	3,869	3,399
Minimum lease payments on operating lease rental expenses		1,408	880	1,353	839
Non-capitalised equipment		4,894	4,452	4,880	4,442
Other expenses		11,781	9,657	8,703	7,775
Postage		946	957	573	641
Printing		2,111	1,543	1,483	1,153
Scholarships and prizes		15,957	14,309	15,764	13,876
Security contract staff		2,841	2,737	2,504	2,410
Stationery		1,639	1,637	1,639	1,637
Telecommunications		2,676	2,340	2,426	2,092
Travel and related staff development and training		13,520	13,424	12,747	12,330
Tuition fees expense		1,985	1,397	1,985	1,397
Total other expenses		133,336	118,115	116,857	102,842
4. BORROWING COSTS					
Gross borrowing costs		3,025	3,035	2,949	2,962
Less: amount capitalised		-	-	-	-
Total borrowing costs expensed		3,025	3,035	2,949	2,962

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
5. SALES OF ASSETS					
Proceeds from sale					
Property, plant and equipment		137	2,411	100	2,411
Carrying amount of assets sold					
Property, plant and equipment		480	3,939	382	3,939
Net gain or (loss) on sale of assets		(343)	(1,528)	(282)	(1,528)
(a) Net gain on disposal of property, plant and equipment					
The consolidated net loss on disposal of property, plant and equipment in 2009 includes a loss of \$89,670 (2008 loss \$1,390,825) on disposal of buildings.					
6. INCOME TAX					
Total income tax		27	44	-	-

The income tax expense represents tax liabilities for overseas entities in China and Malaysia.

7. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of the University of Technology, Sydney during the year:

University

Professor Vicki Sara	Mr Robert Kelly
Professor Anthony Baker (ended March 2009)	Professor Jenny Onyx
Ms Dianne Leckie	Mr Brian Wilson
Dr Valerie Levy	Mr Tim Dugan
Professor Thomas Clarke (appointed March 2009)	Dr Ron Sandland
Mr Christopher Cahill	Ms Michelle Swainson
Ms Megan Cornelius, AM	Mr Mayank Sharma
Professor Ross Milbourne	The Hon. Penelope Sharpe, MLC (appointed January 2009)
Mr Michael G Sexton SC	Mr Russell Taylor
Mr Warwick Watkins	Professor Greg Skilbeck
Dr Katherine Woodthorpe	

INSEARCH Limited

Mr A Murphy	Ms D Hill
Professor A Johnston (ended July 2009)	Mr P Woods
Ms D Leckie	Mr M Williams
Professor R Lynch (appointed February 2008 and ended May 2009)	Professor B Milthorpe (appointed August 2009)
Mr J Hutchison	Professor W Purcell (appointed May 2009)

accessUTS Pty Limited

Dr Jane Morrison	Professor Theo Van Leeuwen (commenced June 2008)
Mr Blair McRae	Mr Jeffrey Francis
Professor Denise Dignam	

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

(b) Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the university during the financial year:

University

Professor Peter Booth

Ms Anne Dwyer

Professor Shirley Alexander

Professor Attila Brungs (appointed September 2009)

Professor William Purcell (appointed April 2009)

Dr Rosalind Dubs (ended October 2009)

Professor Ross Milbourne

Professor Susan Rowley (ended August 2009)

Mr Patrick Woods

INSEARCH Limited

Mr J Hall (ended December 2009)

Mr T Laurence

Mr S Crayn

Mr A Murphy

Mr G Providel (ended February 2009)

Ms CA Churches

Mr JR Butler (appointed November 2009)

Ms K Colless (appointed May 2009 and ended September 2009)

accessUTS Pty Limited

Mr Blair McRae

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Economic entity (Consolidated)		Parent entity (University)	
	2009	2008	2009	2008
7. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)				
(c) Remuneration of board members and executives				
The university's responsible persons do not receive any remuneration in respect of their work as members of Council.				
Remuneration of board members				
\$0 to \$9,999	-	1	-	-
\$10,000 to \$19,999	-	2	-	-
\$20,000 to \$29,999	1	2	-	-
\$30,000 to \$39,999	2	1	-	-
\$40,000 to \$49,999	1	-	-	-
Total	4	6	-	-
Remuneration of executive officers				
\$10,000 to \$19,999	1	-	-	-
\$20,000 to \$29,999	1	-	-	-
\$80,000 to \$89,999	1	-	1	-
\$100,000 to \$109,999	1	-	-	-
\$130,000 to \$139,999	-	1	-	-
\$140,000 to \$149,999	-	1	-	-
\$150,000 to \$159,999	1	-	-	-
\$160,000 to \$169,999	-	1	-	-
\$170,000 to \$179,999	1	-	-	-
\$180,000 to \$189,999	-	1	-	-
\$190,000 to \$199,999	-	1	-	-
\$200,000 to \$209,999	2	-	-	-
\$220,000 to \$229,999	2	-	1	-
\$250,000 to \$259,999	-	2	-	2
\$260,000 to \$269,999	1	-	1	-
\$280,000 to \$289,999	1	-	1	-
\$300,000 to \$309,999	1	1	1	1
\$310,000 to \$319,999	1	1	1	-
\$330,000 to \$339,999	-	1	-	1
\$380,000 to \$389,999	-	1	-	1
\$390,000 to \$399,999	-	1	-	1
\$400,000 to \$409,999	2	-	2	-
\$410,000 to \$419,999	-	1	-	1
\$650,000 to \$659,999	-	1	-	1
\$670,000 to \$679,999	1	-	1	-
Total	17	14	9	8
	\$	\$	\$	\$
Key management personnel compensation				
Short-term employee benefits	4,335,210	4,241,729	2,967,210	2,997,729
Post-employment benefits	-	-	-	-
Termination benefits	-	-	-	-
Total	4,335,210	4,241,729	2,967,210	2,997,729

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Economic entity (Consolidated)		Parent entity (University)	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
8. REMUNERATION OF AUDITORS				
Fees paid to Audit Office of New South Wales for audit and review of financial reports	370	485	215	214
Fees paid to non-audit firms for the audit or review of financial reports of any entity in the consolidated group	175	–	–	–
Total remuneration for audit services	545	485	215	214
9. CASH AND CASH EQUIVALENTS				
Cash at bank and on hand	10,896	45,047	5,362	13,308
> deposits at call	31,739	459	26,379	–
> fixed term deposits	202,000	130,000	175,000	130,000
Total cash and cash equivalents	244,635	175,506	206,741	143,308
(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	244,635	175,506	206,741	143,308
> less: bank overdrafts	–	–	–	–
Balance as per cash flow statement	244,635	175,506	206,741	143,308
(b) Cash at bank and on hand				
Cash at bank are interest bearing with interest rates ranging between 0.1% and 3%. Cash on hand are non-interest bearing.				
(c) Deposits at call and term deposits				
The deposits at call are bearing floating interest rates between 3.65% and 4.25% (2008 4.5% and 7.2%). Term deposits are interest bearing with rates ranging between 4.25% and 6.8%. These deposits have an average maturity of 90 days.				
10. RECEIVABLES				
Current				
Trade debtors — other	12,997	8,263	12,186	7,180
> less: provision for impaired receivables	(575)	(1,134)	(575)	(1,134)
	12,422	7,129	11,611	6,046
Trade debtors — student	1,076	876	448	711
> less: provision for impaired receivables	(394)	(654)	(285)	(654)
	682	222	163	57
	13,104	7,351	11,774	6,103
Amounts receivable from wholly owned subsidiaries				
> INSEARCH Limited	–	–	47	155
> accessUTS Pty Limited	–	–	406	309
Amounts receivable from related entities				
> Sydney Educational Broadcasting Limited	225	214	225	214
Total current receivables	13,329	7,565	12,452	6,781
Non-current				
Deferred government contribution for superannuation	255,674	295,386	255,674	295,386
Trade debtors — other	1,762	2,364	–	–
Total non-current receivables	257,436	297,750	255,674	295,386
Total trade and other receivables	270,765	305,315	268,126	302,167

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Economic entity (Consolidated)	
	2009 \$'000	2008 \$'000
10. RECEIVABLES (CONTINUED)		
(a) Impaired receivables		
As at 31 December 2009 current receivables of the group with a nominal value of \$2,069,000 (2008: \$5,702,000) were impaired. The amount of the provision was \$969,000 (2008: \$1,788,000). The nominal impaired receivables includes a 100% provision for \$529,900. It is anticipated that a portion of the impaired receivables will be recovered. The impaired receivables for the parent entity are \$1,960,000 (2008: \$5,702,000) with the amount of the provision being \$860,000 (2008: \$1,788,000).		
The ageing of these receivables is as follows:		
> 0 to 6 months	1,621	5,127
> over 6 months	448	575
	2,069	5,702
As at 31 December 2009 receivables of \$13,991,000 (2008: \$6,015,000) were past due but not impaired. These relate to students and customers where payment is anticipated and there is no recent history of default.		
The ageing of these receivables is as follows:		
> 0 to 6 months	11,931	3,651
> over 6 months	2,060	2,364
	13,991	6,015
Movements in the provision for impaired receivables are as follows:		
> at 1 January	1,788	2,304
> provision for impairment recognised during the year	(234)	(157)
> receivables written off during the year as uncollectible	(585)	(359)
> unused amounts reversed	-	-
	969	1,788

The creation and release of the provision for impaired receivables has been included in 'bad and doubtful debts' in the income statement. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash.

Notes	Economic entity (Consolidated)		Parent entity (University)	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
(b) Foreign exchange and interest rate risk				
The carrying amounts of the group's and parent entity's current and non-current receivables are denominated in the following currencies:				
> Australian dollar	269,816	304,348	268,830	303,732
> Canadian dollar	5	-	5	-
> Chinese renminbi	34	-	34	-
> Euro	69	60	69	60
> British pound	1,796	2,390	34	26
> United States dollar	5	137	5	137
> New Zealand dollar	9	-	9	-
> Thai baht	-	168	-	-
	271,734	307,103	268,986	303,955
Current receivables	14,298	9,353	13,312	8,569
Non-current receivables	257,436	297,750	255,674	295,386
	271,734	307,103	268,986	303,955

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

(c) Fair value and credit risk

Due to the short-term nature of the current receivables, their carrying value is assumed to approximate their fair value.

The non-current receivable is based on actuarial assessment and relates to deferred government contribution for superannuation. The carrying amount equates to the fair value of the non-current receivable.

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
11. OTHER FINANCIAL ASSETS					
Current					
Other financial assets at fair value through profit or loss					
Managed funds — New South Wales Treasury Corporation	34	43	41	43	41
Total current other financial assets at fair value through profit or loss		43	41	43	41
Total current other financial assets		43	41	43	41
Non-current					
Available-for-sale financial assets					
Australian listed equity securities		7	7	7	7
Unlisted shares		—	—	—	—
Total non-current available-for-sale financial assets		7	7	7	7
Other financial assets at cost					
Shares in subsidiaries		—	—	185	185
Shares in other entities		229	131	229	131
Interest in joint venture partnerships and investment in associates		—	—	—	—
Other unlisted securities — security deposits		106	117	—	—
Total non-current other financial assets at cost		335	248	414	316
Total non-current other financial assets		342	255	421	323

Changes in fair values of other financial assets at fair value through profit or loss are recorded in investment income in the income statement.

(a) Investments in related parties

Refer to note 14 and note 28 for information on the carrying amount of investments in subsidiaries, joint ventures and associates.

(b) Fair value

Refer to note 34 for a comparison between fair value and carrying amount for the above other financial assets.

(c) Risk exposure

Other financial assets are denominated in Australian dollars therefore there is no exposure to foreign currency risk.

The maximum exposure to credit risk at the reporting date is the carrying amount of the assets. The university has made provision for impairment for assets where the carrying amount is above their fair value.

12. OTHER NON-FINANCIAL ASSETS

Current

Accrued income	7,808	11,810	7,651	11,717
Prepayments	13,202	12,327	10,980	10,520
Total current other non-financial assets	21,010	24,137	18,631	22,237

Non-current

Prepayments	273	179	273	179
Total non-current other non-financial assets	273	179	273	179
Total other non-financial assets	21,283	24,316	18,904	22,416

13. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Current

Motor vehicles	—	—	—	—
Total non-current assets classified as held for sale	—	—	—	—

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

Notes	Economic entity (Consolidated)		Parent entity (University)	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD				
Interest in joint venture entity and investment in associates	9,527	10,439	-	-
Total investments accounted for using the equity method	9,527	10,439	-	-
Reconciliation				
Balance at 1 January	10,439	6,852	-	-
Share of profit for the year	2,306	2,641	-	-
Dividends	(1,861)	(1,158)	-	-
Foreign currency translation	(1,357)	1,208	-	-
Prior year adjustments	-	896	-	-
Additions	-	-	-	-
Balance at 31 December	9,527	10,439	-	-

The interest in the joint ventures and investment in associates are accounted for in the consolidated financial statements using the equity method of accounting and is carried at cost by the parent entity.

Australian Technology Park Innovation Proprietary Limited (ATPI) has a reporting date of 30 June 2009. The shares held by the university in Sport Knowledge Australia Pty Ltd were sold during the 2008 year. The university has relied on the statutory accounts to the 30 June 2009 for Australian Technology Park Innovation Proprietary Limited.

(a) Joint venture partnerships

The parent entity has an interest in the following joint venture entities which are resident in Australia.

1. Sport Knowledge Australia Pty Ltd

This is a joint venture between the University of Sydney, the University of Technology, Sydney and Sydney Olympic Park Authority, to develop, market and sell education and training programs and knowledge services in the fields of sports science and management. The shares held by the university in Sport Knowledge Australia Pty Ltd were disposed of during the 2008 year.

2. Sydney Educational Broadcasting Limited (2SER-FM)

The company is an enterprise jointly funded by Macquarie University and the University of Technology, Sydney to broadcast programs for continuing and adult education and for courses conducted by both universities. The funding is via an agreed donation paid on a yearly basis.

3. INSEARCH Limited, a controlled entity of the university, has the following joint ventures:

- (a) Australia Centre for Education and Training (ACET)
- (b) Sydney Institute of Language and Commerce (SILC)

4. AustLII Foundation Ltd

This is a joint venture between the University of NSW and the University of Technology, Sydney to provide free access to public legal information in Australia by means of an electronic public library.

(b) Investment in associates

1. Sydney Institute of Marine Science Limited (SIMS)

SIMS is a not-for-profit entity to develop and operate a marine science research facility. The University of Technology, Sydney has a 25 per cent share of issued share capital with other shareholders being Macquarie University, University of Sydney and the University of NSW.

2. Australian Technology Park Innovation Proprietary Limited (ATPI)

The ATPI is an organisation involving the University of Technology, Sydney, Australian National University, University of Sydney and the University of New South Wales. The University of Technology, Sydney has a 25 per cent share of issued share capital. The organisation facilitates the incubation of research activity. The statutory accounts are prepared as at 30 June, which differs from the university's year end of 31 December. The difference in reporting periods is not regarded as being material.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000

(a) Summarised financial information in respect of associates is set out below

Financial position

Current assets		8,762	9,675	-	-
Non-current assets		3,612	3,589	-	-
Total assets		12,374	13,264	-	-
Current liabilities		2,837	2,793	-	-
Non-current liabilities		10	32	-	-
Total liabilities		2,847	2,825	-	-
Share of net assets		9,527	10,439	-	-

Financial performance

Revenues		10,052	9,424	-	-
Expenses		7,746	6,783	-	-
Share of profit/(loss)		2,306	2,641	-	-

Share of commitments

Lease commitments		-	-	-	-
Other commitments (other than for the supply of inventories)		-	-	-	-
Total expenditure commitments		-	-	-	-
Capital commitments		-	-	-	-

(b) Contingent liabilities relating to joint ventures

No material losses are anticipated in respect to contingent liabilities.

(c) Joint ventures in Cooperative Research Centres (CRCs)

The university has an interest in the following joint ventures. The contributions are for year to 31 December 2009. Contributions in cash and in-kind are expensed and included in the income statement. In the event that a CRC research results in a move to commercialisation a separate legal entity is established and the university's share of the new entity is treated as an investment, joint venture, associate or subsidiary in the balance sheet as appropriate.

Name	Description	Cash contributions in 2009 \$'000	In-kind contributions in 2009 \$'000	Total contributions in 2009 \$'000
CRC for Sustainable Tourism Pty Limited	This centre aims to provide global leadership in strategic research and development to improve the sustainability of the tourism industry to maximise the economic, environmental and social benefits it delivers to Australia.	100	279	379
Capital Markets CRC Ltd	Capital Markets CRC Ltd researches current and future challenges faced by the capital markets.	100	361	461
Australasian CRC for Interaction Design Pty Ltd	The Australasian CRC for Interaction Design is the research and development leader in experience design. It finds better ways for people to interact using communications technologies.	75	154	229
CRC CARE (Contamination Assessment and Remediation of the Environment) Pty Ltd	The CRC for Contamination Assessment and Remediation of the Environment attempts to deal with and prevent contamination of the soil, water and air.	50	274	324
CRC for Cotton Catchment Communities Ltd	The Cotton Catchment Communities CRC's (previously CRC for Australian Cotton) principal activity is to enhance the development and growth of the Australian cotton industry through the application of collaborative research, education and the adoption of sustainable farming systems.	50	52	102
		375	1,120	1,495

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Construction in progress	Freehold land ¹	Freehold buildings	Plant and equipment ²	Leasehold improve- ments	Leased plant and equipment	Library	Other property, plant and equipment ³	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
15. PROPERTY, PLANT AND EQUIPMENT									
Consolidated									
At 1 January 2008									
> cost	11,536	-	-	82,083	42	9,309	-	-	102,970
> valuation	-	349,952	1,017,757	-	-	-	99,114	1,606	1,468,429
Accumulated depreciation	-	-	(485,034)	(60,149)	(42)	(4,074)	(79,817)	-	(629,116)
Net book amount	11,536	349,952	532,723	21,934	-	5,235	19,297	1,606	942,283
Year ended 31 December 2008									
Opening net book amount	11,536	349,952	532,723	21,934	-	5,235	19,297	1,606	942,283
Exchange differences	-	-	-	-	-	-	-	-	-
Revaluation surplus/(deficit)	-	(26,482)	7,171	-	-	-	-	-	(19,311)
Additions	(4,103)	1,497	25,779	13,235	2,299	3,273	2,692	1	44,673
Assets included in a disposal group classified as held for sale and other disposals	-	-	(3,652)	(406)	-	-	(37)	-	(4,095)
Depreciation charge	-	-	(28,801)	(9,741)	(199)	(2,975)	(3,450)	-	(45,166)
Closing net book amount	7,433	324,967	533,220	25,022	2,100	5,533	18,502	1,607	918,384
At 31 December 2008									
> cost	7,433	-	-	91,869	2,340	10,139	-	-	111,781
> valuation	-	324,967	1,041,583	-	-	-	101,677	1,607	1,469,834
Accumulated depreciation	-	-	(508,363)	(66,847)	(240)	(4,606)	(83,175)	-	(663,231)
Net book amount	7,433	324,967	533,220	25,022	2,100	5,533	18,502	1,607	918,384
Year ended 31 December 2009									
Opening net book amount	7,433	324,967	533,220	25,022	2,100	5,533	18,502	1,607	918,384
Exchange differences	-	-	-	-	-	-	-	-	-
Revaluation surplus/(deficit)	-	10,655	20,796	-	-	-	-	394	31,845
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-
Additions	3,973	-	21,224	14,686	428	4,045	2,454	412	47,222
Assets classified as held for sale and other disposals	-	-	(90)	(188)	-	(6)	(11)	(113)	(408)
Depreciation charge	-	-	(28,820)	(10,614)	(1,039)	(3,409)	(3,336)	-	(47,218)
Closing net book amount	11,406	335,622	546,330	28,906	1,489	6,163	17,609	2,300	949,825
At 31 December 2009									
> cost	11,406	-	-	102,021	2,768	11,643	-	-	127,838
> valuation	-	335,622	1,069,203	-	-	-	104,050	2,300	1,511,175
Accumulated depreciation	-	-	(522,873)	(73,115)	(1,279)	(5,480)	(86,441)	-	(689,188)
Net book amount	11,406	335,622	546,330	28,906	1,489	6,163	17,609	2,300	949,825

¹A portion of the Kuring-gai site has been zoned residential and conditional approval has been obtained from the New South Wales Government to explore disposal options.

²Plant and equipment includes all operational assets.

³Other property, plant and equipment includes non-operational assets such as artworks.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Construction in progress	Freehold land ¹	Freehold buildings	Plant and equipment ²	Leasehold improve- ments	Leased plant and equipment	Library	Other property, plant and equipment ³	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent entity									
At 1 January 2008									
> cost	11,521	-	-	72,328	42	9,309	-	-	93,200
> valuation	-	349,952	1,017,757	-	-	-	99,131	1,606	1,468,446
Accumulated depreciation	-	-	(485,034)	(52,966)	(42)	(4,074)	(79,834)	-	(621,950)
Net book amount	11,521	349,952	532,723	19,362	-	5,235	19,297	1,606	939,696
Year ended 31 December 2008									
Opening net book amount	11,521	349,952	532,723	19,362	-	5,235	19,297	1,606	939,696
Revaluation surplus/(deficit)	-	(26,482)	7,171	-	-	-	-	-	(19,311)
Additions	(4,178)	1,497	25,779	12,439	2,299	3,273	2,692	1	43,802
Disposals	-	-	(3,652)	(250)	-	-	(37)	-	(3,939)
Depreciation charge	-	-	(28,801)	(8,905)	(199)	(2,975)	(3,450)	-	(44,330)
Closing net book amount	7,343	324,967	533,220	22,646	2,100	5,533	18,502	1,607	915,918
At 31 December 2008									
> cost	7,343	-	-	82,305	2,340	10,139	-	-	102,127
> valuation	-	324,967	1,041,583	-	-	-	101,677	1,607	1,469,834
Accumulated depreciation	-	-	(508,363)	(59,659)	(240)	(4,606)	(83,175)	-	(656,043)
Net book amount	7,343	324,967	533,220	22,646	2,100	5,533	18,502	1,607	915,918
Year ended 31 December 2009									
Opening net book amount	7,343	324,967	533,220	22,646	2,100	5,533	18,502	1,607	915,918
Revaluation surplus/(deficit)	-	10,655	20,796	-	-	-	-	394	31,845
Additions	3,973	-	21,224	12,237	428	4,045	2,454	412	44,773
Disposals	-	-	(90)	(105)	-	(6)	(11)	(113)	(325)
Depreciation charge	-	-	(28,820)	(9,428)	(1,039)	(3,409)	(3,336)	-	(46,032)
Closing net book amount	11,316	335,622	546,330	25,350	1,489	6,163	17,609	2,300	946,179
At 31 December 2009									
> cost	11,316	-	-	90,091	2,768	11,643	-	-	115,818
> valuation	-	335,622	1,069,203	-	-	-	104,050	2,300	1,511,175
Accumulated depreciation	-	-	(522,873)	(64,741)	(1,279)	(5,480)	(86,441)	-	(680,814)
Net book amount	11,316	335,622	546,330	25,350	1,489	6,163	17,609	2,300	946,179

¹ A portion of the Kuring-gai site has been zoned residential and conditional approval has been obtained from the New South Wales Government to explore disposal options.

² Plant and equipment includes all operational assets.

³ Other property, plant and equipment includes non-operational assets such as artworks.

(a) Valuations of land and buildings

The valuation basis of land and buildings is fair value being the amounts for which the assets could be exchanged between willing parties in an arms length transaction, based on current prices in an active market for similar properties in the same location and condition. The 2009 revaluations were based on independent assessments by Colliers International as at 31 December 2009. The revaluation surplus was credited/debited to the asset revaluation reserve in equity (note 22).

(b) Non-current assets pledged as security

Refer to note 18 for information on non-current assets pledged as security by the parent entity and its controlled entities.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Development costs	Patents and trademarks	Software	Licences perpetual	Goodwill	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
16. INTANGIBLE ASSETS						
Consolidated						
At 1 January 2008						
Cost	-	338	36,170	1,655	-	38,163
Accumulated amortisation and impairment	-	(173)	(18,190)	-	-	(18,363)
Net book amount	-	165	17,980	1,655	-	19,800
Year ended 31 December 2008						
Opening net book amount	-	165	17,980	1,655	-	19,800
Additions	-	-	3,209	138	-	3,347
Disposals	-	(74)	(101)	-	-	(175)
Amortisation charge	-	(51)	(5,460)	-	-	(5,511)
Closing net book amount	-	40	15,628	1,793	-	17,461
At 31 December 2008						
Cost	-	264	39,271	1,793	-	41,328
Accumulated amortisation and impairment	-	(224)	(23,643)	-	-	(23,867)
Net book amount	-	40	15,628	1,793	-	17,461
Year ended 31 December 2009						
Opening net book amount	-	40	15,628	1,793	-	17,461
Additions	-	-	6,227	638	-	6,865
Disposals	-	(15)	(57)	-	-	(72)
Acquisition of subsidiary	-	-	-	-	-	-
Impairment charge	-	-	-	(199)	-	(199)
Amortisation charge	-	(25)	(6,071)	-	-	(6,096)
Closing net book amount	-	-	15,727	2,232	-	17,959
At 31 December 2009						
Cost	-	249	45,385	2,431	-	48,065
Accumulated amortisation and impairment	-	(249)	(29,658)	(199)	-	(30,106)
Net book amount	-	-	15,727	2,232	-	17,959
Closing net book amount	-	-	15,727	2,232	-	17,959
Parent entity						
At 1 January 2008						
Cost	-	-	31,995	1,655	-	33,650
Accumulated amortisation and impairment	-	-	(15,706)	-	-	(15,706)
Net book amount	-	-	16,289	1,655	-	17,944
Year ended 31 December 2008						
Opening net book amount	-	-	16,289	1,655	-	17,944
Additions	-	-	3,023	138	-	3,161
Disposals	-	-	-	-	-	-
Amortisation charge	-	-	(4,880)	-	-	(4,880)
Closing net book amount	-	-	14,432	1,793	-	16,225
At 31 December 2008						
Cost	-	-	35,011	1,793	-	36,804
Accumulated amortisation and impairment	-	-	(20,579)	-	-	(20,579)
Net book amount	-	-	14,432	1,793	-	16,225

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Development costs	Patents and trademarks	Software	Licences perpetual	Goodwill	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 31 December 2009						
Opening net book amount	–	–	14,432	1,793	–	16,225
Additions	–	–	6,153	638	–	6,791
Disposals	–	–	(57)	–	–	(57)
Acquisition of subsidiary	–	–	–	–	–	–
Impairment charge	–	–	–	(199)	–	(199)
Amortisation charge	–	–	(5,519)	–	–	(5,519)
Closing net book amount	–	–	15,009	2,232	–	17,241
At 31 December 2009						
Cost	–	–	41,051	2,431	–	43,482
Accumulated amortisation and impairment	–	–	(26,042)	(199)	–	(26,241)
Net book amount	–	–	15,009	2,232	–	17,241
Closing net book amount	–	–	15,009	2,232	–	17,241

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
17. TRADE AND OTHER PAYABLES					
Current					
OS-HELP Liability to Australian Government		44	217	44	217
Deputy Commissioner of Taxation — PAYG		–	–	–	–
Office of State Revenue — payroll tax		2,534	228	2,534	228
Trade creditors and accruals		13,143	14,844	12,113	12,638
Other payroll accruals		6,505	5,157	6,505	5,157
Other		6,815	7,148	6,400	6,411
Total trade and other payables		29,041	27,594	27,596	24,651
(a) Foreign currency risk					
The carrying amounts of the group's and parent entity's trade and other payables are denominated in the following currencies:					
> Australian dollar		28,743	26,942	27,313	24,174
> Canadian dollar		20	4	20	4
> Chinese renminbi		1	–	–	–
> Danish krone		3	–	3	–
> Euro		87	139	87	139
> British pound		100	153	93	30
> Japanese yen		1	–	1	–
> Malaysian ringgit		–	52	–	–
> Thai baht		9	–	9	–
> New Zealand dollar		1	1	1	1
> Indian rupee		2	–	–	–
> United States dollar		74	300	69	300
> Hong Kong dollar		–	3	–	3
Total		29,041	27,594	27,596	24,651

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
18. BORROWINGS					
Current					
Secured					
Lease liabilities	23	3,328	2,893	3,328	2,893
Total current secured borrowings		3,328	2,893	3,328	2,893
Unsecured					
Loans		-	-	-	-
Total current unsecured borrowings		-	-	-	-
Total current borrowings		3,328	2,893	3,328	2,893
Non-current					
Secured					
Lease liabilities	23	2,989	2,836	2,989	2,836
Total non-current secured borrowings		2,989	2,836	2,989	2,836
Unsecured					
TCorp loans		40,000	40,000	40,000	40,000
Total non-current unsecured borrowings		40,000	40,000	40,000	40,000
Total non-current borrowings		42,989	42,836	42,989	42,836
Total borrowings		46,317	45,729	46,317	45,729
(a) Assets pledged as security					
Non-current					
<i>Finance lease</i>					
Plant and equipment	15	11,643	10,139	11,643	10,139
Total non-current assets pledged as security		11,643	10,139	11,643	10,139
(b) Financing arrangements					
Unrestricted access was available at balance date to the following lines of credit:					
Loan facilities					
Total facilities		40,000	40,000	40,000	40,000
Used at balance date		40,000	40,000	40,000	40,000
Unused at balance date		-	-	-	-
Borrowing commitments					
Within one year		-	-	-	-
Later than one year but not later than five years		-	-	-	-
Later than five years		40,000	40,000	40,000	40,000
Total borrowing commitments		40,000	40,000	40,000	40,000

(c) Interest rate risk exposures

Details of the entity's exposure to interest rate changes on borrowings are set out in the financial instruments note 34.

