

WESTERN SYDNEY
UNIVERSITY



ANNUAL REPORT
2019



Financial Statements

Volume 2

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Western Sydney University

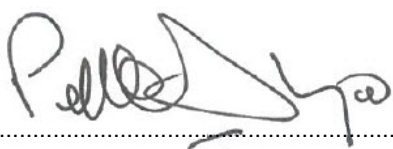
Consolidated Financial Statements

For the year ended 31 December 2019

Statement by the Members of the Board of Trustees For the Year Ended 31 December 2019

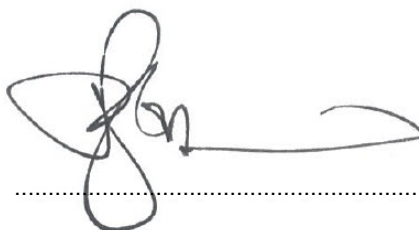
In accordance with a resolution of the Board of Trustees of Western Sydney University dated 08 April 2020 and pursuant to Section 41C (1B) and (1C) of the *Public Finance and Audit Act 1983*, we state that to the best of our knowledge and belief:

- (a) The financial statements of Western Sydney University and its controlled entities (the Group) present a true and fair view of the Group's financial position as at 31 December 2019 and the financial performance for the year ended.
- (b) The financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983* and Regulation, the *Australian Charities and Not-for-profits Commission Act 2012* and Regulation, and the *Financial Statement Guidelines for the Australian Higher Education Providers for the 2019 Reporting Period* issued by the Department of Education and Training.
- (c) The financial statements have been prepared in accordance with Australian Accounting Standards, which include Australian Accounting Interpretations.
- (d) The amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended and Western Sydney University has complied with applicable legislation, contracts, agreements and programme guidelines in making expenditure.
- (e) Western Sydney University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fees was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.
- (f) We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.
- (g) There are reasonable grounds to believe that Western Sydney University will be able to pay its debts as and when they fall due.



Professor Peter Shergold, AC

Chancellor



Professor Barney Glover, AO

Vice Chancellor and President

Dated at Sydney 08 April 2020

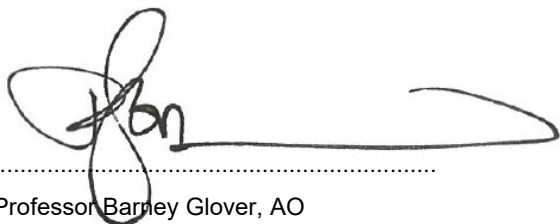
Responsible Entities Declaration

For the year ended 31 December 2019

The responsible persons of the University declare that in the responsible person's opinion:

- (i) There are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (ii) The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with a resolution of the Board of Trustees of Western Sydney University, and is signed for and on behalf of the Board by:

A handwritten signature in black ink, appearing to read 'Barney Glover', with a long horizontal flourish extending to the right.

.....
Professor Barney Glover, AO
Vice Chancellor and President

Dated at Sydney 08 April 2020



To the Vice Chancellor
Western Sydney University

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Western Sydney University for the year ended 31 December 2019, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Margaret Crawford
Auditor-General for New South Wales

6 April 2020
SYDNEY

Western Sydney University**Income Statement****For the Year Ended 31 December 2019**

		Consolidated		Parent	
		2019	2018	2019	2018
	Note	\$'000	\$'000	\$'000	\$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	332,374	331,837	332,374	331,837
HELP - Australian Government payments	2	243,535	234,686	243,535	234,686
State and Local Government financial assistance	3	22	128	22	128
HECS-HELP - Student Payments		13,919	14,075	13,919	14,075
Fees and charges	4	191,132	157,200	182,508	148,391
Investment income	5	46,542	2,424	46,414	2,283
Consultancy and contracts	6	30,800	25,342	30,791	25,334
Share of profit or loss on investments accounted for using the equity method	7	437	190	-	-
Gain/(loss) on disposal of assets	8	(2,866)	33,987	(2,859)	33,993
Other revenue and income	9	44,915	106,265	59,672	118,542
Total income from continuing operations		900,810	906,134	906,376	909,269
Expenses from continuing operations					
Employee related expenses	10	500,942	470,405	460,061	430,981
Depreciation and amortisation	11	80,406	54,950	79,227	53,802
Repairs and maintenance	12	27,314	24,831	27,226	24,679
Borrowing costs	13	12,981	5,056	13,245	5,290
Impairment of assets	14	430	(64)	1,331	2,521
Other expenses	15	260,238	263,245	306,202	305,225
Total expenses from continuing operations		882,311	818,423	887,292	822,498
Net result from continuing operations		18,499	87,711	19,084	86,771

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income

For the Year Ended 31 December 2019

	Note	Consolidated		Parent	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Net result for the period		18,499	87,711	19,084	86,771
<i>Items that will not be reclassified to Income Statement</i>					
Gain/(loss) on revaluation of property, plant and equipment	27(c)	28,299	69,076	27,954	69,076
Gain/(loss) on revaluation of art collection	27(c)	114	-	114	-
Gain/(loss) on revaluation of livestock	27(c)	14	(93)	14	(93)
Net actuarial gains/(losses) recognised in respect of Defined Benefit Plans	27(c)	(185)	(335)	(185)	(335)
Change in fair value of equity investments designated at fair value through other comprehensive income	27(c)	18,436	7,111	18,436	7,111
Total		46,678	75,759	46,333	75,759
Total other comprehensive income		46,678	75,759	46,333	75,759
Comprehensive result		65,177	163,470	65,417	162,530
Total comprehensive income attributable to: Members of the University		65,177	163,470	65,417	162,530

The accompanying notes form part of these financial statements.

Statement of Financial Position

As At 31 December 2019

		Consolidated		Parent	
		2019	2018	2019	2018
	Note	\$'000	\$'000	\$'000	\$'000
Assets					
Current assets					
Cash and cash equivalents	16	106,026	102,290	104,238	98,753
Receivables	17	53,183	54,151	51,148	50,593
Inventories		2	30	2	3
Other non-financial assets	22	1,162	1,137	1,162	1,137
Non-current assets held for sale	18	-	5,867	-	5,867
Total current assets		160,373	163,475	156,550	156,353
Non-current assets					
Receivables	17	414,911	392,658	444,456	415,758
Investments accounted for using the equity method	7	-	-	-	-
Property, plant and equipment	19	2,285,235	2,028,043	2,253,721	2,003,662
Other financial assets	21	352,423	276,110	352,423	276,110
Intangible assets	20	22,922	21,308	22,922	21,308
Other non-financial assets	22	3,299	4,046	3,299	4,046
Total non-current assets		3,078,790	2,722,165	3,076,821	2,720,884
Total assets		3,239,163	2,885,640	3,233,371	2,877,237
Liabilities					
Current liabilities					
Trade and other payables	23	61,077	59,423	60,204	58,171
Borrowings	24	49,792	-	64,759	12,031
Provisions	25	97,387	80,059	93,822	77,179
Contract liabilities		11,333	-	11,333	-
Other liabilities	26	37,595	53,296	35,781	51,319
Total current liabilities		257,184	192,778	265,899	198,700
Non-current liabilities					
Trade and other payables	23	-	3,943	-	3,943
Borrowings	24	393,983	162,500	393,983	162,500
Provisions	25	440,013	397,852	438,576	396,837
Contract liabilities		15,240	-	15,240	-
Other liabilities	26	7,873	47,064	7,873	47,064
Total non-current liabilities		857,109	611,359	855,672	610,344
Total liabilities		1,114,293	804,137	1,121,571	809,044
Net assets		2,124,870	2,081,503	2,111,800	2,068,193
Equity					
Parent entity interest					
Reserves	27	951,670	916,288	951,129	916,092
Retained earnings		1,173,200	1,165,215	1,160,671	1,152,101
Total equity		2,124,870	2,081,503	2,111,800	2,068,193

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2019

		Reserves	Parent Retained Earnings	Total
	Note	\$'000	\$'000	\$'000
Balance at 1 January 2019		916,092	1,152,101	2,068,193
Initial application of Australian Accounting Standards AASB15	1(k)	-	(18,986)	(18,986)
Initial application of Australian Accounting Standards AASB16		-	(2,824)	(2,824)
Balance as restated		916,092	1,130,291	2,046,383
Net result		-	19,084	19,084
Gain/(loss) on revaluation of property, plant and equipment	27(c)	27,954	-	27,954
Gain/(loss) on equity investments at fair value through comprehensive income	27(c)	18,436	-	18,436
Gain/(loss) on revaluation of art collection	27(c)	114	-	114
Gain/(loss) on revaluation of livestock	27(c)	14	-	14
Remeasurements of Defined Benefit Plans	27(c)	(185)	-	(185)
Other comprehensive income		46,333	-	46,333
Total comprehensive income		962,425	1,149,375	2,111,800
Transfer from property plant and equipment and development revaluation reserve on disposal of assets	27(c)	(11,296)	11,296	-
Balance at 31 December 2019		951,129	1,160,671	2,111,800

		Reserves	Parent Retained Earnings	Total
	Note	\$'000	\$'000	\$'000
Balance at 1 January 2018		861,541	1,038,885	1,900,426
Initial application of Australian Accounting Standards		6,403	(1,166)	5,237
Balance as restated		867,944	1,037,719	1,905,663
Net result		-	86,771	86,771
Gain/(loss) on revaluation of property, plant and equipment	27(c)	69,076	-	69,076
Gain/(loss) on equity investments at fair value through comprehensive income	27(c)	7,111	-	7,111
Gain/(loss) on revaluation of livestock	27(c)	(93)	-	(93)
Remeasurements of Defined Benefit Plans	27(c)	(335)	-	(335)
Other comprehensive income		75,759	-	75,759
Total comprehensive income		943,703	1,124,490	2,068,193
Transfer from property plant and equipment and development revaluation reserve on disposal of assets	27(c)	(27,611)	27,611	-
Balance at 31 December 2018		916,092	1,152,101	2,068,193

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2019

	Note	Consolidated		
		Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2019		916,288	1,165,215	2,081,503
Initial application of Australian Accounting Standards AASB15	1(k)	-	(18,986)	(18,986)
Initial application of Australian Accounting Standards AASB16		-	(2,824)	(2,824)
Balance as restated		916,288	1,143,405	2,059,693
Net result		-	18,499	18,499
Gain/(loss) on revaluation of property, plant and equipment	27(c)	28,299	-	28,299
Gain/(loss) on equity investments at fair value through comprehensive income	27(c)	18,436	-	18,436
Gain/(loss) on revaluation of art collection	27(c)	114	-	114
Gain/(loss) on revaluation of livestock	27(c)	14	-	14
Remeasurements of Defined Benefit Plans	27(c)	(185)	-	(185)
Other comprehensive income		46,678	-	46,678
Total comprehensive income		962,966	1,161,904	2,124,870
Transfer from property plant and equipment and development revaluation reserve on disposal of assets	27(c)	(11,296)	11,296	-
Balance at 31 December 2019		951,670	1,173,200	2,124,870

	Note	Consolidated		
		Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2018		865,790	1,047,001	1,912,791
Initial application of Australian Accounting Standards		2,350	2,892	5,242
Balance as restated		868,140	1,049,893	1,918,033
Net result		-	87,711	87,711
Gain/(loss) on revaluation of property, plant and equipment	27(c)	69,076	-	69,076
Gain/(loss) on equity investments at fair value through comprehensive income	27(c)	7,111	-	7,111
Gain/(loss) on revaluation of art collection	27(c)	-	-	-
Gain/(loss) on revaluation of livestock	27(c)	(93)	-	(93)
Remeasurements of Defined Benefit Plans	27(c)	(335)	-	(335)
Other comprehensive income		75,759	-	75,759
Total comprehensive income		943,899	1,137,604	2,081,503
Transfer from property plant and equipment and development revaluation reserve on disposal of assets	27(c)	(27,611)	27,611	-
Balance at 31 December 2018		916,288	1,165,215	2,081,503

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2019

	Note	Consolidated		Parent	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Cash flows from operating activities:					
Australian Government Grants		574,792	568,654	574,792	568,654
State Government Grants		22	128	22	128
HECS-HELP - Student payments		13,919	14,075	13,919	14,075
Receipts from student fees and other customers		298,027	315,404	297,272	297,111
Dividends received		5,558	1,529	4,988	1,529
Payments to suppliers and employees (inclusive of GST)		(825,633)	(773,676)	(831,657)	(777,107)
Interest received		22,212	13,065	21,063	12,561
Interest and other costs of finance		(12,981)	(5,056)	(12,981)	(5,056)
GST recovered		28,076	27,329	28,076	27,329
Net cash provided by operating activities	36	103,992	161,452	95,494	139,224
Cash flows from investing activities:					
Proceeds from sale of property, plant and equipment		29,506	98,414	29,506	98,349
Payments for property, plant and equipment		(105,628)	(209,295)	(97,655)	(189,256)
Payments for financial assets		(39,206)	(169,029)	(39,206)	(169,029)
Loans to related parties		-	-	(330)	(1,754)
Repayments of loans by related parties		-	-	104	69
Net cash used in investing activities		(115,328)	(279,910)	(107,581)	(261,621)
Cash flows from financing activities:					
Proceeds from borrowings		583,500	474,000	586,000	483,596
Repayment of borrowings		(554,000)	(475,000)	(554,000)	(482,000)
Payment of lease liabilities		(14,428)	-	(14,428)	-
Net cash provided by / (used in) financing activities		15,072	(1,000)	17,572	1,596
Net increase / (decreased) in cash and cash equivalents		3,736	(119,458)	5,485	(120,801)
Cash and cash equivalents at beginning of year		102,290	221,748	98,753	219,554
Cash and cash equivalents at end of financial year	16	106,026	102,290	104,238	98,753

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied for all years reported unless otherwise stated. The financial statements include separate statements for Western Sydney University as the parent entity (the 'University') and the consolidated entity consisting of Western Sydney University and its subsidiaries (the 'Group').

The principal address of Western Sydney University is Great Western Highway Kingswood NSW 2747.

(a) Basis of Preparation

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

Western Sydney University applies Tier 1 reporting requirements.

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

- *Public Finance and Audit Act 1983 and Public Finance and Audit Regulation 2015*;
- *Higher Education Support Act 2003* (Financial Statement Guidelines for Australian Higher Education Providers for the 2019 Reporting Period);
- *The Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commission Regulation 2013*.

Western Sydney University is a not-for-profit entity and these statements have been prepared on that basis. Some of the Australian Accounting Standards requirements for not-for-profit entities are inconsistent with the International Financial Reporting Standards (IFRS) requirements.

Date of authorisation for issue

The financial statements were authorised for issue by the Board of Trustees of Western Sydney University on 08 April 2020.

Historical cost convention

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

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying Western Sydney University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. All significant estimates or assumptions made in the preparation of the financial statements are described in the accounting policy notes.

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(b) Basis of Consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Western Sydney University ("parent entity") as at 31 December 2019 and the results of all subsidiaries for the year then ended. Western Sydney University and its subsidiaries together are referred to in this financial report as the Group or the Consolidated Entity.

Subsidiaries are all those entities (including structured entities) over which the Group has control. The Group has control over an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power over the investee exists when the Group has existing rights that give it current ability to direct the relevant activities of the investee. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

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

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

A list of controlled entities is contained in note 32(b).

(ii) Joint arrangements

AASB11 *Joint Arrangements* defines a joint arrangement as an arrangement of which two or more parties have joint control and classifies these arrangements as either joint operations or joint ventures.

Western Sydney University has determined that it has both joint ventures and joint operations.

Joint operations

The University's share of assets, liabilities, revenue and expenses of a joint operation have been incorporated into the financial statements under the appropriate headings. Details of joint operations for the University are set out in note 35.

Details of joint operations between the controlled entities and other parties are set out in their respective financial statements.

Joint ventures

The interest in a joint venture entity is accounted for in the consolidated financial statements using the equity method and is carried at cost by the parent entity. The University's interests in joint ventures are set out in note 7.

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(c) Foreign operations

Western Sydney University operates a small number of teaching programs in the Asia region. There are no University entities registered overseas.

(d) Foreign currency transactions and balances

Both the functional and presentation currency of the Group is Australian Dollars.

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

(e) Income Tax exemption

The Group is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(f) Insurance

Western Sydney University insures externally for all significant areas of risk exposure and accordingly is not a self-insurer and makes no provision in its financial statements for internal coverage.

Workers' Compensation insurance is currently held with icare Workers Insurance (NSW). Property and liability protections (including General and Products Liability, Professional Liability, Medical Malpractice, Clinical Trials and Directors and Officers) are arranged with Unimutual.

(g) Inventories

A stocktake of inventories on hand at year end was performed. All inventories are measured at the lower of cost and net realisable value. Retail stock is valued at a weighted average price and other stock is valued at last purchase price.

(h) Rounding of amounts

Amounts have been rounded off to the nearest thousand dollars.

(i) Goods and Services Tax (GST)

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

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

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(i) Goods and Services Tax (GST) (continued)

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

The Group is a Charitable Institution endorsed to access GST concessions on a range of transactions.

(j) New Accounting Standards and Interpretations

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

Standard	Application date	Implications
AASB1059 Service Concession Arrangements: Grantor	1 Jan 2020	This standard addresses the accounting for a service concession arrangement by a grantor that is a public sector entity. AASB1059 sets out the accounting for the operator of such arrangements, in relation to its principles for recognising service concession assets. The University does not believe that the adoption of this standard will have a material impact.

(k) Initial application of Australian Accounting Standards

(i) AASB15 and AASB1058

Western Sydney University adopted AASB15 Revenue from contracts with customers and AASB1058 Income of not-for-profit entities using the modified retrospective method of transition, with the date of initial application of 1 January 2019.