(d) Fair value disclosures

Details of fair value of borrowings for the entity are set out in financial instruments note 34.

(e) Borrowing classes

The university's borrowings comprise a TCorp loan and lease liabilities. Details of the borrowings are listed in the financial instruments note 34.

(f) Risk exposure

At 31 December 2009, 100 per cent of the group's borrowings are at a fixed rate of interest. The carrying amount of the economic entity's borrowings are denominated in Australian dollars. Details of risk exposure of borrowings for the entity are set out in financial instruments note 34.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
19. PROVISIONS					
Current provision expected to be settled within 12 months					
Employee benefits					
> annual leave	1 (v)	14,191	12,940	13,347	12,200
> long service leave	1 (v)	4,944	6,528	4,878	6,500
Subtotal		19,135	19,468	18,225	18,700
Make good provision		190	–	190	–
Total current provisions expected to be settled within 12 months		19,325	19,468	18,415	18,700
Current provision expected to be settled after more than 12 months					
Employee benefits					
> annual leave	1 (v)	7,625	7,648	7,441	7,568
> long service leave	1 (v)	27,631	25,434	27,304	25,089
Subtotal		35,256	33,082	34,745	32,657
Total current provisions		54,581	52,550	53,160	51,357
Non-current					
Employee benefits					
> long service leave	1 (v)	7,358	7,004	6,979	6,665
> defined benefit obligation		260,179	300,922	260,179	300,922
Subtotal		267,537	307,926	267,158	307,587
Make good provision		1,222	1,146	–	–
Total non-current provisions		268,759	309,072	267,158	307,587
Total provisions		323,340	361,622	320,318	358,944
20. OTHER LIABILITIES					
Current					
Unearned Commonwealth grants – HECS		–	–	–	–
Prepaid student fees		21,551	19,450	9,273	8,520
Other		3,354	3,736	1,391	1,050
Total current other liabilities		24,905	23,186	10,664	9,570
Non-current					
Other		226	140	–	–
Total non-current other liabilities		226	140	–	–
Total other liabilities		25,131	23,326	10,664	9,570
21. RESTRICTED FUNDS					
Restricted funds at the beginning of the year		–	–	–	–
Net operating result relating to restricted funds		–	–	–	–
Restricted funds at the end of the year		–	–	–	–

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
22. RESERVES AND RETAINED SURPLUS					
(a) Reserves comprise					
Property, plant and equipment revaluation reserve					
> freehold land		256,123	245,468	256,123	245,468
> buildings		96,029	88,801	96,029	88,801
> building infrastructure		123,160	109,592	123,160	109,592
> artworks		1,613	1,219	1,613	1,219
> library		116	116	116	116
> other assets		1	1	1	1
Available for sale investments revaluation reserve		5	6	5	6
Foreign currency translation reserve		(1,703)	859	-	-
Reserves from associates		-	-	-	-
Total reserves		475,344	446,062	477,047	445,203
(b) Movements in reserves					
Property, plant and equipment revaluation reserve					
Balance 1 January 2009		445,197	464,760	445,197	464,760
Increase/(decrease) revaluation	15	31,845	(19,311)	31,845	(19,311)
Transfer of reserve to retained earnings		-	(252)	-	(252)
Balance 31 December 2009		477,042	445,197	477,042	445,197
Available-for-sale investments revaluation reserve					
Balance 1 January 2009		6	3,191	6	3,191
Increase/(decrease) revaluation		(1)	(3,185)	(1)	(3,185)
Balance 31 December 2009		5	6	5	6
Foreign currency translation reserve					
Balance 1 January 2009		859	(392)	-	-
Net exchange differences on translation of foreign controlled entity		(2,562)	1,251	-	-
Balance 31 December 2009		(1,703)	859	-	-
Share of reserves from associates					
Balance 1 January 2009		-	-	-	-
Increase/(decrease) in reserves from associates		-	-	-	-
Balance 31 December 2009		-	-	-	-
Total reserves		475,344	446,062	477,047	445,203
(c) Nature and purpose of reserves					
Property, plant and equipment revaluation reserve refer note 1(p) for details of nature and purpose of reserve.					
Available-for-sale investments revaluation reserve refer note 1(m)(ii) for details of nature and purpose of reserve.					
Foreign currency translation reserve refer note 1(c)(iii) for details of nature and purpose of reserve.					
(d) Retained surplus					
Movements in retained surplus were as follows:					
> retained surplus at 1 January 2009		547,384	489,593	516,301	467,646
> operating result for the period		67,822	57,539	59,412	48,403
> transferred from revaluation reserve		-	252	-	252
> transferred from reserve from associates		-	-	-	-
Retained surplus at the end of the year		615,206	547,384	575,713	516,301

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

Notes	Economic entity (Consolidated)		Parent entity (University)	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
23. COMMITMENTS FOR EXPENDITURE				
(a) Capital expenditure commitments				
Commitments for the acquisition of property, plant and equipment contracted for at the reporting date but not recognised as liabilities are payable as follows:				
Building works				
> not later than one year	43,332	2,689	43,332	2,689
> later than one year and not later than five years	41,821	–	41,821	–
Plant and equipment				
> not later than one year	638	1,518	620	1,487
Intangible assets				
> not later than one year	–	–	–	–
Total capital commitments	85,791	4,207	85,773	4,176
(b) Lease commitments				
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities are payable as follows:				
> within one year	10,900	10,110	6,707	6,613
> later than one year but not later than five years	12,699	15,573	5,131	6,104
> later than five years	1,210	1,273	1,210	1,273
Total lease commitments	24,809	26,956	13,048	13,990
Representing:				
> cancellable operating leases	–	–	–	–
> non-cancellable operating leases	18,063	20,775	6,302	7,809
> future finance charges on finance leases	6,746	6,181	6,746	6,181
	24,809	26,956	13,048	13,990
Operating leases				
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Premises				
> within one year	5,698	5,306	1,505	1,809
> later than one year and not later than five years	8,577	11,418	1,009	1,949
> later than five years	1,210	1,273	1,210	1,273
	15,485	17,997	3,724	5,031
Motor vehicles				
> within one year	1,465	1,464	1,465	1,464
> later than one year and not later than five years	967	1,107	967	1,107
	2,432	2,571	2,432	2,571
Equipment				
> within one year	118	140	118	140
> later than one year and not later than five years	28	67	28	67
	146	207	146	207
Total operating leases	18,063	20,775	6,302	7,809

Finance leases

The University of Technology, Sydney leases various plant and equipment with a carrying amount of \$6,163,918 (2008: \$5,532,647) under finance leases expiring within one to five years.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
23. COMMITMENTS FOR EXPENDITURE (CONTINUED)					
Commitments for minimum lease payments in relation to finance leases are payable as follows:					
Equipment					
> within one year		3,619	3,200	3,619	3,200
> later than one year and not later than five years		3,127	2,981	3,127	2,981
Total minimum finance lease payments		6,746	6,181	6,746	6,181
Future finance charges		(429)	(452)	(429)	(452)
Recognised as a liability		6,317	5,729	6,317	5,729
Representing lease liabilities					
> current liability	18	3,328	2,893	3,328	2,893
> non-current liability	18	2,989	2,836	2,989	2,836
		6,317	5,729	6,317	5,729

The weighted average interest rate implicit in the leases is 6.28 per cent (2008: 7.32 per cent).

(c) Other expenditure commitments

Commitments for trade creditors and salaries in existence at the reporting date but not recognised as liabilities payable.

Trade creditors

> not later than one year		792	1,021	782	845
> later than one year and not later than five years		20	-	-	-
		812	1,021	782	845

Remuneration commitments

> not later than one year		720	273	-	-
> later than one year and not later than five years		-	-	-	-
		720	273	-	-
Total other expenditure commitments		1,532	1,294	782	845

Commitments for expenditure are recorded on a GST inclusive basis except for finance leases which are recorded on a GST exclusive basis. The potential GST credit on the above commitments is \$2,246,000 (2008: \$2,364,000) for the economic entity and \$1,173,000 (2008: \$1,166,000) for the parent entity.

24. NON-CASH FINANCING AND INVESTING ACTIVITIES

Acquisition of plant and equipment by means of finance leases		4,045	3,273	4,045	3,273
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Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

25. DEFINED BENEFITS PLANS

During the 2009 accounting period the university contributed to the following superannuation schemes:

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

State Authorities Superannuation Trustee Corporation (STC)

The state schemes are administered by the State Authorities Superannuation Trustee Corporation (STC). The university maintains a reserve account within the STC to assist in financing the employer contributions to the state schemes.

The 2009 calculation of the liabilities of SSS, SASS and SANCS is based on the requirements of AASB 119 *Employee Benefits*.

The STC actuary has assessed the university's net accrued liability in respect of completed service by contributors of the above state superannuation schemes based on the following STC assumptions:

	2009 %	2008 %
> discount rate at 31 December 2009	5.8	4.1
> expected return on plan assets at 31 December 2009	8.3	7.3
> expected salary increases	3.5	3.5
> expected rate of consumer price index increase	2.5	2.5

The history of experience adjustments is as follows:

	2009 \$	2008 \$	2007 \$	2006 \$	2005 \$
Fair value of plan assets	(167,672,974)	(176,037,558)	(238,834,228)	(225,668,894)	(208,635,614)
Present value of defined benefit obligation	427,851,774	476,959,268	368,971,033	380,703,892	406,072,557
Surplus/(deficit)	260,178,800	300,921,710	130,136,805	155,034,998	197,436,943
Experience adjustments on plan liabilities	(45,319,798)	111,148,497	(25,005,519)	(33,141,853)	(20,166,518)
Experience adjustments on plan assets	(1,130,734)	55,168,529	(4,569,263)	(14,851,914)	15,405,532

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

25. DEFINED BENEFITS PLANS (CONTINUED)

Notes	SASS		SANCS		SSS		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
Fair value of plan assets	(40,172,352)	(40,006,987)	(5,246,633)	(5,964,782)	(122,253,989)	(130,065,789)	(167,672,974)	(176,037,558)
Present value of defined benefit obligation	44,268,211	47,090,940	9,751,700	11,500,535	373,831,863	418,367,793	427,851,774	476,959,268
Surplus/(deficit)	4,095,859	7,083,953	4,505,067	5,535,753	251,577,874	288,302,004	260,178,800	300,921,710
Experience adjustments on plan liabilities	(1,655,903)	867,000	(744,355)	1,688,843	(42,919,540)	108,592,654	(45,319,798)	111,148,497
Experience adjustments on plan assets	(188,500)	11,321,973	(49,667)	2,400,479	(892,567)	41,446,077	(1,130,734)	55,168,529
Financial impact for funds guaranteed by Commonwealth Government								
Present value obligations — 2009								
Opening defined benefit obligation	47,090,940	46,034,722	11,500,535	10,842,624	418,367,793	312,093,687	476,959,268	368,971,033
Current service cost	1,905,379	1,739,475	541,309	546,153	1,558,485	1,180,256	4,005,173	3,465,884
Interest cost	1,831,372	2,794,625	435,241	635,521	16,671,196	19,367,164	18,937,809	22,797,310
Contributions from plan participants	785,327	804,195	—	—	1,714,528	2,058,210	2,499,855	2,862,405
Actuarial losses/(gains)	(1,655,903)	867,000	(744,355)	1,688,843	(42,919,540)	108,592,654	(45,319,798)	111,148,497
Past service costs	—	—	—	—	—	—	—	—
Losses/(gains) on curtailments	—	—	—	—	—	—	—	—
Liabilities extinguished on settlements	—	—	—	—	—	—	—	—
Liabilities assumed in a business combination	—	—	—	—	—	—	—	—
Exchange differences on foreign plans	—	—	—	—	—	—	—	—
Benefits paid	(5,688,904)	(5,149,077)	(1,981,030)	(2,212,606)	(21,560,599)	(24,924,178)	(29,230,533)	(32,285,861)
Closing defined benefit obligation	44,268,211	47,090,940	9,751,700	11,500,535	373,831,863	418,367,793	427,851,774	476,959,268
Present value of plan assets — 2009								
Opening fair value of plan assets	40,006,987	50,064,957	5,964,782	9,336,931	130,065,789	179,432,341	176,037,558	238,834,229
Expected return on plan assets	3,126,878	3,668,585	576,125	831,928	9,893,587	13,315,387	13,596,590	17,815,900
Actuarial gains/(losses)	188,500	(11,321,973)	49,667	(2,400,479)	892,567	(41,446,077)	1,130,734	(55,168,529)
Exchange differences on foreign plans	—	—	—	—	—	—	—	—
Contributions from the employer	1,753,564	1,940,301	637,090	409,008	1,248,118	1,630,106	3,638,772	3,979,415
Contributions from plan participants	785,327	804,195	—	—	1,714,527	2,058,210	2,499,854	2,862,405
Benefits paid	(5,688,904)	(5,149,078)	(1,981,031)	(2,212,606)	(21,560,599)	(24,924,178)	(29,230,534)	(32,285,862)
Assets acquired in a business combination	—	—	—	—	—	—	—	—
Assets distributed on settlements	—	—	—	—	—	—	—	—
Closing fair value of plan assets	40,172,352	40,006,987	5,246,633	5,964,782	122,253,989	130,065,789	167,672,974	176,037,558

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	Notes	SASS		SANCs		SSS		Total	
		2009	2008	2009	2008	2009	2008	2009	2008
Reimbursement rights									
Opening value of reimbursement right		7,083,953	(4,030,234)	-	-	288,302,004	132,662,346	295,385,957	128,632,112
Change in value		(2,988,094)	11,114,187	-	-	(36,724,130)	155,639,658	(39,712,224)	166,753,845
Closing value of reimbursement right		4,095,859	7,083,953	-	-	251,577,874	288,302,004	255,673,733	295,385,957
Net liability									
Defined benefit obligation		44,268,211	47,090,940	9,751,700	11,500,535	373,831,863	418,367,793	427,851,774	476,959,268
Fair value of plan assets		(40,172,352)	(40,006,987)	(5,246,633)	(5,964,782)	(122,253,989)	(130,065,789)	(167,672,974)	(176,037,558)
Net liability/(asset) in balance sheet	19	4,095,859	7,083,953	4,505,067	5,535,753	251,577,874	288,302,004	260,178,800	300,921,710
Expense recognised — 2009									
Current service cost		1,905,379	1,739,475	541,309	546,153	1,558,485	1,180,256	4,005,173	3,465,884
Interest on obligation		1,831,372	2,794,625	435,242	635,521	16,671,196	19,367,164	18,937,810	22,797,310
Expected return on plan assets		(3,126,878)	(3,668,585)	(576,125)	(831,928)	(9,893,587)	(13,315,387)	(13,596,590)	(17,815,900)
Expected return on reimbursement rights		-	-	-	-	-	-	-	-
Past service costs		-	-	-	-	-	-	-	-
Losses/(gains) arising from curtailments or settlements		-	-	-	-	-	-	-	-
Adjustments for restriction on the defined benefit asset		-	-	-	-	-	-	-	-
Expense/(income)		609,873	865,515	400,426	349,746	8,336,094	7,232,033	9,346,393	8,447,294
Actual returns									
Actual return on plan assets		4,091,350	(8,388,996)	625,792	(1,568,551)	12,665,018	(29,524,075)	17,382,160	(39,481,622)
Actual return on reimbursement right		-	-	-	-	-	-	-	-
Other comprehensive income									
Actuarial (losses)/gains on defined benefit		(1,655,903)	867,000	(744,355)	1,688,843	(42,919,540)	108,592,654	(45,319,798)	111,148,497
Actuarial (losses)/gains on plan assets		(188,500)	11,321,973	(49,667)	2,400,479	(892,567)	41,446,077	(1,130,734)	55,168,529
Change in reimbursement rights		1,844,403	(12,188,973)	-	-	43,812,107	(150,038,731)	45,656,510	(166,227,704)
Recognised in other comprehensive income		-	-	(794,022)	4,089,322	-	-	(794,022)	4,089,322
Details of the defined pension plan as extracted from the plans' most recent report calculated in accordance with AAS 25 <i>Financial Reporting by Superannuation Plans</i> :									
> accrued benefits		42,854,628	43,213,228	9,324,517	10,227,695	291,595,356	289,463,989	343,774,501	342,904,912
> net market value of fund assets		(40,172,352)	(40,006,987)	(5,246,633)	(5,964,782)	(122,253,990)	(130,065,789)	(167,672,975)	(176,037,558)
Net (surplus)/deficit		2,682,276	3,206,241	4,077,884	4,262,913	169,341,366	159,398,200	176,101,526	166,867,354

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

25. DEFINED BENEFITS PLANS (CONTINUED)

UniSuper Management Limited

The university contributes to UniSuper for non-academic staff appointed since 1 July 1991 and academic staff appointed since 1 March 1998. UniSuper offers both a defined benefit scheme and an accumulation scheme with a range of investment options.

- The UniSuper Defined Benefit Plan (DBP) is a defined benefit plan.
- During the 2006 year clause 34 of the UniSuper Trust Deed was amended which substantially transfers the actuarial risks from the employer to the employee. The amendment to the trust deed has resulted in the UniSuper defined benefit fund to be reclassified as a defined contribution fund for the purposes of AASB 119 *Employee Benefits*.
- As at 30 June 2009 the assets of the DBP in aggregate were estimated to be \$1396 million in deficiency of the vested benefits of the fund. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of CPI indexed pensions being provided by the DBP.

As at 30 June 2009 the assets of the DBP in aggregate were estimated to be \$39 million in deficiency of accrued benefits. The accrued benefits have been calculated as the present value of expected future benefit payments to members and CPI indexed pensioners which arise from membership of UniSuper up to the reporting date.

- The vested benefit and accrued benefit liabilities were determined by the fund's actuary Russell Employee Benefits using the actuarial demographic assumptions outlined in their report dated 12 June 2009 on the actuarial investigation of the DBP as at 31 December 2008. The financial assumptions used were:

	Vested benefits % p.a	Accrued benefits % p.a
> gross of tax investment return	7.25	8.5
> net of tax investment return	6.75	8.0
> consumer price index	2.75	2.75
> inflationary salary increases long term	3.75	3.75

- Assets have been included at their net market value, allowing for realisation costs.
- The Defined Benefit Division as at 30 June 2009 is in an 'unsatisfactory financial position' as defined by Superannuation Industry (Supervision) Regulations 1994 regulation 9.04. An 'unsatisfactory financial position' for a defined benefit fund is defined as when 'the value of the assets of the Fund is inadequate to cover the value of the liabilities of the Fund in respect of benefits vested in the members of the Fund'. The actuary and the trustee have followed the procedure required by section 130 of the *Superannuation Industry (Supervision) Act 1993* (Cwlth) when funds are found to be in an unsatisfactory financial position.
- The actuary currently believes, in respect of the long-term financial condition of the fund, that assets as at 30 June 2009, together with the current contribution rates, are expected to be sufficient to provide for the current benefit levels for both existing members and anticipated new members if experience follows the 'best estimate' assumptions.
- Clause 34 of the UniSuper Trust Deed outlines the process UniSuper must undertake (including employer notifications and notice periods) in order to reduce benefits to beneficiaries of the UniSuper defined benefit scheme in the event of insufficient assets held by the fund. The main points are:
 - if, after an actuarial investigation and valuation of UniSuper, the trustee considers that UniSuper is or may be insufficient to provide benefits payable under the deed, the trustee must notify each employer
 - if, after the next two succeeding actuarial investigations and valuations of UniSuper (made in a period of not less than four years) the trustee still considers that UniSuper is or may be insufficient to provide the benefits payable under the deed, the trustee must reduce the benefits (including benefits in the course of payment) payable under Division A and Division B on a fair and equitable basis.

26. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

(a) Contingent assets

The university carries out various research projects and has developed intellectual properties and registered patents. At the commercialisation of these the university may realise a future monetary benefit.

(b) Contingent liabilities

- Consequent upon the HIH Insurance group being placed in provisional liquidation on 16 March 2001, the university may have an exposure to the non-settlement of potential public liability claims. The extent of any potential exposure cannot be estimated.
- The university is currently involved in minor litigation. The associated potential liability cannot be estimated at this stage.

The university is not aware of any other contingent liabilities.

27. ECONOMIC DEPENDENCY

The university has no economic dependency on any other economic entity not clearly discernible in the income statement or balance sheet.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

28. SUBSIDIARIES

Name of entity	Principal activities	Country of incorporation	Ownership interest/ control		Equity	
			2009 %	2008 %	2009 \$'000	2008 \$'000
Parent entity						
University of Technology, Sydney	education services	Australia	–	–	1,057,079	965,791
Controlled entities						
INSEARCH Limited (company limited by guarantee) ¹	education services	Australia	100	100	32,990	24,919
INSEARCH (Shanghai) Limited	education services	China	100	100	193	725
INSEARCH Education International Pty Limited	education services	Australia	100	100	182	1,801
Australia Centre Thailand	education services	Thailand	81	81	–	42
accessUTS Pty Ltd	consulting	Australia	100	100	90	120
UTSM Services (Malaysia) Sdn. Bhd	education services	Malaysia	100	100	16	48

¹INSEARCH Limited is a controlled entity as defined by the Australian accounting standards.

29. RELATED PARTIES

(a) Parent entities

The ultimate parent entity within the group is the University of Technology, Sydney.

(b) Subsidiaries

Interests in subsidiaries are set out in note 28.

(c) Key management personnel

Disclosures relating to responsible persons and executive officers are set out in note 7.

(d) Transactions with related parties in the wholly owned group

The parent entity entered into the following transactions during the period with related parties in the group:

- (1) Donations amounting to \$3,000,000 (2008: \$4,000,000) were paid or payable to the ultimate controlling entity.
- (2) Sale of services and fees \$3,686,717 (2008: \$2,947,694) to the wholly owned University of Technology, Sydney group.
- (3) Purchase of services and fees \$254,910 (2008: \$185,113) by the wholly owned University of Technology, Sydney group.
- (4) Purchase of shares in a subsidiary \$0 (2008: \$0) by the wholly owned University of Technology, Sydney group.

(e) Outstanding balances

	Economic entity (Consolidated)		Parent entity (University)	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Current receivables				
Subsidiaries	–	–	418	429
Current receivables (loans)				
Subsidiaries	–	–	35	35

Included in the total doubtful debts provision in the parent entity is a provision of \$22,338 (2008: \$160,088) for doubtful debts for outstanding balances due from related parties.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

30. DISAGGREGATION INFORMATION (CONSOLIDATED)

	Revenue		Results		Assets	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Geographical (consolidated entity)						
Australia	560,358	513,025	69,596	58,502	1,511,450	1,446,721
China	2,455	1,048	(802)	257	197	260
United Kingdom	369	5,583	118	941	2,509	2,771
South-East Asia	700	1,072	(1,884)	1,928	223	1,965
Total	563,882	520,728	67,028	61,628	1,514,379	1,451,717

(a) Includes discontinued operations.

31. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The university is not aware of any subsequent events which have affected the reported result.

32. RECONCILIATION OF OPERATING RESULT AFTER INCOME TAX TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	Economic entity (Consolidated)		Parent entity (University)	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Operating result for the period	67,028	61,628	58,618	52,492
Depreciation, amortisation and impairment	53,513	50,677	51,750	49,210
Increase/(decrease) in provisions:				
> annual leave	1,228	1,035	1,020	886
> diminution of shares	578	404	578	404
> doubtful debts	(819)	(516)	(928)	(516)
> long service leave	967	730	907	582
> deferred superannuation	(40,743)	170,785	(40,743)	170,785
> other provisions	76	-	-	-
Decrease/(increase) in receivables	(4,343)	2,970	(4,743)	3,472
Decrease/(increase) in non-current receivables	39,712	(166,755)	39,712	(166,755)
Decrease/(increase) in prepayments and accrued income	977	(8,415)	1,456	(8,013)
Decrease/(increase) in inventories	-	-	-	-
(Decrease)/increase in accounts payable	504	4,651	2,002	3,351
(Decrease)/Increase in current tax liabilities	-	-	-	-
(Decrease)/increase in income in advance	1,805	2,991	1,094	698
Decrease/(increase) in derivatives — asset	-	-	-	-
(Profit)/loss on sale of assets	343	(1,512)	282	1,528
Write back of motor vehicles	-	-	-	-
Increase in share of profit of joint venture not received as dividends or distribution	(1,641)	(2,379)	-	-
Fair value gains on other financial assets at fair value through profit or loss	-	-	-	-
Increase in investment income due to adoption of fair value for investments per AASB 139 <i>Financial Instruments</i>	-	-	-	-
Actuarial gain/(loss) on deferred superannuation	794	(4,089)	794	(4,089)
Capitalisation of previous year's expenditure	-	-	-	-
Change in unrealised foreign exchange gain decrease/(increase)	-	-	-	-
Adjustment to accumulated funds at beginning of year	-	-	-	-
Net cash provided by operating activities	119,979	112,205	111,799	104,035

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

33. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

33.1 Department of Education, Employment and Workplace Relations — CGS and other DEEWR grants

Notes	Commonwealth Grant Scheme ¹		Indigenous Support Program				Equity Support Program				Parent entity (University) only				
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the programs)	117,535	106,709	1,195	1,301	135	118	1,518	1,500	476	476	4,880	8,399	900	381	353
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	117,535	106,709	1,195	1,301	135	118	1,518	1,500	476	476	4,880	8,399	900	381	353
Surplus/(deficit) from the previous year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue including accrued revenue	117,535	106,709	1,195	1,301	135	118	1,518	1,500	476	476	4,880	8,399	900	381	353
Less expenses including accrued expenses	(117,535)	(106,709)	(1,195)	(1,301)	(135)	(118)	(1,518)	(1,500)	(476)	(476)	(4,880)	(8,399)	(900)	(381)	(353)
Surplus/(deficit) for reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

¹Includes the basic CGS grant amount, CGS — Regional Loading, CGS — Enabling Loading, Maths and Science Transition Loading and Full-Fee Places Transition Loading.

²Includes Collaboration and Structural Reform Program.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

33. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

33.1 DEEWR — CGS and other DEEWR grants (continued)

Parent entity (University) only									
		Diversity and Structural Adjustment Fund ²		Transitional Cost Program		Improving the Practical Component of Teacher Education Initiative		Total	
	Notes	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the programs)		625	1,201	2,020	2,031	257	273	129,022	123,261
Net accrual adjustments		-	-	-	-	-	-	-	-
Revenue for the period	2.1 (a)	625	1,201	2,020	2,031	257	273	129,022	123,261
Surplus/(deficit) from the previous year		-	-	-	-	-	-	-	-
Total revenue including accrued revenue		625	1,201	2,020	2,031	257	273	129,022	123,261
Less expenses including accrued expenses		(625)	(1,201)	(2,020)	(2,031)	(257)	(273)	(129,022)	(123,261)
Surplus/(deficit) for reporting period		-	-	-	-	-	-	-	-

¹Includes the basic CGS grant amount, CGS — Regional Loading, CGS — Enabling Loading, Maths and Science Transition Loading and Full-Fee Places Transition Loading.

²Includes Collaboration and Structural Reform Program.

33.2 Higher Education Loan Program (excluding OS-HELP)

Parent entity (University) only							
		HECS-HELP (Australian Government payments only)		FEE-HELP		Total	
	Notes	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the programs)		72,792	66,523	22,794	23,044	95,586	89,567
Net accrual adjustments		(334)	651	5,147	32	4,813	683
Revenue for the period	2.1 (b)	72,458	67,174	27,941	23,076	100,399	90,250
Surplus/(deficit) from the previous year		-	-	-	-	-	-
Total revenue including accrued revenue		72,458	67,174	27,941	23,076	100,399	90,250
Less expenses including accrued expenses		(72,458)	(67,174)	(27,941)	(23,076)	(100,399)	(90,250)
Surplus/(deficit) for reporting period		-	-	-	-	-	-

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

33.3 Australian Research Council grants

(a) Discovery

	Notes	Parent entity (University) only									
		Discovery — projects		Discovery — federation fellowships		Discovery — future fellowships		Discovery — Indigenous researchers development		Total	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the programs)		4,493	3,919	336	329	87	–	(2)	–	4,914	4,248
Net accrual adjustments		267	269	–	–	–	–	–	–	267	269
Revenue for the period	2.1 (e)(i)	4,760	4,188	336	329	87	–	(2)	–	5,181	4,517
Surplus/(deficit) from the previous year		3,558	3,944	169	440	–	–	2	2	3,729	4,386
Total revenue including accrued revenue		8,318	8,132	505	769	87	–	–	2	8,910	8,903
Less expenses including accrued expenses		(5,156)	(4,574)	(345)	(600)	–	–	–	–	(5,501)	(5,174)
Surplus/(deficit) for reporting period		3,162	3,558	160	169	87	–	–	2	3,409	3,729

33.4 Australian Research Council grants

(b) Linkages

	Notes	Parent entity (University) only									
		Linkage — projects		Linkage — international		Linkage — infrastructure		Linkage — special research initiatives		Total	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the programs)		2,861	2,570	–	10	1,400	–	–	–	4,261	2,580
Net accrual adjustments		45	100	–	30	316	–	–	–	361	130
Revenue for the period	2.1 (e)(iii)	2,906	2,670	–	40	1,716	–	–	–	4,622	2,710
Surplus/(deficit) from the previous year		1,992	2,637	44	11	830	1,236	–	1	2,866	3,885
Total revenue including accrued revenue		4,898	5,307	44	51	2,546	1,236	–	1	7,488	6,595
Less expenses including accrued expenses		(2,384)	(3,315)	–	(7)	(638)	(406)	–	(1)	(3,022)	(3,729)
Surplus/(deficit) for reporting period		2,514	1,992	44	44	1,908	830	–	–	4,466	2,866

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

33. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

33.5 Australian Research Council grants

(c) Networks and centres

	Notes	Parent entity (University) only					
		Research networks		Centres		Total	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the programs)		525	1,029	–	–	525	1,029
Net accrual adjustments		161	188	641	716	802	904
Revenue for the period	2.1 (e)(iii)	686	1,217	641	716	1,327	1,933
Surplus/(deficit) from the previous year		665	769	341	177	1,006	946
Total revenue including accrued revenue		1,351	1,986	982	893	2,333	2,879
Less expenses including accrued expenses		(1,066)	(1,321)	(437)	(552)	(1,503)	(1,873)
Surplus/(deficit) for reporting period		285	665	545	341	830	1,006

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

33.6 Department of Innovation, Industry, Science and Research

	Institutional Grants Scheme		Research Training Scheme		Small Grants		Parent entity (University) only						Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	Research Infrastructure Block Grants	Australian Scheme for Higher Education Repositories	Implementation Assistance Program	Commercialisation Training Scheme	2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the programs)	5,167	5,190	9,139	9,054	-	40	2,608	2,789	237	225	130	96	17,377	17,518
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	5,167	5,190	9,139	9,054	-	40	2,608	2,789	237	225	130	96	17,377	17,518
Surplus/(deficit) from the previous year	-	-	-	-	40	-	808	931	149	-	-	37	1,034	931
Total revenue including accrued revenue	5,167	5,190	9,139	9,054	40	40	3,416	3,720	386	225	130	133	18,411	18,449
Less expenses including accrued expenses	(5,167)	(5,190)	(9,139)	(9,054)	(40)	-	(2,691)	(2,912)	(205)	(76)	45	(108)	(17,305)	(17,415)
Surplus/(deficit) for reporting period	-	-	-	-	-	40	725	808	181	149	175	25	1,106	1,034

33.7 Scholarships

	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships ¹		Commonwealth Accommodation Scholarships ¹		Indigenous Staff Scholarships		Indigenous Access Scholarships		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the programs)	2,033	1,571	306	293	1,360	1,157	1,483	1,535	-	34	96	196	5,278	4,786
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	2,033	1,571	306	293	1,360	1,157	1,483	1,535	-	34	96	196	5,278	4,786
Surplus/(deficit) from the previous year	95	270	58	-	(829)	(121)	2,004	1,250	-	-	31	-	1,359	1,399
Total revenue including accrued revenue	2,128	1,841	364	293	531	1,036	3,487	2,785	-	34	127	196	6,637	6,185
Less expenses including accrued expenses	(2,228)	(1,746)	(335)	(235)	74	(1,865)	(3,535)	(781)	-	(34)	(135)	(165)	(6,159)	(4,826)
Surplus/(deficit) for reporting period	(100)	95	29	58	605	(829)	(48)	2,004	-	-	(8)	31	478	1,359

¹Includes National Priority and National Accommodation Priority Scholarships respectively.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

33. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

33.8 Other Capital Funding

	Notes	Parent entity (University) only					
		Better Universities Renewal Funding		Teaching and Learning Capital Fund		Total	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the programs)		-	13,698	16,042	-	16,042	13,698
Net accrual adjustments		-	-	-	-	-	-
Revenue for the period	2.1 (f)	-	13,698	16,042	-	16,042	13,698
Surplus/(deficit) from the previous year		11,108	-	-	-	11,108	-
Total revenue including accrued revenue		11,108	13,698	16,042	-	27,150	13,698
Less expenses including accrued expenses		(11,108)	(2,590)	-	-	(11,108)	(2,590)
Surplus/(deficit) for reporting period		-	11,108	16,042	-	16,042	11,108

33.9 Higher Education Loan Programs

	Parent entity (University) only	
	OS-HELP	
	2009 \$'000	2008 \$'000
Cash received during the reporting period	703	485
Cash spent during the reporting period	(876)	(833)
Net cash received	(173)	(348)
Cash surplus/ (deficit) from previous period	217	565
Cash surplus/ (deficit) for reporting period	44	217

34. FINANCIAL RISK MANAGEMENT

The group's activities exposes it to a variety of financial risks mainly market risk (including currency and interest rate risk), credit risk and liquidity risk.

The group's principal financial instruments comprise cash and term deposits, receivables, available for sale investments, payables, loans and finance leases. The main purpose of these financial instruments is to raise finance for the group's operations.

The group manages its exposure to key financial risks including interest rate and currency risk in accordance with the university's investment procedure and directions from the university's Finance Committee. The objective is to protect the future financial security of the university.

The main risks arising from the group's financial instruments are interest rate risks, foreign currency risk, credit risk and liquidity risk. The group utilises different methods to measure and manage the different types of risks to which it is exposed. These include monitoring interest rates and foreign currency and assessing the impact on movements through monthly forecasting.

(a) Market risk

Foreign exchange risk

The group's exposure to market risk for changes in foreign exchange rates relates primarily to the group's payments to overseas suppliers in payables and to a lesser extent foreign currency trade debtor invoices in receivables. The group's foreign currency payments and receipts are not significant and university practice is to use the spot rate when paying or receiving foreign currency amounts.

The group has minimal balance sheet exposure to foreign currency movements with the majority of operations of the group occurring within Australia. A subsidiary, INSEARCH Limited, has investments in the United Kingdom and South-East Asia, which can impact the subsidiary, however on an economic entity basis the impact is minimal.

Interest rate risk

The group's exposure to market risk for changes in interest rate relates primarily to the group's long-term debt obligations and investments in term deposits. Long-term debt obligations are managed mainly by fixed interest rate loans. At 31 December 2009, 100 per cent of the group's borrowings are at a fixed rate of interest.

The group primarily invests in term deposits to maximise returns. The investment portfolio is reviewed by the university's Finance Committee within the framework of the university's investment procedures.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

Instruments used by the group

The group has a fixed interest rate loan in the normal course of business in order to hedge exposure to fluctuations in interest rates for a TCorp long-term loan.

Summarised sensitivity analysis

The following table summarises the sensitivity of the group's financial assets and financial liabilities to interest rate risk and foreign exchange risk. The group anticipates that interest rates may increase by up to 1.0 per cent in the 2010 year.

	Carrying amount \$'000	Interest rate risk				Foreign exchange risk			
		1.0%		-1.0%		10%		-10%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
31 December 2009									
Financial assets									
Cash and cash equivalents	244,635	2,446	2,446	(2,446)	(2,446)	-	-	-	-
Receivables	270,765	-	-	-	-	(192)	(192)	192	192
Managed funds	43	-	-	-	-	-	-	-	-
Shares in other organisations	342	-	-	-	-	-	-	-	-
Total financial assets	515,785	-	-	-	-	-	-	-	-
Financial liabilities									
Payables	29,041	-	-	-	-	30	30	(30)	(30)
TCorp loan	40,000	-	-	-	-	-	-	-	-
Finance leases	6,317	-	-	-	-	-	-	-	-
Total financial liabilities	75,358	-	-	-	-	-	-	-	-
Total increase/(decrease)	-	2,446	2,446	(2,446)	(2,446)	(162)	(162)	162	162

	Carrying amount \$'000	Interest rate risk				Foreign exchange risk			
		1.5%		-1.5%		10%		-10%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
31 December 2008									
Financial assets									
Cash and cash equivalents	175,506	2,633	2,633	(2,633)	(2,633)	-	-	-	-
Receivables	305,315	-	-	-	-	(276)	(276)	276	276
Managed funds	41	1	1	(1)	(1)	-	-	-	-
Shares in other organisations	255	-	-	-	-	-	-	-	-
Total financial assets	481,117	-	-	-	-	-	-	-	-
Financial liabilities									
Payables	27,594	-	-	-	-	65	65	(65)	(65)
TCorp loan	40,000	-	-	-	-	-	-	-	-
Finance leases	5,729	-	-	-	-	-	-	-	-
Total financial liabilities	73,323	-	-	-	-	-	-	-	-
Total increase/(decrease)	-	2,634	2,634	(2,634)	(2,634)	(211)	(211)	211	211

(b) Credit risk

Credit risk arises from the financial assets of the group, which comprises cash and cash equivalents (including term deposits), trade and other receivables and other financial assets. The group's exposure to credit risk arises from default of the counter party, with the maximum exposure equal to the carrying amount of these instruments. The group trades only with recognised, creditworthy third parties and as such collateral is not requested.

In addition receivables balances are monitored on an ongoing basis with the result that the group's exposure to bad debts is not significant.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

34. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

The group's objective is to maintain a balance between continuity of funding and flexibility through use of bank loans and finance leases. The economic entity does not anticipate increasing bank loan facilities in the short term.

The government has commenced phasing out full fee paying domestic undergraduate student fees from 1 July 2009. In 2009 the fee income received by the university for this category of student was \$8.2 million (2008: \$8.8 million).

The university has not entered into any financial guarantee contracts.

The following tables summarises the maturity of the group's financial assets and financial liabilities.

	Average interest rate %	Variable interest rate \$'000	Less than 1 year \$'000	1 to 5 years \$'000	5+ years \$'000	Non interest \$'000	Total \$'000
31 December 2009							
Financial assets							
Cash and cash equivalents	4.96	-	244,635	-	-	-	244,635
Receivables	-	-	-	-	-	270,765	270,765
Managed funds	4.70	43	-	-	-	-	43
Shares in other organisations	-	-	-	-	-	342	342
Total financial assets	-	43	244,635	-	-	271,107	515,785
Financial liabilities							
Payables	-	-	-	-	-	29,041	29,041
TCorp loan	6.41	-	-	-	40,000	-	40,000
Finance leases	6.28	-	3,328	2,989	-	-	6,317
Total financial liabilities	-	-	3,328	2,989	40,000	29,041	75,358

	Average interest rate %	Variable interest rate \$'000	Less than 1 year \$'000	1 to 5 years \$'000	5+ years \$'000	Non interest \$'000	Total \$'000
31 December 2008							
Financial assets							
Cash and cash equivalents	6.06	-	175,506	-	-	-	175,506
Receivables	-	-	-	-	-	305,315	305,315
Managed funds	7.22	41	-	-	-	-	41
Shares in other organisations	-	-	-	-	-	255	255
Total financial assets	-	41	175,506	-	-	305,570	481,117
Financial liabilities							
Payables	-	-	-	-	-	27,594	27,594
TCorp Loan	6.41	-	-	-	40,000	-	40,000
Finance leases	7.32	-	2,893	2,836	-	-	5,729
Total financial liabilities	-	-	2,893	2,836	40,000	27,594	73,323

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

(d) Fair value estimation

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

	2009		2008	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Financial assets				
Cash and cash equivalents	244,635	244,635	175,506	175,506
Receivables	270,765	270,765	305,315	305,315
Managed funds	43	43	41	41
Shares in other organisations	342	342	255	255
Total financial assets	515,785	515,785	481,117	481,117
Financial liabilities				
Payables	29,041	29,041	27,594	27,594
TCorp loan	40,000	40,796	40,000	43,898
Finance leases	6,317	6,317	5,729	5,729
Total financial liabilities	75,358	76,154	73,323	77,221

The fair value of financial instruments traded in active markets (such as publicly traded shares) is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market (for example, shares not listed on the stock exchange) is based on cost less impairment.

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

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

	31-Dec-09 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial assets				
Receivables	255,674	–	255,674	–
Other financial assets — managed funds	43	43	–	–
Other financial assets — Australian listed securities	7	7	–	–
Total	255,724	50	255,674	–

Financial liabilities

Not applicable to financial liabilities at amortised cost

Total	–	–	–	–
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	31-Dec-08 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial assets				
Receivables	295,386	–	295,386	–
Other financial assets — managed funds	41	41	–	–
Other financial assets — Australian listed securities	7	7	–	–
Total	295,434	48	295,386	–

Financial liabilities

Not applicable to financial liabilities at amortised cost

Total	–	–	–	–
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Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

35. CHARITABLE FUNDRAISING ACTIVITIES

The University of Technology, Sydney conducts fundraising activities, the income from which is recognised in the financial statements of the university.

	Income raised \$'000	Direct expenditure \$'000	Indirect expenditure \$'000	Net proceeds \$'000
Appeals	1,546	–	–	1,546
Percentage of income	100%	0%	0%	100%
The net proceeds were used for the following purposes:				
> purchase of equipment and consumables	–	–	–	326
> research expenditure	–	–	–	328
> held for specific purposes	–	–	–	892
	–	–	–	1,546

The provisions of the *Charitable Fundraising Act 1991* (NSW) and the regulations under the act have been complied with and internal controls exercised by the University of Technology, Sydney are considered appropriate and effective in accounting for all the income received in all material respects.

36. DISCONTINUED OPERATIONS

(a) Description

On 31 October 2008 INSEARCH Limited (a controlled entity of the University of Technology, Sydney) and the University of Essex terminated their Co-operation Agreement and ceased delivery of academic and English programs at INSEARCH Essex.

The financial information relating to the discontinued operations for the period to the date of the disposal, which has been included in the income statement, is set out below.

(b) Financial performance and cash flow information

The financial performance and cash flow information presented are for the months ended 31 October 2008 (2008 column).

	Economic entity (Consolidated)		Parent entity (University)	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Revenue	–	2,434	–	–
Expenses	–	(2,308)	–	–
Operating result before income tax	–	126	–	–
Income tax expense	–	–	–	–
Operating result after income tax of discontinued operations	–	126	–	–
Gain on sale of the operation before income tax	–	3,151	–	–
Income tax expense	–	(409)	–	–
Gain on sale of the division after income tax	–	2,742	–	–
Profit/(loss) on discontinued operations after income tax	–	2,868	–	–
Net cash inflow from operating activities	–	(2,663)	–	–
Net cash inflow from investing activities	–	613	–	–
Net increase/(decrease) in cash generated by operations	–	(2,050)	–	–
(c) Carrying amounts of assets and liabilities				
Plant and equipment	–	142	–	–
Total assets	–	142	–	–
Provision for employee benefits	–	(19)	–	–
Total liabilities	–	(19)	–	–
Net assets	–	123	–	–

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Economic entity (Consolidated)		Parent entity (University)	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
(d) Details of the disposal of operations				
Consideration received or receivable	-	625	-	-
Present value of amounts due to 31 October 2019	-	2,649	-	-
Total disposal consideration	-	3,274	-	-
Carrying amount of net assets sold	-	(123)	-	-
Gain/(loss) on sale before income tax	-	3,151	-	-
Income tax expense	-	(409)	-	-
Gain/loss on sale	-	2,742	-	-
(e) Details of revenue items				
Fee-paying overseas students	-	2,277	-	-
Interest	-	41	-	-
Other revenue	-	116	-	-
Net gain or (loss) on sale of assets	-	3,151	-	-
Total revenue from discontinuing operations	-	5,585	-	-
(f) Details of expense items				
Employee benefits				
Salaries	-	978	-	-
Superannuation — funded	-	103	-	-
Salaries — other	-	14	-	-
Total employee benefits from discontinuing operations	-	1,095	-	-
Depreciation property, plant and equipment				
Equipment	-	47	-	-
Total depreciation property, plant and equipment from discontinuing operations	-	47	-	-
Amortisation property, plant and equipment				
Software	-	1	-	-
Development	-	19	-	-
Total amortisation property, plant and equipment from discontinuing operations	-	20	-	-
Total depreciation and amortisation from discontinuing operations	-	67	-	-
Other expenses				
Advertising, marketing and promotional expenses	-	89	-	-
Building rent and rates	-	249	-	-
Consultancy	-	3	-	-
Other expenses	-	661	-	-
Printing	-	26	-	-
Telecommunications	-	51	-	-
Travel and related staff development and training	-	67	-	-
Total other expenses from discontinuing operations	-	1,146	-	-
Total expenses from discontinuing operations	-	2,308	-	-
Income tax from discontinuing operations	-	409	-	-

END OF AUDITED FINANCIAL STATEMENTS

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Report of the directors

This report of the directors of INSEARCH Limited is made in accordance with a resolution of the directors in accordance with section 298(2)(a) of the *Corporations Act 2001*.

DIRECTORS

The names of directors in office during the year and at the date of this report are:

	Note 20
	Date of Appointment
Mr M Williams (Chair from 23 Nov 08)	26 Jun 08
Ms D N Hill	27 Mar 08
Mr J M Hutchison (AM)	27 Nov 08
Prof A J Johnston (<i>retired</i> 31 July 09)	27 Jul 08
Mrs D M Leckie	28 Feb 08
Prof R L Lynch (<i>retired</i> 21 May 09)	1 Feb 09
Prof B Milthorpe	1 Aug 09
Mr A Murphy	3 Sep 07
Prof W Purcell	21 May 09
Mr P Woods	24 May 07

COMPANY SECRETARY

The name of Company Secretary in office at the date of this report is:

Mr L J Hall (*retired* 31 Dec 09)

Mr L J Hall was the Company Secretary from 7 November 2007 until his retirement on 31 December 2009. Upon Mr Hall's retirement, Ms Jennie Yuen was appointed as Company Secretary effective from 31 December 2009.

PRINCIPAL ACTIVITIES

The activities of the company during the financial year ended 31 December 2009 were the provision of English language and academic courses that are designed as pathways to university studies.

REVIEW AND RESULT OF OPERATIONS

In addition to the Chairman's Year in Review on page 1, INSEARCH also reported a profit of \$7.330m, after the payment of a donation to the University of Technology, Sydney of \$2.998m (Note 4(c)). This profit added to the prior year accumulated profits brings the balance of the accumulated funds to \$33.449m.

MATTERS SUBSEQUENT TO END OF YEAR

Since the 31st December no matter has arisen that would significantly affect the future operations, results or state of affairs of INSEARCH Limited.

LIKELY DEVELOPMENTS

Likely developments in the economic operations of the company have been reported as appropriate elsewhere in this report. In the opinion of the directors, it would prejudice the interests of the company to provide further information as to likely developments in the operations of the company.

DIRECTORS' BENEFITS

No director of the company has, during and since the end of the financial year, received or become entitled to receive a benefit, other than the benefit included in the aggregate amount of director's compensation shown on note 20 (b) of the financial report.

INFORMATION ON DIRECTORS

Mack Williams

Non-Executive Director, Chair of the Board, Chair of the Remuneration Committee, Member of Board Nomination Committee

Mr Williams had a long career in the Australian Diplomatic Service – including as High Commissioner to Bangladesh and Ambassador to the Philippines and the Republic of Korea and senior positions in Canberra. He followed this with a range of consultancies in the commercial (including Coca Cola Amatil) and academic (including the Vice Chancellor of the University of Sydney) sectors as well as active participation in the boards of a number of not-for-profit organisations.

Mr Williams has been Vice President of the Australia Korea Business Council, a member of the Australia Korea Foundation Board, President of the NSW Branch of Australian Institute of International Affairs and member of the Board of the Research Institute for Asia and the Pacific at the University of Sydney.

Currently he is Chairman of the Cooperative Research Centre for Environmental Biotechnology, a member of the Clean Up Australia and the World boards, Chairman of the Korea Australasia Research Centre at the University of New South Wales and a member of the Sight for Life board at Sydney Eye Hospital.

Report of the directors

Dianne Hill FCA, FAICD, MRSA, AIPM, BA Accounting
Non-Executive Director, Chair of the Audit Committee

Ms Hill has 26 years of experience as a Chartered Accountant and is a former NSW President and National Councillor. She is a current member of the CA Advisory Group providing an ethical counselling service to members.

Ms Hill is a director of Austraining International Limited and of her management consulting company, Sector Research Pty Ltd.

She is also a former Director of the Australian Consumers Association (awarded Life Membership) and the Internal Audit Bureau of NSW.

Jon Hutchison (AM), BCom, CPA
Non-Executive Director, Member of Remuneration Committee

Mr Hutchison is the Chief Executive Officer of Business Events Sydney (formerly Sydney Convention & Visitors Bureau). Prior to this appointment, he held the position of Managing Director of the Australian Tourist Commission (ATC).

Mr Hutchison is an Adjunct Professor at the University of Technology Sydney and is Chair of the Australian Centre for Event Management Advisory Board, UTS.

He is also a director of Tasman Cargo Airlines.

In 2006, Mr Hutchison was awarded membership of the Order of Australia for his service to tourism and business through promoting Australia as a travel destination and in leadership and advisory roles with industry organisations.

Archie Johnston BSc (Hons), PhD, FIEAust, FICE, FTSE, MAICD
Non-Executive Director (retired 31 Aug 2009)

In addition to being a member of the INSEARCH Board, Mr Johnston has held the following positions:

- > Dean, Faculty of Engineering and Information Technology, University of Technology, Sydney
- > Chairman, Centre for Engineering Leadership and Management (Engineers Australia)
- > Advisory Prof, Shanghai Jiao Tong University
- > Advisor, Association of Chamber of Commerce and Industry of India

Dianne Leckie BBus, MEcon, FCPA, MAICD
Non-Executive Director, Chair of Board Nomination Committee, Member of Audit Committee

Ms Leckie has over 25 years experience in the banking and funds management industries.

She is also a member of the Council, University of Technology, Sydney Finance Committee, Audit & Risk Committee and Honorary Awards Committee of UTS.

Robert Lynch BEd (Hons), MEd, PhD
Non-Executive Director (retired 21 May 2009)

Dean, Faculty of Business, University of Technology, Sydney

Bruce Milthorpe BSc (Hons), PhD, FIEAust, FICE, FTSE, MAICD, B.A.(Hons) Ph.D. Grad Dip H. Ed.
Non-Executive Director

Mr Milthorpe is the Dean, Faculty of Science at the University of Technology, Sydney.

He has 27 years experience in biomedical engineering and 10 years experience in senior leadership roles in the tertiary education sector.

Mr Milthorpe is a director at the Sydney Institute of Marine Science, and an Editorial Board member for the International Journal of Biomaterials and the Journal Materials Science: Materials in Medicine.

He is also a member of the Australian Research Council LEIF grant selection panel and a NHMRC grant review panel.

Alex Murphy BA (Hons)
Managing Director

Mr Murphy has 20 years experience at INSEARCH in previous roles as Head of Sales & Marketing, Project Manager and Coordinator of Asian and European Languages.

Mr Murphy majored in Linguistics and Indonesian & Malayan Studies at University of Sydney. He undertook research in Indonesian linguistics at the University of Sydney and lived in Indonesia from 1986 to 1989.

Mr Murphy has undertaken training in leadership and organisational dynamics through the former Australian Institute of Socio-analysis and the Tavistock Institute in the UK, and has been a member of the St James Ethics Centre since 1997.

William (Bill) Purcell BCom (Hons) UNSW, Dip Jap St (Kyoto U of Foreign St) PhD UNSW
Non-Executive Director, Member of Remuneration Committee

Professor Purcell is Deputy Vice-Chancellor and Vice President (International & Development) at the University of Technology, Sydney. He was formerly Deputy Vice-Chancellor (International) at the University of Newcastle.

Professor Purcell has held a number of corporate board positions including Chairman and CEO of UON Singapore Pte Ltd, IDP Education Australia Ltd, and AHIEA Ltd.

Professor Purcell is currently a Director of Sydney Educational Broadcasting Ltd, International Education Association of Australia, and is a Trustee of the Mitsui Education Foundation. Professor Purcell also serves on the P/VC/D/VC Executive Committee of Universities Australia.

Professor Purcell was Professor of International Business at both the University of Newcastle and the University of New South Wales where he was Dean of Business and Head of the School of International Business respectively.

Professor Purcell has served as both a business and government advisor and consultant in Australia and across Asia. His expert fields are in the areas of international joint ventures and multinational enterprise theory and operations where he has published more than 100 refereed papers.

Report of the directors

Patrick Woods BSc, MBA, ACPA, FAICD

Non-Executive Director, Member of Audit Committee, Member of Board Nomination Committee

Mr Woods is the Deputy Vice-Chancellor (Resources) at the University of Technology, Sydney.

Prior to joining the University of Technology, Sydney in 2006, Mr. Woods spent 28 years in the private corporate sector and held numerous roles as Chief Executive Officer and company officeholder in various local and international companies in North America, Asia and the Middle East.

Mr. Woods is also a board member of the Pain Management Research Institute and the Finance Committee of the Australian University Sport Inc.

INFORMATION ON COMPANY SECRETARY

Ms Jennie Yuen BCom LLB Grad Dip Corp Gov

Appointed 31 December 2009

Ms Yuen was admitted as a solicitor of the Supreme Court of New South Wales in 1998 and has over 10 years experience in a variety of roles as commercial/corporate lawyer and company secretary.

Ms Yuen is employed by Company Matters Pty Limited which is a specialist company secretarial and governance service provider engaged by the company.

INSURANCE OF DIRECTORS AND OFFICERS

During the financial year a premium to insure directors and officers of the company was paid by the University of Technology, Sydney to the amount of \$4,791 per S300 (1)(g), 300(8) and 300(9). The liabilities insured include costs and expenses that may be brought against the directors and officers in their capacity as directors and officers of the company.

DIRECTORS' MEETINGS

The number of directors' meetings including meetings of the audit committee held and the number of meetings attended by each director of the company during the financial year is set out in the adjacent table.

ROUNDING OF ACCOUNTS

The company is of a kind referred to in Class Order 98/0100 issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial report. Amounts in the financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order, unless shown otherwise.

AUDIT DECLARATION

A copy of the Auditor's Independent Declaration as required under section 307C of the Corporations Act 2001 is set out on page 63 of this report.

For and on behalf of the directors signed at Sydney this 22nd day of April 2010.



Mack Williams
Director



Alex Murphy
Director

Directors' declaration

The Directors of INSEARCH Limited declare that in the Directors' opinion:

1. the financial statements and notes are in accordance with the *Corporations Act 2001*, and:
 - (a) comply with accounting standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position and performance of the company; and
2. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors pursuant to section 295(5) of the *Corporations Act 2001*.

Signed on behalf of the Board of Directors



Mack Williams
Director
22 April 2010



Alex Murphy
Director
22 April 2010

Independent auditor's report



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Insearch Limited

To Members of the New South Wales Parliament and Members of Insearch Limited

I have audited the accompanying financial statements of Insearch Limited (the Company), which comprises the statements of financial position as at 31 December 2009, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for both the Company and the consolidated entity. The consolidated entity comprises the Company and the entities it controlled at the year's end or from time to time during the financial year.