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

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

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(k) Initial application of Australian Accounting Standards (continued)

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

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

	Consolidated 1 January 2019 \$'000	Parent 1 January 2019 \$'000
Liabilities		
Contract liabilities	24,595	24,595
Scholarship liabilities	5,421	5,421
Deferred income	(11,030)	(11,030)
Total liabilities	<u>18,986</u>	<u>18,986</u>
Net assets	<u>(18,986)</u>	<u>(18,986)</u>
Total adjustment on equity		
Retained earnings	<u>18,986</u>	<u>18,986</u>
Total equity	18,986	18,986

A contract liability is the obligation to transfer goods or services to a customer for which the University has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the University transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the University performs under the contract.

AASB15 and AASB1058 Statement of Profit or Loss

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

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(k) Initial application of Australian Accounting Standards (continued)

Income Statement	Ref adjust ments	Amounts prepared under current versus previous standard					
		Consolidated			Parent		
		AASB15/ AASB1058 \$'000	Previous \$'000	Increase /decrease \$'000	AASB15/ AASB1058 \$'000	Previous \$'000	Increase /decrease \$'000
Income from continuing operations							
Australian Government grants	2	332,374	335,939	(3,565)	332,374	335,939	(3,565)
HELP – Australian Government payments	2	243,535	243,535	-	243,535	243,535	-
State and local government financial assistance	3	22	22	-	22	22	-
HECS-HELP – Student payments		13,919	13,919	-	13,919	13,919	-
Fees and charges	4	191,132	191,132	-	182,508	182,508	-
Investment revenue	5	46,542	46,542	-	46,414	46,414	-
Consultancy and contracts	6	30,800	31,405	(605)	30,791	31,396	(605)
Share of profit or loss on investments accounted for using the equity method	7	437	437	-	-	-	-
Gain/(loss) on disposal of assets	8	(2,866)	(2,866)	-	(2,859)	(2,859)	-
Other revenue & income	9	44,915	47,147	(2,232)	59,672	61,904	(2,232)
Total income from continuing operations		900,810	907,212	(6,402)	906,376	912,778	(6,402)
Expenses from continuing operations							
Employee related expenses	10	500,942	500,942	-	460,061	460,061	-
Depreciation and amortisation	11	80,406	80,406	-	79,227	79,227	-
Repairs and maintenance	12	27,314	27,314	-	27,226	27,226	-
Borrowing costs	13	12,981	12,981	-	13,245	13,245	-
Impairment of assets	14	430	430	-	1,331	1,331	-
Other expenses	15	260,238	265,178	(4,940)	306,202	311,142	(4,940)
Total expenses from continuing operations		882,311	887,251	(4,940)	887,292	892,232	(4,940)
Net result from continuing operations		18,499	19,961	(1,462)	19,084	20,546	(1,462)

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(k) Initial application of Australian Accounting Standards (continued)

Statement Of Financial Position	Ref adjust ments	Amounts prepared under					
		Consolidated			Parent		
		AASB15/ AASB1058 \$'000	Previous \$'000	Increase /decrease \$'000	AASB15/ AASB1058 \$'000	Previous \$'000	Increase /decrease \$'000
Assets							
Cash and cash equivalents	16	106,026	106,026	-	104,238	104,238	-
Receivables	17	468,094	468,094	-	495,604	495,604	-
Inventories		2	2	-	2	2	-
Other financial assets	21	352,423	352,423	-	352,423	352,423	-
Other non-financial assets	22	4,461	4,461	-	4,461	4,461	-
Property, plant and equipment	19	2,285,235	2,285,235	-	2,253,721	2,253,721	-
Intangible assets	20	22,922	22,922	-	22,922	22,922	-
Total assets		3,239,163	3,239,163	-	3,233,371	3,233,371	-
Liabilities							
Trade and other payables	23	61,077	61,077	-	60,204	60,204	-
Borrowings	24	443,775	443,775	-	458,742	458,742	-
Provisions	25	537,400	537,400	-	532,398	532,398	-
Contract liabilities		26,573	-	26,573	26,573	-	26,573
Other liabilities	26	45,468	51,593	(6,125)	43,654	49,779	(6,125)
Total liabilities		1,114,293	1,093,845	20,448	1,121,571	1,101,123	20,448
Net assets		2,124,870	2,145,318	(20,448)	2,111,800	2,132,248	(20,448)
Equity							
Retained earnings		1,173,200	1,193,648	(20,448)	1,160,671	1,181,119	(20,448)
Reserves	27	951,670	951,670	-	951,129	951,129	-
Total equity		2,124,870	2,145,318	(20,448)	2,111,800	2,132,248	(20,448)

(ii) AASB16 Leases

Western Sydney University has adopted AASB16 using the modified retrospective method of transition, with the date of initial application date of 1 January 2019.

Under the modified approach, Western Sydney University has chosen to measure the related right-of-use asset at its carrying amount as if AASB16 leases had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the date of initial application.

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(k) Initial application of Australian Accounting Standards (continued)

In accordance with the provisions of this transition approach, Western Sydney University recognised the cumulative effect of applying this new standard as an adjustment to opening retained earnings at the date of initial application i.e. 1 January 2019. Consequently, the comparative information presented has not been restated and continues to be reported under the previous standards on leases - AASB117 and AASB Interpretation 4 *Determining whether an arrangement contains a lease* (Interpretation 4). The new accounting policies for leases in accordance with AASB16 is provided in the note 19.

The nature and effect of the changes as a result of adoption of AASB16 are as described below:

Western Sydney University previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying asset to Western Sydney University. Under AASB16, this classification no longer exists for Western Sydney University as a lessee. Instead, practically all leases are now recognised on the statement of financial position as right-of-use assets with corresponding lease liabilities comprising all amounts which are considered to be lease payments (see Note 24(b)) for the new leases policy which explains what amounts are included in lease payments).

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

As a lessee, the weighted average incremental borrowing rate applied to lease liabilities recognised in the statement of financial position on the date of initial application was 3.53%.

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

	Consolidated 1 January 2019 \$'000	Parent 1 January 2019 \$'000
Operating lease commitments disclosed at 31 December 2018	386,346	385,486
Discounted using the Western Sydney University weighted average incremental borrowing rate of 3.53%	372,318	371,878
(Less): Low-value leases recognised on a straight-line basis as an expense	(8,991)	(8,551)
Add/(less): Adjustments as a result of a different treatment of extension and termination options	(82,680)	(82,680)
Add/(less): Adjustment as a result of different treatment of interest expense	(75,515)	(75,515)
Lease liability recognised as at 1 January 2019	205,132	205,132

(l) Comparative Amounts

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

Notes to the Financial Statements

For the Year Ended 31 December 2019

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

	Note	Consolidated		Parent	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Commonwealth Grants Scheme (CGS) and Other Grants	37(a)	300,944	298,622	300,944	298,622
Education Research	37(c)	19,176	18,362	19,176	18,362
Australian Research Council	37(e)	7,777	7,865	7,777	7,865
Total CGS and Research Grants		327,897	324,849	327,897	324,849
Other Australian Government financial assistance		4,477	6,988	4,477	6,988
Total Australian Government Grants		332,374	331,837	332,374	331,837
Higher Education Loan Programs	37(b)	243,535	234,686	243,535	234,686
Total Australian Government financial assistance		575,909	566,523	575,909	566,523

Australian Government Grants received - cash basis

	Note	Consolidated		Parent	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
CGS and Other Education Grants	37(a)	301,908	300,755	301,908	300,755
Higher Education Loan Programs	37(b)	242,753	236,524	242,753	236,524
Education Research	37(c)	19,176	18,362	19,176	18,362
ARC Grants - Discovery	37(e)	6,101	4,711	6,101	4,711
ARC Grants - Linkages	37(e)	753	881	753	881
Other Australian Government financial assistance		4,477	6,988	4,477	6,988
Total Australian Government grants received - cash basis		575,168	568,221	575,168	568,221
OS-Help (Net)	37(f)	(376)	432	(376)	432
Total Australian Government funding received - cash basis		574,792	568,653	574,792	568,653

Notes to the Financial Statements

For the Year Ended 31 December 2019

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

Accounting Policy

The Group recognises CGS revenue in academic terms when the course is provided.

Grant funding, including grants from Australian Research Council "ARC" and National Health and Medical Research Council "NHMRC", are considered within the scope of AASB15 and meet the enforceability criteria due to the existence of refund clauses in the agreements with the grantor, and the promise to transfer goods and services to the customer (or on behalf of the customer) are sufficiently specific as the University has the obligation to provide:

- Comprehensive research findings during or after completion,
- Access to research materials throughout the contract period to the grantor,
- Publication of research data and results,
- A licence or transfer of intellectual property.

The Group has elected to adopt the input method to recognise revenue over time to the extent of expenditure incurred, since expenditure in accordance with grant terms typically results in the simultaneous release of restrictions and conditions imposed by the grantor.

Funding received in advance is recognised as contract liability on the Statement of Financial Position and released to income as the conditions are met.

Other grant funding with no restrictions or 'sufficiently specific' performance obligations in the agreement is recognised immediately as income in the year of receipt.

3 State and Local Government financial assistance

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Non-capital				
NSW Department of Primary Industries	22	128	22	128
Total Non-capital	22	128	22	128
Total State and Local Government financial assistance	22	128	22	128

Notes to the Financial Statements

For the Year Ended 31 December 2019

4 Fees and charges

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Course Fees and Charges				
Fee-paying onshore overseas students	164,117	133,027	162,802	132,045
Fee-paying offshore overseas students	654	573	654	573
Fee-paying domestic postgraduate students	4,955	3,457	4,955	3,457
Fee-paying domestic undergraduate students	1,050	1,125	585	476
Fee-paying domestic non-award students	1,212	1,163	957	991
Continuing education	3,793	3,923	59	50
Other domestic course fees and charges	113	31	113	31
Total Course Fees and Charges	175,894	143,299	170,125	137,623
Other Non-Course Fees and Charges				
Student services fees from students	4,155	3,836	4,155	3,836
Student accommodation	6,409	5,135	6,409	5,135
Student test fees	2,658	3,006	-	-
Graduation fees	441	362	441	362
Academic dress hire	357	347	357	347
Academic transcripts	251	237	251	237
Library fines	153	173	153	173
Other	814	805	617	678
Total Other Fees and Charges	15,238	13,901	12,383	10,768
Total Fees and Charges	191,132	157,200	182,508	148,391

Accounting Policy

Course fees and charges

The course fees and charges revenue relates to undergraduate programs, graduate and professional degree programs and continuing education.

The revenue is recognised for academic terms falling within the period. When the courses or trainings have been paid in advance by students or the Group has received the government funding in advance (e.g. before starting the academic period), the Group recognises a contract liability until the services are delivered.

Non-course fees and charges

Non-course fees and charges, including student service fees and other on-campus academic services, are generally recognised as income in the year of receipt, when services are rendered and substantially complete.

Notes to the Financial Statements

For the Year Ended 31 December 2019

5 Investment income

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Interest income	2,675	5,637	2,547	5,496
Distribution from managed funds	17,586	10,402	17,586	10,402
Dividends income	5,558	3,429	5,558	3,429
Realised investment gains/(losses)	2,052	(2,714)	2,052	(2,714)
Change in fair value of financial assets designated at fair value through profit or loss	18,671	(14,330)	18,671	(14,330)
Total investment income	46,542	2,424	46,414	2,283

Accounting Policy

Revenue is recognised as (a) the interest income is earned and is recorded using the effective interest method. Dividend revenue is recognised when the dividend is declared and the right to receive payment is established, (b) it is probable that the economic benefits associated with the dividend will flow to the entity; and (c) the amount of the dividend can be measured reliably.

All other material revenue is accounted for on an accrual basis.

6 Consultancy and contracts

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Consultancy	1,633	1,649	1,624	1,641
Contract research	29,167	23,693	29,167	23,693
Total consultancy and contracts	30,800	25,342	30,791	25,334

Accounting Policy

Consultancy and contract research revenue recognition is dependent upon the source of the funding and the nature of the transaction.

A contract that meets enforceable criteria and has 'sufficiently specific' performance obligations in the agreement, is recognised in income when the Group is entitled to the funding and the contractual performance obligations have been met. The promise to transfer goods and services to the customer (or on behalf of the customer) are sufficiently specific as the University has the obligation to provide:

- Comprehensive research findings during or after completion,
- Access to research materials throughout the contract period to the grantor,
- Publication of research data and results,
- A licence or transfer of intellectual property.

The Group has elected to adopt the input method to recognise revenue from contracts for consulting and research over time to the extent of expenditure incurred, since expenditure in accordance with contract terms typically results in the simultaneous release of restrictions and conditions imposed by the customers.

Income received in advance is recognised as contract liability on the Statement of Financial Position and released to income as the conditions are met.

Notes to the Financial Statements

For the Year Ended 31 December 2019

7 Investments accounted for using the equity method

(a) Restrictions

The Group has nil restrictions from the joint venture with Navitas Ltd.

(b) Individually immaterial joint venture or associate

Aggregate carrying amount of interests in joint ventures and associates accounted for using the equity method that is not individually material in the consolidated financial statements:

Consolidated Joint Ventures	2019 \$'000	2018 \$'000
Profit/(loss) from continuing operations	437	190
Profit/(loss) from continuing operations after income tax	437	190
Total comprehensive income	437	190

Contingent liabilities arising from the Group's interests in associates and joint arrangements, and capital commitments arising from the Group's interests in joint arrangements are disclosed in notes 30 and 31 respectively.

Accounting Policy

Under the equity method, the share of the profits or losses of the entity is recognised in the income statement, and the share of movements in reserves is recognised in reserves in the statement of comprehensive income and the statement of changes in equity. If the venturer's share of losses of a joint venture equals or exceeds its interest in the joint venture, the venturer discontinues recognising its share of further losses.

8 Gain/(loss) on disposal of assets

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Proceeds from sale	29,805	98,369	29,805	98,349
Carrying amount of assets sold	(32,671)	(64,382)	(32,664)	(64,356)
Total gain/(loss) on disposal of assets	(2,866)	33,987	(2,859)	33,993

Notes to the Financial Statements

For the Year Ended 31 December 2019

9 Other revenue and income

	Note	Consolidated		Parent	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Service income	32(d)	12	71	24,650	23,817
Recoveries		7,400	12,440	7,339	12,364
Commercial leases and other rental income		12,593	11,894	12,409	11,705
Childcare centre fees and grants		7,325	7,052	-	-
Donations and bequests		5,898	10,723	5,740	10,559
Parking fees		3,014	3,179	3,015	3,180
Scholarships and prizes		617	1,891	558	1,891
Sale of goods		2,799	3,603	914	746
Gain on recognition of student accommodation assets		-	48,944	-	48,944
Non-government grants		563	575	563	575
Royalties, trademarks and licences		165	168	165	168
Other		4,529	5,725	4,319	4,593
Total other revenue and income		44,915	106,265	59,672	118,542

Accounting Policy

Lease income

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

Royalties, trademarks and licences

Revenue from royalties, trademarks and licences is recognised on an accrual basis in accordance with the substance of the relevant agreement.

Donation & Bequests

Donations and bequests with no restrictions are recognised in income immediately when the Group is entitled to the funds.

Donations with donor-imposed restrictions to deliver cash scholarship payments to third parties are recognised as financial liabilities on the Statement of Financial Position in accordance with AASB 9.

Other revenue and income

Other revenue and income including parking fees and other on-campus non-academic services is generally recognised as income in the year of receipt, when services are rendered and substantially complete.

Gain on recognition of student accommodation assets

In 2018, the University, as lessor, ceased the leasing arrangement with Campus Living Villages Pty Limited to manage student residence accommodation. This resulted in the University recognising land and building student accommodation assets (totalling \$106.5M) reflected as additions in note 19 and a \$48.9M gain on recognition shown in note 9.

Notes to the Financial Statements

For the Year Ended 31 December 2019

10 Employee related expenses

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Academic				
Salaries	205,821	196,045	186,165	175,795
Contributions to superannuation & pension schemes - funded	30,724	28,304	28,275	25,952
Payroll tax	12,940	12,443	11,565	11,091
Worker's compensation	696	437	527	336
Long service leave expense	9,972	7,574	8,835	7,418
Annual leave	2,181	2,007	2,030	2,024
Total academic	262,334	246,810	237,397	222,616
Non-academic				
Salaries	186,384	176,286	173,120	162,894
Contributions to superannuation & pension schemes - funded	29,423	26,716	28,124	25,434
Payroll tax	11,894	10,730	11,259	10,452
Worker's compensation	791	497	514	260
Long service leave expense	8,344	7,302	7,837	7,128
Annual leave	1,772	2,064	1,810	2,197
Total non-academic	238,608	223,595	222,664	208,365
Total employee related expenses	500,942	470,405	460,061	430,981
Total employee related expenses, including deferred government employee benefits for superannuation	500,942	470,405	460,061	430,981

Accounting Policy

Refer to note 25 for policies on employee benefits.

Notes to the Financial Statements

For the Year Ended 31 December 2019

11 Depreciation and amortisation

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Depreciation				
Buildings and infrastructure	30,045	29,074	30,045	29,074
Plant and equipment	12,888	12,024	12,798	11,912
Library collection	1,886	2,171	1,886	2,171
Right-of-use assets	19,575	-	19,575	-
Total depreciation	64,394	43,269	64,304	43,157
Amortisation				
Leasehold property	9,532	6,761	8,443	5,725
Intangible assets	6,480	4,920	6,480	4,920
Total amortisation	16,012	11,681	14,923	10,645
Total depreciation and amortisation	80,406	54,950	79,227	53,802

Accounting Policy

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

Depreciable assets	2019	2018
Audio Visual	10 years	10 years
Buildings (except where a limit of useful life of a building has been identified)	5-60 years	5-60 years
Computing (Mainframe & Networking)	4 years	4 years
Computing (Other)	3 years	3 years
Leasehold Improvements	2-6 years	2-6 years
Library Collections	5 years	5 years
Printing	10 years	10 years
Scientific	10 years	10 years
Software	3-10 years	3-10 years
Vehicles	6-7 years	6-7 years
Right-of-use assets	2-15 years	-
Other	10-20 years	10-20 years

Right of use assets (under AASB16) and leasehold improvements are depreciated over the shorter of the unexpired period of the lease or the estimated life of the improvements.