Auditor's Opinion

In my opinion the financial statements:

- are in accordance with the *Corporations Act 2001*, including:
 - giving a true and fair view of the Company's and consolidated entity's financial position as at 31 December 2009 and of their performance for the year ended on that date; and
 - complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

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

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the PF&A Act and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

Independent auditor's report

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

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

My opinion does *not* provide assurance:

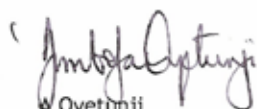
- about the future viability of the Company or consolidated entity,
- that they have carried out their activities effectively, efficiently and economically, or
- about the effectiveness of their internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards, *Corporations Act 2001* and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.

I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the Directors of Insearch Limited on 21 April 2010, would be in the same terms if provided to the Directors as at the date of this auditor's report.



W Oyetunji
Director, Financial Audit Services

22 April 2010
SYDNEY

Auditor's independence declaration



GPO BOX 12
Sydney NSW 2001

To the Directors
Insearch Limited

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Insearch Limited for the year ended 31 December 2009, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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

A. Oyetunji
Director, Financial Audit Services

21 April 2010
SYDNEY

Statement of comprehensive income

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Consolidated entity		Parent entity	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Continuing operations					
Revenue from continuing operations	3	48,694	41,768	50,554	42,923
Other income	3	758	298	1,026	298
Share of net profits from joint venture partnerships accounted for using the equity method	10 (d)	2,240	2,658	-	-
Total income		51,692	44,724	51,580	43,221
Employee benefits expense	4 (a)	(19,781)	(16,440)	(19,638)	(16,314)
Depreciation and amortisation expense	4 (b)	(1,803)	(1,398)	(1,795)	(1,386)
Other expenses	4 (c)	(22,596)	(20,893)	(21,858)	(21,227)
Total expenses		(44,180)	(38,731)	(43,291)	(38,927)
Profit/loss before income tax expense		7,512	5,993	8,289	4,294
Income tax expense	5	(182)	(19)	(179)	(13)
Profit/(loss) for the year from continuing operations		7,330	5,974	8,110	4,281
Discontinued operations					
Profit/(loss) from discontinued operations	28 (b)	-	2,868	-	994
Profit/(loss) for the year		7,330	8,842	8,110	5,275
Other comprehensive income					
Exchange differences on translation of foreign operations	19 (b)	(1,626)	960	-	(105)
Total comprehensive income for the year		5,704	9,802	8,110	5,170
Profit is attributable to:					
Equity holders of INSEARCH Limited		7,330	8,842	8,110	5,275
Total comprehensive income is attributable to:					
Equity holders of INSEARCH Limited		5,704	9,802	8,110	5,170

The accompanying notes form part of the financial statements.

Statement of financial position

AS AT 31 DECEMBER 2009

	Notes	Consolidated entity		Parent entity	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Current assets					
Cash and cash equivalents	6, 25	37,285	31,427	36,914	29,483
Trade and other receivables	7	3,230	2,535	3,186	2,493
Inventories	8	16	58	16	58
Investments and other financial assets	9	157	93	157	93
Total current assets		40,688	34,113	40,273	32,127
Non-current assets					
Investments accounted for using the equity method	10 (a)	4,925	5,908	-	-
Plant and equipment	11	3,858	2,457	3,853	2,440
Intangible assets	12	718	1,236	718	1,236
Other financial assets	13	107	118	432	974
Trade and other receivables	14	1,892	2,364	1,762	2,364
Total non-current assets		11,500	12,083	6,765	7,014
Total assets		52,188	46,196	47,038	39,141
Current liabilities					
Trade and other payables	15	696	1,153	693	1,607
Provisions	16	2,063	1,641	2,063	1,641
Other	17	13,960	14,321	13,957	14,281
Total current liabilities		16,719	17,115	16,713	17,529
Non-current liabilities					
Provisions	18	2,020	1,639	2,020	1,639
Total non-current liabilities		2,020	1,639	2,020	1,639
Total liabilities		18,739	18,754	18,733	19,168
Net assets		33,449	27,442	28,305	19,973
Equity					
Retained profits	19 (a)	34,619	26,986	28,305	20,195
Reserves	19 (b)	(1,170)	456	-	(222)
Total equity		33,449	27,442	28,305	19,973

The accompanying notes form part of the financial statements.

Statement of cash flows

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Consolidated entity		Parent entity	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Cash flows from operating activities					
Receipts from customers (inclusive of Goods and Services Tax)		49,528	45,932	50,227	45,936
Donation paid to the University of Technology, Sydney		(2,999)	(4,000)	(1,554)	(4,000)
Payment to suppliers and employees (inclusive of Goods and Services Tax)		(40,687)	(37,916)	(42,804)	(38,612)
Income tax paid		(2)	(55)	–	(55)
		5,840	3,961	5,869	3,269
Interest received		1,120	1,989	1,119	1,988
Distributions from interest in joint venture partnerships		1,861	1,158	1,861	1,158
Input tax credit refund from Australian Taxation Office		1,109	655	1,109	655
Net cash (outflow)/inflow from operating activities	26	9,930	7,763	9,958	7,070
Cash flows from investing activities					
Payments for plant and equipment and intangible assets		(2,786)	(1,041)	(2,786)	(1,041)
Proceeds from sale of plant and equipment		37	703	37	703
Net cash (outflow)/inflow from investing activities		(2,749)	(338)	(2,749)	(338)
Net increase/(decrease) in cash and cash equivalents					
Cash and cash equivalents at the beginning of the financial year		31,427	23,043	29,483	22,856
Effects of exchange rate changes on the balances of cash held in foreign currencies at the beginning of the financial year		(1,323)	959	222	(105)
Cash and cash equivalents at end of financial year	25	37,285	31,427	36,914	29,483

The accompanying notes form part of the financial statements.

Statement of changes in equity

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Reserves	Retained earnings	Total equity
		\$'000	\$'000	\$'000
Consolidated entity				
Balance at 1 January 2008	19 (a) & (b)	(504)	18,145	17,641
Adjustments to retained profits during the year	19 (a)	-	(1)	(1)
Restated total equity at the beginning of the financial year		(504)	18,144	17,640
Profit/(loss) for the year	19 (a)	-	8,842	8,842
Exchange differences on translation of foreign operations	19 (b)	960	-	960
Total comprehensive income		960	8,842	9,802
Transactions with equity holders in their capacity as equity holders:		-	-	-
Total equity at the end of the financial year		456	26,986	27,442
Balance at 1 January 2009	19 (a) & (b)	456	26,986	27,442
Adjustments to retained profits during the year	19 (b)	-	-	-
Restated total equity at the beginning of the financial year		456	26,986	27,442
Profit/(loss) for the year	19 (a)	-	7,330	7,330
Exchange differences on translation of foreign operations	19 (b)	(1,626)	-	(1,626)
Total comprehensive income		(1,626)	7,330	5,704
Transactions with equity holders in their capacity as equity holders:		-	-	-
Adjustments to retained profits on disposal of previously controlled entity	19 (a)	-	303	303
Total equity at the end of the financial year		(1,170)	34,619	33,449
Parent entity				
Balance at 1 January 2008	19 (a) & (b)	(117)	14,920	14,803
Adjustments to retained profits during the year	19 (b)	-	-	-
Restated total equity at the beginning of the financial year		(117)	14,920	14,803
Profit/(loss) for the year	19 (a)	-	5,275	5,275
Exchange differences on translation of foreign operations	19 (b)	(105)	-	(105)
Total comprehensive income		(105)	5,275	5,170
Transactions with equity holders in their capacity as equity holders:		-	-	-
Total equity at the end of the financial year		(222)	20,195	19,973
Balance at 1 January 2009	19 (a) & (b)	(222)	20,195	19,973
Adjustments to retained profits during the year	19 (b)	-	-	-
Restated total equity at the beginning of the financial year		(222)	20,195	19,973
Adjustment of prior year amounts	19 (b)	222	-	222
Adjusted equity		-	20,195	20,195
Profit/(loss) for the year	19 (a)	-	8,110	8,110
Total comprehensive income		-	8,110	8,110
Transactions with equity holders in their capacity as equity holders:		-	-	-
Total equity at the end of the financial year		-	28,305	28,305

The accompanying notes form part of the financial statements.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

1. THE COMPANY

INSEARCH Limited is a public company, limited by guarantee of its members, having no share capital. The company is incorporated and domiciled in Australia. Its registered place of business is level 2, 187 Thomas Street, Haymarket, NSW 2000. The company provides education services in English language, business and other disciplines to Australian and overseas students in Australia.

The company has the wholly owned entities, INSEARCH Education International Pty Limited, INSEARCH Education and INSEARCH (Shanghai) Limited. INSEARCH Education International Limited, incorporated in Australia, held the controlling interest in Australia Centre (Thailand) Limited until its disposal on 30 November 2009. This entity ceased operating on 31 December 2007. INSEARCH Education is a company registered as a charity in the United Kingdom and was formed in 2004. INSEARCH (Shanghai) Limited provides consulting, marketing support and other services to INSEARCH Limited. INSEARCH (Shanghai) Limited was formed in 2001 in the People's Republic of China.

INSEARCH Essex, a branch of INSEARCH Limited in the United Kingdom, ceased operations during 2008.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements include separate financial statements for the parent entity and the group comprising INSEARCH Limited and its subsidiaries.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the *Public Finance and Audit Act 1983* (NSW), the Public Finance and Audit Regulations 2005 and the *Corporations Act 2001* (Cwlth). Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

The financial statements include the separate financial statements of the company and the consolidated financial statements of the group.

The financial statements were authorised for issue by the directors on 22 April 2010.

Statement of compliance

The parent entity's financial statements and accompanying notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

Generally accepted accounting principles, authoritative pronouncements of the AASB, including interpretations, the *Public Finance and Audit Act 1983*, the Public Finance and Audit Regulations 2005 and the *Corporations Act 2001* have been used to prepare the subsidiaries' financial statements.

Early adoption of standards

The group has elected to apply the amendments to AASB 8 *Operating Segments* effective from 1 January 2010 to the annual reporting period beginning 1 January 2009. This allows for exclusion to the disclosure requirements of segment reporting.

Historical cost convention

These financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates.

INSEARCH Limited has made estimates on the valuation of its joint venture investments. Estimates are based on the historical experience and other factors that are considered to be relevant, including latest available management information of financial performance and position. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

(b) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by INSEARCH Limited ('parent entity') as at 31 December 2009 and the results of all the controlled entities for the year then ended. INSEARCH Limited and its controlled entities, INSEARCH (Shanghai) Limited, INSEARCH Education, INSEARCH Education International Pty Limited and Australia Centre (Thailand) Limited, together are referred to in this financial report as the consolidated entity ('the group').

Controlled entities are all those entities over which the group has the power to govern the financial and operating policies. Controlled entities are fully consolidated from the date on which full control is transferred to the group. They are de-consolidated from the date control ceases.

All inter and intra group transactions, balances, income and unrealised gains on transactions between group entities are eliminated in full. Unrealised losses between group entities are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

The financial statements of the controlled entities are prepared for the same reporting period as the parent entity, using consistent accounting policies. Investments in controlled entities held by INSEARCH Limited are accounted for at cost in the separate financial statements of the parent entity less any impairment charges.

(ii) Joint ventures

The interests in joint venture partnerships are accounted for in the consolidated financial statements using the equity method and are carried at cost by the parent entity as per AASB 131 *Interests in Joint Ventures*. Under the equity method, the share of profits and losses of the partnership is recognised in the statement of comprehensive income, and the share of movement in reserves is recognised in reserves in the statement of financial position. Details relating to the partnerships are set out in note 10.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, INSEARCH Limited'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 statement of comprehensive income.

(iii) Group companies

The results and financial position of all of the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- > assets and liabilities for each statement of financial position presented are translated at the closing rate of the statement of financial position
- > income and expenses for the statement of comprehensive income for INSEARCH Essex are translated at the spot rate of transactions
- > for all other entities statements of comprehensive income are translated at the average exchange rate
- > the resulting exchange differences are recognised as a separate component of equity, except for INSEARCH Essex, which is recognised through the statement of comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are taken to be equity.

(iv) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations.

(d) Revenue recognition

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

(i) Fees

Education fees are recognised as revenue in advance upon student enrolment and are then disbursed to revenue at the time of course delivery. Education revenue is disclosed net of refunds.

(ii) Other fees and charges

Fees are recognised as revenue when services are provided.

(iii) Other income

Other income including interest received, share of net profit from joint ventures and sale of non-current assets are recognised on an accrual basis. The net gain or loss on disposal of non-current assets is disclosed in other income.

(e) Expense recognition

(i) Direct expenses

Costs associated with delivering educational programs are recognised at the time of course delivery. Direct expenses incurred for courses not delivered are treated as prepayments.

(ii) Other expenses

All other expenses are charged against revenue when the liability has been recognised.

(f) Income tax

No income tax has been provided in the attached accounts for the Australian operation as the company is exempt from income tax under section 50-55 of the *Income Tax Assessment Act 1997* (Cwlth).

Income tax has been incurred in the parent as a result of the disposal of the operations in the United Kingdom.

Income tax has been provided, where appropriate, for the other overseas entities.

(g) 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 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 flow.

(h) Acquisition of assets

The purchase method of accounting is used to account for all acquisitions of assets. Assets are initially recorded at their cost at the date of acquisition. Cost is measured as the fair value of the consideration provided at the date of exchange and incidental costs directly attributable to the acquisition.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Impairment of assets

All material assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may no longer be recoverable and at the end of each reporting period.

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 they are separately identifiable cash inflows, 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 the end of each reporting period.

Assets have been identified within the group as being impaired.

(j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call and fixed term deposits with financial institutions.

Cash at bank is interest rate bearing with interest rates between 0.00 per cent and 3 per cent (2008: 0 per cent and 3.90 per cent). Deposits at call are bearing a floating interest rate between 2.90 per cent and 4.15 per cent (2008: 4.15 per cent and 7.15 per cent). Fixed term deposits are bearing interest rates between 3.52 per cent and 4.25 per cent (2008: 6.8 per cent and 7.75 per cent).

(k) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. Trade receivables are generally due for settlement within 30 days.

The collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. A provision for impairment is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a receivable for which an impairment provision had been recognised becomes uncollectible in a subsequent period, it is written off against the provision account. Subsequent recoveries of amounts previously recognised as uncollectible are brought to account against other expenses in the statement of comprehensive income.

(l) Inventories

The inventory for INSEARCH Limited represents International English Language Testing System textbooks, which are held for sale. Inventory is valued at the lower of cost and net realisable value. 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.

(m) Non-current assets held for sale

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

Non-current assets are not depreciated or amortised once they are classified as held for sale.

Non-current assets classified as held for sale are presented separately in the statement of financial performance.

There were no non-current assets classified as held for sale identified in the group at the end of the reporting period.

(n) Investments and other financial assets

Investments, with the exception of financial assets at amortised cost, are measured at fair value. Changes in the fair value are either taken to the statement of comprehensive income or to an equity reserve.

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

(o) Property, plant and equipment

(i) Acquisitions

All plant and equipment is initially stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate when it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the item can be measured reliably. Repairs and maintenance of the assets are charged to the statement of comprehensive income during the financial period in which they are incurred.

Subsequently all plant and equipment is stated at its recoverable amount, as the carrying amounts of the assets are reviewed annually by the Capital Review Committee to determine whether they are in excess of their recoverable amount at the end of the reporting period. An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

(ii) Depreciation

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment over its expected useful life in the group. The Capital Review Committee reviews the estimated useful lives, residual values and depreciation method of assets at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis. The expected useful lives for the parent entity are as follows:

Furniture and fittings	Period of the lease
Office equipment	three to five years
Motor vehicles	five years
Computer equipment	three to five years

(iii) Disposal

Gains and losses on disposal of assets are determined by comparing the proceeds received with the carrying amount of the asset. The net gain or loss on disposal is included in the statement of comprehensive income.

(iv) Leasehold improvements

The cost of improvements to leasehold properties has been integrated into the asset class of furniture and fittings, and has been depreciated in line with the expected unexpired period of the lease.

(p) Intangible assets

(i) Software

Software is initially recorded at historical cost and amortised. Subsequently, software is reported at its recoverable amount, as the carrying amount of each asset is reviewed annually by the Capital Review Committee to determine whether it is in excess of its recoverable amount at the end of the reporting period.

(ii) Curriculum and course development and validation expenses

Curriculum and course development represents the costs associated with developing the curriculum and teaching materials for a course to be delivered. These have a finite useful life and are carried at cost less accumulated amortisation and impairment losses, if any.

(iii) Preparation for International English Language Testing System publication

This asset represents the intellectual property of designing and developing the IELTS course books. The asset includes costs associated with the layout, design, review, editorial and proofreading. The asset has a finite life cycle and is carried at cost less accumulated amortisation and impairment losses.

(iv) Website development

The costs associated in developing, building and enhancing websites designed for external access, to the extent they represent future economic benefits, are controlled and can be reliably measured, have been capitalised and amortised over the period of the expected benefits.

(v) Amortisation

Amortisation is calculated on a straight-line basis to write off the net cost of each asset over its expected useful life. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes in these accounting estimates being accounted for on a prospective basis. The expected useful lives for the parent entity are as follows:

Software	two to seven years
Curriculum and course development	three to five years
Preparation for IELTS publications	three years
Website development	three years

(q) Leases

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

Payments made under operating leases are charged to the statement of comprehensive income on a straight-line basis, over the period of the lease.

Incentives received on entering long-term leases are initially recognised as liabilities and, as subsequent lease payments are made, they are allocated between rental expenditure and a reduction in the liability, in accordance with Australian Accounting Standards.

Lease commitments are reported inclusive of GST with the input tax recoverable from the Australian Taxation Office.

(r) Trade and other payables

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

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Provisions

The provisions of the group are recognised when the group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and that the amount can be 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 end of the reporting period.

(t) Employee benefits

(i) Wages and salaries

Liabilities for wages and salaries, including non-monetary benefits expected to be settled within 12 months of the end of the reporting period, are recognised in other payables in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Annual leave

The recorded current liability for provision of annual leave represents the total value including on costs of leave accrued by employees but not taken.

The recorded liability for provision of annual leave includes annual leave entitlements accrued but not expected to be taken within one year. These entitlements are measured at the present value of expected future payments to be made, including on costs of leave accrued by employees up to the end of the reporting period. The expected future payments of this leave provision is discounted using published market yield of the two-year Treasury Bond at the end of the reporting period of 4.58 per cent (2008: 2.87 per cent). This is in accordance with the most recent Finance Ministers Orders (FMOs) released for the 2008-09 financial year.

(iii) Long service leave

The provision for long service leave is recognised as a liability and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to on costs, expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using published market yield of the 10-year Treasury Bond at the end of each reporting period of 5.65 per cent (2008: 3.99 per cent). This is in accordance with the most recent FMOs released for the 2008-09 financial year.

(iv) Superannuation

INSEARCH Limited complies with the *Superannuation Guarantee (Administration) Act 1992* (Cwlth).

(u) Financial instruments

Financial instruments generate financial assets or liabilities for INSEARCH Limited. These include cash and cash equivalents, receivables, payables and other financial assets and liabilities. Note 27 discloses the risks and management of those risks of the financial instruments.

(v) Rounding of amounts

The company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that class order to the nearest thousand dollars or, in some cases, the nearest dollar.

ASIC Class Order 98/0100 was varied by Class Order 05/641, which identifies items not subject to full rounding. Disclosed amounts for key management personnel, remuneration of auditors and related party transactions are shown to the nearest dollar.

(w) Standards issued not yet applied

AASB 3 *Business Combinations*, AASB 127 *Consolidated and Separate Financial Statements* and AASB 2008-3 *Amendments to Australian Accounting Standards arising from AASB3 and AASB127* (effective 1 July 2009).

The revised AASB 3 *Business Combinations* continues to apply the acquisition method to business combinations, but with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date with contingent payments classified as debt subsequently remeasured through the statement of comprehensive income. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs must be expensed.

The revised AASB 127 *Consolidated and Separate Financial Statements* requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in profit or loss. The group will apply the revised standards prospectively to all business combinations and transactions with non-controlling interests from 1 January 2010.

AASB 2008-6 *Further Amendments to Australian Accounting Standards arising from the Annual Improvement Project* (effective 1 July 2009). The amendments to AASB 5 *Discontinued Operations* and AASB 1 *First-Time Adoption of Australian Equivalents to International Financial Reporting Standards* are part of the IASB's annual improvements project published in May 2008. They clarify that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control. Relevant disclosures should be made for this subsidiary if the definition of a discontinued operation is met. The group will apply the amendments prospectively to all partial disposals of subsidiaries from 1 January 2010.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

AASB 2008-7 *Amendments to Australian Accounting Standards — Cost of Investment in a Subsidiary, Jointly Controlled Entity or Associate* (effective 1 July 2009).

In July 2008 the AASB approved amendments to AASB 1 *First-Time Adoption of Australian Equivalents to International Financial Reporting Standards* and AASB 127 *Consolidated and Separate Financial Statements*. The group will apply the revised rules prospectively from 1 January 2010. After that date, all dividends received from investments in subsidiaries, jointly controlled entities or associates will be recognised as revenue, even if they are paid out of pre-acquisition profits, however, the investments may be required to be tested for impairment as a result of the dividend payment. Further, when a new intermediate parent entity is created in internal reorganisations it will measure its investment in subsidiaries at the carrying amounts of net assets of the subsidiary rather than the subsidiary's fair value.

As a result of management discussions and review, there is no perceived impact from the above changes to the Australian Accounting Standards.

(x) Comparative information

Comparative data has been reclassified where necessary to enhance comparability in respect of changes in the current year. Where prior year data was not disclosed, or where it is not practical to calculate the information, comparative data has been omitted.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
3. INCOME				
Revenue from continuing operations				
Fees	47,351	39,566	47,351	39,565
Other fees and charges	157	273	157	272
Interest	1,186	1,929	1,185	1,928
Distributions from interest in joint venture partnership	-	-	1,861	1,158
Total revenue	48,694	41,768	50,554	42,923
Other income				
Net gain/(loss) on sale of non-current assets	119	(111)	(61)	(111)
Other	639	409	1,087	409
	758	298	1,026	298
Total revenue from continuing operations	49,452	42,066	51,580	43,221
Revenue from discontinued operations				
Fees	-	2,277	-	2,277
Interest	-	41	-	41
Total revenue	-	2,318	-	2,318
Other income				
Net gain/(loss) on disposal of operations	-	3,151	-	3,151
Other	-	116	-	116
	-	3,267	-	3,267
Total revenue from discontinued operations	-	5,585	-	5,585
Total income	49,452	47,651	51,580	48,806

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
4. EXPENSES				
Expenses from continuing operations				
(a) Employee benefits expense				
Salaries and wages	15,643	12,886	15,553	12,801
Superannuation	1,463	1,225	1,463	1,225
Payroll tax	1,007	864	1,007	864
Other	1,668	1,465	1,615	1,424
Total employee benefits expense	19,781	16,440	19,638	16,314

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
(b) Depreciation and amortisation expense				
<i>Depreciation</i>				
Office equipment	67	72	67	71
Furniture and fittings	673	261	670	258
Motor vehicles	13	30	8	23
Computer equipment	473	425	473	424
Total depreciation	1,226	788	1,218	776
<i>Amortisation</i>				
Software	552	578	552	578
Patents, trademarks and course curriculum	25	32	25	32
Total amortisation	577	610	577	610
Total depreciation and amortisation expense	1,803	1,398	1,795	1,386
(c) Other expenses				
Donation to the University of Technology, Sydney	2,999	4,000	1,554	4,000
Donation to INSEARCH Education	-	-	181	-
Occupancy	5,010	4,031	4,980	3,998
Security	337	327	337	327
Communications	612	555	595	536
Channel partner commissions	4,754	4,316	4,754	4,316
Homestay and welcome	948	862	948	862
Educational expenses	1,189	813	1,189	813
Registration and accreditation	314	258	314	258
Scholarships	190	382	190	382
Library fees	815	754	815	754
Promotion	487	307	482	301
Overseas travel	525	809	473	665
Local travel	132	127	90	89
Staff appointments	258	246	258	246
Audit and accounting fees	317	258	313	255
Legal fees	49	67	49	65
Consultancy	714	852	714	852
Subscription and membership	150	120	150	120
Printing and stationery	629	390	616	381
Bad and doubtful debt provisions	112	-	109	-
(Gain)/loss on foreign exchange	688	14	685	9
Impairment losses of investments	147	-	532	217
Exhibition and interview program	232	233	232	233
Offshore representation expenses	28	29	361	458
Other	960	1,143	937	1,090
Total other expenses	22,596	20,893	21,858	21,227

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

4. EXPENSES (CONTINUED)

(d) Individually significant items

A donation of \$2,998,695 was paid to the University of Technology, Sydney in 2009 (2008: \$4,000,000).

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Expenses from discontinued operations				
(e) Employee benefits expense				
Salaries and wages	-	978	-	978
Superannuation	-	103	-	103
Other	-	14	-	14
Total employee benefits expense	-	1,095	-	1,095
(f) Depreciation and amortisation expense				
<i>Depreciation</i>				
Office equipment	-	3	-	3
Furniture and fittings	-	31	-	31
Computer equipment	-	13	-	13
Total depreciation	-	47	-	47
<i>Amortisation</i>				
Software	-	1	-	1
Patents, trademarks and course curriculum	-	19	-	19
Total amortisation	-	20	-	20
Total depreciation and amortisation expense	-	67	-	67
(g) Other expenses				
Donation to INSEARCH Education	-	-	-	1,874
Occupancy	-	249	-	249
Communications	-	51	-	51
Channel partner commissions	-	178	-	178
Educational expenses	-	261	-	261
Registration and accreditation	-	1	-	1
Library fees	-	44	-	44
Promotion	-	89	-	89
Overseas travel	-	67	-	67
Legal fees	-	14	-	14
Consultancy	-	3	-	3
Printing and stationery	-	26	-	26
(Gain)/loss on foreign exchange	-	11	-	11
Exhibition and interview program	-	51	-	51
Other	-	101	-	101
Total other expenses	-	1,146	-	3,020

(h) Individually significant items

A donation of \$1,873,975 was paid to the charity in the United Kingdom, INSEARCH Education, in 2008.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Consolidated entity		Parent entity	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
5. INCOME TAX EXPENSE					
Current tax		182	428	179	422
Total income tax expense		182	428	179	422
Income tax expense is attributable to:					
> profit from continuing operations		182	19	179	13
> profit from discontinued operations		0	409	0	409
Total income tax expense	2 (f)	182	428	179	422
6. CURRENT ASSETS — CASH AND CASH EQUIVALENTS					
Cash at bank and on hand		5,264	31,293	4,893	29,349
Deposits at call		5,021	134	5,021	134
Term deposits		27,000	–	27,000	–
Total cash and cash equivalents		37,285	31,427	36,914	29,483
7. CURRENT ASSETS — TRADE AND OTHER RECEIVABLES					
Trade receivables		652	220	652	220
Other receivables		465	510	421	471
Less: provision for impairment of other receivables		(109)	–	(109)	–
Prepayments		2,222	1,805	2,222	1,802
Total trade and other receivables		3,230	2,535	3,186	2,493

(a) Impaired trade receivables

As at 31 December 2009, current trade receivables of the group with a nominal value of \$108,861 were impaired. The individually impaired receivables mainly relate to student tuition fees that were uncollected from students who have graduated.

Movements in the provision for impairment of receivables are as follows:

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
> at 1 January	–	–	–	–
> provision for impairment recognised during the year	109	–	109	–
> receivables written off during the year as uncollectible	–	–	–	–
	109	–	109	–

The creation and release of the provision for impaired receivables has been included in other expenses in the statement of comprehensive income. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash.

(b) Past due but not impaired

As at 31 December 2009, the group trade and other receivables of \$549,887 (2008: \$46,006) and the parent trade and other receivables of \$555,352 (2008: \$1,625) were past due but not impaired. The ageing analysis of these receivables is as follows:

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
> up to 3 months	505	38	505	2
> 3 to 6 months	5	8	5	–
> over 6 months	39	–	45	–
	549	46	555	2

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
8. CURRENT ASSETS — INVENTORIES				
Finished goods at cost	16	58	16	58
Total inventories	16	58	16	58
9. CURRENT ASSETS — OTHER FINANCIAL ASSETS				
Accrued income	–	2	–	2
Accrued interest	157	91	157	91
Total other financial assets	157	93	157	93

	Consolidated entity	
	2009 \$'000	2008 \$'000
10. NON-CURRENT ASSETS — INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		
(a) Joint ventures with:		
> Shanghai University (SILC)	3,262	4,201
> IDP Education Australia (ACETs)	1,663	1,707
Total investments accounted for using the equity method	4,925	5,908

The company has joint ventures in the People's Republic of China (PRC) and Vietnam, for which investments are accounted for using the equity method per AASB 131 *Interests in Joint Ventures*.

(i) Sydney Institute of Language and Commerce (SILC)

This is a joint venture between INSEARCH Limited and Shanghai University, to provide English language and business courses. INSEARCH Limited has a 50 per cent ownership interest in SILC and is entitled to repatriation of direct expenses and management fees.

(ii) Australia Centres for Education and Training (ACETs)

This is a joint venture between INSEARCH Limited and IDP Education Australia (Vietnam) Limited to deliver general English classes in Vietnam. INSEARCH Limited has a 50 per cent ownership interest in the ACETs and is entitled to a 40 per cent share of its retained earnings.

Non-current assets — other financial assets and investments accounted for using the equity method**Reconciliations***Joint ventures*

	SILC	ACETs	Total
	\$'000	\$'000	\$'000
(b) Consolidated			
Carrying amount at start of year	4,201	1,707	5,908
Distribution received/receivable	(951)	(910)	(1,861)
Share of profit	946	1,294	2,240
Foreign currency exchange differences	(934)	(428)	(1,362)
Carrying amount at end of year	3,262	1,663	4,925
(c) Share of assets and liabilities of joint ventures			
Current assets	4,515	2,109	6,624
Non-current assets	598	52	650
Current liabilities	(1,851)	(498)	(2,349)
Share of net assets	3,262	1,663	4,925
(d) Share of joint ventures' profits			
Revenues	5,735	3,406	9,141
Expenses	(4,789)	(2,112)	(6,901)
Share of profit from joint ventures	946	1,294	2,240

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
11. NON-CURRENT ASSETS — PLANT AND EQUIPMENT				
Office equipment at cost	920	905	916	892
Less accumulated depreciation	(749)	(711)	(745)	(700)
Carrying value	171	194	171	192
Furniture and fittings at cost	6,469	5,522	6,439	5,483
Less accumulated depreciation	(4,752)	(4,257)	(4,727)	(4,227)
Carrying value	1,717	1,265	1,712	1,256
Motor vehicles at cost	27	118	27	75
Less accumulated depreciation	(27)	(74)	(27)	(36)
Carrying value	–	44	–	39
Computer equipment at cost	2,721	2,436	2,716	2,429
Less accumulated depreciation	(1,626)	(1,545)	(1,621)	(1,539)
Carrying value	1,095	891	1,095	890
Capital work in process	875	63	875	63
Total plant and equipment at cost	11,012	9,044	10,973	8,942
Less accumulated depreciation	(7,154)	(6,587)	(7,120)	(6,502)
Carrying value of plant and equipment	3,858	2,457	3,853	2,440

Reconciliations

Reconciliations of the carrying amounts of each class of asset at the beginning and end of the current financial year are set out below:

	Office equipment	Furniture and fittings	Motor vehicles	Computer equipment	Capital work in process	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated entity						
2008						
Carrying amount at start of year	172	1,522	103	727	15	2,539
Additions	107	68	–	637	48	860
Disposals	(11)	(39)	(29)	(37)	–	(116)
Foreign currency exchange differences	1	6	–	2	–	9
Depreciation and amortisation	(75)	(292)	(30)	(438)	–	(835)
Carrying amount at end of year	194	1,265	44	891	63	2,457
2009						
Carrying amount at start of year	194	1,265	44	891	63	2,457
Additions	46	1,169	–	685	812	2,712
Disposals	–	(43)	(31)	(8)	–	(82)
Foreign currency exchange differences	(2)	(1)	–	–	–	(3)
Depreciation and amortisation	(67)	(673)	(13)	(473)	–	(1,226)
Carrying amount at end of year	171	1,717	–	1,095	875	3,858

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Office equipment	Furniture and fittings	Motor vehicles	Computer equipment	Capital work in process	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

11. NON-CURRENT ASSETS — PLANT AND EQUIPMENT (CONTINUED)**Parent entity****2008**

Carrying amount at start of year	169	1,513	91	726	15	2,514
Additions	107	68	–	637	48	860
Disposals	(11)	(39)	(29)	(37)	–	(116)
Foreign currency exchange differences	1	3	–	1	–	5
Depreciation and amortisation	(74)	(289)	(23)	(437)	–	(823)
Carrying amount at end of year	192	1,256	39	890	63	2,440

2009

Carrying amount at start of year	192	1,256	39	890	63	2,440
Additions	46	1,169	–	685	812	2,712
Disposals	–	(43)	(31)	(7)	–	(81)
Foreign currency exchange differences	–	–	–	–	–	–
Depreciation and amortisation	(67)	(670)	(8)	(473)	–	(1,218)
Carrying amount at end of year	171	1,712	–	1,095	875	3,853

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000

12. NON-CURRENT ASSETS — INTANGIBLE ASSETS

Patents, trademarks and course curriculum	73	119	73	119
Less accumulated amortisation	(73)	(79)	(73)	(79)
Carrying amount	–	40	–	40
Software	4,075	4,001	4,075	4,001
Less accumulated amortisation	(3,357)	(2,805)	(3,357)	(2,805)
Carrying amount	718	1,196	718	1,196
Total intangible assets	718	1,236	718	1,236

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

Reconciliations

Reconciliations of the carrying amounts of each class of intangible assets at the beginning and end of the current year are set out below:

	Software	Patents, trademarks and course curriculum	Total
	\$'000	\$'000	\$'000
Consolidated entity			
2008			
Carrying amount at start of year	1,695	160	1,855
Additions	181	-	181
Disposals	(101)	(74)	(175)
Foreign currency exchange differences	-	5	5
Amortisation	(579)	(51)	(630)
Carrying amount at end of year	1,196	40	1,236
2009			
Carrying amount at start of year	1,196	40	1,236
Additions	74	-	74
Disposals	-	(15)	(15)
Amortisation	(552)	(25)	(577)
Carrying amount at end of year	718	-	718
Parent entity			
2008			
Carrying amount at start of year	1,695	160	1,855
Additions	181	-	181
Disposals	(101)	(74)	(175)
Foreign currency exchange differences	-	5	5
Amortisation	(579)	(51)	(630)
Carrying amount at end of year	1,196	40	1,236
2009			
Carrying amount at start of year	1,196	40	1,236
Additions	74	-	74
Disposals	-	(15)	(15)
Amortisation	(552)	(25)	(577)
Carrying amount at end of year	718	-	718

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
13. NON-CURRENT ASSETS — OTHER FINANCIAL ASSETS				
INSEARCH (Shanghai) Limited	–	–	193	725
Interest in joint venture partnerships	–	–	136	136
Other	107	118	103	113
Total other financial assets	107	118	432	974
14. NON-CURRENT ASSETS — TRADE AND OTHER RECEIVABLES				
Other receivables	1,892	2,364	1,762	2,364
Total trade and other receivables	1,892	2,364	1,762	2,364

Other receivables represent the future receipts associated with the sale of the operations in the United Kingdom in 2008 and in Indonesia in 2009. The nominal value of the receivables is \$2,618,921 at the end of the reporting period. These receivables are presented in both the current and non-current trade and other receivables in the statement of financial position as the cash receipts will be realised in instalments for the next nine financial years for the United Kingdom operation and the next four financial years for the Indonesian operation.

The fair values for the receivables is determined by the group using the discounted cash-flows method, applied to the periodical cash flows using the nine-year United Kingdom government bond yield of 3.75 per cent and the three-year Australian government bond yield of 4.89 per cent as at 31 December 2009 as the discount rates.

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
15. CURRENT LIABILITIES — TRADE AND OTHER PAYABLES				
Trade creditors	677	1,079	676	1,546
University of Technology, Sydney	16	33	16	33
Other creditors	3	41	1	28
Total payables	696	1,153	693	1,607
16. CURRENT LIABILITIES — PROVISIONS				
Provision for annual leave	1,028	821	1,028	821
Provision for long service leave	393	373	393	373
Income tax	476	372	476	372
Lease incentives	166	75	166	75
Total current provisions	2,063	1,641	2,063	1,641
The current provision for annual leave includes \$113,000 of annual leave entitlements accrued but not expected to be taken within one year (2008: \$81,000).				
17. CURRENT LIABILITIES — OTHER				
Accrued expenses	1,635	2,154	1,632	2,137
Student fees received in advance	2,403	3,079	2,403	3,079
Prepaid course fees	9,308	8,371	9,308	8,371
Other	614	717	614	694
Total other	13,960	14,321	13,957	14,281

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
18. NON-CURRENT LIABILITIES — PROVISIONS				
Provision for long service leave	379	339	379	339
Provision for make good	1,415	1,146	1,415	1,146
Lease incentives	226	154	226	154
Total non-current provisions	2,020	1,639	2,020	1,639

(a) Make good

The provision for make good is required to be provided for under AASB 116 *Property, Plant and Equipment*. The make good obligations are expected to be settled within the next two to five financial years.

(b) Movements in provisions

Movements in the provision for make good during the financial reporting period are set out below:

	Consolidated entity	Parent entity
	2009 \$'000	2009 \$'000
Carrying amount at start of year	1,146	1,146
Additional provisions recognised	269	269
Carrying amount at end of year	1,415	1,415

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
19. RETAINED PROFITS AND RESERVES				
(a) Retained profits				
Retained profits at the beginning of the year	26,986	18,145	20,195	14,920
Adjustments to retained profits during the year	–	(1)	–	–
Adjustments to retained profits on disposal of previously controlled entity ¹	303	–	–	–
Profits from operating activities	7,330	8,842	8,110	5,275
Retained profits at the end of the year	34,619	26,986	28,305	20,195
(b) Reserves				
Foreign currency translation reserve	(1,170)	456	–	(222)
Reserves at the end of the year	(1,170)	456	–	(222)
Movements:				
<i>Foreign currency translation reserve</i>				
> Balance at the beginning of the year	456	(504)	(222)	(117)
> Adjustment to prior year accounts	–	–	222	–
> Translation of foreign operations	(1,626)	960	–	(105)
Foreign currency translation reserve balance at the end of the year	(1,170)	456	–	(222)

¹ The adjustment to retained profits during 2009 is a result of the disposal of Australia Centre (Thailand) Limited on 30 November 2009 for zero consideration.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

20. KEY MANAGEMENT PERSONNEL

(a) Directors

The following persons were members of the board of directors of INSEARCH Limited during the financial year:

(i) Non-executive directors

M Williams (Chair)
 P Woods
 D Leckie
 D Hill
 J Hutchison, AM
 W Purcell (commenced 21 May 2009)
 R Lynch (commenced 1 February 2009 and ended 21 May 2009)
 A Johnston (ended 31 July 2009)
 B Milthorpe (commenced 1 August 2009)

(ii) Executive director

A Murphy

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
(b) Directors' compensation				
Short-term employee benefits	464,666	417,782	464,666	417,782
Post-employment benefits	39,889	32,147	39,889	32,147
	504,555	449,929	504,555	449,929

(c) Other key management personnel

CA Churches
 N Patrick (commenced 24 February 2010)
 TM Laurence
 J Butler (commenced 18 November 2009)
 S Crayn (ended 15 February 2010)
 K Colless (commenced 18 May 2009 and ended 25 September 2009)
 LJ Hall (ended 31 December 2009)
 G Providel (ended 12 February 2009)

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000

21. REMUNERATION OF AUDITORS

The Audit Office of New South Wales

> audit of financial report — INSEARCH Limited	144,700	150,700	144,700	150,700
	144,700	150,700	144,700	150,700

22. COMMITMENTS

(a) Capital commitments

Commitments for the acquisition of plant and equipment contracted for at the end of the reporting period but not recognised as liabilities, payable with the input tax recoverable from the Australian Taxation Office.

> not later than one year	20	31	20	31
Input tax recoverable from the Australian Taxation Office	2	3	2	3

(b) Lease commitments

Commitments for minimum lease payments, in relation to non-cancellable operating leases, contracted for at the end of the reporting period but not recognised as liabilities, payable with the input tax recoverable from the Australian Taxation Office.

> not later than one year	4,610	3,842	4,585	3,803
> later than one year but not later than five years	8,325	10,412	8,325	10,373
Total inclusive of GST	12,935	14,254	12,910	14,176
Input tax recoverable from the Australian Taxation Office	1,174	1,289	1,174	1,289

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
(c) Remuneration commitments				
Commitments for payment of salaries under employment contracts not recognised as liabilities.				
> not later than one year	720	423	720	423
	720	423	720	423
(d) Other expenditure commitments				
Commitments for trade creditors contracted for at the reporting date but not recognised as liabilities, payable with the input tax recoverable from the Australian Taxation Office.				
> not later than one year	11	176	11	176
> later than one year but not later than five years	22	–	22	–
Total inclusive of GST	33	176	33	176
Input tax recoverable from the Australian Taxation Office	3	–	3	–
23. EMPLOYEE BENEFIT AND RELATED ON-COST LIABILITIES				
Included in other – current liabilities	33	44	33	44
Provision for employee benefits – current liabilities	1,422	1,194	1,422	1,194
Provision for employee benefits – non-current liabilities	379	339	379	339
	1,834	1,577	1,834	1,577

24. RELATED PARTIES

Wholly owned group

- (i) The parent entity in the wholly owned group is INSEARCH Limited. The controlling entity of INSEARCH Limited is the University of Technology, Sydney. INSEARCH Limited entered into the following transactions with the University of Technology, Sydney:
- > donation to the University of Technology, Sydney \$2,998,695 (2008: \$4,000,000)
 - > sales of services and fees \$2,769,276 (2008: \$2,387,003).
- (ii) The wholly owned group consists of INSEARCH Limited and its controlled entities, INSEARCH (Shanghai) Limited, INSEARCH Education and INSEARCH Education International Pty Limited, which are 100 per cent owned by INSEARCH Limited referred to in note 2(b)(i). INSEARCH Education International Pty Limited held the controlling interest in Australia Centre (Thailand) Limited until its disposal on 30 November 2009. INSEARCH Limited entered into the following transactions during the reporting period with these entities:
- > consulting service income between INSEARCH (Shanghai) Limited and INSEARCH Limited (\$280,811)
 - > consulting service expense between INSEARCH Limited and INSEARCH (Shanghai) Limited \$280,811
 - > recovery of services between Australia Centre (Thailand) Limited and INSEARCH Limited (\$51,358)
 - > travel and promotion expenses between INSEARCH Limited and Australia Centre (Thailand) Limited \$51,358
 - > donation to INSEARCH Education \$180,538.

25. RECONCILIATION OF CASH AND CASH EQUIVALENTS

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand and at bank and money market investments readily convertible to cash, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows are reconciled to the related items in the statement of financial position as follows:

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Cash at bank and on hand	5,264	31,293	4,893	29,349
Deposits at call	5,021	134	5,021	134
Term deposits	27,000	–	27,000	–
	37,285	31,427	36,914	29,483

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
26. RECONCILIATION OF PROFIT/(LOSS) FOR THE YEAR TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(loss) for the year	7,330	8,842	8,110	5,275
Depreciation	1,226	835	1,218	823
Amortisation	577	630	577	630
Provision for impairment of receivables	109	–	109	–
Foreign currency exchange difference	1,365	(1,202)	–	10
Net (gain)/loss on sale of non-current assets	60	(372)	59	(372)
Write down of investments to recoverable amount	–	–	532	217
Share of profit of joint venture partnerships not received as dividends or distributions	(379)	(1,500)	–	–
Changes in assets and liabilities				
Trade and other receivables	(332)	(3,398)	(200)	(3,397)
Inventories	42	24	42	21
Other financial assets	(53)	25	(54)	22
Trade and other payables	(457)	631	(914)	590
Provisions	803	467	803	467
Other liabilities	(361)	2,781	(324)	2,784
Net cash flows from operating activities	9,930	7,763	9,958	7,070

27. FINANCIAL INSTRUMENTS

INSEARCH Limited's principal financial instruments are outlined below. These financial instruments arise directly from the entity's operations or are required to finance the entity's operation. INSEARCH Limited does not enter into or trade in financial instruments.

INSEARCH Limited's risks arising from financial instruments are outlined below, together with the entity's objectives and policies for measuring and managing risk.

The INSEARCH Limited Board has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risk limits and controls, and to monitor risks. Compliance with policies is reviewed by the Audit Committee on a continuous basis.

INSEARCH Limited principal financial instruments

	Notes	Category	Consolidated entity	
			2009 \$'000	2008 \$'000
Financial assets				
Cash and cash equivalents	6	Current asset	37,285	31,427
Receivables — current	7	Current asset	1,117	730
Receivables — non-current	14	Non-current asset	1,892	2,364
Other financial assets	9, 13	Current and non-current assets	264	211
Total financial assets			40,558	34,732
Financial liabilities				
Payables	15	Current liability	696	1,153
Other financial liabilities	17	Current liability	9,308	8,371
Total financial liabilities			10,004	9,524

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

(a) Credit risk

Credit risk arises where there is a possibility of the entity's debtors defaulting on their contractual obligations, resulting in a financial loss to the entity. INSEARCH Limited has limited exposure to credit risk due to the collection of the majority of tuition fees prior to the provision of services. The group's position with regard to credit risk is monitored monthly with outstanding items being actively managed.

The non-current portion of receivables relates to a contractual obligation associated with the sale of the operations in the United Kingdom.

Cash and cash equivalents comprise cash on hand and bank balances held with the Commonwealth Bank, ANZ Bank and HSBC. Interest on these accounts is earned on the daily bank balance.

(b) Liquidity risk

Liquidity risk is the risk that the group will be unable to meet its payment obligations when they fall due.

INSEARCH Limited maintains adequate cash balances to ensure that it has sufficient funds to meet future operating expenditure and capital expenditure.

Liquidity is managed by the group through the preparation and review of monthly statement of cash flows and cash forecasts. Cash at bank is reconciled on a monthly basis and bank balances are independently confirmed as part of the annual audit process.

All of the group's financial liabilities are non-interest bearing and are due and payable within 12 months.

(c) Market risk

The primary areas of market risk that INSEARCH Limited is exposed to are interest rate risk and foreign exchange risk.

(i) Interest rate risk

INSEARCH Limited has no borrowings and therefore no associated payable risk as a result of fluctuating interest rates. INSEARCH Limited does have an exposure to changes in income due to fluctuations in interest rates.

As a controlled entity of the University of Technology, Sydney, INSEARCH Limited's investment powers are limited by the University of Technology, Sydney (Investment Powers) Order 2000 to investing in commercial bills, deposits at call and current accounts.

Cash investments are maintained for between one to three months in order to respond to more attractive interest bearing deposits. Cash investments are reviewed monthly as part of the management reporting process.

Expected interest rate increases will increase the group's return on cash investments in 2010.

(ii) Foreign exchange risk

INSEARCH Limited's tuition fees for services provided in Australia are specified in Australian dollars. Therefore there is little or no exchange rate exposure in relation to fees.

INSEARCH Limited has operations in the United Kingdom and China, which are affected by movements in exchange rates. The impact of these movements can affect both the operating profit expressed in Australian dollars and the carrying values of the operations on the statement of financial position of the group.

INSEARCH Limited views these exposures to movements in exchange rates as long term and therefore does not hedge against foreign exchange movements.

The movements in exchange rates in 2009 have contributed to the Australian dollar decrease in profits for INSEARCH Limited.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

27. FINANCIAL INSTRUMENTS (CONTINUED)

Sensitivity analysis of interest rate and foreign exchange rate risk for INSEARCH Limited

	Carrying amount	Interest rate risk				Foreign exchange risk			
		+1% Profit	Equity	-1% Profit	Equity	+10% Profit	Equity	-10% Profit	Equity
2009									
Financial assets									
Cash and cash equivalents	37,285	364	-	(364)	-	-	86	-	(86)
Receivables — current	1,117	-	-	-	-	-	26	-	(26)
Receivables — non-current	1,892	-	-	-	-	-	176	-	(176)
Other financial assets	264	2	-	(2)	-	-	-	-	-
Total financial assets	40,558	366	-	(366)	-	-	288	-	(288)
Financial liabilities									
Trade and other payables	696	-	-	-	-	-	(1)	-	1
Other financial liabilities	9,308	-	-	-	-	-	-	-	-
Total financial liabilities	10,004	-	-	-	-	-	(1)	-	1
2008									
Financial assets									
Cash and cash equivalents	31,427	290	-	(290)	-	-	205	-	(205)
Receivables — current	730	-	-	-	-	-	35	-	(35)
Receivables — non-current	2,364	-	-	-	-	-	236	-	(236)
Other financial assets	211	1	-	(1)	-	-	-	-	-
Total financial assets	34,732	291	-	(291)	-	-	476	-	(476)
Financial liabilities									
Trade and other payables	1,153	-	-	-	-	-	(13)	-	13
Other financial liabilities	8,371	-	-	-	-	-	-	-	-
Total financial liabilities	9,524	-	-	-	-	-	(13)	-	13

All financial instruments are carried at fair value.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

28. DISCONTINUED OPERATIONS

(a) Description

On 31 October 2008 INSEARCH Limited and the University of Essex terminated their Co-operation Agreement and ceased delivery of academic and English programs at INSEARCH Essex.

The financial information relating to the discontinued operations for the period to the date of disposal, which has been included in the statement of comprehensive income, is set out below.

	Consolidated entity		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
(b) Financial performance and cash flow information				
Revenue	-	2,434	-	2,434
Expenses	-	(2,308)	-	(4,182)
Profit/(loss) before income tax	-	126	-	(1,748)
Income tax expense	-	-	-	-
Profit/(loss) after income tax	-	126	-	(1,748)
Gain/(loss) on disposal of operations	-	3,151	-	3,151
Income tax expense	-	(409)	-	(409)
Gain/(loss) on disposal of operations	-	2,742	-	2,742
Profit/(loss) on discontinued operations after tax	-	2,868	-	994
Net cash inflow from operating activities	-	(2,663)	-	(2,663)
Net cash inflow from investing activities	-	613	-	613
Net increase/(decrease) in cash generated by operations	-	(2,050)	-	(2,050)
2008 net cash inflow from investing activities includes an inflow of \$625,521 from the disposal of operations.				
(c) Carrying amounts of assets and liabilities				
Plant and equipment	-	142	-	142
Total assets	-	142	-	142
Provision for employee benefits	-	(19)	-	(19)
Total liabilities	-	(19)	-	(19)
Net assets	-	123	-	123
(d) Details of the disposal of operations				
Consideration received or receivable				
Cash	-	625	-	625
Present value of amounts due to 31 October 2019	-	2,649	-	2,649
Total disposal consideration	-	3,274	-	3,274
Carrying amount of net assets sold	-	(123)	-	(123)
Gain/(loss) on sale before income tax	-	3,151	-	3,151
Income tax expense	-	(409)	-	(409)
Gain/(loss) on sale after income tax	-	2,742	-	2,742

END OF AUDITED FINANCIAL STATEMENTS

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Directors' report

Your directors submit their report for the year ended 31 December 2009.

Directors

The names of the directors of the company from the beginning of the financial year until the date of this report were:

- > Blair Peter McRae
- > Jane Morrison
- > Jeffrey John Francis
- > Denise Miriam Dignam
- > Theodoor Jacob van Leeuwen

All directors were in office from the beginning of the financial year until the date of this report, unless otherwise stated.

Principal activities

The principal activity of the company during the financial year was developing and managing the consulting activities of the University of Technology, Sydney.

There has been no significant change in the nature of this activity during the year.

Operating result

The loss after income tax for the year ended 31 December 2009 was \$29,069 (2008 profit of \$11,212).

Review of operations

The operations of the company and the results of those operations were satisfactory.

Dividends

The company did not pay a dividend during the year and the directors have recommended that no dividend be paid in respect of the 2009 year.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the company during the year.

Significant events after the balance date

There have been no significant events after the balance date that would materially affect the results presented at year end.

Environmental regulation

The company's operations are not subject to any significant environmental regulations under either Commonwealth or state legislation. However, the board believes that the company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the company.

Likely developments

It is not foreseen that the company will undertake any change in its general direction during the coming financial year. The company will continue to pursue its financial trading activities as detailed earlier in the report to produce the most beneficial result for the members.

Indemnification and insurance of officers and auditors

Indemnification

Since the end of the previous financial year, the company has not indemnified or made a relevant agreement for indemnifying against a liability of any person who is or has been an officer or auditor of the company.

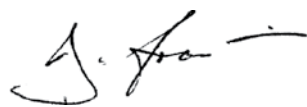
Insurance premiums

During the year, no premiums were paid to insure the directors against liability.

Auditor's Independence Declaration

The auditor's independence declaration for the year to 31 December 2009 has been received and can be found on page 96.

Signed in accordance with a resolution of the directors:



Jeffrey Francis



Blair Peter McRae

Sydney
22 April 2010

Directors' declaration

accessUTS Pty Limited
ABN: 55 098 424 312

In accordance with a resolution of the directors of accessUTS Pty Limited, we state that:

In the opinion of the directors:

- (a) the financial statements and notes of the company are in accordance with the *Corporations Act 2001* (Cwlth) and the *Public Finance and Audit Act 1983* (NSW), including:
 - (i) giving a true and fair view of the company's financial position as at 31 December 2009 and of the company's performance for the year ended on that date, and
 - (ii) complying with Australian Accounting Standards and Corporations Regulations 2001, and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the board:



Jeffrey Francis



Blair Peter McRae

Sydney
22 April 2010

Statement by appointed officers

accessUTS Pty Limited

ABN: 55 098 424 312

Statement in accordance with the *Public Finance and Audit act 1983 (NSW)* and the *Public Finance and Audit Regulation 2005 (NSW)*.

For the year ended 31 December 2009.

Pursuant to the requirements of the *Public Finance and Audit Act 1983*, and in accordance with a resolution of the Board of Directors, we declare that in our opinion:

1. The accompanying financial statements present a true and fair view of the financial position of the company as at 31 December 2009 and transactions for the year then ended.
2. The statements have been prepared in accordance with section 41B of the *Public Finance and Audit Act 1983* and the *Public Finance and Audit Regulation 2005*. The policies adopted by the company follow Accounting Standards and other mandatory professional requirements including Urgent Issues Group Interpretations, the *Corporations Act 2001* (Cwth) and other authoritative pronouncements of the Australian Accounting Standards Board.

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



Blair Peter McRae

Sydney

22 April 2010



Jeffrey Francis

Independent auditor's report



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

accessUTS Pty Limited

To Members of the New South Wales Parliament and Members of accessUTS Pty Limited

I have audited the accompanying financial statements of accessUTS Pty Limited (the Company), which comprises the statement of financial position as at 31 December 2009, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Auditor's Opinion

In my opinion the financial statements:

- are in accordance with the *Corporations Act 2001*, including:
 - giving a true and fair view of the Company's financial position as at 31 December 2009 and its performance for the year ended on that date; and
 - complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.
- comply with International Financial Reporting Standards as disclosed in Note 2(b).

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

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the PF&A Act and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2(b), the directors also state, in accordance with Accounting Standard AASB 101 'Presentation of Financial Statements', that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

Independent auditor's report

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

My opinion does *not* provide assurance:

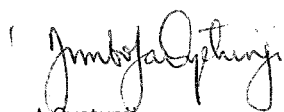
- about the future viability of the Company,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards, *Corporations Act 2001* and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.

I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of accessUTS Pty Limited on 19 April 2010, would be in the same terms if provided to the directors as at the date of this auditor's report.



A Oyetunji
Director, Financial Audit Services

22 April 2010
SYDNEY

Auditor's independence declaration



GPO BOX 12
Sydney NSW 2001

To the Directors
AccessUTS Pty Limited

Auditor's Independence Declaration

As auditor for the audit of the financial statements of accessUTS Pty Limited for the year ended 31 December 2009, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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

A Gyetunji
Director, Financial Audit Services

19 April 2010
SYDNEY

Statement of comprehensive income

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 \$	2008 \$
Continuing operations			
Revenue	4	2,056,189	1,796,083
Other income		–	–
Consulting fees and SLA	5(a)	(2,023,246)	(1,392,615)
Employee benefits expense	5(b)	(5,153)	(6,371)
Depreciation and amortisation expenses		(1,868)	(1,835)
Other expenses	5(c)	(54,991)	(384,050)
Profit/(loss) before income tax		(29,069)	11,212
Income tax expense	6	–	–
Net profit/(loss) for the period		(29,069)	11,212
Other comprehensive income		–	–
Total comprehensive income/(loss) for the period		(29,069)	11,212
Total comprehensive income/(loss) for the period is attributable to:			
Owners of the parent		(29,069)	11,212

The accompanying notes form part of and are to be read in conjunction with this financial report.