Refer to note 19 for policies on depreciation and note 20 for policies on amortisation.

Notes to the Financial Statements

For the Year Ended 31 December 2019

12 Repairs and maintenance

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Buildings	22,101	19,792	22,093	19,739
Plant and equipment	4,822	4,594	4,758	4,529
Motor vehicles	368	443	352	409
Information technology	23	2	23	2
Total repairs and maintenance	27,314	24,831	27,226	24,679

Accounting Policy

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the carrying amount of those parts that are replaced is derecognised and the cost of the replacing part is capitalised if the recognition criteria are met. Other routine operating maintenance, repair and minor renewal costs are also recognised as expenses, as incurred.

13 Borrowing costs

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Interest expense	3,836	5,056	4,100	5,290
Interest expense on lease liabilities	9,145	-	9,145	-
Total borrowing costs expensed	12,981	5,056	13,245	5,290

Accounting Policy

Borrowing costs are expensed in the period in which they are incurred.

For interest expense on lease liabilities, please refer to note 24 which details the policy for lease accounting where the University is a lessee.

14 Impairment of assets

	Note	Consolidated		Parent	
		2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000
Bad debts		75	87	3,586	75
Doubtful debts		355	(151)	(2,255)	2,446
Total impairment of assets		430	(64)	1,331	2,521

Notes to the Financial Statements

For the Year Ended 31 December 2019

14 Impairment of assets (continued)

Accounting Policy

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

Debtor impairment accounting policy is disclosed under Note 17(a).

15 Other expenses

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Fees for service*	123,038	106,206	171,726	152,213
Minimum lease payments on operating lease	5,392	31,178	4,991	30,780
Scholarships, grants and prizes	28,834	26,764	28,409	26,537
Consumables	17,256	18,935	16,759	17,411
Overheads	17,728	17,807	17,716	17,764
Advertising, marketing and promotional expenses	17,444	16,280	16,723	15,653
Cleaning and waste removal	9,636	9,633	9,391	9,389
Travel and entertainment	9,587	9,227	9,510	9,164
Security costs	5,507	5,339	5,495	5,299
Student education support	5,435	4,994	5,435	4,994
Non-capitalised equipment	3,757	3,234	3,698	3,110
Staff development	3,309	2,580	3,199	2,521
Other expenses	13,315	11,068	13,150	10,390
Total other expenses	260,238	263,245	306,202	305,225

*Audit remuneration included in amount and disclosed under note 29 .

Accounting Policy

Refer to note 24 for policies on short-term leases and leases of low-value assets.

Notes to the Financial Statements

For the Year Ended 31 December 2019

16 Cash and cash equivalents

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	74,826	71,123	73,472	68,006
Short-term deposits	31,200	31,167	30,766	30,747
Total cash and cash equivalents in statement of financial position and statement of cash flows	106,026	102,290	104,238	98,753

(a) Cash at bank and on hand

The average interest rate during 2019 on bank accounts included in cash at bank and on hand was 1.73% (2018: 2.10%).

(b) Short-term deposits

The deposits are at fixed interest rates ranging between 1.53% and 2.81%.

Accounting Policy

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

17 Trade and other receivables

		Consolidated		Parent	
		2019	2018	2019	2018
	Note	\$'000	\$'000	\$'000	\$'000
Current					
Student fees		8,363	5,979	8,206	5,801
Trade receivables		27,079	31,634	25,225	30,847
Less: Allowance for expected credit losses		(1,466)	(1,091)	(1,386)	(3,648)
Prepayments		19,207	16,569	19,103	16,533
Other		-	1,060	-	1,060
Total current receivables		53,183	54,151	51,148	50,593
Non-current					
Trade receivables		-	-	29,545	23,100
Deferred government benefit for superannuation	38	412,874	369,942	412,874	369,942
Prepayments		2,037	22,716	2,037	22,716
Total non-current receivables		414,911	392,658	444,456	415,758
Total receivables		468,094	446,809	495,604	466,351

Notes to the Financial Statements

For the Year Ended 31 December 2019

17 Trade and other receivables (continued)

(a) Reconciliation of changes in the provision for impairment of receivables is as follows:

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the year (calculated in accordance with AASB139)	1,091	770	3,648	738
Amount restated through opening retained earnings on adoption of AASB9	-	457	-	457
Opening expected credit losses calculated under AASB9	1,091	1,227	3,648	1,195
Additional allowance for expected credit losses recognised	300	(223)	1,152	2,378
Amounts written off as uncollectable	75	87	86	75
Related party loan forgiven	-	-	(3,500)	-
Balance at end of the year	1,466	1,091	1,386	3,648

Accounting Policy

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for expected credit losses. The Group's standard terms of trade is 14 days from the date of recognition with the exception of the deferred government contribution for superannuation.

Collectability of trade receivables is reviewed on an ongoing basis. Western Sydney University measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The ECL on trade receivables is estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

When a trade receivable is uncollectable the amount of the loss is recognised in the income statement within 'impairment of asset'. Subsequent recoveries of amounts previously written off are credited to 'other revenue' in the income statement.

Refer to note 21 for policies on the classification of Loans and receivables.

Prepayments

Payments for goods and services which are to be provided in future years are recognised as prepayments. Prepayments are recorded in trade and other receivables in the statement of financial position.

Notes to the Financial Statements

For the Year Ended 31 December 2019

18 Non-current assets classified as held for sale

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Non-current assets held for sale				
Land	-	5,867	-	5,867
Total non-current assets or disposal groups classified as held for sale	-	5,867	-	5,867

In 2017, the University entered into a sales agreement to sell land at its Nirimba campus. Settlement occurred in June 2019 and the asset was de-recognised.

Accounting Policy

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

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

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

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

Notes to the Financial Statements

For the Year Ended 31 December 2019

19 Property, plant and equipment

Consolidated	Construction in Progress \$'000	Freehold Land \$'000	Crown Land \$'000	Buildings \$'000	Infrastructure \$'000	Plant and Equipment \$'000	Leasehold Improvements \$'000	Library Collection \$'000	Artwork \$'000	Right-of-use Assets \$'000	Total \$'000
At 1 January 2018											
- Cost	80,951	-	-	7,576	18	147,465	82,283	77,877	-	-	396,170
- Valuation	-	306,574	221,740	983,669	110,808	-	-	1,742	4,410	-	1,628,943
Accumulated depreciation and impairment	-	-	-	(9,721)	(1,791)	(83,799)	(16,950)	(71,774)	-	-	(184,035)
Net book amount	80,951	306,574	221,740	981,524	109,035	63,666	65,333	7,845	4,410	-	1,841,078
Year ended 31 December 2018											
Balance 1 January	80,951	306,574	221,740	981,524	109,035	63,666	65,333	7,845	4,410	-	1,841,078
Revaluation Surplus	-	23,501	11,120	27,289	7,166	-	-	-	-	-	69,076
Additions	62,469	29,935	1,130	94,944	-	6,791	-	1,791	222	-	197,282
Disposals	(21,410)	-	-	-	-	(679)	(7,226)	(45)	(3)	-	(29,363)
Depreciation Charge	-	-	-	(25,445)	(3,629)	(12,024)	(6,761)	(2,171)	-	-	(50,030)
Non-Cash Adjustments	-	-	-	-	10	(10)	-	-	-	-	-
Transfers to Freehold Buildings and Plant and Equipment	(53,756)	-	-	-	-	-	-	-	-	-	(53,756)
Transfers from Construction in Progress	-	-	-	49,439	3,915	215	187	-	-	-	53,756
Closing net book amount	68,254	360,010	233,990	1,127,751	116,497	57,959	51,533	7,420	4,629	-	2,028,043
At 31 December 2018											
- Cost	68,254	-	-	9,996	-	144,158	72,273	78,739	-	-	373,420
- Valuation	-	360,010	233,990	1,126,274	117,742	-	-	1,778	4,629	-	1,844,423
Accumulated depreciation and impairment	-	-	-	(8,519)	(1,245)	(86,199)	(20,740)	(73,097)	-	-	(189,800)
Net book amount	68,254	360,010	233,990	1,127,751	116,497	57,959	51,533	7,420	4,629	-	2,028,043

Notes to the Financial Statements

For the Year Ended 31 December 2019

19 Property, plant and equipment (continued)

	Construction in Progress	Freehold Land	Crown Land	Buildings	Infrastructure	Plant and Equipment	Leasehold Improvements	Library Collection	Artwork	Right-of-use Assets	Total
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 31 December 2019											
Balance 1 January	68,254	360,010	233,990	1,127,751	116,497	57,959	51,533	7,420	4,629	-	2,028,043
Adoption of AASB 16	-	-	-	-	-	-	-	-	-	169,801	169,801
Revaluation Surplus	-	-	-	29,294	(1,448)	-	-	454	114	-	28,414
Additions	76,964	-	-	-	1	10,114	-	1,754	102	61,873	150,808
Disposals	-	-	-	(16,985)	-	(868)	-	(40)	(6)	-	(17,899)
Depreciation Charge	-	-	-	(26,331)	(3,714)	(12,888)	(9,532)	(1,886)	-	(19,575)	(73,926)
Non-Cash Adjustments	-	-	-	-	-	(6)	-	-	-	-	(6)
Transfers to Freehold Buildings and Plant and Equipment	(42,098)	-	-	-	-	-	-	-	-	-	(42,098)
Transfers from Construction in Progress	-	-	-	6,149	27	3,744	32,178	-	-	-	42,098
Closing net book amount	103,120	360,010	233,990	1,119,878	111,363	58,055	74,179	7,702	4,839	212,099	2,285,235
At 31 December 2019											
- Cost	103,120	-	-	-	-	154,126	104,427	79,661	-	262,009	703,343
- Valuation	-	360,010	233,990	1,128,508	112,610	-	-	2,233	4,839	-	1,842,190
Accumulated depreciation and impairment	-	-	-	(8,630)	(1,247)	(96,071)	(30,248)	(74,192)	-	(49,910)	(260,298)
Net book amount	103,120	360,010	233,990	1,119,878	111,363	58,055	74,179	7,702	4,839	212,099	2,285,235

Notes to the Financial Statements

For the Year Ended 31 December 2019

19 Property, plant and equipment (continued)

Parent	Construction in Progress	Freehold Land	Crown Land	Buildings	Infrastructure	Plant and Equipment	Leasehold Improvements	Library Collection	Artwork	Right-of-use Assets	Total
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2018											
- Cost	80,540	-	-	7,576	18	146,268	74,257	77,877	-	-	386,536
- Valuation	-	306,574	221,740	983,669	110,808	-	-	881	4,398	-	1,628,070
Accumulated depreciation and impairment	-	-	-	(9,721)	(1,791)	(82,935)	(12,868)	(71,774)	-	-	(179,089)
Net book amount	80,540	306,574	221,740	981,524	109,035	63,333	61,389	6,984	4,398	-	1,835,517
Year ended 31 December 2018											
Balance 1 January	80,540	306,574	221,740	981,524	109,035	63,333	61,389	6,984	4,398	-	1,835,517
Revaluation Surplus	-	23,501	11,120	27,289	7,166	-	-	-	-	-	69,076
Additions	62,556	9,935	1,130	94,944	-	6,746	-	1,755	222	-	177,288
Disposals	(21,410)	-	-	-	-	(677)	(7,202)	(45)	(3)	-	(29,337)
Depreciation Charge	-	-	-	(25,445)	(3,629)	(11,912)	(5,725)	(2,171)	-	-	(48,882)
Non-Cash Adjustments	-	-	-	-	10	(10)	-	-	-	-	-
Transfers to Freehold Buildings and Plant and Equipment	(53,756)	-	-	-	-	-	-	-	-	-	(53,756)
Transfers from Construction in Progress	-	-	-	49,439	3,915	215	187	-	-	-	53,756
Closing net book amount	67,930	340,010	233,990	1,127,751	116,497	57,695	48,649	6,523	4,617	-	2,003,662
At 31 December 2018											
- Cost	67,930	-	-	9,996	-	143,017	64,567	78,739	-	-	364,249
- Valuation	-	340,010	233,990	1,126,274	117,742	-	-	881	4,617	-	1,823,514
Accumulated depreciation and impairment	-	-	-	(8,519)	(1,245)	(85,322)	(15,918)	(73,097)	-	-	(184,101)
Net book amount	67,930	340,010	233,990	1,127,751	116,497	57,695	48,649	6,523	4,617	-	2,003,662

Notes to the Financial Statements

For the Year Ended 31 December 2019

19 Property, plant and equipment (continued)

	Construction in Progress	Freehold Land	Crown Land	Buildings	Infrastructure	Plant and Equipment	Leasehold Improvements	Library Collection	Artwork	Right-of-use Assets	Total
Parent	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 31 December 2019											
Balance 1 January	67,930	340,010	233,990	1,127,751	116,497	57,695	48,649	6,523	4,617	-	2,003,662
Adoption of AASB 16	-	-	-	-	-	-	-	-	-	169,801	169,801
Revaluation Surplus	-	-	-	29,294	(1,448)	-	-	108	114	-	28,068
Additions	69,606	-	-	-	1	9,471	-	1,752	102	61,873	142,805
Disposals	-	-	-	(16,985)	-	(865)	-	(40)	(1)	-	(17,891)
Depreciation Charge	-	-	-	(26,331)	(3,714)	(12,798)	(8,443)	(1,886)	-	(19,575)	(72,747)
Non-Cash Adjustments	-	-	-	-	-	23	-	-	-	-	23
Transfers to Freehold Buildings and Plant & Equipment	(41,307)	-	-	-	-	-	-	-	-	-	(41,307)
Transfers from Construction in Progress	-	-	-	6,149	27	3,628	31,503	-	-	-	41,307
Closing net book amount	96,229	340,010	233,990	1,119,878	111,363	57,154	71,709	6,457	4,832	212,099	2,253,721
At 31 December 2019											
- Cost	96,229	-	-	-	-	152,561	96,071	79,661	-	262,009	686,531
- Valuation	-	340,010	233,990	1,128,508	112,610	-	-	988	4,832	-	1,820,938
Accumulated depreciation and impairment	-	-	-	(8,630)	(1,247)	(95,407)	(24,362)	(74,192)	-	(49,910)	(253,748)
Net book amount	96,229	340,010	233,990	1,119,878	111,363	57,154	71,709	6,457	4,832	212,099	2,253,721

Notes to the Financial Statements

For the Year Ended 31 December 2019

19 Property, plant and equipment (continued)

Accounting Policy

Land, buildings and the art collection are capitalised and shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the carrying amount is adjusted to the revalued amount of the asset.

The Group undertakes regular reviews of its land holdings in light of the future economic footprint of the University. Re-evaluation may be undertaken from time to time on land originally designated for educational use with a view to realising monies via sale or joint development, following appropriate rezoning of the land to allow for alternate uses.

The fair value of land is the amount for which the land could be exchanged between willing parties in an arms length transaction, based on market prices for similar properties, with similar zoning, in comparable locations and condition. The Group expects that the fair value of land already rezoned to allow for alternate use shall be different to land available for educational use only. Valuers engaged to determine the fair value of the land have taken into account the intended use and ultimate disposal of the land, as applicable.

Valuation for land and new or refurbished buildings was undertaken as at 31 August 2019 by external experts in accordance with AASB 13. Land and buildings were revalued on the basis of highest and best use.

In 2019, construction costs of non-completed assets totalling \$Nil (2018: \$9.996M) incurred up to the reporting date were capitalised subsequent to the buildings revaluation. The scope of the valuation did not include revaluation of these buildings. The value of these refurbished buildings is based on the 31 August 2018 revaluation by the Valuer plus the construction costs capitalised in 2019. Due to the specialised nature of buildings and the lack of directly comparable sales evidence, the 31 August 2019 valuation for new and refurbished buildings was undertaken utilising the Summation Valuation approach, whereby the cost to construct improvements as new is estimated and that amount depreciated, after taking into consideration the nature and design of the improvements, their age and the current condition. In determining the value of each building, the exterior dimensions of each building were calculated from the detailed room specifications maintained by the University and extrapolated by the valuer's knowledge of current building rates on a square metre basis. The resultant value as at reporting date was then adjusted for the estimated remaining useful life of each building. The depreciated replacement cost of the improvements was then added to the underlying land value, which was derived after analysis of comparable sales evidence.

In valuing the art collection, the Valuer utilised certain historical facts and relevant market data available up to the date of the valuation. The most recent valuation was completed as at 31 December 2019.

All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition and installation 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 are charged to the income statement during the financial period in which they are incurred.

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

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

Notes to the Financial Statements

For the Year Ended 31 December 2019

19 Property, plant and equipment (continued)

Accounting Policy (continued)

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

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

Right-of-use assets

Information about leases where Western Sydney University is a lessee is presented below:

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Right-of-use assets				
Buildings				
At 1 January 2019	167,778	-	167,778	-
Additions of right-of-use assets	61,343	-	61,343	-
Depreciation charge	(18,154)	-	(18,154)	-
At 31 December 2019	210,967	-	210,967	-
Right-of-use assets				
Property Plant and Equipment				
At 1 January 2019	2,024	-	2,024	-
Additions of right-of-use assets	530	-	530	-
Depreciation charge	(1,422)	-	(1,422)	-
At 31 December 2019	1,132	-	1,132	-
Total right-of-use assets	212,099	-	212,099	-

Accounting Policy

Policy applicable from 1 January 2019

Assessment of whether a contract is, or contains, a lease

At inception of a contract, Western Sydney University assesses whether a contract is, or contains a lease. A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

Notes to the Financial Statements

For the Year Ended 31 December 2019

19 Property, plant and equipment (continued)

Accounting Policy (continued)

Western Sydney University assesses whether:

- (a) The contract involves the use of an identified asset - The asset may be explicitly or implicitly specified in the contract. A capacity portion of larger assets is considered an identified asset if the portion is physically distinct or if the portion represents substantially all of the capacity of the asset. The asset is not considered an identified asset, if the supplier has the substantive right to substitute the asset throughout the period of use.
- (b) The customer has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- (c) The customer has the right to direct the use of the asset throughout the period of use - The customer is considered to have the right to direct the use of the asset only if either:
 - i. The customer has the right to direct how and for what purpose the identified asset is used throughout the period of use; or
 - ii. The relevant decisions about how and for what purposes the asset is used is predetermined and the customer has the right to operate the asset, or the customer designed the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

Accounting for leases - Western Sydney University as lessee

In contracts where Western Sydney University is a lessee, Western Sydney University recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied.

Right-of-use asset

A right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred in obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

A right-of-use asset associated with land and buildings is subsequently measured at cost. Right of use assets are generally depreciated over the earlier of the assets useful life and the lease term on a straight line basis. All other property, plant and equipment are measured as described in the accounting policy for property, plant and equipment in note 19.

Notes to the Financial Statements

For the Year Ended 31 December 2019

20 Intangible Assets

Consolidated	Software \$'000	Development costs \$'000	Licences \$'000	Electronic Materials \$'000	Total \$'000
At 1 January 2018					
- Cost	-	264	316	18,387	18,967
- Accumulated amortisation and impairment	-	(264)	(125)	(3,790)	(4,179)
Net book amount at 1 January 2018	-	-	191	14,597	14,788
Year ended 31 December 2018					
Opening net book amount	-	-	191	14,597	14,788
Additions	3,637	-	-	7,803	11,440
Amortisation charge	(1,212)	-	(29)	(3,679)	(4,920)
Net book amount at 31 December 2018	2,425	-	162	18,721	21,308
At 31 December 2018					
- Cost	3,637	-	250	26,189	30,076
- Accumulated amortisation and impairment	(1,212)	-	(88)	(7,468)	(8,768)
Net book amount at 31 December 2018	2,425	-	162	18,721	21,308
Year ended 31 December 2019					
Opening net book amount	2,425	-	162	18,721	21,308
Additions	-	-	-	8,094	8,094
Amortisation charge	(1,212)	-	(30)	(5,238)	(6,480)
Net book amount at 31 December 2019	1,213	-	132	21,577	22,922
At 31 December 2019					
- Cost	3,637	-	250	34,283	38,170
- Accumulated amortisation and impairment	(2,424)	-	(118)	(12,706)	(15,248)
Net book amount at 31 December 2019	1,213	-	132	21,577	22,922

Notes to the Financial Statements

For the Year Ended 31 December 2019

20 Intangible Assets (continued)

Parent	Software \$'000	Development costs \$'000	Licences \$'000	Electronic Materials \$'000	Total \$'000
At 1 January 2018					
- Cost	-	-	250	18,387	18,637
- Accumulated amortisation and impairment	-	-	(59)	(3,790)	(3,849)
Net book amount at 1 January 2018	-	-	191	14,597	14,788
Year ended 31 December 2018					
Opening net book amount	-	-	191	14,597	14,788
Additions	3,637	-	-	7,803	11,440
Amortisation charge	(1,212)	-	(29)	(3,679)	(4,920)
Net book amount at 31 December 2018	2,425	-	162	18,721	21,308
At 31 December 2018					
- Cost	3,637	-	316	26,189	30,142
- Accumulated amortisation and impairment	(1,212)	-	(154)	(7,468)	(8,834)
Net book amount at 31 December 2018	2,425	-	162	18,721	21,308
Year ended 31 December 2019					
Opening net book amount	2,425	-	162	18,721	21,308
Additions	-	-	-	8,094	8,094
Amortisation charge	(1,212)	-	(30)	(5,238)	(6,480)
Net book amount at 31 December 2019	1,213	-	132	21,577	22,922
At 31 December 2019					
- Cost	3,637	-	250	34,283	38,170
- Accumulated amortisation and impairment	(2,424)	-	(118)	(12,706)	(15,248)
Net book amount at 31 December 2019	1,213	-	132	21,577	22,922

Accounting Policy

Trademarks and licences

Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives, which vary from 3-5 years.

Leasehold improvements

Leasehold improvements are capitalised and amortised over the shorter of their useful life or the remaining life of the lease.

Notes to the Financial Statements

For the Year Ended 31 December 2019

21 Other financial assets

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Non-current				
Financial assets at fair value through profit or loss	304,770	246,893	304,770	246,893
Financial assets at fair value through other comprehensive income	47,653	29,217	47,653	29,217
Total non-current other financial assets	352,423	276,110	352,423	276,110

Accounting Policy**Classification and measurement**

From 1 January 2018, the University classifies its investments into the following categories: financial assets at fair value through profit or loss, amortised cost, or fair value through other comprehensive income in accordance with the newly effective AASB 9. The classification is based on two criteria: the University's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding. The assessment of Western Sydney University's business model was made as of the date of initial application, 1 January 2018.

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

This classification applies from 1 January 2018.

Financial assets which do not meet the criteria of the objective of the Group's business model for managing financial assets or the characteristics of the contractual cash flows, are measured at fair value through profit or loss.

The fair values of quoted investments are based on current bid prices. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis and option pricing models refined to reflect the issuer's specific circumstances.

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

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

This classification applies from 1 January 2018.

On initial recognition of an equity instrument obtained for purposes other than simply a financial return, the Group irrevocably adopts to recognise changes in the fair value of the instrument in other comprehensive income. The Group does not define any other financial assets as not held for trading. Gains or losses on these financial assets are never recycled to the income statement.

(iii) Financial assets at amortised cost

This classification applies from 1 January 2018.

Notes to the Financial Statements

For the Year Ended 31 December 2019

21 Other financial assets (continued)

Accounting Policy (continued)

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

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

(iv) Loans and receivables

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

Impairment

The adoption of AASB9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing AASB139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB9 requires the Group to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss and contract assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

22 Other non-financial assets

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Current				
Lease incentives	1,162	1,137	1,162	1,137
Total current other non-financial assets	1,162	1,137	1,162	1,137
Non-current				
Lease incentives	2,861	3,567	2,861	3,567
Livestock holdings	438	479	438	479
Total non-current other non-financial assets	3,299	4,046	3,299	4,046
Total other non-financial assets	4,461	5,183	4,461	5,183

Accounting Policy

Livestock

The University maintains livestock for research, teaching and commercial purposes. Livestock is valued on the fair value basis based on current market price. A stocktake of livestock holdings was undertaken at year end.

Notes to the Financial Statements

For the Year Ended 31 December 2019

23 Trade and other payables

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Current				
Payables	61,453	58,991	60,580	57,739
OS-HELP Liability to Australian Government	(376)	432	(376)	432
Total current payables	61,077	59,423	60,204	58,171
Non-current				
Payables	-	3,943	-	3,943
Total non-current payables	-	3,943	-	3,943
Total trade and other payables	61,077	63,366	60,204	62,114

Total trade and other payables include \$3.704M (2018: \$3.181M) denominated in currencies other than Australian dollars. For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 33.

Accounting Policy

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year, that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The Group's standard terms of payment are 30 days from date of recognition. The Group applies 14 day terms for invoices received under the Building and Construction Industry Security of Payment Act (1999) NSW.

24 Borrowings

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Current	-	-	-	-
Unsecured bank loans	36,500	-	36,500	-
Unsecured other financial liabilities (i)	-	-	14,967	12,031
Lease liabilities	13,292	-	13,292	-
Total current borrowings	49,792	-	64,759	12,031
Non-Current				
Unsecured bank loans (ii)	155,500	162,500	155,500	162,500
Lease liabilities	238,483	-	238,483	-
Total non-current borrowings	393,983	162,500	393,983	162,500
Total borrowings	443,775	162,500	458,742	174,531

(i) Relates to the transfer of Western Sydney University Enterprises Pty Limited trading as Western Sydney University The College and Western Sydney University Early Learning Limited surplus funds to the University.

(ii) The University has borrowing facilities of \$425M used for the construction of new facilities, other infrastructure and working capital purposes. The balance of the loans outstanding as at 31 December 2019 was \$192M (2018: \$162.5M).

Notes to the Financial Statements

For the Year Ended 31 December 2019

24 Borrowings (continued)

The interest rate of the loan is variable being based on the BBSY bid rate plus a margin. The interest rate averaged 2.55% during 2019 and is not benchmarked for liability management performance. The loan facilities are unsecured.

The fair value of borrowings equals their carrying amount, as the impact of discounting is not significant. Refer to note 33 for an analysis of the sensitivity of borrowings to interest rate risk.

(a) Financing arrangements

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

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Credit standby arrangements				
Total facilities				
Bank guarantees	3,200	2,000	3,200	2,000
Credit cards	4,500	4,500	4,500	4,500
Leasing facilities	34,000	34,000	34,000	34,000
Total credit standby arrangements	41,700	40,500	41,700	40,500
Used at balance date				
Bank guarantees	2,922	1,707	2,922	1,707
Credit cards	317	282	317	282
Leasing facilities	13,101	15,717	13,101	15,717
Total used at balance date	16,340	17,706	16,340	17,706
Unused at balance date				
Bank guarantees	278	293	278	293
Credit cards	4,183	4,218	4,183	4,218
Leasing facilities	20,899	18,283	20,899	18,283
Total unused at balance date	25,360	22,794	25,360	22,794
Bank loan facilities				
Total facilities	425,000	298,000	425,000	298,000
Used at balance date	(192,000)	(162,500)	(192,000)	(162,500)
Total unused at balance date	233,000	135,500	233,000	135,500

Notes to the Financial Statements

For the Year Ended 31 December 2019

24 Borrowings (continued)

Financial guarantee contracts

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of subsidiaries or associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

Accounting Policy

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

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

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

(b) Western Sydney University as lessee

Amounts recognised in the income statement

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Interest on lease liabilities	(9,145)	-	(9,145)	-
Income from sub-leasing right of use assets	3,516	-	3,516	-
Expenses relating to short-term leases	(597)	-	(597)	-
Expenses relating to leases of low-value assets, excluding short term leases of low-value assets	(5,492)	-	(5,492)	-
	(11,718)	-	(11,718)	-

Notes to the Financial Statements

For the Year Ended 31 December 2019

(b) Western Sydney University as lessee (continued)

Maturity analysis - undiscounted contractual cash flows

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Less than one year	13,292	-	13,292	-
One to five years	61,061	-	61,061	-
More than 5 years	177,422	-	177,422	-
Total undiscounted lease payments	251,775	-	251,775	-
Lease liabilities recognised in the statement of financial position	251,775	-	251,775	-
Current	13,292	-	13,292	-
Non-current	238,483	-	238,483	-

Amounts recognised in statement of cash flows

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Total cash outflow for leases	14,428	-	14,428	-

Accounting policy

Policy applicable from 1 January 2019

Policy on assessment of whether a contract is, or contains, a lease is detailed in note 19.

Lease liability

A lease liability is initially measured at the present value of unpaid lease payments at the commencement date of the lease. To calculate the present value, the unpaid lease payments are discounted using the interest rate implicit in the lease if the rate is readily determinable. If the interest rate implicit in the lease cannot be readily determined, the incremental borrowing rate at the commencement date of the lease is used. Lease payments included in the measurement of lease liabilities comprise:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (e.g. payments varying on account of changes in CPI);
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if Western Sydney University is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Notes to the Financial Statements

For the Year Ended 31 December 2019

(b) Western Sydney University as lessee (continued)

Accounting policy (continued)

For a contract that contains a lease component and one or more additional lease or non-lease components, Western Sydney University allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Subsequently, the lease liability is measured at amortised cost using the effective interest rate method resulting in interest expense being recognised as a borrowing cost in the income statement. The lease liability is remeasured when there are changes in future lease payments arising from a change in an index or rate with a corresponding adjustment to the right-of-use asset. A change in lease term will also lead to a remeasurement. The adjustment amount is factored into depreciation of the right-of-use asset prospectively.

Right-of-use assets are presented within the Property, plant and equipment note, in note 19 and lease liabilities are presented within note 24.

Short-term leases and leases of low-value assets

Western Sydney University has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets i.e., when the value of the leased asset when new is \$5,000 or less. Western Sydney University recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

Notes to the Financial Statements

For the Year Ended 31 December 2019

25 Provisions

		Consolidated		Parent	
		2019	2018	2019	2018
Note		\$'000	\$'000	\$'000	\$'000
Current provisions expected to be settled within 12 months					
Employee benefits					
Annual leave		23,262	22,530	21,650	20,852
Long service leave		13,549	6,509	13,193	6,234
		36,811	29,039	34,843	27,086
Current provisions expected to be settled after more than 12 months					
Employee benefits					
Annual leave		12,848	10,699	12,507	10,479
Long service leave		47,728	40,321	46,472	39,614
		60,576	51,020	58,979	50,093
Total current provisions		97,387	80,059	93,822	77,179
Non-current provisions					
Employee benefits					
Long service leave		13,984	16,933	12,547	15,918
Defined benefit obligation	38(d)	424,114	380,027	424,114	380,027
Total non-current employee benefit provisions		438,098	396,960	436,661	395,945
Long-term provisions					
Make good on leases		1,915	892	1,915	892
Total non-current long-term provisions		1,915	892	1,915	892
Total non-current provisions		440,013	397,852	438,576	396,837
Total provisions		537,400	477,911	532,398	474,016

Notes to the Financial Statements

For the Year Ended 31 December 2019

25 Provisions (continued)

Movements in each class of provision during the financial year, other than employee related provisions, are set out below:

Consolidated

	Make good \$'000	Total \$'000
Make good on leases		
Non-current		
Carrying amount at start of year	892	892
Additional provisions	1,023	1,023
Balance at 31 December 2019	1,915	1,915

Parent

	Make good \$'000	Total \$'000
Make good on leases		
Non-current		
Carrying amount at start of year	892	892
Additional provisions	1,023	1,023
Balance at 31 December 2019	1,915	1,915

The University has an obligation to make good on leased premises at the end of certain rental agreements. A provision has been made factoring in the cost of bringing the premises back to the conditions specified in the lease agreements.

Accounting Policy

Provisions for legal claims and service warranties are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably. The calculation of employee benefits includes all relevant on-costs and is calculated as follows at reporting date.

Notes to the Financial Statements

For the Year Ended 31 December 2019

25 Provisions (continued)

Accounting Policy (continued)

(i) Wages and salaries

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

(ii) Annual leave and sick leave

Annual leave is measured at the amount expected to be paid when the liability is settled.

Sick leave is cumulative but not vesting and therefore is not recognised in employee provisions. Liabilities for sick leave are recognised when the leave is taken and measured at the rates paid or payable.

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

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

(iii) Long service leave

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

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

(iv) Retirement benefit obligations

Members of the closed NSW Public Sector Superannuation schemes (SASS, SSS and SANCS) are entitled to benefits on retirement, disability or death from the Group's superannuation plan. The Group has a defined benefit section and a defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from Group companies and the Group's legal or constructive obligation is limited to these contributions. The employees of the parent entity are all members of the defined contribution section of the Group's plan.

Refer to note 38 for specific treatment and policies on defined benefit superannuation plans.

(v) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The Group recognises the expense and liability for termination benefits either when it can no longer withdraw the offer of those benefits or when it

Notes to the Financial Statements

For the Year Ended 31 December 2019

25 Provisions (continued)

Accounting Policy (continued)

has recognised costs for restructuring within the scope of AASB 137 that involves the payment of termination benefits. The expense and liability are recognised when the Group is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits are measured on initial recognition and subsequent changes are measured and recognised in accordance with the nature of the employee benefit. Benefits expected to be settled wholly within 12 months are measured at the undiscounted amount expected to be paid. Benefits not expected to be settled before 12 months after the end of the reporting period are discounted to present value.

Make good provisions

The University leases a number of properties which include make good requirements at the expiry of the lease. On initial recognition of the make good provision a leasehold improvement asset is recognised to record the future economic outflows required to perform the restoration. Changes to the estimated future costs of the restoration are recognised in the Statement of financial position by adjusting the cost of the related asset.

26 Other liabilities

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Current				
Deferred income	7,642	23,105	7,531	23,086
Fees received in advance	25,309	23,668	24,270	22,220
Lease incentives	215	2,170	215	2,170
Other	4,429	4,353	3,765	3,843
Total current other liabilities	37,595	53,296	35,781	51,319
Non-current				
Scholarship liabilities	4,904	-	4,904	-
Deferred income	2,478	2,668	2,478	2,668
Lease incentives	491	44,396	491	44,396
Total non-current other liabilities	7,873	47,064	7,873	47,064
Total other liabilities	45,468	100,360	43,654	98,383

Accounting Policy

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Notes to the Financial Statements

For the Year Ended 31 December 2019

27 Reserves and retained earnings

(a) Reserves

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Reserves				
Deferred superannuation reserve	(2,613)	(2,428)	(2,613)	(2,428)
Property development revaluation reserve	-	4,547	-	4,547
Property, plant and equipment revaluation surplus	903,898	882,348	903,357	882,152
Investment revaluation reserve	47,397	28,961	47,397	28,961
Art collection revaluation reserve	2,531	2,417	2,531	2,417
Livestock revaluation reserve	207	193	207	193
Licences revaluation reserve	250	250	250	250
Total Reserves	951,670	916,288	951,129	916,092

(b) Nature and purpose of reserves

The property development revaluation reserve represents the gain on revaluation of land held for sale at date of transfer. The gain on revaluation will be transferred to retained earnings when the sale is completed, and the asset is de-recognised.

The asset revaluation reserve for property, plant and equipment reflects revaluation of all Group land, buildings and the rare library collection. The reserve is the difference between the valuation and the book value as at valuation date.