Statement of financial position

AS AT 31 DECEMBER 2009

	Notes	2009 \$	2008 \$
Assets			
Current assets			
Cash and cash equivalents	7	580,128	671,577
Trade and other receivables	8	392,179	383,488
Total current assets		972,307	1,055,065
Non-current assets			
Plant and equipment	9	10,166	8,298
Total non-current assets		10,166	8,298
Total assets		982,473	1,063,363
Liabilities			
Current liabilities			
Trade and other payables	10	892,044	943,865
Total current liabilities		892,044	943,865
Total liabilities		892,044	943,865
Net assets		90,429	119,498
Equity			
Contributed equity	11	450,001	450,001
Accumulated losses	12	(359,572)	(330,503)
Total equity		90,429	119,498

The accompanying notes form part of and are to be read in conjunction with this financial report.

Statement of changes in equity

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Share capital \$	Accumulated losses \$	Total \$
Balance at 1 January 2008		450,001	(341,715)	108,286
Profit for the period		–	11,212	11,212
Balance at 31 December 2008 (Opening balance at 1 January 2009)		450,001	(330,503)	119,498
Loss for the period		–	(29,069)	(29,069)
Balance at 31 December 2009		450,001	(359,572)	90,429

The accompanying notes form part of and are to be read in conjunction with this financial report.

Statement of cash flows

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 \$	2008 \$
Cash flows from operating activities			
Receipts from customers		2,055,679	1,777,994
Proceeds of advances by non-related parties		5,277	69
Payments to suppliers and employees		(2,388,932)	(1,570,517)
Repayment to non-related parties		(12,262)	(4,655)
Repayment to related parties		–	(4,722)
Interest paid		–	(514)
Net cash provided by/(used in) operating activities	13	(340,238)	197,655
Cash flows from investing activities			
Interest received		23,423	36,917
Purchase of plant and equipment		(3,736)	(1,098)
Net cash provided by/(used in) investing activities		19,687	35,819
Cash flows from financing activities			
Proceeds from related parties		229,102	–
Net cash provided by/(used in) financing activities		229,102	–
Net increase/(decrease) in cash and cash equivalents		(91,449)	233,474
Cash and cash equivalents at the beginning of the year		671,577	438,103
Cash and cash equivalents at the end of the year	7	580,128	671,577

The accompanying notes form part of and are to be read in conjunction with this financial report.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

1. CORPORATE INFORMATION

The financial report of accessUTS Pty Limited for the year ended 31 December 2009 was authorised for issue in accordance with a resolution of the directors on 22 April 2010.

accessUTS Pty Limited is a company limited by shares and is incorporated and domiciled in Australia. The registered office of accessUTS Pty Limited is level 7, Building 1, 1–9 Broadway, Ultimo NSW 2007. The company had no employees as at 31 December 2009.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report and has been prepared on an accruals basis, in accordance with the requirements of the *Corporations Act 2001* (Cwlth) and the *Public Finance and Audit Act 1983* (NSW), including applicable accounting standards and other mandatory professional reporting requirements.

The financial report has been prepared on an historical cost basis and is presented in Australian dollars. The accounting policies set out below have been consistently applied to all years presented unless otherwise stated.

(b) Statement of compliance

The financial report complies with Australian Accounting Standards, including Australian equivalents of International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(c) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained from both external and internal sources.

(d) Impairment of assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(e) Goods and Services Tax

Revenue, expenses, assets and liabilities are recognised net of the amount of GST, except:

- (i) where the amount of GST is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- (ii) receivables and payables, which are stated with the amount of GST included, and
- (iii) cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(f) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

Fee revenue

Service fee revenue represents revenue from services provided by the entity and is recognised when the services are provided.

Interest income

Interest income is recognised as it accrues.

Asset sales

The net proceeds from the sale of assets is included as revenue of the entity. The profit or loss on disposal of assets is brought to account at the date an unconditional contract of sale occurs.

Other revenue

Other revenue is brought to account when it becomes due and receivable.

(g) Income tax

Income taxes are accounted for using the comprehensive balance sheet liability method whereby:

- > the tax consequences of recovering (settling) all assets (liabilities) are reflected in the financial statements
- > current and deferred tax is recognised as income or expense except to the extent that the tax relates to equity items or to a business combination
- > a deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available to realise the asset
- > deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability settled.

(h) Cash and cash equivalents

For the purposes of the statement of cash flows, cash includes deposits at call that are readily convertible to cash on hand and that are used in the cash management function on a day-to-day basis, net of any outstanding bank overdrafts.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Investments

Investments are valued either at cost less amounts written off for permanent diminution in the value of the investments, or at directors' valuation. Dividends and interest are brought to account when received.

(j) Plant and equipment

Cost and valuation

Items of plant and equipment are brought to account at cost or at independent or directors' valuation and depreciated as outlined below.

Depreciation

Items of plant and equipment, including capitalised leased assets but excluding any freehold land, are depreciated over their estimated useful lives commencing from the time each asset is ready for use. Estimates of remaining useful lives are made at the time each asset is acquired and periodically thereafter.

Depreciation is calculated on a straight line or diminishing value basis to write off the net cost or revalued amount of each item of property, plant and equipment over its expected useful life. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The major depreciation rates used for each class of asset are as follows:

- > plant and equipment — 40 per cent to 50 per cent
- > furniture and fittings — 10 per cent to 50 per cent.

(k) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the entity. These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accruals basis.

(l) Loans and borrowings

All loans are measured at the principal amount.

3. SEGMENT INFORMATION

The company operates predominantly in one industry — consulting services — and in one geographical area — Australia.

	2009 \$	2008 \$
4. REVENUE		
Consulting fees	2,032,766	1,759,166
Interest received or receivable	23,423	36,917
Total revenue	2,056,189	1,796,083
5. EXPENSES		
(a) Consulting fees and SLA		
Consulting fees	1,680,807	1,040,867
Service level agreement — Research and Innovation Office	342,439	351,748
	2,023,246	1,392,615
(b) Employee benefits expense		
Salaries and fees	3,675	4,919
Other	1,478	1,452
	5,153	6,371
(c) Other expenses		
General and administrative expenses	54,991	384,050
	54,991	384,050

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	2009 \$	2008 \$
6. INCOME TAX EXPENSE		
The income tax expense provided in the accounts is calculated as follows:		
> tax on operating profit/(loss) at 30%	(8,720)	3,364
add/(less)		
> current year tax losses not brought to account	14,495	–
> current year temporary difference not brought to account	(5,775)	(459)
> tax losses not previously tax effected — recouped this year	–	(2,905)
Income tax expense	–	–
7. CASH AND CASH EQUIVALENTS		
Cash at bank	241,030	346,420
Cash on deposit	339,098	325,157
	580,128	671,577
8. TRADE AND OTHER RECEIVABLES		
Current		
Trade and other receivables	390,210	376,242
Interest receivable	1,969	5,131
Prepayments	–	2,115
	392,179	383,488
9. PLANT AND EQUIPMENT		
At cost	29,783	26,048
Less accumulated depreciation	(19,617)	(17,750)
	10,166	8,298

Movements in carrying amounts

Movements in the carrying amounts for each class of plant and equipment between the beginning and end of the financial year:

	Plant and equipment \$
Balance at the beginning of the financial year	8,298
Additions	3,736
Disposals	–
Depreciation expense	(1,868)
Carrying amount at the end of the financial year	10,166

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	2009 \$	2008 \$
10. TRADE AND OTHER PAYABLES		
Current		
Trade payables	44,766	50,415
Deposits received	-	5,000
Accrued expenses	231,853	531,841
Amounts payable to parent entity	580,425	321,609
Loan from parent entity (unsecured)	35,000	35,000
Total	892,044	943,865
Loan from parent entity		
The loan from the parent entity is unsecured, interest-free and repayable on demand.		
11. CONTRIBUTED EQUITY		
Issued and paid up capital		
Ordinary shares fully paid	450,001	450,001
Movements in shares on issue		
Issued capital at the beginning of the year	450,001	450,001
Capital issued during the year	-	-
Issued capital at the end of the year	450,001	450,001
12. ACCUMULATED LOSSES		
Accumulated losses at the beginning of the year	(330,503)	(341,715)
Net profit/(loss) attributable to the member	(29,069)	11,212
Accumulated losses at the end of the year	(359,572)	(330,503)
13. RECONCILIATION OF LOSS FOR THE YEAR WITH CASH FLOWS FROM OPERATING ACTIVITIES		
Operating profit/(loss) after income tax	(29,068)	11,212
Non-operating (income)/expenses		
Interest received	(23,423)	(36,917)
Non-cash items		
Amortisation	178	297
Depreciation	1,690	1,538
Changes in operating assets and liabilities		
Decrease/(increase) in trade receivables	28,009	18,828
Decrease/(increase) in other receivables	(12,081)	(4,586)
Increase/(decrease) in trade payables	(553)	(35,755)
Increase/(decrease) in other payables	(304,990)	243,038
Net cash inflow/(outflow) from operating activities	(340,238)	197,655

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

	2009 \$	2008 \$
14. AUDITORS' REMUNERATION		
Amounts received or due and receivable by the auditors of accessUTS Pty Limited for:		
> an audit or review of the financial statements	10,300	11,000

15. DIRECTORS' REMUNERATION

Directors

The names of persons holding the position of director of the company at any time during the financial year are set out on page 91 of this volume of the annual report.

Remuneration of specified directors

Directors' remuneration paid by the company is set out below. All other remuneration and retirement benefits for directors of the company have been paid by the parent entity.

	Salary and fees \$	Superannuation \$	Cash bonus \$	Non-cash benefits \$	Other \$	Total \$
2009						
Jane Morrison	3,675	-	-	-	-	3,675
2008						
Jane Morrison	4,919	-	-	-	-	4,919

16. CONTINGENT LIABILITIES

The directors are not aware of any contingent liabilities that have not been disclosed in the financial statements.

17. SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There have been no significant events after the balance date that would materially affect the results presented at the end of the year.

18. ECONOMIC DEPENDENCY

The company's economic viability is dependent upon the continued financial support of its parent entity.

19. RELATED PARTY TRANSACTIONS

(a) Directors

The names of the directors of the company during the financial year are set out on page 91 of this volume of the annual report.

There have been no transactions with directors or director-related entities during the financial year, other than remuneration as detailed at note 15.

(b) Parent entity

The parent entity is the University of Technology, Sydney; an entity incorporated in New South Wales.

Transactions with the parent entity

The following transactions occurred during the year between the company and the University of Technology, Sydney.

Services provided by UTS

UTS provided services to the company in accordance with the service level agreement between the two entities. Services included the provision of personnel and premises and the payment of various operating expenses.

Faculty costs charged by UTS

The services of various UTS personnel were utilised by the company during the year. In return, the company paid fees to various UTS faculties.

Amounts payable to the parent entity at the end of the financial year

	2009 \$	2008 \$
Amounts payable to parent entity — current	580,425	321,609
Loans from parent entity (unsecured)	35,000	35,000

There are no fixed terms for the repayment of the loan, which is unsecured. No interest has been charged by the parent entity.

(c) Wholly owned group

The wholly owned group consists of UTS and its controlled entities: accessUTS Pty Limited, INSEARCH Limited and INSEARCH (Shanghai) Limited.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2009

20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

(a) Risk exposures and responses

The company's financial instruments consist of cash, short-term deposits, accounts receivable and payable and loans from the parent entity.

The company's main risks from its financial instruments are interest rate risk and credit risk. The company does not have any derivative instruments at the end of the financial year.

(b) Net fair values

The net fair values of assets and liabilities approximate their carrying values. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

(c) Interest risk

At balance date the company had the following mix of financial assets and liabilities exposed to variable interest rate risk:

	2009		2008	
	Carrying amount \$	Net fair value \$	Carrying amount \$	Net fair value \$
Financial assets				
Cash and cash equivalents	580,128	580,128	671,577	671,577
Trade and other receivables	392,179	392,179	383,488	383,488
	972,307	972,307	1,055,065	1,055,065
Financial liabilities				
Trade and other payables	892,044	892,044	943,865	943,865
	892,044	892,044	943,865	943,865

The company's exposure to market risk for changes in interest rates relates primarily to its holding of cash. The company seeks to maximise the interest earned on cash and deposits balanced against the length of investment and impact on liquidity. The company's policy is to manage its interest rate exposure with a mixture of fixed and floating rate deposits.

The following sensitivity analysis is based on the interest rate risk exposures in existence as at the balance date.

At year end, if interest rates had moved as illustrated in the table below, with all other variables held constant, post-tax profit would have been affected as follows:

	Post-tax profit higher/(lower)	
	2009 \$	2008 \$
Judgments of reasonably possible movements		
+0.5% (50 basis points)	2,900	3,358
-0.5% (50 basis points)	(2,900)	(3,358)

(d) Credit risk

The company's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet.

Receivables balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is limited.

The company does not have any material credit risk exposure to any single receivable or company of receivables under financial instruments entered into by the company. The company minimises concentrations of credit risks in relation to trade accounts receivable by undertaking transactions with many customers.

(e) Hedging transactions

The company did not enter into any hedging transactions during the year.

END OF AUDITED FINANCIAL STATEMENTS

APPENDIX A1

Controlled entities

accessUTS Pty Limited

accessUTS Pty Limited is our dedicated commercial consulting conduit, a company formed to connect university expertise to outside organisations that want to benefit from consultation with our staff.

accessUTS consultants work with industry and government across the fields of engineering; nursing, midwifery and health; health sciences; science; design, architecture and building; information technology; education and training; communications and social inquiry; law; and business and finance.

This expertise has translated into consulting work including product development, product audit and testing, feasibility studies, scientific and environmental studies, peer reviews, compliance audits, technical testing and analysis, and customised research. accessUTS also offers courses in business and training, and, using university facilities, offers a range of product testing and analysis services in science and engineering.

It provides a resource for the development and submission of significant tenders and manages and oversees various international short-term study tours.

accessUTS identifies its business objectives each year in its annual report to the UTS Council, and reports on performance against those objectives to Council in the following year's report.

INSEARCH Limited

INSEARCH Limited is a registered Australian higher education institution and a leading provider of 'pathway' courses that qualify students to enter into university education.

INSEARCH has been educating students for over 20 years and, with over 3500 students, is considered an important member of the UTS community.

INSEARCH diploma courses are designed to prepare students for entry into UTS and are equivalent to the first year of university studies. These are developed in consultation with the relevant UTS faculty (and often taught by UTS academics), which then recommends the course to the UTS Academic Board for articulation approval. UTS is represented on the INSEARCH Limited board and the UTS Academic Board is represented on the INSEARCH Academic Board.

INSEARCH also provides English language training for students wishing to improve their spoken, written and academic English skills. INSEARCH English offers the Direct Entry English Program, Academic English Program, International English Language Testing System Preparation and general English. INSEARCH is a renowned publisher of IELTS preparation books, many of which are authored by INSEARCH faculty members.

The special relationship between INSEARCH and UTS means that INSEARCH students benefit from UTS's academic standards and reputation for excellence.

APPENDIX A2

Meetings of Council members

The number of meetings of the members of the UTS Council and of each Council committee and group held during the year, and the number of meetings attended by each member, are as follows.

	Council		Audit and Review Committee		Commercial Activities Committee		Finance Committee	
	Total meetings held ¹	Meetings attended ²	Total meetings held	Meetings attended	Total meetings held	Meetings attended	Total meetings held	Meetings attended
Members of the Council of the University								
Professor Anthony Baker (ended March 2009)	1	1	-	-	-	-	-	-
Christopher Cahill	7	7	-	-	-	-	-	-
Professor Thomas Clarke (appointed March 2009)	6	6	-	-	-	-	-	-
Megan Cornelius, AM	7	6	-	-	-	-	5	-
Tim Dugan	7	2	-	-	5	3	-	3
Robert Kelly	7	7	4	4	-	-	-	-
Dianne Leckie	7	7	4	4	-	-	5	-
Dr Valerie Levy	7	7	-	-	-	-	-	-
Professor Ross Milbourne	7	7	-	-	5	4	5	4
Professor Jenny Onyx	7	7	-	-	-	-	-	-
Professor Vicki Sara	7	7	-	-	-	-	-	-
Michael G Sexton SC	7	7	-	-	-	-	-	-
Mayank Sharma	7	4	-	-	-	-	-	-
The Hon. Penelope Sharpe, MLC	7	5	-	-	-	-	-	-
Professor Greg Skilbeck	7	6	-	-	-	-	-	-
Michelle Swainson	7	6	-	-	-	-	-	-
Russell Taylor	7	3	4	3	-	-	-	-
Warwick Watkins	7	6	-	-	-	-	-	-
Brian Wilson	7	7	-	-	-	-	5	-
Dr Katherine Woodthorpe	7	5	-	-	5	3	-	3
Senior executive management								
Professor Shirley Alexander	7	7	-	-	-	-	-	-
Professor Peter Booth	7	7	-	-	5	3	5	3
Professor Attila Brungs	2	2	-	-	1	1	-	1
Dr Rosalind Dubs (ended October 2009)	5	5	2	0	-	-	4	-
Anne Dwyer	7	7	4	4	-	-	-	-
Professor Ross Milbourne	7	7	-	-	5	4	5	4
Professor William Purcell	6	6	-	-	-	-	-	-
Professor Susan Rowley (ended August 2009)	5	3	-	-	3	3	-	3
Patrick Woods	7	6	4	3	5	4	5	5
Registrar								
John Hartigan (from October 2009)	2	2	1	1	1	1	1	1

¹Total meetings held represents the number of meetings held during the time the member held office or was a member of the committee during the year.

²Meetings attended represents the number of meetings attended by the member.

Governance Committee		Honorary Awards Committee		Nominations Committee		Student Council Liaison Group		Equity Reference Group		Physical Infrastructure Committee	
Total meetings held	Meetings attended	Total meetings held	Meetings attended	Total meetings held	Meetings attended	Total meetings held	Meetings attended	Total meetings held	Meetings attended	Total meetings held	Meetings attended
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	3	3	-	-	-	-	-	-	-	-
-	-	-	-	-	-	1	0	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
2	2	-	-	0	0	-	-	-	-	-	-
-	-	3	2	-	-	-	-	-	-	-	-
-	-	3	3	-	-	-	-	4	4	-	-
2	2	3	2	-	-	-	-	-	-	-	-
-	-	2	2	-	-	-	-	-	-	-	-
2	2	3	3	0	0	-	-	-	-	-	-
2	2	-	-	-	-	1	1	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	6	1
-	-	1	1	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	3	0	-	-	-	-	-	-	-	-
-	-	3	3	0	0	-	-	-	-	6	5
-	-	-	-	-	-	-	-	-	-	6	5
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	1	1	4	4	-	-
-	-	3	2	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
1	1	2	2	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	6	6
1	1	1	1	-	-	1	1	2	2	1	1

APPENDIX A3**Significant committees and their members****Academic Board**

Shirley Alexander	Les Kirkup
Maggie Allingham	Desley Luscombe
Chris Bajada	Rob Lynch
Richard Baldwin	Tony Macris
Larissa Behrendt (for Martin Nakata Autumn–Spring 2009)	Edward Makepeace
Peter Booth	Gregory Martin
Spike Boydell	Jill McKeough
Kevin Broady	Petra McNeilly-Rutledge
Wayne Brookes	Louise McWhinnie
Jeff Browitt	Peter Meier
Attila Brungs	Ross Milbourne
Tom Buckley	Bruce Milthorpe
Christine Burton	Martin Nakata
Alex Byrne	Hung Nguyen
Clive Chappell	Bronwyn Olliffe
Thomas Clarke	Massimo Piccardi (for Guang Hong Spring 2009)
John Daly	Katherine Petrou
Kees Dorst	Anita Piper
David Eager	William Purcell
Jenny Edwards	John Riad
Doug Elliott	Charles Rice
Patricia Farrar	Geoff Riordan
Lesley Farrell	Toni Robertson
Kim Gould	Suzanne Rochester
Roy Green	Sue Rowley
Katherine Grimwood	Bijan Samali
Layna Groen	Erik Schlögl
Tony Hall	Sandy Schuck
Xiangjian He	Mayank Sharma
Anurag Hingorani	Greg Skilbeck
Lesley Hitchens	Daniel Stone
Doan Hong	Tracy Taylor
Guang Hong	Mark Tennant
Archie Johnston	Rowan Trayler
Rania Jones	Theo Van Leeuwen
	Sally Varnham

Audit and Review

Robert Kelly
Di Leckie
Ross Milbourne
Rory O'Connor
Bill Rock
Russell Taylor

Commercial Activities

Tim Dugan
Ross Milbourne
Gary Phillips
Ron Sandland
Bill Trestrail
Katherine Woodthorpe

Finance

Meg Cornelius
Di Leckie
John Leotta
Matthew McLellan
Ross Milbourne
Brian Wilson

Physical Infrastructure

John Hill
Graham Jahn
Ross Milbourne
Gabrielle Morrish
Penny Sharpe
Warwick Watkins
Brian Wilson

APPENDIX A4

Legislative matters

Judicial decisions affecting UTS

The most significant legal change affecting UTS in 2009 was the case of *University of Western Australia v Gray* (2009) FCAFC 116 in which the Full Federal Court upheld the earlier decision by the Federal Court, dismissing claims by UWA to ownership of the intellectual property rights in certain medical inventions developed by Dr Bruce Gray, formerly professor of surgery at UWA. The court found there was no express term in Dr Gray's employment contract that provided for an assignment of the intellectual property rights in inventions developed in the course of his employment, nor was there any term that could be implied into his contract which would have this effect. While Dr Gray's contract included a duty to conduct research, this did not infer a duty to invent. The case could impact generally on intellectual property policies and employment terms for academics. The matter is currently on appeal to the High Court.

2009 changes in legislation

- > The purpose of the Student Assistance Amendment Regulations 2009 (No 1) (SLI No 20 of 2009) (Cwlth) is to amend the Principal Regulations to ensure that definitions of relationships align with the changes made by the *Same-Sex Relationships (Equal Treatment in Commonwealth Laws – General Law Reform) Act 2008* and other related reforms to Commonwealth laws, that is, to place people in same-sex relationships and the children of those relationships on the same legal footing as people in opposite-sex relationships and the children of those relationships.
- > The purpose of the Indigenous Education (Targeted Assistance) Amendment Regulations 2009 (No 1) (SLI No 284 of 2009) (Cwlth) is to make provision for an increase in the amounts that may be payable to organisations, institutions and individuals under section 14B of the Act in order to supplement the cost of delivering educational services to Indigenous students for the period 1 January 2009 to 30 June 2010 in line with changes in the Wage Cost Index Number 1.
- > The *Higher Education Support Amendment (VET FEE-HELP and Providers) Act 2009* (No 39 of 2009) (Cwlth) amends the *Higher Education Support Act 2003* (Cwlth) to effect administrative changes to the application and approval process for the income contingent loan schemes for higher education and vocational education and training (VET), known as FEE-HELP and VET FEE-HELP respectively.
- > The *Higher Education Support Amendment (2009 Budget Measures) Act 2009* (No 86 of 2009) (Cwlth) amends the *Higher Education Support Act 2003* (Cwlth) to revise the maximum funding amounts for the Commonwealth Grant Scheme, Other Grants and Commonwealth Scholarships; include a funding cluster for education and provide increased funding for all clusters; increase the maximum additional funding certain eligible higher education providers can receive; vary the purposes for which Other Grants may be made and eligibility for those grants; change maximum student contribution amounts for certain students; remove the OS-HELP loan fee from 2010; and apply new indexation arrangements to maximum student contribution amounts in 2011.
- > The object of the *Fair Work Act 2009* (No 28 of 2009) (Cwlth) is to provide a balanced framework for cooperative and productive workplace relations that promotes national economic prosperity and social inclusion for all Australians.

APPENDIX B1

Employees

Workforce size: full-time equivalent (FTE)¹ and headcount

	Academic	Support	Total
FTE staff (continuing and fixed term)			
2005	845.0	1216.3	2061
2006	836.9	1199.4	2036
2007	839.4	1180.7	2020
2008	852.2	1212.2	2064
2009	890.9	1294.1	2185
Casual staff			
2005	340.4	197.8	538
2006	341.8	188.4	530
2007	305.7	202.2	508
2008	311.1	215.8	527
2009	328.8	180.5	509
Headcount² (continuing and fixed-term staff only)			
2005	885.0	1305.0	2190
2006	877.0	1277.0	2154
2007	876.0	1236.0	2112
2008	890.0	1266.0	2156
2009	933.9	1343.3	2277

¹ From 2006 FTE is averaged over the calendar year.

² Some staff are employed as both academic and support staff.

Profile of academic staff by classification

Number of academic staff at each level as a percentage of total academic staff¹:

	2007	2008	2009
Professor	14.0	14.0	14.0
Associate Professor	13.7	12.4	12.3
Senior Lecturer	34.0	33.4	33.0
Lecturer	30.9	31.9	31.9
Associate Lecturer	7.4	8.3	8.8

¹ These figures exclude casual academic staff.

Staff turnover

In the 12 months ending 31 December 2009, the staff turnover rate due to resignations decreased slightly from 6.9 per cent to 6.8 per cent.

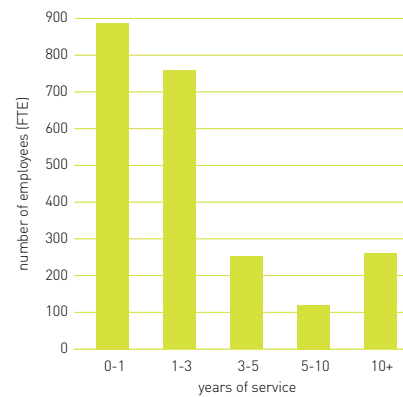
Professional Experience Programs

Number of academic staff proceeding on a PEP during 2009:

	Male	Female	Total
Professor	6	5	11
Associate Professor	5	9	14
Senior Lecturer	20	9	29
Lecturer	7	17	24
Associate Lecturer	-	-	-
Total	38	40	78

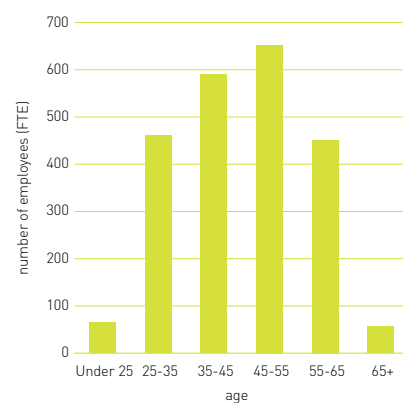
During 2009, 78 academic staff undertook a PEP, a decrease of one from the 2008 figure. There was an increase in the percentage of females undertaking PEP, from 49 per cent of staff on PEP in 2008 to 51.2 per cent in 2009.

Length of service profile



As at 31 December 2009, the largest group of staff in terms of service is those with two years service or less.

Age profile



UTS's workforce is predominantly middle aged.

APPENDIX B2

Equal employment opportunity trends

These tables show trends over the last five years in the representation of EEO groups and the distribution of EEO groups across salary levels for both academic and general staff.

Table A: Trends in the representation of EEO groups¹

	Benchmark or target	% of total staff ²				
		2005	2006	2007	2008	2009
General staff						
Women	50	56	57	57	57	58
Aboriginal people and Torres Strait Islanders	2	1.5	1.8	1.4	1.3	1.8
People whose language first spoken as a child was not English	19	30	32	34	35	35
People with a disability	12	10	10	9	8	9
People with a disability requiring adjustment at work	7	2.4	2.5	2.1	1.5	1.6
Academic staff						
Women	50	40	40	41	43	44
Aboriginal people and Torres Strait Islanders	2	1.6	1.7	1.4	1.7	1.8
People whose language first spoken as a child was not English	19	27	28	29	30	31
People with a disability	12	9	8	8	8	8
People with a disability requiring adjustment at work	7	2.6	2.6	2.7	2.9	3.2

Table B: Trends in the distribution of EEO groups¹

	Benchmark	Distribution index ³				
		2005	2006	2007	2008	2009
General staff						
Women	100	91	90	92	92	93
Aboriginal people and Torres Strait Islanders	100	–	97	–	–	93
People whose language first spoken as a child was not English	100	94	92	93	93	93
People with a disability	100	95	95	95	97	99
People with a disability requiring adjustment at work	100	92	96	100	100	102
Academic staff						
Women	100	89	90	90	92	90
Aboriginal people and Torres Strait Islanders	100	–	–	–	–	–
People whose language first spoken as a child was not English	100	89	88	87	89	90
People with a disability	100	103	101	100	96	102
People with a disability requiring adjustment at work	100	108	101	101	103	101

Table C: Number and percentage of female executive officers

	2005	2006	2007	2008	2009
Number	2	2	4	4	2
%	22	25	50	50	25

¹ Information is provided on the actual number of all permanent, probationary and fixed-term contract full-time and part-time staff. Staff records are consistent with the Department of Education, Employment and Workplace Relations (formerly Department of Education, Science and Training) data collections of the same date.