The deferred superannuation reserve represents an emerging liability for the University in respect of any excess salary component relating to continuing members of SASS or SSS State Superannuation Fund. Such a liability will arise where a continuing member of SASS or SSS has received a salary increase that causes their actual salary to be greater than their notional salary. The Commonwealth and State will guarantee to fund the State Superannuation Fund defined benefit obligation of each university, except to the extent that there is an excess salary component.

The investment revaluation reserve is equal to the unrealised gains/(losses) on investments with the University's Fund managers and unlisted securities for 2019 together with accumulated prior years unrealised gains/(losses).

The asset revaluation reserve for art collection reflects the revaluation of all Group artworks. The reserve is the difference between the valuation and the book value at the valuation date.

The livestock revaluation reserve reflects the revaluation of Group livestock at fair (market) value. The reserve is the difference between the revaluation and the book value at the valuation date. See note 22.

The licence revaluation reserve reflects the revaluation of the University's water licence. The reserve is the difference between the valuation and the book value at the valuation date.

Notes to the Financial Statements

For the Year Ended 31 December 2019

27 Reserves and retained earnings (continued)

(c) Movements in Reserves

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Property development revaluation reserve				
Balance at 1 January	4,547	32,158	4,547	32,158
Write back on disposal of revalued assets	(4,547)	(27,611)	(4,547)	(27,611)
Balance at 31 December	-	4,547	-	4,547
Property, plant and equipment revaluation surplus				
Balance at 1 January	882,348	813,272	882,152	813,076
Revaluation - gross	28,299	69,076	27,954	69,076
Write back on disposal of revalued assets	(6,749)	-	(6,749)	-
Balance at 31 December	903,898	882,348	903,357	882,152
State superannuation funds revaluation reserve				
Balance at 1 January	(2,428)	(2,093)	(2,428)	(2,093)
Revaluation - gross	(185)	(335)	(185)	(335)
Balance at 31 December	(2,613)	(2,428)	(2,613)	(2,428)
Investment revaluation reserve				
Balance at 1 January	28,961	19,500	28,961	15,447
Revaluation - gross	18,436	7,111	18,436	7,111
Adjustments on adoption of new accounting policy	-	2,350	-	6,403
Balance at 31 December	47,397	28,961	47,397	28,961
Art collection revaluation reserve				
Balance at 1 January	2,417	2,417	2,417	2,417
Revaluation - gross	114	-	114	-
Balance at 31 December	2,531	2,417	2,531	2,417
Livestock revaluation reserve				
Balance at 1 January	193	286	193	286
Revaluation - gross	14	(93)	14	(93)
Balance at 31 December	207	193	207	193
Licences revaluation reserve				
Balance 1 January	250	250	250	250
Balance at 31 December	250	250	250	250
Total Reserves	951,670	916,288	951,129	916,092

Notes to the Financial Statements

For the Year Ended 31 December 2019

28 Key Management Personnel Disclosures

(a) Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of Western Sydney University during the financial year:

(i) Names of Responsible Persons

'Responsible person' is defined to mean a member of the University's Board of Trustees who had authority and responsibility for planning, directing and controlling activities of the University in 2019.

Peter Shergold, AC
Barney Glover, AO
Alpha Possamai-Inesedy
Christopher Brown, AM - ceased 30 June 2019
Bob Sahota - commenced 1 July 2019
Peeyush Gupta, AM
Gabrielle Trainor, AO
Kerry Stubbs
Carmel Hourigan
Georgia Lee - commenced 2 February 2019
Mary Ann Bin-Sallik, AO
Elizabeth Dibbs
Linda O'Brien, AM
Joseph Carrozzi
Holly Kramer
Alexandra Coleman - ceased 30 June 2019
Naomi Hastings - commenced 1 July 2019
Ben Etherington
Nicole Gismondo - ceased 31 December 2019
David Harland

Notes to the Financial Statements

For the Year Ended 31 December 2019

28 Key Management Personnel Disclosures (continued)

(a) Names of responsible persons and executive officers (continued)

(ii) Names of Executive Officers

'Executive' is defined to mean the Chief Executive Officer plus the members of the Executive Committee of the University. In 2019 these were:

Barney Glover, AO
Scott Holmes - ceased 3 October 2019
Denise Kirkpatrick
Simon Barrie
Sharon Bell, AM - ceased 31 December 2019
Deborah Sweeney
Angelo Kourtis
Peter Pickering
Linda Taylor
Simon Bedford - commenced 14 October 2019
Kevin Bell - ceased 31 December 2019
James Arvanitakis - ceased 19 July 2019
Kevin Dunn
Michelle Trudgett - commenced 8 July 2019
Steven Freeland - ceased 12 April 2019
Anna Cody - commenced 15 April 2019
Annemarie Hennessy, AM
Deborah Hatcher
Brian Stout - commenced 10 July 2019
Gregory Kolt
Michele Simons
Peter Hutchings
Simeon Simoff
Amir Mahmood
Eileen McLaughlin - commenced 4 November 2019
Tanya Meade - commenced 17 June 2019
Kerry London - commenced 17 June 2019
Yang Xiang - commenced 17 June 2019
Paul Wormell - commenced 17 June 2019
Michael Burgess
Kerry Holling

Notes to the Financial Statements

For the Year Ended 31 December 2019

28 Key Management Personnel Disclosures (continued)

(b) Remuneration of Board Members and Executives

	Consolidated		Parent	
	2019	2018	2019	2018
Remuneration of Board Members				
Nil to \$14,999	5	5	-	-
\$15,000 to \$29,999	-	1	-	-
\$30,000 to \$44,999	2	1	1	1
	7	7	1	1

	Consolidated		Parent	
	2019	2018	2019	2018
Remuneration of executive officers				
\$160,000 to \$169,999	-	1	-	-
\$180,000 to \$189,999	1	-	-	-
\$200,000 to \$209,999	1	-	1	-
\$240,000 to \$249,999	3	2	2	1
\$280,000 to \$289,999	-	3	-	3
\$290,000 to \$299,999	1	-	1	-
\$300,000 to \$309,999	5	2	4	-
\$310,000 to \$319,999	1	3	1	3
\$320,000 to \$329,999	5	1	5	1
\$330,000 to \$339,999	2	1	2	1
\$340,000 to \$349,999	-	2	-	2
\$350,000 to \$359,999	1	1	1	1
\$380,000 to \$389,999	1	-	1	-
\$390,000 to \$399,999	-	2	-	2
\$400,000 to \$409,999	3	2	3	2
\$410,000 to \$419,999	2	-	2	-
\$450,000 to \$459,999	-	2	-	2
\$460,000 to \$469,999	1	-	1	-
\$480,000 to \$489,999	1	1	1	1
\$510,000 to \$519,999	-	1	-	1
\$520,000 to \$529,999	1	-	1	-
\$540,000 to \$549,999	-	1	-	1
\$560,000 to \$569,999	2	-	2	-
\$570,000 to \$579,999	1	-	1	-
\$590,000 to \$599,999	-	1	-	1
\$900,000 to \$909,999	-	1	-	1
\$950,000 to \$959,999*	1	-	1	-
\$1,000,000 to \$1,009,999	1	-	1	-
	34	27	31	23

Notes to the Financial Statements

For the Year Ended 31 December 2019

28 Key Management Personnel Disclosures (continued)

(b) Remuneration of Board Members and Executives (continued)

* The Vice-Chancellor's total remuneration included paid salary, PAYG withholding tax, expense-of-office allowance, employee and employer superannuation contributions, a salary-sacrificed motor vehicle, Fringe Benefits Tax and housing allowance. No additional bonus in payable.

Remuneration is reflective of an annualised total remuneration package (TRP) for those key management personnel who were members of the Executive for a part of any year. TRP also includes any contractual payment made to a member of the Executive that ceased during the year.

(c) Key management personnel compensation

Key management personnel include Board Members and Executives.

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Short-term employee benefits	9,948	8,645	9,192	7,917
Post-employment benefits	1,269	1,072	1,203	1,009
Termination benefits	628	-	628	-
Total key management personnel compensation	11,845	9,717	11,023	8,926

(d) Loans to key management personnel

No loans were made to key management personnel during the financial year (2018: Nil).

29 Remuneration of Auditors

During the year, the following fees were paid for services provided by the auditor of the entity:

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Audit and review of the Financial Statements				
Fees paid to the Audit Office of New South Wales	466	407	330	291
Total paid for audit and review	466	407	330	291

Fees shown are exclusive of Goods and Services Tax.

Notes to the Financial Statements

For the Year Ended 31 December 2019

30 Contingencies

Contingent liabilities

It is the University's current policy to provide both Western Unlimited Ltd and Western Sydney University International College Pty Ltd with such support and assistance as may be required to allow them to meet their financial obligations in conformity with generally accepted standards of commercial and financial prudence for the period 1 January 2019 up until approximately twelve months from the date of the signed financial statements to the expected date of the auditor's report for the next annual reporting period.

31 Commitments

(a) Capital commitments

Capital expenditures contracted for at the reporting date but not recognised as liabilities are:

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment				
- Within one year	75,591	52,245	75,562	52,213
- Between one year and five years	-	-	-	-
- Later than five years	-	-	-	-
Total	75,591	52,245	75,562	52,213

The above amounts included commitments for capital expenditure on joint operations of \$12.3M (2018: \$14.0M) payable within one year.

(b) Lease commitments

The University leases computing equipment, printing equipment and building office space under operating leases.

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

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
- Within one year	-	32,289	-	31,844
- Between one year and five years	-	104,560	-	104,145
- Later than five years	-	249,497	-	249,497
Total future minimum lease payments	-	386,346	-	385,486

Notes to the Financial Statements

For the Year Ended 31 December 2019

32 Related Parties

(a) Parent entities

The ultimate parent entity within the Group is Western Sydney University.

(b) Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b).

Name of Entity	Principal place of business/Country of Incorporation	Ownership interest	
		2019 %	2018 %
Western Sydney University Enterprises Pty Limited trading as Western Sydney University The College (formerly UWS Enterprises Pty Limited)	Australia	100	100
Western Sydney University Early Learning Limited (formerly UWS Early Learning Limited)	Australia	100	100
Western Unlimited Ltd (formerly uwsconnect Limited)	Australia	100	100
Whitlam Institute (within Western Sydney University) Limited and Trust	Australia	100	100
Western Growth Developments (Westmead) Pty Ltd	Australia	100	100
Western Growth Developments (Innovation Hub Parramatta) Pty Ltd	Australia	100	100

There are no significant restrictions on the Group's ability to access or use the assets and settle the liabilities of the Group.

(c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 28.

(d) Transactions with related parties

The following transactions occurred with related parties:

Note	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Sale of goods and services				
Royalty payments to University	-	-	24,406	23,756
Expense recoveries from controlled entities	-	-	244	60
Total sales of goods and services	-	-	24,650	23,816
Purchase of goods				
Services to University	-	-	1,524	1,542
Funding to controlled entities	-	-	52,080	51,268
Total purchase of goods	-	-	53,604	52,810

Notes to the Financial Statements

For the Year Ended 31 December 2019

32 Related Parties (continued)

(e) Loans to/from related parties

Note	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Loans to subsidiaries				
Beginning of the year	-	-	25,779	23,600
Loans advanced	-	-	5,967	1,885
Interest charged	-	-	1,021	363
Interest received	-	-	(104)	(69)
Loan forgiven by Parent	-	-	(3,118)	-
End of year	-	-	29,545	25,779
Note				
Loans from subsidiaries				
Beginning of the year	-	-	12,031	9,201
Loans advanced	-	-	5,029	10,319
Loan repayments paid	-	-	(2,357)	(7,723)
Interest charged	-	-	264	234
End of year	-	-	14,967	12,031
24				

The University granted loans of \$218M to its subsidiaries to pay for all costs and expenses in connection with the acquisition and development of land and leasing of constructed buildings. The balance of the loans outstanding as at 31 December 2019 was \$29.545M (2018: \$25.779M). The unused facilities as at 31 December 2019 was \$188.455M (2018: \$192.221M).

(f) Outstanding balances

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

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current receivables (loans)				
- Subsidiaries	-	-	-	2,679
Non-current receivables (loans)				
- Subsidiaries	-	-	29,545	23,100
Current payables (loans)				
- Parent entity	-	-	14,967	12,031

No provisions for doubtful debts was raised in 2019 in relation to the outstanding balances from related parties.

Notes to the Financial Statements

For the Year Ended 31 December 2019

33 Financial Risk Management

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

The Group's principal financial instruments are cash and cash equivalents, as well as investments in units in managed investment funds and held to maturity investments.

The main purpose of the managed investment funds and held to maturity investments is to earn an income stream and provide long term growth to support objectives of the Western Sydney University Foundation Fund and Corpus, and the University's teaching, learning and research initiatives.

The Group also has various other financial instruments such as receivables, payables and finance leases.

Treasury Risk Management

The University only invests funds with fund managers that were approved by NSW Treasury under the previous requirements of the Western Sydney University Act or are now approved by the Finance and Investment Committee and the Board of Trustees. Approved fund managers use a wide range of diversified strategic asset allocations. The performance of the fund managers is closely monitored by the University's Finance and Investment Committee. The Finance and Investment Committee has a number of external members with a high level of experience and expertise in funds management. The Committee provides written principles for overall risk management, as well as policies covering specific areas, such as investment of excess liquidity. The Finance and Investment Committee also evaluates Treasury management strategies in the context of the most recent economic conditions and forecasts and the Group's activities. The Finance and Investment Committee reports regularly to the Board of Trustees.

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

(i) Foreign exchange risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is primarily exposed to foreign exchange risk on purchases that are denominated in a currency other than the Australian dollar (AUD). The Group undertakes a minor level of hedging associated with regular purchases for the Library, and specific one off purchases. The Group also ensures that its exposure is kept to an acceptable level by buying foreign currencies at spot rates when necessary to address any short term imbalances. The Group has no overseas investment operations likely to affect its statement of financial position by movement in exchange rates.

(ii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. This arises from investments held by the University and classified on the Statement of Financial Position as fair value through profit or loss. To manage price risk from investments in managed investment funds the University has contracted out the management of the portfolio to external fund managers. These fund managers are mandated to diversify investments of the portfolio under their management. A market price movement of 10% may affect the investment value by \$20.3M.

Notes to the Financial Statements

For the Year Ended 31 December 2019

33 Financial Risk Management (continued)

(a) Market risk (continued)

The quantum of funds under management per external fund manager and the investment objectives of each external fund manager are in accordance with limits / policies set by the Finance and Investment Committee.

(iii) Cash flow and fair value interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in interest rates. The Group's exposure to interest rate risk is relatively small.

(iv) Summarised sensitivity analysis

Sensitivity analysis was produced by altering the relevant balance for +/-10% change in the foreign exchange and other price risk and +/-0.25% in the interest rate risk identified. The results of this analysis did not give rise to any material change in the balances affected by the risks for interest rate and foreign exchange. The results of sensitivity analysis for other price risks resulted in a +/-10% risk balance of \$35.242M for the consolidated or parent entity.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from receivables from customers and investment securities.

Receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Receivables are mainly attributable to sales transactions with a single customer. Apart from the Government deferred debtor, the Group does not have any material risk exposure to any other single debtor or group of debtors.

Investments

The Group limits its exposure to credit risk through its Credit Risk Policy which establishes eligible counterparties with credit limits based upon counterparty credit ratings and accessible shareholder funds. An eligible counterparty must be rated from Standard and Poors or Moodys at a minimum level equivalent to BBB+ (Standard and Poors long term) or Baa1(Moodys long term), and has accessible shareholder funds of at least \$100M. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations. Fund managers are closely monitored to ensure adherence to the Credit Risk Policy.

The carrying amount of financial assets (as contained in the table in subnote 33(b) represents the Group's maximum exposure to credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or reputational risk.

The Group reviews its immediate and short term cash requirements on a daily basis with a three year rolling cash flow forecast regularly provided to management, Finance and Investment Committee and the Board of Trustees.

Notes to the Financial Statements

For the Year Ended 31 December 2019

33 Financial Risk Management (continued)

(c) Liquidity risk (continued)

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

	Average Interest rate		Variable interest rate		Within 1 year		1 to 5 years		5+ years		Non-Interest Bearing		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	%	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets:														
Cash and cash equivalents	1.86	2.10	73,652	71,123	31,200	31,167	-	-	-	-	1,174	-	106,026	102,290
Receivables (a)	-	-	-	-	-	-	-	-	-	-	23,485	71,204	23,485	71,204
Other Financial Assets														
Fair value through profit or loss (Acadian)	-	-	-	-	-	-	-	-	-	-	-	39,815	-	39,815
Fair value through profit or loss (Mercer)	-	-	-	-	-	-	-	-	-	-	304,770	195,603	304,770	195,603
Fair value through profit or loss (JBWere)	-	3.45	-	569	-	5,738	-	4,651	-	517	-	-	-	11,475
Fair value through other comprehensive income (Unlisted securities)	-	-	-	-	-	-	-	-	-	-	47,653	29,217	47,653	29,217
Total Financial Assets			73,652	71,692	31,200	36,905	-	4,651	-	517	377,082	335,839	481,934	449,604
Financial Liabilities:														
Payables	-	-	-	-	-	-	-	-	-	-	(56,403)	(59,204)	(56,403)	(59,204)
Borrowings	2.55	3.09	-	-	(36,500)	-	(155,500)	(162,500)	-	-	-	-	(192,000)	(162,500)
Other financial liabilities	-	-	-	-	-	-	-	-	-	-	(7,807)	(98,317)	(7,807)	(98,317)
Total Financial Liabilities			-	-	(36,500)	-	(155,500)	(162,500)	-	-	(64,210)	(157,521)	(256,210)	(320,021)

(a) The University's deferred government contribution for superannuation included in note 17 is not included in the above analysis as the timing of the cash flows cannot be determined.