² Casual staff are not included.

³ A distribution index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. The distribution index is automatically calculated by the software provided by the Director of Equal Opportunity in Public Employment. The distribution index is not calculated where numbers are statistically small.

APPENDIX B3

Safety and wellbeing

Accident/incidents and workers' compensation insurance

A total of 293 accident/incident reports were received by the Safety and Wellbeing branch during 2009. As a result, 117 notifications were made to our workers' compensation insurer and of these notifications 12 remained notifications only with no further action, 37 were journey/recess claims, which do not affect the university's workers' compensation insurance premium, and the remaining 68 were premium-impacting claims.

Our focus remained on preventative wellbeing measures as well as the early return to work of injured and ill staff. This assisted in keeping the workers' compensation insurance premium lower than the industry tariff rate set by the WorkCover Authority of NSW. The industry tariff rate for 2009 was set at 0.622 per cent of wages, while the university's premium was 0.510 per cent of wages (\$1.310 million), representing a saving of approximately \$290,000.

Notification of serious incidents to the WorkCover Authority of NSW

UTS notified WorkCover of an incident whereby a cordless drill exploded causing lacerations and bruising to the legs of an academic staff member. The cause of the explosion was due to the use of an incorrect charger to charge the drill. WorkCover were satisfied that the university took the appropriate actions to prevent recurrence.

Workers' compensation statistics

Number of claims	68
Net incurred costs	\$178,417
Average cost per claim	\$2,682
Premium cost	\$1,310,879

Safety and Wellbeing Plan

In 2009, a new three-year Safety and Wellbeing Plan was developed in consultation with the Senior Deputy Vice-Chancellor's EHS Advisory Committee. The plan incorporates the recommendations from the audit of the university's EHS management system and review of EHS risk management in research.

Training and assessments

EHS training for supervisors was made mandatory to ensure that those with legislative responsibilities are made aware of, and provided with, information, support and resources to carry out their responsibilities. Information on EHS accountabilities and responsibilities continued to be promoted throughout 2009, with 89 supervisors and managers attending the EHS for supervisors training session and 146 staff members attending EHS essentials.

We continued to integrate EHS risk management into teaching and learning by performing risk assessments of curricula at the subject level, focusing on high-risk areas. The Faculty of Science has now completed EHS risk assessments on all of their high-risk subjects and the outcomes of risk assessments have been incorporated into student laboratory notes. This process is currently being deployed in the faculties of Design, Architecture and Building and Engineering and Information Technology.

Wellbeing

Staff wellbeing was promoted through a variety of activities and events in 2009. One hundred and sixty-nine staff members had a one-on-one assessment of their workstation ergonomics, with recommendations on amendments to workstation layout and configuration, and 15 staff were provided with training in safe manual handling. SleepEasy workshops were held to improve quality of sleep, thereby increasing wellness and productivity among staff. Another wellbeing initiative was the 10,000 steps walking challenge. Forty teams of staff signed up to take on the challenge of doing a virtual walk of Australia's bicentennial national trail: 5330 kilometres or 6.5 million steps.

The UTS Staff Wellbeing Expo was held in November, offering testing for cholesterol and blood pressure levels, blood sugar levels, weight, vision, nutrition, as well as massage. Also in November, Safety and Wellbeing joined forces with the UTS Union to bring together staff and students in raising over \$4100 for the Movember Foundation. The foundation raises funds for their health partners Beyond Blue (a national depression initiative) and the Prostate Cancer Foundation of Australia.

At the end of the year UTS was highly commended in the Weight Watchers Healthy Life Awards in the Australian Workplace category.

APPENDIX B4

Overseas travel

The university paid \$6.2 million for staff overseas travel in 2009. These payments supported a wide range of activities, including attendance and presentation of research papers at international conferences, staff development, and research and teaching at affiliated institutions.

APPENDIX B5

Equity and diversity

This appendix complements the information in the students and staff and resources chapters in the Review of Operations volume of the *UTS Annual Report 2009*. More detailed information on equity group profiles and strategies is contained in the Equity Reference Group 2009 Annual Report to Council available from the Equity and Diversity Unit.

Significant achievements and strategies relating to our equity activities are outlined below.

2009: a changing equity context

In 2009, significant federal government policy changes and budget commitments prompted the review and reorientation of priorities within the Equity and Diversity Unit.

The federal government's new social inclusion agenda aims, among other things, to improve the participation of socially and economically disadvantaged groups, including Indigenous people, in education and employment. Commencing in 2010, universities will receive additional funding for increasing the participation and success of students from low socioeconomic status (low SES) backgrounds.

Accordingly, in addition to continuing programs addressing all UTS equity priority areas, the unit and the Deputy Vice-Chancellor and Vice-President (Teaching, Learning and Equity) have intensified activities relating to widening participation for students and increasing employment opportunities for Indigenous Australians.

2009 highlights

- > Five Vice-Chancellor's Merit Scholarships for students demonstrating academic excellence and disadvantage were announced.
- > The national ANTaR Respect Campaign 2009, to promote relationships between Indigenous and non-Indigenous Australians, was launched at UTS.
- > Two academic internships for Indigenous students were established.
- > UTS hosted part two of the Australian Technology Network of Universities Women's Executive Development and assumed coordination of the program.
- > A forum on improving the participation and success of low SES students was held at UTS.
- > A new UTS Disability Action Plan was endorsed, and will be launched in 2010.
- > Representation of female academic staff, Indigenous staff and staff with a language background other than English improved.

- > The Equity and Diversity Unit played a major role in organising the biennial Equal Opportunity Practitioners in Higher Education Association Conference: 'Excellence for All: Social Inclusion in Higher Education', attended by over 230 practitioners and researchers.

2009 awards and recognition

- > UTS Vice-Chancellor Professor Ross Milbourne was named the Leading CEO for the Advancement of Women in the EOWA Business Achievement Awards.
- > UTS was again recognised as a Best Practice Employer of Choice for Women in the EOWA Business Achievement Awards.
- > The Commonwealth Rehabilitation Service (CRS) Hall of Fame Award recognised our long-term commitment to helping people with disabilities re-enter the workforce through the CRS short-term placement program.
- > UTS employee Dr Elysabeth Leigh received the CRS Champion Award for her outstanding commitment to providing employment and support to people with a disability.
- > UTS was a finalist in the national Diversity@Work Awards Employment and Inclusion of People with a Disability category.

Staff equity

Women

Women currently represent 44 per cent of academic staff at UTS; up from 42.6 per cent in 2008. There have been sustained positive trends in the representation of women in the more senior academic levels over the past five years, with women constituting 42.1 per cent of senior lecturers (37 per cent in 2005), 36.7 per cent of associate professors (34 per cent in 2005) and 33.6 per cent of professors (25.5 per cent in 2005).

Women currently comprise 58 per cent of general staff. The proportion of women employed in senior general staff positions has increased to 38.1 per cent (34 per cent in 2005). However, women's underrepresentation in senior administrative positions is still an equity issue.

Various activities to promote gender equity took place throughout the year.

Early career women researchers' network

This network runs professional development sessions to promote academic research participation and opportunities for women. The sessions covered a range of topics, including planning a research career and balancing families and research, and facilitators included the Deputy Vice-Chancellor and Vice-President (Research). These sessions proved so successful that participants are now organising their own additional networking meetings.

Mentoring for academic promotion program

This program focuses on promotion of women to the professoriate through workshops providing strategic and practical information and advice. Twenty-two female academics attended this program in 2009.

Australian Technology Network of Universities Women's Executive Development

The university hosted part two of the Australian Technology Network of Universities (ATN) Women's Executive Development (WEXDEV): a program that offers senior executive placement opportunities. Both the current chair of the WEXDEV committee and the national coordinator are based at UTS. 2009 also saw the finalisation of the ATN leadership shadowing program pilot.

Women@UTS program

In addition to the highly popular Future Pathways: Career Development Program for female support staff, and regular networking activities, community-building initiatives were a strong feature of the 2009 Women@UTS program year, attracting a host of attendees.

Prominent guests spoke on women's issues at various events, including Dr Dawn Casey, Director of the Powerhouse Museum; Federal Sex Discrimination Commissioner from the Australian Human Rights Commission, Elizabeth Broderick; and Associate Professor Marion Baird who gave the 2009 Clare Burton Memorial Lecture.

A major review of the Women@UTS program was undertaken during 2009, involving detailed faculty and university-wide data collection and targeted focus groups with female academic and support staff. The review findings will be released and recommendations assessed and implemented during 2010.

Indigenous people

Wingara, the UTS Indigenous employment and recruitment strategy, continued, and a six-month career coaching program to support career planning and progression for the university's Indigenous employees was launched. The UTS Indigenous staff network and the Indigenous women's network each met three times during the year.

Offered in partnership with the University Graduate School and faculties, two new academic internships were created for Indigenous students to undertake a PhD while gaining experience in teaching and working in an academic environment. The internships provide an annual income of \$40,000 to \$45,000.

On the reconciliation front, the Vice-Chancellor hosted an event marking the anniversary of the Apology to the Stolen Generations.

The national ANTaR Respect Campaign 2009 was also launched at UTS, in partnership with Australians for Native Title and Reconciliation and The Body Shop. This campaign aims to increase awareness and promote social justice for Indigenous Australians, among young people in particular. The launch was supported by the UTS Union and Co-op Bookshop and consisted of special guest speakers and a young Aboriginal hip-hop group.

The Equity and Diversity Unit also ran Aboriginal and Torres Strait Islander awareness sessions for university staff during the year.

People with disabilities

New Disability Action Plan

A comprehensive new UTS Disability Action Plan, addressing the needs of both students and staff with a disability, was endorsed in 2009. The plan will be officially launched by Professor Ron McCallum, AO, Rapporteur to the United Nations Disabilities Convention in March 2010.

Disability Action Plan Committee activities

The Disability Action Plan Committee was active in using the feedback and data from the 2008 student survey to inform policy and service delivery, working with faculties and student centres. The committee also provided information to assist academic staff in providing reasonable accommodations for students with disabilities.

Accessible environments advisory group

The UTS accessible environments advisory group devised a strategy and communication plan to ensure the UTS built environment is accessible for people with disabilities. This consideration is now embedded in future building plans.

Disability awareness training

Five mental health awareness workshops, attended by over 50 staff, were run throughout the year; while 40 staff members attended two five-session courses promoting an awareness and understanding of deaf culture.

Disability employment initiatives

Disability employment initiatives continued in 2009, including two UTS-conducted disability employment workshops, attended by 26 UTS managers and supervisors. The workshops assist managers to improve the representation and retention of staff with disabilities in their work areas.

In partnership with the Commonwealth Rehabilitation Service (CRS), the university also continued its successful work training placement program for people with disabilities. The aim of the program is to provide relevant work experience and references to enable people with disabilities to compete for advertised positions both within the university and in the wider workforce.

Workplace disability fund

The university continued to provide funds for workplace adjustment through the workplace disability fund. Provided by the Equity and Diversity Unit, this funding allows for workplace adjustments to assist staff with disabilities to effectively perform the inherent requirements of their job. Funding covers the cost of equipment or adjustments up to \$2000 for any individual staff member within a 12-month period.

Disability projects fund

This additional fund allocates resources, raised through parking fines incurred by non-eligible vehicles parking in designated accessible parking spaces, to areas of need for students with disabilities. In 2009, among other projects, the fund supported the development of a website for students with disabilities — UTS AccessAbility <http://accessability.uts.edu.au> — which provides information on a wide range of topics relevant to student life, as well as support services and networking opportunities.

Disability employment awards and recognition

UTS enjoyed external recognition for its work in disability employment performance and continuing educational initiatives among staff. We received a CRS Hall of Fame Award, a CRS Champion Award for UTS employee Dr Elysebeth Leigh and were nominated as a finalist in the Employment and Inclusion of People with a Disability category of the national Diversity@Work Awards.

Multicultural policies and services

To assist the university in meeting its legislative requirements and maintaining its focus on implementing policies and services that engage with multiculturalism in the broader community, a new multicultural policies and services plan (to replace the Ethnic Affairs Priority Statement) was in development during 2009.

In addition to the development of the new plan, activities to promote an inclusive and supportive environment for all cultural groups continued throughout 2009.

The UTS parents' guide in community languages

The UTS Parents' Guide to University provides information to parents of high school students who are first in their families to attend university. The guide is available in hard copy and from the UTS website and has been translated into three community languages: Arabic, Chinese and Vietnamese. Community liaison and partnership officers working with the New South Wales Department of Education and Training have received training on how to use the guide and the guides have been distributed to families participating in The Smith Family's Learning for Life program.

UTS refugee admission scheme

The university continues to work with community organisations to help meet university education needs of refugees. The nationally recognised UTS refugee admission scheme supports university applicants with a refugee background by providing fee exemption scholarships. UTS also provides an alternative assessment for permanent resident refugees who are unable to provide documentation of their past education due to their refugee circumstances.

Cultural awareness and events

In 2009, the university, through the Student Services Unit, the UTS Union and the Students' Association, held a range of cultural events and awareness-raising activities, including Infusion, a public festival celebrating cultural diversity through music, dance, food and education, and the Students Against Racism and Hatred Campaign event coordinated by the ethno-cultural collective of the Students' Association.

Another activity that continued in 2009 was the UTS Network Café, which provides a weekly opportunity for new international students to meet and socialise with local students, helping to build a supportive social and learning network for new students and contributing to cultural exchange.

English language and communication project

A communication project working group, chaired by the Deputy Vice-Chancellor and Vice-President (Teaching, Learning and Equity), is implementing a systematic approach to ensure that all UTS students have the necessary academic English language ability to complete their studies.

The ELSSA centre received funding to pilot an English language and communication project involving a post-enrolment language assessment of a sample of UTS students. This project will inform the development and introduction of educational strategies aimed at improving all students' written and oral communication skills, helping to strengthen what we regard as a key graduate attribute of UTS students.

Cultural diversity leadership project

In 2009 we conducted a pilot cultural diversity leadership training course for student leaders, with the aim of building the capacities of current students to create a more inclusive community. The project aims to understand students' experiences of living and studying in a multicultural environment.

Student equity

In 2009 the priority area for student equity is increasing representation of low SES students through the widening participation strategy. In 2010, this strategy will replace the Student Equity Strategy 2005–2009.

The aims of the Student Equity Strategy 2005–2009 are to build the access and participation rates of student equity groups to those comparable with their representation in the wider community and ensure that their retention and success rates are equivalent to those of the general UTS student population.

Executed through a broad range of university-wide programs and initiatives, the strategy addresses four key areas essential to widening participation: outreach, access, success and inclusive community.

Highlights of each area's achievements for 2009 are summarised below. More detailed information on student equity groups can be found in the Equity Reference Group 2009 Annual Report to Council.

Outreach activities

The aim of our on-campus and school visit programs is to raise aspiration for higher education in students. The university works with principals, career advisers, community groups and the New South Wales Department of Education and Training in running these activities.

In 2009 key outreach activities included:

- > U@UTS, a one-day university 'taster', attended by 180 year 10 students
- > the 'Make it Reel' cineliteracy summer school program attended by students from 10 priority funded high schools
- > gender-oriented hands-on days run in the faculties of Engineering and Information Technology, and Science, which over 100 girls from secondary schools, including a number from rural schools, attended
- > in partnership with the Country Education Foundation of Australia, 20 year 10 regional high school students attended the annual U@UTS Day, toured university accommodation and spent an extra day touring Sydney. A further 15 female students from country high schools attended the 'Girls in Science' hands-on day in November.

Access initiatives

In 2009, the university undertook a number of access initiatives and programs that focused on widening participation at university.

Increasing market share from low SES areas
This quantitative and qualitative survey evaluated factors influencing the representation of low SES students and other disadvantaged groups at UTS. It was supported by responses from over 3000 UTS students and 11 focus groups at disadvantaged high schools. A draft report released in December 2009 proposed strategies to increase participation of low SES students and other groups. This will be followed up in 2010.

UTS widening participation forum
At this November 2009 forum, 75 key UTS stakeholders were presented with the most recent sector-wide and UTS-specific research into low SES participation in higher education, and special interest groups were formed to support continuing UTS strategic development.

inpUTS educational access scheme
This scheme is open to current and non-current school leavers who demonstrate educational disadvantage and have never enrolled in university-level study. Eligible applicants receive a concession on standard entry for UTS courses. Enrolments have increased significantly since 2006, when UTS expanded the eligibility pool to include students attending priority funded schools and country area program schools, enabling UTS to achieve its inpUTS target of 10 per cent commencing undergraduate places.

UTS special admission scheme
The UTS special admission scheme is open to non-current school leavers (and some current school leavers) who demonstrate educational disadvantage, refugee status, or who are elite athletes/performers. Eligible applicants receive a concession on standard entry for UTS courses.

Access scheme	2006	2007	2008	2009
inpUTS (concession entry)	343	523	591	631
Educational disadvantage	25	19	33	38
Elite athlete and performers	17	22	21	39
Refugees	13	7	9	10
Temporary Protection Visa refugee scholarships	3	3	3	3

Supportive and successful environment

Our strategies to boost students' success include offering personal, academic and financial support. In 2009, UTS provided or administered financial support of nearly \$500,000 through the following equity scholarships.

- > Commonwealth Scholarships valued at between \$2000 and \$4000 for students in receipt of Centrelink benefits. (Approximately 200 new Commonwealth Scholarships have been awarded annually since 2005.)
- > UTS Diversity Access Scholarships valued at between \$1000 and \$4000 for students demonstrating financial hardship were awarded to 424 students in 2009.
- > UTS Equity Grant Fund to assist students in severe financial hardship was valued at \$150,000 in 2009, and is administered by the Student Services Unit.

In addition, UTS continues to offer individual equity scholarships that are discipline specific or related to specific cohorts of students, for example, Indigenous students.

Inclusive community

To foster an inclusive community, UTS implements programs and activities that enrich the university environment, enabling students from diverse backgrounds to thrive.

Further information is provided on the following page under 'Inclusive community for staff and students'.

Equity outcomes

An overview of the outcomes of UTS's equity performance among low SES undergraduates from 2005 to 2009 is provided below.

Access, participation, success and attrition for low SES students

- > access — increased from 9.9 per cent in 2005 to 10.9 per cent of the student body in 2009
- > participation — increased from 9.8 per cent in 2005 to 10.6 per cent in 2009. (The metropolitan location of UTS means that low SES representation remains below the national average of 16 per cent (the national rate is based on Department of Education, Employment and Workplace Relations data, which currently combines undergraduate and postgraduate data))
- > success — slightly lower than the success rate of all other students, at 88.7 per cent compared to 91.3 per cent in 2008
- > attrition — almost on par with all other students at 4.7 per cent in 2009.

Inclusive community for staff and students Shouts 'Sex-based harassment out of UTS' project

SHOUTS is a three-year campaign to improve awareness of rights and responsibilities in relation to sex-based and other forms of harassment at UTS. Work in this area continued in 2009, with an online training program made available and the promotion of the SHOUTS video online.

Ally Program

In 2009 the Ally Program continued to support sexual diversity and address homophobia on campus via a network of UTS staff who are trained as 'allies', available to offer confidential support and assistance to staff and students.

Gender equity in non-traditional fields of study

In 2009, grants of up to \$15,000 were available to faculties where female representation is less than 40 per cent to assist them in promoting gender equity in non-traditional fields of study. Projects were initiated in the Faculty of Engineering and Information Technology and the Faculty of Science.

Outlook and priorities for 2010

In line with the federal government's agenda and UTS strategic priorities for 2010, the Equity and Diversity Unit will focus its resources on the following areas in 2010:

- > improving the access, participation, success and attrition of low SES students in higher education by developing and implementing an integrated, cross-university widening participation strategy
- > developing joint outreach initiatives with other Sydney basin universities to raise awareness and increase aspirations for higher education among younger school students, parents and mature aged people. In early 2010 a forum bringing together universities, schools and the New South Wales Department of Education and Training will aid further development of these partnerships to raise awareness of higher education opportunities among low SES communities
- > improving the numbers of, and career prospects for, Indigenous Australians in both academic and general staff positions; and increasing the numbers of senior women and women's participation in 'non-traditional areas' of science, engineering and information technology, through the development of a coordinated equity and diversity employment strategy
- > providing a more inclusive environment for staff and students with disabilities and meeting statutory requirements through the new UTS Disability Action Plan 2010–2013
- > facilitating the speedy and effective resolution of complaints and building continuous improvement into policies and practices through review of current equity-related complaints processes, in collaboration with other university services
- > increasing the effectiveness and relevance of UTS's equity and diversity goals by working in close coordination with other areas of the university in the planning, development and implementation of programs and services for staff and students
- > enhancing the community reputation of UTS as a 'socially inclusive' university through the 2010 UTS Human Rights Awards, which recognise and reward the significant contributions of UTS staff and students towards creating a socially and environmentally sustainable world, with social justice and respect for diversity at its heart.

APPENDIX C1

Privacy at UTS

The university respects the privacy of each individual's personal and health information and is committed to protecting the information it holds and uses about all individuals. The university is bound by the 12 information protection principles contained within the *Privacy and Personal Information Protection Act 1998* (NSW). This Act covers the university in relation to personal information on or after 1 July 2000, and health information on or after 1 July 2000 until 1 September 2004. The university is also bound by the 15 health privacy principles contained within the *Health Records and Information Protection Act 2002* (NSW). This Act covers the university in relation to health information on or after 1 September 2004.

Privacy Management Plan

Under the *Privacy and Personal Information Protection Act 1998* the university is required to develop and implement a Privacy Management Plan. The plan is a statement of how we comply, or intend to comply, with the abovementioned acts. The plan includes provisions for policies and practices to ensure compliance, information and training programs for staff and procedures on the university's internal review process. The Privacy Management Plan has been lodged with the NSW Privacy Commissioner.

The UTS Privacy Management Plan is currently under review as part of an overall review of the university's privacy framework.

Privacy complaints

During 2009, two privacy complaints were received by the university. One of these complaints was referred back to the university for consideration by the Administrative Decisions Tribunal. Both of these complaints were subject to internal review under the *Privacy and Personal Information Protection Act 1998* and the reviews were completed in line with the legislative obligations.

APPENDIX C2

Freedom of information

In accordance with the *Freedom of Information Act 1989* (NSW), the university published a Summary of Affairs in June and December 2009 in the *New South Wales Government Gazette*. The university also published a Statement of Affairs in December 2009. Both documents are available on the university's FOI website and copies are also available from the university's FOI contact officer.

Freedom of information application statistics

The following statistics are provided in accordance with the Freedom of Information Act and the *Annual Reports (Statutory Bodies) Act 1984* (NSW).

Section A: new FOI requests

FOI request received, discontinued or completed		Number of FOI applications					
		Personal		Other		Total	
		2008	2009	2008	2009	2008	2009
A1	New	3	3	-	3	3	6
A2	Brought forward	-	-	-	-	-	-
A3	Total to be processed	3	3	-	3	3	6
A4	Completed	2	3	-	3	2	6
A5	Discontinued	1	-	-	-	1	-
A6	Total processed	3	3	-	3	3	6
A7	Unfinished (carried forward)	-	-	-	-	-	-

Section B: discontinued applications

Why were FOI applications discontinued?		Number of discontinued FOI applications					
		Personal		Other		Total	
		2008	2009	2008	2009	2008	2009
B1	Request transferred to another agency (s 20)	-	-	-	-	-	-
B2	Applicant withdrew request	1	-	-	-	1	-
B3	Applicant failed to pay advanced deposit (s 22)	-	-	-	-	-	-
B4	Applicant failed to amend request that would have been an unreasonable diversion of resources to complete (s 25(1)(a1))	-	-	-	-	-	-
B5	Total discontinued	1	-	-	-	1	-

Section C: completed applications

What happened to completed FOI applications?		Number of completed FOI applications					
		Personal		Other		Total	
		2008	2009	2008	2009	2008	2009
C1	Granted or otherwise available in full	-	2	-	2	-	4
C2	Granted or otherwise available in part	1	1	-	1	1	3
C3	Refused	-	-	-	-	-	-
C4	No documents held	1	-	-	-	1	-
C5	Total completed	2	3	-	3	2	6

Freedom of information (continued)

Section D: applications granted or otherwise available in full

How were the documents made available to the applicant?		Number of FOI applications (granted or otherwise available in full)					
		Personal		Other		Total	
		2008	2009	2008	2009	2008	2009
D1	Provided to the applicant	-	2	-	2	-	4
D2	Provided to the applicant's medical practitioner	-	-	-	-	-	-
D3	Available for inspection	-	-	-	-	-	-
D4	Available for purchase	-	-	-	-	-	-
D5	Library material	-	-	-	-	-	-
D6	Subject to deferred access	-	-	-	-	-	-
D7	Available by a combination of any of the reasons listed in D1-D6 above	-	-	-	-	-	0
D8	Total granted or otherwise available in full	0	2	0	2	0	4

Section E: applications granted or otherwise available in part

How were the documents made available to the applicant?		Number of FOI applications (granted or otherwise available in part)					
		Personal		Other		Total	
		2008	2009	2008	2009	2008	2009
E1	Provided to the applicant	1	1	1	1	1	2
E2	Provided to the applicant's medical practitioner	-	-	-	-	-	-
E3	Available for inspection	-	-	-	-	-	-
E4	Available for purchase	-	-	-	-	-	-
E5	Library material	-	-	-	-	-	-
E6	Subject to deferred access	-	-	-	-	-	-
E7	Available by a combination of any of the reasons listed in E1-E6 above	-	-	-	-	-	0
E8	Total granted or otherwise available in part	1	1	0	1	1	2

Section F: refused FOI applications

Why was access to the documents refused?		Number of refused FOI applications					
		Personal		Other		Total	
		2008	2009	2008	2009	2008	2009
F1	Exempt	-	-	-	-	-	-
F2	Deemed refusal	-	-	-	-	-	-
F3	Total refused	-	-	-	-	-	-

Section G: exempt documents

Why were the documents classified as exempt? (identify one reason only)	Number of FOI applications (refused or access granted or otherwise available in part only)					
	Personal		Other		Total	
	2008	2009	2008	2009	2008	2009
<i>Restricted documents:</i>						
G1 Cabinet documents (c 1)	-	-	-	-	-	-
G2 Executive Council documents (c 2)	-	-	-	-	-	-
G3 Documents affecting law enforcement and public safety (c 4)	-	-	-	-	-	-
G4 Documents affecting counter terrorism measures (c 4a)	-	-	-	-	-	-
<i>Documents requiring consultation:</i>						
G5 Documents affecting intergovernmental relations (c 5)	-	-	-	-	-	-
G6 Documents affecting personal affairs (c 6)	1	1	-	1	1	2
G7 Documents affecting business affairs (c 7)	-	-	-	-	-	-
G8 Documents affecting the conduct of research (c 8)	-	-	-	-	-	-
<i>Documents otherwise exempt:</i>						
G9 Schedule 2 exempt agency	-	-	-	-	-	-
G10 Documents containing information confidential to Olympic Committees (c 22)	-	-	-	-	-	-
G11 Documents relating to threatened species, Aboriginal objects or Aboriginal places (c 23)	-	-	-	-	-	-
G12 Documents relating to threatened species conservation (c 24)	-	-	-	-	-	-
G13 Plans of management containing information of Aboriginal significance (c 25)	-	-	-	-	-	-
G14 Private documents in public library collections (c 19)	-	-	-	-	-	-
G15 Documents relating to judicial functions (c 11)	-	-	-	-	-	-
G16 Documents subject to contempt (c 17)	-	-	-	-	-	-
G17 Documents arising out of companies' and securities' legislation (c 18)	-	-	-	-	-	-
G18 Exempt documents under interstate FOI legislation (c 21)	-	-	-	-	-	-
G19 Documents subject to legal professional privilege (c 10)	-	-	-	-	-	-
G20 Documents containing confidential material (c 13)	-	-	-	-	-	-
G21 Documents subject to secrecy provisions (c 12)	-	-	-	-	-	-
G22 Documents affecting the economy of the state (c 14)	-	-	-	-	-	-
G23 Documents affecting financial or property interests of the state or an agency (c 15)	-	-	-	-	-	-
G24 Documents concerning operations of agencies (c 16)	-	-	-	-	-	-
G25 Internal working documents (c 9)	-	-	-	-	-	-
G26 Other exemptions (eg: c 20, 22a and 26)	-	-	-	-	-	-
G27 Total applications including exempt documents	1	1	-	1	1	2

Section H: ministerial certificates

How many ministerial certificates were issued?	Number	
	2008	2009
H1 Ministerial certificates issued (s 59)	-	-

Freedom of information (continued)

Section I: formal consultations

How many formal consultations were conducted?		Number	
		2008	2009
I1	Number of applications requiring formal consultation	1	2
I2	Number of persons formally consulted	4	3

Section J: amendment of personal records

How many applications for amendment of personal records were agreed or refused?		Number	
		2008	2009
J1	Agreed in full	-	1
J2	Agreed in part	-	-
J3	Refused	-	-
J4	Total	-	1

Section K: notation of personal records

How many applications for notation of personal records were made?		Number	
		2008	2009
K1	Applications for notation (s 46)	-	-

Section L: fees and costs

What fees were assessed and received for FOI applications processed (excluding applications transferred out)		Assessed costs		Fees received	
		2008	2009	2008	2009
L1	All completed applications	\$300	\$510	\$60	\$150

Section M: fee discounts

How many fee waivers or discounts were allowed and why?		Number of FOI applications (where fees were waived or discounted)					
		Personal		Other		Total	
		2008	2009	2008	2009	2008	2009
M1	Processing fees waived in full	1	1	-	-	1	1
M2	Public interest discounts	-	-	-	-	-	-
M3	Financial hardship discounts — pensioner/child	-	-	-	-	-	-
M4	Financial hardship discounts — non-profit organisation	-	-	-	-	-	-
M5	Total	-	1	-	-	1	1

Section N: fee refunds

How many fee refunds were granted as a result of significant correction of personal records?		Number	
		2008	2009
N1	Number of fee refunds were granted as a result of significant correction of personal records	-	-

Section O: days taken to complete request

How long did it take to process completed applications?		Number of completed FOI applications					
		Personal		Other		Total	
		2008	2009	2008	2009	2008	2009
O1	0–21 days — statutory determination period	1	3	–	3	1	6
O2	22–35 days — extended statutory determination period for consultation or retrieval of archived records (s 59B)	1	–	–	–	1	–
O3	Over 21 days — deemed refusal where no extended determination period applies	–	–	–	–	–	–
O4	Over 35 days — deemed refusal where no extended determination period applies	–	–	–	–	–	–
O5	Total	–	3	–	3	–	6

Section P: processing time

How long did it take to process completed applications?		Number of completed FOI applications					
		Personal		Other		Total	
		2008	2009	2008	2009	2008	2009
P1	0–10 hours	1	3	–	3	1	6
P2	11–20 hours	–	–	–	–	–	–
P3	21–40 hours	1	–	–	–	1	–
P4	Over 40 hours	–	–	–	–	–	–
P5	Total	–	3	–	3	–	6

Section Q: number of reviews

How many reviews were finalised?		Number of completed reviews	
		2008	2009
Q1	Internal reviews	–	–
Q2	NSW Ombudsman reviews	–	–
Q3	Administrative Decisions Tribunal reviews	–	–

Section R: what were the results of internal reviews finalised?