Notes to the Financial Statements

For the Year Ended 31 December 2019

34 Fair Value Measurement

(a) Fair value measurements

The carrying value of financial assets and liabilities at balance date materially approximates their fair value.

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

The Group measure and recognise the following assets at fair value on a recurring basis:

- Financial assets at fair value through profit or loss
- Financial assets at fair value through other comprehensive income
- Available-for-sale financial assets
- Land and buildings

The Group has also measured assets and liabilities as fair value on a non-recurring basis.

(b) Fair value hierarchy

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

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

(i) Recognised fair value measurements

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

Notes to the Financial Statements

For the Year Ended 31 December 2019

34 Fair Value Measurement (continued)

(b) Fair value hierarchy (continued)

Fair value measurements at 31 December 2019

Note	2019 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements				
Financial assets				
Financial assets at fair value through profit and loss	304,770	304,770	-	-
Financial assets at fair value through other comprehensive income (Listed)	17	17	-	-
Financial assets at fair value through other comprehensive income (Unlisted)	47,636	-	47,315	321
Total financial assets	352,423	304,787	47,315	321
Non-financial assets				
Property, plant and equipment				
Land	594,000	-	980	593,020
Buildings	1,119,878	-	-	1,119,878
Infrastructure	111,363	-	-	111,363
Artwork	4,839	-	4,839	-
Rare book collection	2,233	-	2,233	-
Total non-financial assets	1,832,313	-	8,052	1,824,261

Fair value measurements at 31 December 2018

Recurring fair value measurements				
Financial assets				
Financial assets at fair value through profit and loss	246,893	246,893	-	-
Financial assets at fair value through other comprehensive income (Listed)	16	16	-	-
Financial assets at fair value through other comprehensive income (unlisted)	29,201	-	28,880	321
Total financial assets	276,110	246,909	28,880	321
Non-financial assets				
Property, plant and equipment				
Land	594,000	-	980	593,020
Buildings	1,127,751	-	-	1,127,751
Infrastructure	116,497	-	-	116,497
Artwork	4,629	-	4,629	-
Rare book collection	1,778	-	1,778	-
Total non-financial assets	1,844,655	-	7,387	1,837,268
Non-recurring fair value measurements				
Non-current assets held for sale	5,867	-	5,867	-
Total non-recurring fair value measurements	5,867	-	5,867	-

Notes to the Financial Statements

For the Year Ended 31 December 2019

34 Fair Value Measurement (continued)

(b) Fair value hierarchy (continued)

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

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

(ii) Disclosed fair values

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

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

The fair value of non-current borrowings disclosed in note 24 is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the group for similar financial instruments. For the period ending 31 December 2019, the borrowing rates averaged 2.55% during the year. The fair value of current borrowings approximates the carrying amount, as the impact of discounting is not significant (level 2).

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

(i) Recurring fair value measurements

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

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

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

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

Land and buildings (classified as property, plant and equipment) are calculated independently, at least every three years. At the end of each reporting period, the Group updates their assessment of the fair value of each property, taking into account the most recent independent valuations. The Group determines the property's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources, including discounted replacement cost - the cost to construct improvements as new is estimated and that amount depreciated, after taking into consideration the nature and design of the improvements, their age and current condition.

Notes to the Financial Statements

For the Year Ended 31 December 2019

34 Fair Value Measurement (continued)

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

All resulting fair value estimates for properties are included in level 3 except for vacant land. The level 2 fair value of vacant land has been derived using the sales comparison approach. Sale prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre.

(ii) Non-recurring fair value measurement

Land and non-current assets (or disposal groups) classified as held for sale during the reporting period were measured at the lower of its carrying amount and fair value less cost to sell at the time of the reclassification. The fair value of the land was also determined using the sales comparison approach as described in (i) above.

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

The following table is a reconciliation of level 3 items for the periods ended 31 December 2019 and 2018.

Level 3 Fair Value Measurement 2019	Unlisted equity securities \$'000	Buildings \$'000	Infrastructure \$'000	Land \$'000	Total \$'000
Opening balance	321	1,127,751	116,497	593,021	1,837,590
Acquisitions	-	6,149	28	-	6,177
Disposals	-	(16,985)	-	-	(16,985)
Recognised in profit or loss*	-	(26,331)	(3,714)	-	(30,045)
Recognised in other comprehensive income	-	29,294	(1,448)	-	27,846
Closing balance	321	1,119,878	111,363	593,021	1,824,583

Level 3 Fair Value Measurement 2018	Unlisted equity securities \$'000	Buildings \$'000	Infrastructure \$'000	Land \$'000	Total \$'000
Opening balance	337	981,524	109,035	527,334	1,618,230
Acquisitions	-	144,383	3,915	31,066	179,364
Transfers from level 1	(16)	-	-	-	(16)
Non-cash adjustments	-	-	10	-	10
Recognised in profit or loss*	-	(25,445)	(3,629)	-	(29,074)
Recognised in other comprehensive income	-	27,289	7,166	34,621	69,076
Closing balance	321	1,127,751	116,497	593,021	1,837,590

*This includes gains/(losses) of \$Nil (2018: \$Nil) attributable to the change in unrealised gains/(losses) recognised in profit or loss attributable to unlisted securities, and \$30.045M (2018: \$29.074M) attributable to depreciation recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 31 December 2019

34 Fair Value Measurement (continued)

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

(i) Transfers between levels 2 and 3 and changes in valuation techniques

Due to the availability of observable market data, the University transferred the value of one of its investments in unlisted securities from level 3 to level 1 at the end of 2018.

(ii) Valuation inputs and relationships to fair value

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

	Fair value at 31 December 2019 \$'000	Unobservable inputs*	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Buildings	1,119,878	-	-	-
Land	593,021	-	-	-
Infrastructure	111,363	-	-	-
Unlisted equity securities	321	-	-	-

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

Accounting Policy

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

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and equity investments) is based on quoted market prices for identical assets or liabilities at the end of the reporting period (level 1). This is the most representative of fair value in the circumstances. The fair value of held-to-maturity investments were determined by reference to published price quotations in an active market.

The fair value of non-current borrowings disclosed in note 24 is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the group for similar financial instruments. The fair value of current borrowings approximates the carrying amount, as the impact of discounting is not significant (level 2).

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

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

Notes to the Financial Statements

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35 Joint Operations

Joint operations with Urban Growth at Campbelltown

The project is for the development of a residential subdivision comprising of 966 lots over 122 hectares located on the south west portion of the Campbelltown property. Land sales commenced in 2014 and extended through a number of stages throughout 2019, subject to market demand. The development is located in a desirable south western portion of Campbelltown's Macarthur region, adjacent to the University campus, suburban shopping facilities, parks, and in close proximity to both a railway station and the Hume Highway. The infrastructure being built will also improve access to the University campus with a much needed second major entry road as part of the development.

The University and Urban Growth each have a 50% interest in the operation, and share equally in the costs of development, and proceeds from sale of the developed lots. Due to decision making being shared equally, and the equal sharing of costs and output, the University has determined this to be a jointly controlled operation.

Name of joint operation	Nature of relationship	Principal place of business	Ownership interest/ voting rights held	
			2019 %	2018 %
Campbelltown residential development	Jointly controlled operation with Urban Growth for the residential subdivision of land	Australia	50.00	50.00

The assets and liabilities employed in the above jointly controlled operations, including Western Sydney University's share of any assets and liabilities held jointly, are detailed below:

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Statement of Financial Position				
Other receivables	-	1,060	-	1,060
Construction in Progress	(6,193)	(2,844)	(6,193)	(2,844)
Trade and other payables	-	(1,175)	-	(1,175)
Statement of Comprehensive Income				
Proceeds from sale of assets	19,326	48,258	19,326	48,258
Carrying amount of assets sold	(9,154)	(21,410)	(9,154)	(21,410)
Gain on disposal of assets	10,172	26,847	10,172	26,847
Other expenses	(383)	(949)	(383)	(949)
Interest revenue	49	81	49	81

Accounting Policy

Cost of goods sold has been calculated on a percentage of completion basis, taking into account lot area sold and total costs to completion of the development.

Notes to the Financial Statements

For the Year Ended 31 December 2019

36 Reconciliation of Net Result after income tax to net cash provided by / (used in) operating activities

	Consolidated		Parent	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Net result for the period	18,499	87,711	19,084	86,771
Net (gain)/loss on disposal of property, plant and equipment	2,866	(33,987)	2,859	(33,993)
Depreciation and amortisation	80,406	54,950	79,227	53,802
Impairment of receivables	375	321	(2,262)	2,910
Cost of goods sold - livestock	55	39	55	39
Fair value (gains)/losses on other financial assets at fair value through profit or loss	(18,671)	10,277	(18,671)	14,330
(Increase)/decrease in trade debtors	21,272	21,223	16,168	(897)
Increase/(decrease) in other operating liabilities	(15,601)	3,603	(15,002)	(430)
(Increase)/decrease in inventories	28	28	1	(3)
(Increase)/decrease in other non-financial assets	681	1,162	681	1,162
Increase/(decrease) in trade creditors	(2,290)	3,443	(1,911)	2,683
Increase/(decrease) in provisions	16,372	12,682	15,265	12,850
Net cash provided by / (used in) operating activities	103,992	161,452	95,494	139,224

Notes to the Financial Statements

For the Year Ended 31 December 2019

37 Acquittal of Australian Government Financial Assistance

(a) Education - CGS and other Education grants

	Note	Commonwealth Grants Scheme #1		Indigenous Student Success Program #3		Access and Participation Fund		Disability Performance Funding #2		National Priorities Pool		Promotion of Excellence in Learning and Teaching		Total	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Parent Entity (University) Only															
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		288,109	287,309	2,711	2,755	10,552	9,970	536	789	-	(68)	-	-	301,908	300,755
Net accrual adjustments		(956)	(2,174)	(8)	-	-	-	-	-	-	-	-	41	(964)	(2,133)
Revenue for the period	2	287,153	285,135	2,703	2,755	10,552	9,970	536	789	-	(68)	-	41	300,944	298,622
Surplus/(deficit) from the previous year		-	-	-	-	52	45	1,204	738	20	458	120	162	1,396	1,403
Total revenue including accrued revenue		287,153	285,135	2,703	2,755	10,604	10,015	1,740	1,527	20	390	120	203	302,340	300,025
Less expenses including accrued expenses		(287,153)	(285,135)	(2,703)	(2,755)	(10,542)	(9,963)	(67)	(323)	(8)	(370)	(51)	(83)	(300,524)	(298,629)
Surplus/(deficit) for reporting period		-	-	-	-	62	52	1,673	1,204	12	20	69	120	1,816	1,396

#1 Basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, CGS - Medical Student Loading, Allocated Places, Non Designated Courses and CGS - Special Advances from Future Years.

#2 Disability Performance Funding includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education & Training

#3 Indigenous Student Success Program has replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2019.

Notes to the Financial Statements

For the Year Ended 31 December 2019

37 Acquittal of Australian Government Financial Assistance (continued)

(b) Higher education loan programs (excl OS-HELP)

	Note	HECS-HELP (Australian Government payments only)		FEE-HELP		SA-HELP		Total	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Parent Entity (University) Only									
Cash Payable/(Receivable) at the beginning of the year		(126)	(2,533)	(1,271)	(744)	(464)	(422)	(1,861)	(3,699)
Financial assistance received in Cash during the reporting period		215,108	214,045	20,223	15,416	7,422	7,063	242,753	236,524
Cash available for period		214,982	211,512	18,952	14,672	6,958	6,641	240,892	232,825
Revenue earned	2	216,325	211,638	19,686	15,943	7,524	7,105	243,535	234,686
Cash Payable/(Receivable) at end of year		(1,343)	(126)	(734)	(1,271)	(566)	(464)	(2,643)	(1,861)

Notes to the Financial Statements

For the Year Ended 31 December 2019

37 Acquittal of Australian Government Financial Assistance (continued)

(c) Department of Education and Training Research

Parent Entity (University) Only

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

Revenue for the period

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for reporting period

Note	Research Training Program		Research Support Program		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
	11,135	10,869	8,041	7,493	19,176	18,362
	11,135	10,869	8,041	7,493	19,176	18,362
2	11,135	10,869	8,041	7,493	19,176	18,362
	(11,135)	(10,869)	(8,041)	(7,493)	(19,176)	(18,362)
	-	-	-	-	-	-

Total Higher Education Provider Research Training Program expenditure

Research Training Program Fees offsets

Research Training Program Stipends

Research Training Program Allowances

Total for all types of support

Total domestic students \$'000	Total overseas students \$'000
-	-
3,199	601
7,335	-
10,534	601

Notes to the Financial Statements

For the Year Ended 31 December 2019

37 Acquittal of Australian Government Financial Assistance (continued)

(d) Other Capital Funding

	Note	Linkage Infrastructure, Equipment and Facilities Grant		Total	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Parent Entity (University) Only					
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		-	-	-	-
Net adjustments		94	25	94	25
Revenue for the period	2	94	25	94	25
Surplus/(deficit) from the previous year		25	-	25	-
Total revenue including accrued revenue		119	25	119	25
Less expenses including accrued expenses		(30)	-	(30)	-
Surplus/(deficit) for reporting period		89	25	89	25

(e) Australian Research Council Grants

	Note	Discovery		Linkages		Networks and Centres		Special Research Initiatives		Total	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Parent Entity (University) Only											
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		6,101	4,711	753	881	-	-	-	-	6,854	5,592
Net adjustments		(934)	384	197	161	1,082	1,168	484	535	829	2,248
Revenue for the period	2	5,167	5,095	950	1,042	1,082	1,168	484	535	7,683	7,840
Surplus/(deficit) from the previous year		4,411	4,147	766	1,028	582	738	234	212	5,993	6,125
Total revenue including accrued revenue		9,578	9,242	1,716	2,070	1,664	1,906	718	747	13,676	13,965
Less expenses including accrued expenses		(3,768)	(4,831)	(1,109)	(1,304)	(977)	(1,324)	(408)	(513)	(6,262)	(7,972)
Surplus/(deficit) for reporting period		5,810	4,411	607	766	687	582	310	234	7,414	5,993

Notes to the Financial Statements

For the Year Ended 31 December 2019

37 Acquittal of Australian Government Financial Assistance (continued)

(f) OS-HELP

Parent Entity (University) Only

Cash received during the reporting period
 Cash spent during the reporting period
 Net cash received
 Cash surplus/(deficit) from the previous period
 Cash surplus/(deficit) for reporting period

	2019	2018
Note	\$'000	\$'000
	1,986	2,848
	(2,794)	(2,522)
	(808)	326
	432	106
23	(376)	432

(g) Student Services and Amenities Fee

SA-HELP revenue earned
 Student Services and Amenities Fees direct from students
 Total revenue expendable in period
 Student services expenses during period
 Unspent/(overspent) student services revenue

37(b)	7,524	7,105
4	4,155	3,836
	11,679	10,941
	(11,679)	(10,941)
	-	-

Notes to the Financial Statements

For the Year Ended 31 December 2019

38 Defined Benefits Plans

(a) Fund specific disclosure

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes, namely State Authorities Superannuation Scheme (SASS), State Superannuation Scheme (SSS) and State Authorities Non Contributory Superannuation Scheme (SANCS), which are State schemes and subject to reimbursement rights. These three schemes are all defined benefit schemes - at least a component of the final benefit is derived from a multiple of member salary and years of membership.

These unfunded liabilities recorded in the Statement of Financial Position under provisions have been determined by independent actuaries.

During 2015, University of Sydney on behalf of the NSW Universities, led a project to finalise the negotiation of an agreement between the Commonwealth and New South Wales Government to provide certainty in respect to the funding of the defined benefits superannuation funds managed by the State Authorities Superannuation Trustees Corporation (STC). These discussions have now culminated in a memorandum of understanding being reached between the Commonwealth and the State Government. This memorandum has now been executed with the effect that the Commonwealth and New South Wales Government are taking on all of the risk of the liabilities of the three funds (SASS, SANCS and SSS) for the next seventy years.

The significant elements of the agreement are that:

- the agreement allows for funding of the SANCS accounts that were previously not eligible under the scheme;
- in future, the Commonwealth will not contribute to costs associated with excess salary increases. Future fund liabilities deemed to be the result of excess salary increases will be recouped from each relevant university in the form of 'top-up' payments.

The amount receivable from the Commonwealth or State in respect of the three funds as at 31 December 2019 was \$412.874M (2018: \$369.942M) and this is reflected in note 17 as Non-current receivables. This receivable is net of the University's accrued and forecasted excess salary liability as at 31 December 2019 totalling \$2.613M (2018: \$2.428M) as the liability is treated as a reduction of the Commonwealth and State reimbursement right. The amount owing to members of the three funds as at 31 December 2019 was \$424.114M (2018: \$380.027M), including the University's accrued and forecasted excess salary liability, and is recognised in the statement of financial position under provisions.

The Group expects to make a contribution of \$0.63M (2018: \$0.78M) to the defined benefit plan during the next financial year.

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

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Total \$'000
Defined benefit obligations - 31 December 2019	22,125	21,539	64,795	371,267	479,726
Defined benefit obligations - 31 December 2018	21,407	21,850	64,215	392,567	500,039

Notes to the Financial Statements

For the Year Ended 31 December 2019

38 Defined Benefits Plans (continued)

Accounting Policy

Defined Benefit Plans

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

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

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

Past service costs are recognised in profit or loss immediately.

Deferred government benefit for superannuation

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as the Department of Education and Training (Education), the effects of the unfunded superannuation liabilities of Western Sydney University and its controlled entities were recorded in the income statement and the statement of financial position for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements.

The unfunded liabilities recorded in the statement of financial position under Provisions have been determined by Mercer Human Resource Consulting Ltd and relate to the State Superannuation Scheme, the State Authorities Superannuation Scheme and the State Authorities Non Contributory Scheme. This assessment was based on the full requirements of AASB 119.

Deferred government benefits for superannuation are the amounts recognised as reimbursement rights as they are the amounts expected to be received from the Australian Government for the emerging costs of the superannuation funds for the life of the liability.

Notes to the Financial Statements

For the Year Ended 31 December 2019

38 Defined Benefits Plans (continued)

(b) Categories of plan assets

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

	2019 (%)		2018 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Equity instruments	68	-	64	-
Property	4	5	4	5
Alternatives	13	11	17	10
Total	85	16	85	15

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

	2019	2018
	%	%
Discount rate(s)	1.37	2.33
Expected rate of plan assets	7.40	7.40
Expected return on reimbursement rights	2.73	3.19
Expected rate(s) of salary increase	3.20	2.70
Expected rate of CPI increase	2.50	2.50

(c) Actuarial assumptions and sensitivity

The sensitivity of the defined benefit obligation to change in the significant assumptions is:

	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
Discount rate	1.00 %	Decrease by 10.8%	Increase by 13.0%
Salary growth rate	0.50 %	Increase by 0.1%	Decrease by 0.1%

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

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

Notes to the Financial Statements

For the Year Ended 31 December 2019

38 Defined Benefits Plans (continued)

(d) Statement of financial position amounts

Amounts recognised in the statement of financial position - 2019

Liabilities

Provision for deferred government benefits for superannuation

Note	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
25	14,727	3,473	405,914	424,114

Total liabilities recognised in the statement of financial position

14,727	3,473	405,914	424,114
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Assets

Receivables for deferred government contribution for superannuation

17	12,508	2,942	397,424	412,874
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Total assets recognised in the statement of financial position

12,508	2,942	397,424	412,874
--------	-------	---------	---------

Net liability recognised in the statement of financial position

2,219	531	8,490	11,240
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Net liability reconciliation - 2019

Defined benefit obligation

24,079	4,135	447,425	475,639
--------	-------	---------	---------

Fair value of plan assets

(9,651)	(733)	(49,768)	(60,152)
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Payroll tax oncost estimate on net liability

299	71	8,257	8,627
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Net liability

25	14,727	3,473	405,914	424,114
----	--------	-------	---------	---------

Reimbursement right

17	(12,508)	(2,942)	(397,424)	(412,874)
----	----------	---------	-----------	-----------

Total net liability/(asset)

2,219	531	8,490	11,240
-------	-----	-------	--------

Reimbursement rights - 2019

Opening value of reimbursement right

13,403	3,229	353,310	369,942
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Emerging liability for excess salaries

(1,923)	(460)	(230)	(2,613)
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Expected return on reimbursement rights

2,192	502	8,357	11,051
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Remeasurements

(1,164)	(329)	35,987	34,494
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Closing value of reimbursement right

17	12,508	2,942	397,424	412,874
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Notes to the Financial Statements

For the Year Ended 31 December 2019

38 Defined Benefits Plans (continued)

(d) Statement of financial position amounts (continued)

	SASS	SANCS	SSS	Total
	\$'000	\$'000	\$'000	\$'000
Present value of obligation - 2019				
Opening defined benefit obligation	24,913	4,273	415,803	444,989
Current service cost	639	132	-	771
Interest expense	550	94	9,584	10,228
	26,102	4,499	425,387	455,988
Remeasurements				
Actuarial losses/(gains) arising from changes in financial assumptions	847	224	39,216	40,287
Experience (gains)/losses	(1,042)	(519)	(1,226)	(2,787)
	(195)	(295)	37,990	37,500
Contributions				
Plan participants	306	-	32	338
Payments from plan				
Benefits paid	(1,998)	(109)	(18,384)	(20,491)
Taxes, premium and expenses paid	(136)	40	2,400	2,304
	(2,134)	(69)	(15,984)	(18,187)
Closing defined benefit obligation	24,079	4,135	447,425	475,639
Present value of plan assets - 2019				
Opening fair value of plan assets	9,656	610	62,327	72,593
Interest expense / (income)	202	10	1,349	1,561
	9,858	620	63,676	74,154
Remeasurements				
Actual Return on Fund assets interest income	970	34	2,002	3,006
	970	34	2,002	3,006
Contributions				
Employers	651	148	42	841
Plan participants	306	-	32	338
	957	148	74	1,179
Payments from plan				
Benefits paid	(1,998)	(109)	(18,384)	(20,491)
Taxes, premiums and expenses paid	(136)	40	2,400	2,304
	(2,134)	(69)	(15,984)	(18,187)
Closing fair value of plans assets	9,651	733	49,768	60,152

Notes to the Financial Statements

For the Year Ended 31 December 2019

38 Defined Benefits Plans (continued)

(d) Statement of financial position amounts (continued)

Amounts recognised in the statement of financial position - 2018	Note	SASS \$'000	SANCS \$'000	SSS \$'000	Total \$'000
Liabilities					
Provision for deferred government benefits for superannuation	25	15,570	3,738	360,719	380,027
Total liabilities recognised in the statement of financial position		15,570	3,738	360,719	380,027
Assets					
Receivable for deferred government benefit for superannuation	17	13,403	3,229	353,310	369,942
Total assets recognised in the statement of financial position		13,403	3,229	353,310	369,942
Net liability recognised in the statement of financial position		2,167	509	7,409	10,085
Net liability reconciliation - 2018					
Defined benefit obligation		24,913	4,273	415,803	444,989
Fair value of plan assets		(9,656)	(610)	(62,327)	(72,593)
Payroll tax oncost estimate on net liability		313	75	7,243	7,631
Net liability	25	15,570	3,738	360,719	380,027
Reimbursement right	17	(13,403)	(3,229)	(353,310)	(369,942)
Total net liability/(asset)		2,167	509	7,409	10,085
Reimbursement rights - 2018					
Opening value of reimbursement right		10,935	3,858	330,910	345,703
Excess salary expense through profit and loss		(21)	(4)	-	(25)
Emerging liability for excess salaries		(1,834)	(430)	(164)	(2,428)
Expected return on reimbursement rights		2,148	(449)	9,806	11,505
Remeasurements		2,175	254	12,758	15,187
Closing value of reimbursement right	17	13,403	3,229	353,310	369,942

Notes to the Financial Statements

For the Year Ended 31 December 2019

38 Defined Benefits Plans (continued)

(d) Statement of financial position amounts (continued)

	SASS	SANCS	SSS	Total
	\$'000	\$'000	\$'000	\$'000
Present value of obligation - 2018				
Opening defined benefit obligation	25,176	4,349	409,545	439,070
Current service cost	733	137	70	940
Interest expense	635	107	10,617	11,359
	<u>26,544</u>	<u>4,593</u>	<u>420,232</u>	<u>451,369</u>
Remeasurements				
Actuarial losses/(gains) arising from changes in demographic assumptions	(168)	(40)	2,046	1,838
Actuarial losses/(gains) arising from changes in financial assumptions	313	79	14,607	14,999
Experience (gains)/losses	1,893	212	(4,673)	(2,568)
	<u>2,038</u>	<u>251</u>	<u>11,980</u>	<u>14,269</u>
Contributions				
Plan participants	316	-	48	364
Payments from plan				
Benefits paid	(3,858)	(578)	(18,667)	(23,103)
Taxes, premiums and expenses paid	(127)	7	2,210	2,090
	<u>(3,985)</u>	<u>(571)</u>	<u>(16,457)</u>	<u>(21,013)</u>
Closing defined benefit obligation	<u>24,913</u>	<u>4,273</u>	<u>415,803</u>	<u>444,989</u>
Present value of plan assets - 2018				
Opening fair value of plan assets	12,535	105	78,635	91,275
Interest expense / (income)	308	9	1,836	2,153
	<u>12,843</u>	<u>114</u>	<u>80,471</u>	<u>93,428</u>
Remeasurements				
Actual Return on Fund assets interest income	(137)	(4)	(778)	(919)
	<u>(137)</u>	<u>(4)</u>	<u>(778)</u>	<u>(919)</u>
Contributions				
Employers	618	1,071	(955)	734
Plan participants	316	-	48	364
	<u>934</u>	<u>1,071</u>	<u>(907)</u>	<u>1,098</u>
Payments from plan				
Benefits paid	(3,858)	(578)	(18,668)	(23,104)
Taxes, premiums and expenses paid	(126)	7	2,209	2,090
	<u>(3,984)</u>	<u>(571)</u>	<u>(16,459)</u>	<u>(21,014)</u>
Closing fair value of plans assets	<u>9,656</u>	<u>610</u>	<u>62,327</u>	<u>72,593</u>

Notes to the Financial Statements

For the Year Ended 31 December 2019

39 Events Occurring After the Reporting Date

Coronavirus (COVID-19) is a respiratory illness caused by a new virus which was first reported in December 2019 in Wuhan City in China. The emergence and spread of the coronavirus in early 2020 has affected business and economic activity in China and elsewhere.

The University considers the spread of the coronavirus a non-adjusting event.

At the commencement of the 2020 academic year, the University has a relatively small number of international students from China that are unable to enter Australia due to the coronavirus related travel restriction put in place by the Commonwealth Government of Australia. The actual impact on revenue is unknown at reporting date, however, modelling of directly impacted student load indicates a minimal impact on University finances.

The economic impact of COVID-19 has resulted in \$35.577M (11.67%) of YTD unrealised losses on the fair value of University investments as at 30 March 2020.

A significant or prolonged decline in the fair value of an investment below its cost is considered in determining whether the investment is impaired. In determining a significant and prolonged decline in the fair value of an investment, Western Sydney University calculates whether the fair value of the investment has fallen by more than 20% below the original cost of the investment for a period greater than 12 months.

There are no other events identified after the Statement of Financial Position date that would have a material impact on the financial statements.

End of Audited Financial Statements.



INDEPENDENT AUDITOR'S REPORT

Western Sydney University

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Western Sydney University (the University), which comprise the Responsible Entities Declaration, the Income Statement and Statement of Comprehensive Income for the year ended 31 December 2019, the Statement of Financial Position as at 31 December 2019, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a Summary of Significant Accounting Policies and other explanatory information of the University and the consolidated entity. The consolidated entity comprises the University and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the University and the consolidated entity, as at 31 December 2019, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015
- comply with the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2019 Reporting Period' (the Guidelines), issued by the Australian Government Department of Education, pursuant to the *Higher Education Support Act 2003* and the *Australian Research Council Act 2001*
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

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

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

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

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

I have nothing to report in this regard.

University Board of Trustees' Responsibilities for the Financial Statements

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

In preparing the financial statements, the Board of Trustees is responsible for assessing the University's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

My opinion does *not* provide assurance:

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



Margaret Crawford
Auditor-General for NSW

20 April 2020
SYDNEY

Western Sydney University Enterprises Pty Limited Trading as Western Sydney University The College

ABN: 44 003 474 468

Financial Statements

For the Year Ended 31 December 2019

These financial statements are of Western Sydney University Enterprises Pty Limited as an individual entity. The financial statements are presented in the Australian currency.

Western Sydney University Enterprises Pty Limited (the Company) is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Nirimba Education Precinct

Eastern Road, Quakers Hill NSW 2763

A description of the nature of the Company's operations and its principal activities is included in the directors' report on pages 90 to 93, which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 12 March 2020. The directors have the power to amend and reissue the financial statements.

Directors' Report

31 December 2019

The directors present their report on Western Sydney University Enterprises Pty Limited trading as Western Sydney University The College (the Company) for the financial year ended 31 December 2019.

1. General information

Information on directors

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

Ms Belinda Robinson	BA, MEnvLaw, FAICD - (Chair)
Mr Angelo Kourtis	BA
Ms Caroline Hutchinson	BEd, LLB, Spec Acc (Comm Lit), GAICD
Ms Le Ho	Cert III Transport & Logistics (Resigned 10 July 2019)
Professor Michele Simons	BSocSc, PhD
Mr Ramy Aziz	BBus, FCPA, FGIA
Mr Robin Shreeve	BA(Hons), MA
Professor Simon Barrie	BAppSc, PhD
Professor Denise Kirkpatrick	BEd, MEd, PhD - (Previous Chair/Alternate Director)
Mr Michael Burgess	BAgrSc, GradDipMkt - (Alternate Director)

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

Principal activities and significant changes in nature of activities

The principal activities of the Company during the financial year were:

- Provision of educational services

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

Directors' Report

31 December 2019

2. Operating results and review of operations for the year

The net result of the Company for the year ended 31 December 2019 was NIL (2018: nil) which included a royalty payment to the parent entity of \$24,405,509 (2018: \$23,755,693).

Overall student enrolments in the 2019 Pathway Programs was similar to 2018 while generating greater revenue as a result of a favorable change in the mix of course enrolments. Other activities generated similar revenues for both years. Operating expenses increased in line with inflationary factors relevant to the College.

3. Other items

Significant changes in state of affairs

No significant changes in the nature of the Company's activities occurred during the year.

Events after the reporting date

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

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Dividends paid or recommended

No dividend was paid or payable since the commencement of the financial year and up to and including the date of signing the report (2018: nil).

Company secretary

Ms Wendy Barker held the position of Company Secretary for the whole of the financial year and to the date of this report.

Directors' Report

31 December 2019

Indemnification and insurance of officers and auditors

The Company is insured externally and in line with the parent entity's policies for all significant areas of risk exposure and accordingly, is not a self-insurer and makes no provision in its financial statements for internal coverage.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Auditor's independence declaration

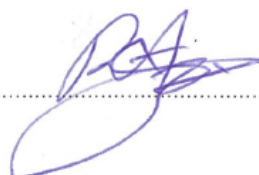
The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 December 2019 has been received and can be found on page 95 of the financial statements.

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

Director:



Director:



Dated at Sydney 12 March 2020

Directors' Declaration

In the directors' opinion:

1. the financial statements and notes, as set out on pages 96 to 117, are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Australian Accounting Standards - Reduced Disclosure Requirements, the *Corporations Regulations 2001*, *Public Finance and Audit Act 1983*, *Public Finance and Audit Regulation 2015* and other mandatory professional reporting requirements, and
 - (b) giving a true and fair view of the company's financial position as at 31 December 2019 and financial performance for the financial year ended on that date, 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,
3. We are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

This declaration is made in accordance with a resolution of the Board of Directors, pursuant to section 295(4) of the *Corporations Act 2001*, and 41(C) of the *Public Finance and Audit Act 1983*.

Director

Director

Dated at Sydney 12 March 2020

Western Sydney University Enterprises Pty Limited Trading as Western Sydney University The College

ABN: 44 003 474 468

Responsible Entities' Declaration

The responsible entities declare that in the responsible entities' opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Director



Director



Dated at Sydney 12 March 2020



To the Directors

Western Sydney University Enterprises Pty Limited

Trading as Western Sydney University The College

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Western Sydney University Enterprises Pty Limited Trading as Western Sydney University The College for the year ended 31 December 2019, I declare, to the best of my knowledge and belief, there have been no contraventions of:

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

Margaret Crawford
Auditor-General for New South Wales

6 March 2020
SYDNEY

Western Sydney University Enterprises Pty Limited Trading as Western Sydney University The College

ABN: 44 003 474 468

Statement of Comprehensive Income
For the Year Ended 31 December 2019

	Note	2019 \$	2018 \$
Revenue			
Fees and charges	2(a)	61,043,824	59,737,058
Interest revenue		312,695	298,009
Share of net profit on investments accounted for using the equity method	3,14(c)	436,977	190,052
Other revenue	2(b)	567,805	697,830
Total revenue		62,361,301	60,922,949
Expenses			
Employee related expenses	4	(31,614,137)	(29,559,706)
Royalty to parent	14(b)	(24,405,509)	(23,755,693)
Fees for service	4	(2,914,834)	(3,677,189)
Depreciation and amortisation expense	4	(1,151,763)	(1,137,332)
Impairment of asset	4	60,804	(106,234)
Other expenses	4	(2,335,862)	(2,686,795)
Total expenses		(62,361,301)	(60,922,949)
Surplus / (deficit) for the year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-
Comprehensive income for the year attributable to			
Non - controlling interest		-	-
Western Sydney University (The Parent)		-	-
Total comprehensive income for the year		-	-

The accompanying notes form part of these financial statements.

Western Sydney University Enterprises Pty Limited Trading as Western Sydney University The College

ABN: 44 003 474 468

Statement of Financial Position

As At 31 December 2019

	Note	2019 \$	2018 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	447,280	2,259,828
Loans to parent entity	14(c)	12,533,680	9,798,582
Trade and other receivables	6	380,537	277,112
Receivables from joint venture	14(d)	1,570,143	1,292,667
Prepayments		74,498	5,102
Total Current Assets		15,006,138	13,633,291
Non-Current Assets			
Loans to joint venture	14(c)	1,091,072	654,095
Property, plant and equipment	7(a)	3,188,859	3,211,241
Total Non-Current Assets		4,279,931	3,865,336
Total Assets		19,286,069	17,498,627
LIABILITIES			
Current Liabilities			
Trade payables		402,409	94,188
Tuition fees advance receipts	1(f)	927,423	535,780
Amounts due to joint venture	14(d)	2,504,758	2,393,844
Accrued expenses	8	3,799,682	4,289,281
Provisions	9	2,917,481	2,082,712
Other liabilities	10	609,867	486,350
Total Current Liabilities		11,161,620	9,882,155
Non-Current Liabilities			
Provisions	9	1,359,000	851,023
Total Non-Current Liabilities		1,359,000	851,023
Total Liabilities		12,520,620	10,733,178
Net Assets		6,765,449	6,765,449
EQUITY			
Issued capital	11	1	1
Retained earnings		6,765,448	6,765,448
Total Equity		6,765,449	6,765,449

The accompanying notes form part of these financial statements.