Grounds on which internal review was requested		Number of internal reviews					
		Personal		Other		Total	
		Original agency decision upheld	Original agency decision variety	Original agency decision upheld	Original agency decision variety	Original agency decision upheld	Original agency decision variety
R1	Access refused	–	–	–	–	–	–
R2	Access deferred	–	–	–	–	–	–
R3	Exempt matter deleted from documents	–	–	–	–	–	–
R4	Unreasonable charges	–	–	–	–	–	–
R5	Failure to consult with third parties	–	–	–	–	–	–
R6	Third party views disregarded	–	–	–	–	–	–
R7	Amendment of personal records refused	–	–	–	–	–	–
R8	Total	–	–	–	–	–	–

APPENDIX C3

Publications and promotion

We print a range of publications, including brochures, magazines and course and student guides, and maintain a comprehensive website.

Audiences for these publications range from students (prospective and current) to parents, alumni, staff, government (and associated agencies), industry, media and other universities (domestic and overseas).

The Governance Support Unit, one of the main publishing units of the university, produces a range of official annual publications.

- > The *UTS Annual Report* comprehensively covers the university's operations and strategy for the preceding calendar year. It is published in April each year principally for the New South Wales Government.
- > The *UTS: Calendar* provides an annual overview of the primary legislation and rules applying to UTS, explains the university's organisational structure and provides general information about the services and facilities of the university.
- > The *UTS: Handbook* lists every course and subject in detail as well as relevant information about studying at UTS.
- > The *Statement of Affairs* contains a description of the university's structure, policies and functions, and the ways in which these affect members of the public, as well as types of documents held by UTS and how the public can access them and seek amendments to records concerning them. A *Summary of Affairs* is produced in June and December each year with a list of current UTS policies and manuals.

Most, but not all, unofficial publications, such as brochures and magazines, are produced by the Marketing and Communication Unit. These publications are created for the university's prospective student audiences.

Marketing publications include the *UTS Undergraduate Guide* and accompanying faculty course guides, postgraduate faculty course guides, *U@Uni*, *International Undergraduate Student Prospectus*, *International Postgraduate Student Prospectus* and the *Study Abroad Prospectus*. MCU also produces *U: magazine*, which is published for staff, students and members of the external community. *U:* is produced eight times a year (monthly during teaching periods).

Alumni maintain contact with the university's alumni through *TOWER*, a bi-annual magazine that was launched in 2009.

Most of the publications listed above are available on the UTS website: www.uts.edu.au

APPENDIX C4

Guarantee of service

UTS is a university with an international reputation for quality programs and flexible learning. UTS standards for the provision of services are provided through formal policies, guidelines, rules and codes of conduct. Copies of these are available in either hardcopy or from the UTS website: www.uts.edu.au

UTS develops and regularly revises its programs of study in consultation with appropriate industry, government and professional bodies so that its degrees can be based on the latest professional standards and current practices. Our courses reflect our commitment to providing a relevant education to students. This includes flexible and practice-oriented modes of learning and the ongoing internationalisation of the curriculum.

UTS also aims to ensure the diverse nature of Australian society is reflected in its employment and education. The university integrates equal opportunity and affirmative action principles within its decisions and operations.

We are committed to continuously tracking and improving the quality of both our core activities (teaching, learning, research, external engagement) and the infrastructure and administrative and support systems that underpin them. In 2009, we began a project to map out and review the key processes that deliver services and outcomes to students and external stakeholders. A number of specific policy reviews were also undertaken, which will streamline and improve the delivery of services to students.

The Planning and Quality Unit is responsible for tracking the overall performance of the university and individual faculties via a range of interrelated reporting mechanisms such as student and graduate surveys, Key Performance Indicators and the Course Performance Report. The results of all performance elements are fed into the UTS continuous improvement cycle — plan, do, review, improve.

The unit is continually working with faculties and other support units to strengthen and streamline existing tracking mechanisms and to develop new mechanisms to provide a more complete assessment of how well the university is delivering its vision and objectives.

APPENDIX D1

Consultants

The university paid \$20.213 million for external consulting services in 2009, of which \$6.188 million was for capital works. A total of \$4.350 million was paid for consultancies consisting individually of less than \$30,000.

Payments in excess of \$30,000 totalled \$15,862,588.94 and are listed below.

Company	Category	Project	\$
LTC Language & Testing Consultants Pty Ltd	language testing	language proficiency tests	1,739,809.62
Gehry Partners LLP	architecture	Dairy Farmers building	999,999.99
UXC Performance Management Pty Ltd	software developer	Curriculum and Student Systems Ci upgrade (implementation)	651,836.40
Uniquist Pty Limited	research	CRB projects Uniquist Mic D account	536,617.87
Talisma Corporation Pty Ltd	software developer	customer relationship management system	412,812.00
PricewaterhouseCoopers	student accommodation	student accommodation expression of interest	305,446.67
Department of Planning	environmental planning	City campus masterplan design	297,966.64
D Ionita & AB Skinner t/a Lean Six Sigma & Business Excellence Institute	course facilitation	short courses	294,815.00
University of South Australia	research	research project: Professor White 'The Intelligent Grid in a New Housing Complex'	286,691.08
Peddle Thorp & Walker Pty Limited: PTW Architects	architecture	multipurpose sports hall project initial design	285,000.00
The Trustee for Gardner Wetherill Unit Trust t/a Gardner Wetherill & Associates Pty Limited	architecture	Facilities Management Unit various projects	273,856.50
Burtenshaw Scoufis Architecture Pty Ltd	architecture	research facilities in Faculty of Engineering and Information Technology and Faculty of Science Microstructural Analysis Unit, CB04.1, refurbish Central Stores	266,595.63
Tzannes Associates Pty Limited	architecture	relocate UTS Function Centre CB01 to CB10.7, Faculty of Design, Architecture and Building design studio works CB06, various other Facilities Management Unit projects	245,769.58
Jungleboys Pty Ltd	business consulting	faculty magazine and microsite	200,963.84
Regal Information Technology Pty Ltd	business consulting	Curriculum and Student Systems Ci upgrade (implementation)	199,740.00
Pureprofile Pty Limited	research	public preference feasibility: Professor Louviere	198,124.30
Phoenix IT & T Consulting Pty Limited	business consulting	finance report and forecast project and other various projects	179,400.00
Patch Solutions Pty Ltd	software developer	compensation workbench	176,200.00
Oppeus Pty Limited	business consulting	strategic leadership advisers	174,426.24
Meleina Pty Limited t/a Ekas Marketing Research Services	research	application of discrete: Associate Professor Viney	173,917.00
The Trustee for Phillips KPA Unit Trust	business consulting	support institutional leaders and senior managers	169,274.77
David Scott	contractor	faculty magazine and microsite	168,180.00
Meteora Consulting Group Pty Limited	project management	Centre for Study of Choice tier 1	166,436.48
Clarkson ITT Pty Limited	course facilitation	short courses	157,045.98
2nd Road Pty Ltd	business consulting	Faculty of Business and Faculty of Design, Architecture and Building deans' discretionary fund	154,585.10

Consultants (continued)

Company	Category	Project	\$
Inspirative Pty Ltd	business consulting	Curriculum and Student Systems Ci upgrade (implementation)	149,700.00
X.OP Pty Ltd t/a Exploring Opportunities	software developer	website design	140,545.00
Zarzov Brothers Pty Ltd t/a Northedge Consulting	project consulting	Broadway building, podium CB01/CB02 initial design	139,872.00
Safety Adventure Forensic Engineering Pty Ltd	course development	Faculty of Engineering and Information Technology — playground engineering	139,865.25
The University of Queensland	research	research: Professor Edwards, Asia-Pacific Futures Research Network	132,000.00
Minter Ellison t/a Minter Ellison Lawyers	legal consulting	student accommodation expression of interest	127,027.55
The Mosentric Group Pty Ltd	project consulting	strategic procurement plan	125,200.00
Solution Impact Pty Ltd	research	various Motorola research projects	117,949.99
Changedrivers Pty Ltd	business consulting	Microsoft Office SharePoint services	117,013.26
JBA Urban Planning Consultants Pty Ltd	planning consulting	City campus masterplan design	115,297.01
WHP Architects Pty Ltd	architecture	Broadway building initial design	114,744.50
Blackbaud Pacific Pty Ltd	business consulting	contract management system (PACE CRM)	113,988.00
Technology One Limited	software developer	Curriculum and Student Systems Ci upgrade (implementation)	106,661.76
Melissa Irene Gibbs t/a Gibbs Consulting	course facilitation	Centre for Local Government projects	102,479.01
Colliers International Consultancy & Valuation Pty Limited	asset valuation	asset valuation	100,000.00
CA (Pacific) Pty Ltd t/a Computer Associates Pty Ltd	business consulting	service desk review (improvement)	99,400.00
AMR Interactive Pty Ltd t/a Australia Market Research Pty Ltd	market research	various research projects	95,000.00
Aurecon Australia Pty Ltd	mechanical engineer	relocating UTS function centre CB01 to CB10.7	90,875.00
Trustee for the Denvic Trust t/a 4C Recruitment Solutions	project management	upgrade of clinical laboratories, Kuring-gai campus	88,872.00
Gail Patricia Bradford t/a Gail Bradford	research	various research projects	88,768.40
Gavin Anderson & Company (Australia) Ltd	business consulting	Faculty of Business dean's discretionary fund	87,962.00
M Andrew and G Wilson t/a KPMG	financial reviewing	financial review of UTS Haberfield Club	87,341.64
Agility Consulting	software developer	business intelligence phase 1 dashboard projects	85,479.00
VOS Group Trust	mechanical engineer	multipurpose sports hall projects initial design	82,900.00
Global Philanthropic Pty Ltd	business consulting	strategic advice for Development Office	81,876.45
Business Essentials (Australasia) Pty Ltd t/a Edge Custom Media	publishing	faculty magazine and microsite	80,417.00
Michael Leopold Hanley t/a Mike Hanley	website developer	faculty magazine and microsite	80,386.07
Dimension Data Australia Pty Ltd	computer engineering	data storage project	80,330.00
Bligh Voller Nield Pty Limited	architecture	Broadway building initial design, City campus masterplan	79,054.55
Currie & Brown (Australia) Pty Ltd t/a Currie & Brown	cost planner	proposed Faculty of Design, Architecture and Building workshop expansion, relocation and refurbishment CB06.2 and other various projects	77,815.50

Company	Category	Project	\$
accessUTS Pty Limited	course facilitation	short courses consulting	74,381.82
Willana Trust t/a Willana Associates	project management	contractor working for Facilities Management Unit (various projects)	74,305.00
International Conferences & Events (Australia) Pty Ltd t/a ICE Australia	conference management	world conference on women and sports 2010	74,227.06
Curtin University of Technology	research	research project: Professor White 'Intelligent Grid Social Impact'	73,877.27
Bass, Martin t/a Bass Martin	course facilitation	Centre for Local Government projects	71,974.10
Greythorn Pty Ltd	contractor	science contractor	71,086.56
Trustee for Taylor Thomson Whitting NSW Trust t/a Taylor Thomson Whitting NSW Trust	structural engineer	relocation of UTS function centre from CB01 to CB10.7	70,200.00
Trustee for Chelliah Karunaharan Family Trust t/a Webster Wagner Engineering	electrical engineer	Facilities Management Unit various projects	70,114.41
Inform Pty Ltd	business consulting	workforce planning	70,091.09
Halcrow Pacific Pty Ltd	project consulting	City campus masterplan design	67,531.25
Howard, Michael J	contractor — software consulting	extending Sparkplus to complete learning cycle	67,000.00
Corporate Executive Board	business consulting	IT benchmark services	66,458.27
The Happiness Institute Services Pty Ltd	course facilitation	Executive Certificate in Positive Psychology Coaching	65,899.50
Webworld Holdings Pty Ltd	software technician	constellar hub/SOA architecture	61,250.00
Prospect Research & Marketing Pty Ltd t/a Robert Lawrence & Associates	research	various research projects	60,812.50
Harbour IT Pty Ltd	project consulting	library exchange migration project	59,600.00
Alphawest Services Pty Ltd t/a Alpha West	software developer	Microsoft Office SharePoint services	59,400.00
Watermark Architecture & Interiors Pty Ltd	architecture	Faculty of Arts and Social Sciences associated works CB02.7 and relocation on CB10.5	58,780.00
Finney Lamb, Cathryn Elisabeth	business consulting	2008 carryover of Learning and Teaching Performance Fund	56,773.04
Fabgrove Pty Ltd t/a Wulworra Associates	project consulting	Faculty of Business dean's discretionary fund	56,745.63
SCP Consulting Pty Ltd	structural engineer	multipurpose sports hall project initial design	55,000.00
Chia Moan & Associates Pty Limited	course facilitation	short courses	54,675.00
Hoslab Pty Limited	project management	equipment for Faculty of Nursing, Midwifery and Health facilities at Kuring-gai campus	54,558.09
Aim Overseas Pty Ltd	business consulting	strategic funds for UTS International strategic program	53,360.00
Sense of Security Pty Limited	information technology	UTS email security	51,974.88
IBM Australia Ltd	project consulting	Curriculum and Student Systems Ci upgrade (implementation)	51,425.00
Green, Christine Valda t/a Research Assets	research	data collection support: Professor Gudergan	51,118.63
Brisbane City Council	research	integrated resource plan: Professor White	50,000.00
Arup Pty Limited t/a Ove Arup Pty Ltd	engineer	podium CB01/CB02 initial design, City campus masterplan design	49,712.50
The Hanover Research Council	research	various research projects	49,501.32

Consultants (continued)

Company	Category	Project	\$
Synergy Information Systems Pty Ltd	software developer	Timberline project accounting	49,205.00
SD Gibson & N Karlovasitis t/a Design by Them	research	research: Design Out Crime: Professor Dorst	49,117.57
Rutovitz, Jacqueline t/a Jay Rutovitz	research	various Institute for Sustainable Futures research projects	48,791.82
P & A Walsh Consulting Pty Ltd	course facilitation	Centre for Local Government projects	46,943.00
Alba National Pty Ltd	research	Motorola project (configuration): Professor Louviere	46,400.00
Wiggins, Danny Barry t/a Danny Wiggins	course facilitation	short courses	45,871.50
IT Governance Pty Limited	project management	project portfolio management process: IT Security Office	45,650.00
Bates Smart Pty Ltd	architecture	Broadway building initial design	45,454.55
Lacoste & Stevenson Architecture	architecture	Broadway building initial design	45,454.55
The Francis-Jones Trust & the Morehen Trust & The Thorp Trust t/a Francis-Jones Morehen Thorp	architecture	Broadway building initial design	45,454.55
The Trustee for DCM Trust t/a Denton Corker Marshall Pty Ltd ATF DCM Trust	architecture	Broadway building initial design	45,454.55
The Trustee for the Philip Cox & Partners Unit Trust	architecture	Broadway building initial design	45,454.55
The Trustee for the Parker Family Trust	research	Institute for Sustainable Futures research projects	44,300.00
William Heath & Trendak Pty Ltd t/a Blueplanet Solutions Group	software developer	Curriculum and Student Systems Ci upgrade (implementation)	44,183.45
Charter Link	business consulting	Kuring-gai expression of interest project	43,993.75
Gerard Paul Pty Limited	hydraulics engineer	Faculty of Business research hub, fitout of level 4, 645 Harris St, HR room refurbishment	43,700.00
The Trustee for Brewster Hjorth Unit Trust t/a Brewster Hjorth Architects	architecture	Building 6 podium cold shell	43,435.00
Qubix Pty Ltd	software consulting	Cognos EP phase 4	43,395.00
Taysols Pty Ltd	project management	budget, forecasting and reporting projects	42,800.00
Computer Frameworks Pty Ltd	software developer	infrastructure, documentation	42,450.00
Rawson East Pty Ltd	research	Paul Woolley Centre for Capital Market Dysfunctionality	42,423.65
Government Relations Australia Advisory Pty Ltd	business consulting	strategic advisory firm, public policy and government affairs	42,150.73
MIP (Aust) Pty Ltd	software developer	KAM extract load monitoring	42,000.00
Sydney Institute of Management Pty Ltd	training and performance management	capability development	41,840.91
Rajula Imports Pty Ltd	course facilitation	short courses	41,470.00
Graham Jahn Architects Pty Ltd t/a Jahn Associates Architects	architecture	Broadway building initial design	41,235.00
Voice Project Pty Ltd	organisational surveys	UTS staff survey	40,836.00
Lockenet Pty Ltd	research	Centre for Health Economics Research and Evaluation general research	40,349.00
Moorhouse, Frank Thomas	contractor	CAL writer-in-residence program	40,000.00

Company	Category	Project	\$
Oracle Corporation Australia Pty Ltd	software developer	Oracle systems	39,595.20
The Smith Paul & Partners Trust t/a Warren Smith & Partners	hydraulics engineer	multipurpose sports hall project initial design	39,184.10
BPM Analytical Empowerment Pty Ltd	software developer	spreadsheet modelling standards for MS Excel	39,025.00
Digital Garden Pty Ltd	research	research project: Professor Louviere 'Determining the Relative Importance to Wine Consumers to Sensory and Non-Sensory Attributes on Liking and Choice: A Cross-Cultural Study'	38,070.80
R & M Ramsay	research	Equity and Diversity Unit summer school	37,758.73
Traction Interactive Pty Ltd/Tribal DDB Sydney	market research	advertising management	37,291.25
Engtec Pty Ltd	electrical engineer	proposed Faculty of Design, Architecture and Building workshop expansion, relocation and refurbishment CB06.2	37,100.00
Ilemar Pty Ltd t/a Project Cost Planning	cost planner	relocate UTS function centre CB01 to CB10.7	36,265.00
Rowley, Susan Elizabeth	contractor	creative industries program	35,393.20
A & R Consulting Pty Ltd	course facilitation	short courses	35,050.00
Australian Broadcasting Corporation	research	Australian Literature Compendium: Dr Cole, Faculty of Arts and Social Sciences	35,000.00
Pacific Solutions Pty Ltd	research	research transcription services	34,819.69
Connell Wagner Pty Ltd	mechanical engineer	relocate UTS function centre CB01 to CB10.7	33,400.00
Academy Global Pty Ltd	course facilitation	short courses	33,379.70
L Peck & IM Shying t/a E & L Consultancy	marketing and advertising	faculty magazine and microsite	33,375.00
Godden Mackay Logan Pty Ltd	heritage assessment	City campus masterplan design	33,153.50
Urbis Pty Ltd	heritage consulting	City campus masterplan design	33,040.05
Luigi Rosselli Pty Ltd	architecture	eScholarship and Communication library, CM05.3	31,900.00
The Trustee for Radar Trust t/a Radar Recruitment Pty Ltd	marketing and advertising	graphic designers	31,000.00
Davis Langdon Australia Pty Limited t/a Davis Langdon	quantity surveyor	City campus masterplan design, Broadway building initial design	30,980.00
Acidgreen Pty Ltd	website developers	Broadway building initial design	30,696.36
Jeffrey and Katauskas Pty Limited	environmental engineer	City campus masterplan design	30,548.18
Morrison, Jane Yankovic t/a Morrison Consulting	contractor	Commercial Activities Management, UTS Commercial	30,300.00
Market Metrics Pty Ltd	market research	Climate Forum and other research projects	30,284.50
Class Software Pty Ltd	website developers	web applications maintenance	30,000.00
David Silverman	contractor	effective qualitative research	30,000.00
Total payments greater than \$30,000			15,862,588.94

APPENDIX D2

Insurance

General insurance

We have a range of insurance policies to manage risks associated with physical assets and commercial activities.

These insurance policies include but are not limited to property insurance including business interruption, general third party and product liability; breach of professional duty including medical malpractice; and business travel, property in transit and damage to watercraft including associated vessels and equipment.

These policies are all placed with insurers with a Standard & Poor's financial security rating of 'A' or above.

The university conducts risk profiling and insurable risk gap analyses on a regular basis to ensure the insurance program continues to meet the evolving and dynamic nature of the organisation.

Insurance of officers

The university has comprehensive directors' and officers' insurance.

Coverage includes fees and expenses in defence of a claim against wrongful acts, a prosecution in a court of criminal jurisdiction or an inquiry, hearing, tribunal or professional association.

The level of cover purchased by the university benchmarks extremely well among its peers and the policy is placed with insurers with a Standard & Poor's rating of 'A' or above.

APPENDIX E1

Works in progress and completed in 2009

Building/ property	Project	\$'000
1	Upgrade of amenities, disability access and entry doors for levels 4a and 4b	950
1	Relocation of Marketing and Communication Unit from level 3 to level 26	750
1	Upgrade the public spaces on levels 3 and 4 (and Building 2)	2,000
1	Relocation of UTS Shopfront from Blackfriars	285
1	Reconfiguration of Equity and Diversity Unit	470
1	Redevelop level 3 for new consolidated UTS International	900
1	Access compliance stage 1	270
1	New postgraduate office suite on level 11 for the Faculty of Science	200
1	Postgraduate accommodation on level 20 for the Faculty of Engineering and Information Technology	390
2	Relocation of IELTS to level 5	240
3	Digital lab/studios for the Faculty of Arts and Social Sciences	720
4	Improve utilisation of building to accommodate research facilities for the Faculty of Science	800
5	Improve student learning and teaching facilities at Haymarket, block C	2,250
5	Redevelop office and research facilities for the Faculty of Business in block D	2,000
5	Lift upgrade in block A	330
5	Cycle/shower facilities	300
5	Library e-school and communications — open reserve	330
5	Refurbish reception, public space and office areas for the Faculty of Law	295
6	Fabrication workshops and photo media laboratories for the Faculty of Design, Architecture and Building	3,300
6	Lift upgrade	350
6	Creative Industries Innovation Centre	500
10	Redevelopment of level 5 for new research and support facilities for the Faculty of Arts and Social Sciences	3,070
10	Redevelopment of level 3 for new research facilities for the Faculty of Engineering and Information Technology	700
10	Redevelopment of level 7 for new function centre	8,000
10	Redevelopment of level 6 training rooms	395
10	Undertake changes to smoke control and stairwell pressurisation system	390
10	Designing Out Crime Research Centre	285
10	Relocation of Centre for Local Government to level 11	400
10	New fan coil units on level 15	540
Kuring-gai campus	Upgrade existing clinical practice labs for the Faculty of Nursing, Midwifery and Health	1,250
Blackfriars	Building 5 upgrade	290
645 Harris Street	Research hub for the Faculty of Business	1,500
St Leonards campus	Create Health Psychology Unit	600
Terraces on Broadway	Relocate 2SER-FM from Building 1 to the Terraces	685
Total		35,735

APPENDIX E2

Land register

Property/building number	Campus	Use	Building/ infrastructure valuation	Land valuation
			\$'000	\$'000
Broadway				
Building 1 (Tower)	city	educational	286,500	117,600
Building 2 (annex to Tower)	city	educational		
Building 3 (Bon Marche)	city	educational		
Building 4	city	educational		
Building 6 (Faculty of Design, Architecture and Building)	city	educational		
The Terraces (9–13 Broadway)	city	educational		
The Loft (rear of The Terraces)	city	educational		
Broadway subtotal			286,500	117,600
Other buildings				
Building 5 (Haymarket)	city	educational	78,600	69,300
Building 10 (Fairfax)	city	educational	109,500	40,900
Kuring-gai campus	Lindfield NSW	educational	31,900	53,300
Blackfriars campus	city	educational/childcare	3,200	12,700
Bulga Ngurra Student Housing	city	student housing	6,900	4,100
Geegal Student Housing	city	student housing	4,300	2,600
Gumal Ngurang Student Housing	Stroud NSW	student housing	26,250	16,750
Stroud Research Field Station	Stroud NSW	research station	60	230
Yarrowood Research Centre	Yarramundi NSW	educational/research	250	1,600
Vice-Chancellor's residence	Pymont NSW	housing	2,300	–
14 Ultimo Road (ex Dairy Farmers site)	city	commercial	–	16,700
Total			836,260	453,380

Note 1: Values are based on Collier's valuation dated 31 December 2009.

Note 2: Building 7 (ex-TAFE Building T) was demolished.

APPENDIX E3

Land disposals

UTS disposed of no property in 2009.

An application for access to documents concerning details of disposed properties may be made in accordance with the *Freedom of Information Act 1989* (NSW).

APPENDIX E4

Heritage management

The university's Heritage Asset Management Strategy has been submitted to the Heritage Branch of the New South Wales Department of Planning and is undergoing minor amendment before onward submission to the Heritage Council of New South Wales for acceptance.

The UTS heritage property portfolio comprises several buildings at our City campus:

- > Building 3 — Bon Marche
- > Building 8 — The Terraces
- > Building 9 — The Loft
- > Building 11 — Bradshaw building
- > Blackfriars campus

The State Environmental Planning Policy (Major Projects) 2005 (Amendment No 30) establishes the new zoning and development controls for the UTS Kuring-gai campus buildings. It notes the existing buildings 1, 2, 4 and 5 as heritage items (i.e. all of the main buildings except the gymnasium (building 3)).

On 23 December 2009, the NSW Department of Planning gave UTS consent to record and demolish the Bradshaw building as part of the redevelopment of the Broadway site.

For our heritage portfolio we annually review the conservation status of the assets, inspect once every three years to check overall condition and address any minimum maintenance issues as they arise.

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