Western Sydney University Enterprises Pty Limited Trading as Western Sydney University The College

ABN: 44 003 474 468

Statement of Changes in Equity

For the Year Ended 31 December 2019

	Issued Capital	Retained Earnings	Total
	\$	\$	\$
Balance at 1 January 2019	1	6,765,448	6,765,449
Surplus / (deficit) for the year	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	-	-
Balance at 31 December 2019	1	6,765,448	6,765,449

	Issued Capital	Retained Earnings	Total
	\$	\$	\$
Balance at 1 January 2018	1	6,765,448	6,765,449
Surplus / (deficit) for the year	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	-	-
Balance at 31 December 2018	1	6,765,448	6,765,449

The accompanying notes form part of these financial statements.

Western Sydney University Enterprises Pty Limited Trading as Western Sydney University The College

ABN: 44 003 474 468

Statement of Cash Flows

For the Year Ended 31 December 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	1(f)	61,327,541	60,625,373
Payments to suppliers and employees		(61,389,654)	(57,729,828)
Interest received		106,872	120,407
Other receipts		567,806	697,830
GST recovered	1(f)	1,254,207	626,651
Net cash provided by operating activities		1,866,772	4,340,433
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment	7(a)	(1,150,044)	(118,476)
Payments for operations of joint venture	14(c)	-	(250,000)
Repayments received from the parent entity	14(c)	15,429,213	10,396,835
Advances made to the parent entity	14(c)	(17,958,489)	(13,015,929)
Net cash used in investing activities		(3,679,320)	(2,987,570)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net cash provided by financing activities		-	-
Net increase / (decrease) in cash and cash equivalents held		(1,812,548)	1,352,863
Cash and cash equivalents at beginning of year		2,259,828	906,965
Cash and cash equivalents at end of financial year	5	447,280	2,259,828

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies

Western Sydney University Enterprises Pty Limited trading as Western Sydney University The College (the Company) is a registered Company limited by shares and is a not-for-profit controlled entity of Western Sydney University. The Company is incorporated and domiciled in Australia.

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

The registered office of the Company is Nirimba Education Precinct, Eastern Road, Quakers Hill NSW 2763.

(a) Basis of Preparation

The financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with Australian Accounting Standards, Australian Accounting Interpretations, the *Corporations Act 2001*, the *Public Finance & Audit Act 1983*, *Public Finance & Audit Regulation 2015*, the *Australian Charities and Not-for profits Commission (ACNC) Act 2012* and *Division 60 of the ACNC Regulation 2013*.

These financial statements comply with Australian Accounting Standards - Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board.

The financial statements were authorised for issue by the Directors of the Company on 12 March 2020.

(i) Critical accounting estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. All significant estimates or assumptions made in preparation of the financial statements have been explained in the accounting policy notes or subsequent notes.

(ii) Foreign currency transactions and balances

The functional currency of the Company is measured using the currency of the primary economic environment which is Australian dollars. The financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

(b) Principles of Consolidation

Joint Arrangements

The Company determined that the Joint Arrangement with Navitas Ltd for the establishment of the Western Sydney University International College Pty Ltd ("the International College") is a Joint Venture equally controlled by the Company and Navitas Ltd.

The Company's interest in the Joint Venture is accounted for in the financial statements using the equity method in accordance with AASB 11 Joint Arrangements. Details of equity accounted investments are set out in note 3.

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(c) Income Tax

The Company is exempt from the payment of tax by virtue of section 50-5 of the *Income Tax Assessment Act 1997*. Accordingly, no provision for income tax liability or future income tax benefit has been included in the accounts.

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

The Company is grouped with the parent entity for GST purposes and therefore the net GST receivable or GST payable is not reflected within these statements.

(e) Initial application of Accounting Standard and Interpretations

The Company has applied accounting standards and interpretations for the first time that became effective to annual reporting periods beginning on or after 1 January 2019. The effect of adopting these accounting standards follows:

(i) AASB 15 Revenue from contracts with customers; and AASB 1058 Income of not-for-profit entities

AASB 15 'Revenue from contracts with customers' and AASB 1058 'Income of not-for-profit entities' replace AASB 118 'Revenue' and AASB 111 'Construction Contracts' and reduced the scope of AASB 1004 'Contributions' for annual periods on or after 1 January 2019.

AASB 15 establishes a comprehensive framework for determining how and when revenue is recognised. The core principle of AASB 15 is that revenue is recognised when transfers of goods or services to customers occurs in exchange for consideration which the vendor expects to be entitled to in exchange for the provision of those goods or services (i.e. fulfilment of performance obligations). Revenue will only be recognised when control over the goods or services is transferred to the customer, which is either over time or at a point in time.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit entities, in conjunction with AASB 15. The requirements of AASB 1058 more closely reflect the economic reality of not-for-profit entity transactions that are not contracts with customers. The timing of recognition depends on whether such a transaction gives rise to a liability or other performance obligation.

The Company has adopted AASB 15 and AASB 1058 with the date of initial application of 1 January 2019. The application of these standards has no material impact and no adjustment has been made to opening retained earnings at the date of initial application. Consequently, the comparative information has not been restated and continues to be reported under the previous standards on revenue and income. The new accounting policies for revenue and other income in accordance with AASB 15 and AASB 1058 are provided in note 2.

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(e) Initial application of Accounting Standard and Interpretations (continued)

(ii) AASB 16 Leases

AASB 16 'Leases' replaces AASB 117 'Leases' for annual periods beginning on or after 1 January 2019.

AASB 16 introduces a single lease accounting model for lessee replacing the previous distinction between 'operating' and 'finance' leases. Under AASB 16, a lessee recognises a right of use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Company has adopted AASB 16 with the initial application of 1 January 2019 and elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets (i.e. when the value of the leased asset when new is \$5,000 or less). The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term. Refer to note 4 for details.

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

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

	1 January 2019
	\$
Operating lease commitments disclosed at 31 December 2018	399,679
(Less): Low-value leases recognised on a straight-line basis as an expense	(352,390)
(Less): Leases recharged to joint venture	(47,289)
Lease liability recognised as at 1 January 2019	-

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(f) Comparative Amounts

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

The following items have been adjusted to conform with the current year's presentation.

		2018		2018
	Note	Reported	Reclassification	Revised
		\$	\$	\$
Statement of Financial Position				
Tuition fee advance receipts		1,338,864	(803,084)	535,780
Amount due to joint venture	14(d)	1,590,760	803,084	2,393,844
Net effect on current liabilities		2,929,624	-	2,929,624
Statement of Cash Flows				
Receipts from customers		61,252,024	(626,651)	60,625,373
GST recovered		-	626,651	626,651
Net effect on cash provided by operating activities		61,252,024	-	61,252,024
Note 2 Revenue				
Tuition income		56,597,831	(56,597,831)	
Domestic students undergraduate	2(a)	-	50,948,154	50,948,154
Onshore overseas students undergraduate	2(a)	-	4,911,470	4,911,470
Continuing education	2(a)	-	649,717	649,717
Student test fees and services		3,139,227	(3,139,227)	-
Student test fees	2(a)	-	3,013,745	3,013,745
Student service fees	2(a)	-	213,972	213,972
Total fees and charges	2(a)	59,737,058	-	59,737,058
Note 14 Related Parties				
Payment of management fee to joint venture	14(b)	8,889,082	803,084	9,692,188

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Revenue

(a) Fees and charges

	Note	2019 \$	2018 \$
Course fees and charges			
Domestic students undergraduate	1(f)	52,581,984	50,948,154
Onshore overseas students undergraduate	1(f)	5,041,694	4,911,470
Continuing education	1(f)	475,210	649,717
Total course fees and charges		58,098,888	56,509,341
Non-course fees and charges			
Student test fees	1(f)	2,666,548	3,013,745
Student service fees	1(f)	278,388	213,972
Total non-course fees and charges		2,944,936	3,227,717
Total fees and charges		61,043,824	59,737,058

(b) Other revenue

	2019 \$	2018 \$
Service fee from joint venture	535,401	608,783
Education and training revenue	11,435	12,131
Rental revenue	3,994	47,382
Other income	16,975	29,534
Total other revenue	567,805	697,830

Accounting Policy

All revenue is stated net of the amount of goods and services tax (GST).

(a) Course fees and charges

The course fees and charges revenue relates to undergraduate programs and continuing education programs. The revenue is recognised over time as and when the course is delivered to students over the semester.

When the courses or trainings have been paid in advanced, the Company recognises a contract liability until the services are delivered and these amounts are presented as Tuition fees advance receipts in the statement of financial position. There is no significant financing component, as the period from when the student pays and the service is provided is less than 12 months and the consideration is not variable.

(b) Non-course fees and charges

Non-course fees and charges revenue relates to student test fees and service fees. Revenue is recognised either at a point in time or over time as when the service is provided over the period.

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Revenue (continued)

Accounting Policy (continued)

(c) Other revenue

Other revenue relates to income from on-campus non-academic services. Revenue is recognised over time as and when the service is provided over the period.

3 Investments accounted for using the equity method

In April 2015, the Company entered into a Joint Venture Agreement with Navitas Ltd to form Western Sydney University International College Pty Ltd to operate an international college at Parramatta, New South Wales. The Company owns 50% of the entity.

Commitment and Contingent liability from joint venture entities

There are no capital expenditure commitments and contingent liabilities arising from the Company's interest in the joint venture. There are no events identified after the reporting date that would have a material impact on the financial statements (2018: nil).

Accounting Policy

Under the equity method of accounting, the Company recognises its share of the profits and losses in the International College in the statement of comprehensive income.

The initial recognition of the investment in joint venture is recognised at cost, which includes the purchase price and any directly attributable expenditures necessary to obtain it.

The carrying amount is adjusted to recognise the company's share of the profit or loss of the International College after the date of acquisition.

Any shareholder loans, in substance, form a part of the company's net investment in the joint venture and are taken into account when assessing the amount of any profits and losses recognised by the Company relating to its interest in the International College. Distributions received from the International College reduce the carrying amount of the investment.

Details of loans and share of profits and losses of joint venture are disclosed in note 14(c).

Notes to the Financial Statements

For the Year Ended 31 December 2019

4 Expenses

	2019	2018
	\$	\$
Employee related expense (including academic and non academic)		
Salaries and wages	23,721,207	23,323,260
Superannuation	3,024,901	2,831,999
Leave	2,912,932	1,616,400
Payroll tax	1,698,679	1,630,999
Workers compensation	199,970	115,460
Redundancies	56,448	41,588
Total employee related expenses	31,614,137	29,559,706
Fees for service		
Testing fees	1,073,395	1,302,500
Agent's commission	731,229	794,332
Study tours	501,824	502,227
Consultants	321,754	402,852
Temporary contract staff	125,428	414,540
Other	161,204	260,738
Total fees for service	2,914,834	3,677,189
Depreciation and amortisation		
Fixtures and Fittings	1,067,353	1,035,969
Plant and equipment	84,410	101,363
Total depreciation and amortisation	1,151,763	1,137,332
Impairment of assets		
Bad and doubtful debts	(68,706)	81,962
Net loss on disposal of assets	7,902	24,272
Total impairment of assets	(60,804)	106,234
Other expenses		
Advertising, marketing and promotional expenses	754,439	708,208
Student expenses	390,925	249,054
Lease of low-value assets	358,567	345,727
Postage, printing, telephone & internet	263,823	334,527
Consumables and supplies	254,113	269,798
Travel and related staff development and training	142,425	150,982
Minor equipment and furniture	65,989	81,261
Utilities and cleaning	28,807	45,885
Motor vehicle expenses	17,392	60,163
Relocation expenses	13,829	278,007
Lease of building teaching space	-	68,433
Sundry expenses	45,553	94,750
Total other expenses	2,335,862	2,686,795

Notes to the Financial Statements

For the Year Ended 31 December 2019

4 Expenses (continued)

Accounting Policy

Leases

Lease payments, relating to short-term leases and low-value assets, are charged as expenses on a straight-line basis over the life of the lease term.

5 Cash and cash equivalents

	2019	2018
	\$	\$
Cash at bank and on hand	20,540	1,840,863
TCorp Investment Facility	426,740	418,965
Total cash and cash equivalents in the statement of financial position and statement of cash flows	447,280	2,259,828

6 Trade and other receivables

	2019	2018
	\$	\$
Student receivables	157,547	177,864
Trade receivables	245,301	119,343
Less: Provision for impaired receivables	(70,845)	(97,801)
Net student and trade receivables	332,003	199,406
Accrued revenue	44,772	76,083
Other receivables	3,762	1,623
Total current trade and other receivables	380,537	277,112

Notes to the Financial Statements

For the Year Ended 31 December 2019

6 Trade and other receivables (continued)

Accounting Policy

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Company's standard terms of trade receivables is 14 days from the date of recognition. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

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

Refer to note 14(d) for policies on the classification of Loans and receivables.

(a) Provision for impairment of receivables

Set out below is the movement in the allowance for expected credit losses of trade receivables:

	2019	2018
	\$	\$
Opening balance as at 1 January	97,801	19,469
Provision (recovery) for expected credit losses	(26,433)	81,962
Write-off	(523)	(3,630)
Balance as at 31 December	70,845	97,801

The creation and release of the provision for impaired receivables has been included 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.

Notes to the Financial Statements

For the Year Ended 31 December 2019

7 Property, plant and equipment

(a) Movements in Carrying Amounts

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

	Construction in Progress \$	Fixtures and Fittings \$	Plant and Equipment \$	Artwork \$	Total \$
At 1 January 2018					
Cost	-	7,808,816	787,844	11,909	8,608,569
Accumulated depreciation	-	(3,864,434)	(489,766)	-	(4,354,200)
Net book amount	-	3,944,382	298,078	11,909	4,254,369
Year ended 31 December 2018					
Opening net book amount	-	3,944,382	298,078	11,909	4,254,369
Additions	73,635	-	44,841	-	118,476
Disposals	-	(24,272)	-	-	(24,272)
Depreciation expense	-	(1,035,969)	(101,363)	-	(1,137,332)
Closing net book amount	73,635	2,884,141	241,556	11,909	3,211,241
At 31 December 2018					
Cost	73,635	7,681,870	832,684	11,909	8,600,098
Accumulated depreciation	-	(4,797,729)	(591,128)	-	(5,388,857)
Net book amount	73,635	2,884,141	241,556	11,909	3,211,241
Year ended 31 December 2019					
Opening net book amount	73,635	2,884,141	241,556	11,909	3,211,241
Additions	-	422,222	727,822	-	1,150,044
Disposals	-	-	(2,875)	(5,027)	(7,902)
Depreciation expense	-	(1,067,353)	(84,410)	-	(1,151,763)
Assets capitalised from Construction in Progress	(73,635)	41,636	31,999	-	-
Other adjustments	-	-	(12,761)	-	(12,761)
Closing net book amount	-	2,280,646	901,331	6,882	3,188,859
At 31 December 2019					
Cost	-	8,145,728	1,565,354	6,882	9,717,964
Accumulated depreciation	-	(5,865,082)	(664,023)	-	(6,529,105)
Net book amount	-	2,280,646	901,331	6,882	3,188,859

Notes to the Financial Statements

For the Year Ended 31 December 2019

7 Property, plant and equipment (continued)

(b) Capital commitments

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

	2019	2018
	\$	\$
- no later than 1 year	-	16,715

Accounting Policy

(a) Measurement by Asset Class

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

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

(b) Depreciation

Artwork is non-depreciable asset. Depreciation on other assets is calculated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use.

The estimated useful lives used for each class of depreciable asset are:

Class of Fixed Asset	Useful life
Computer Equipment	3-4 years
Fixtures and Fittings	2-6 years
Motor Vehicles	6-7 years
Other Equipment	10-20 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

Notes to the Financial Statements

For the Year Ended 31 December 2019

8 Accrued expenses

	2019	2018
	\$	\$
Current		
Agents' commissions	2,422,754	2,334,977
Salary	1,017,016	1,317,629
Non-salary overheads	359,912	599,790
Provision for staff redundancy	-	36,885
Total accrued expenses	3,799,682	4,289,281

Accounting Policy

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

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

Termination benefits are measured on initial recognition and subsequent changes are measured and recognised in accordance with the nature of the employee benefit. Benefits expected to be settled wholly within 12 months are measured at the undiscounted amount expected to be paid. Benefits not expected to be settled before 12 months after the end of the reporting period are discounted to present value.

Notes to the Financial Statements

For the Year Ended 31 December 2019

9 Provisions

	2019	2018
	\$	\$
Current provisions expected to be settled within 12 months		
Annual leave	1,278,335	1,257,254
Long service leave	180,771	173,964
	1,459,106	1,431,218
Current provisions expected to be settled after more than 12 months		
Annual leave	341,146	159,889
Long service leave	1,117,229	491,605
	1,458,375	651,494
Total current provisions	2,917,481	2,082,712
	2019	2018
	\$	\$
Non-Current		
Long service leave	1,359,000	851,023

Amounts expected to be settled after more than 12 months

The current provision for employee benefits includes accrued annual leave. The entire amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement of any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

Accounting Policy

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

The liability for long service leave and annual leave which is not expected to be settled wholly before 12 months after the end of the annual reporting period, is recognised in the provision for employee benefits and measured at the present value of expected future payments to be made when the liability is settled. Consideration is given to expected future wages and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash flows.

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

Notes to the Financial Statements

For the Year Ended 31 December 2019

10 Other liabilities

	2019	2018
	\$	\$
Current		
Accrued taxes	448,807	400,240
Unearned revenue	161,060	86,110
Total other liabilities	609,867	486,350

(a) Lease commitments

The Company leases low-value plant and office equipment under non-cancellable leases contracted for but not capitalised in the financial statements. The leases have renewal rights, whereby the terms of the lease are renegotiated.

	2019	2018
	\$	\$
Payable - minimum lease payments		
- no later than 1 year	335,946	399,679
- between 1 year and 5 years	93,993	386,039
- greater than 5 years	-	-
Total future minimum lease payments	429,939	785,718

11 Issued Capital

	2019	2018
	\$	\$
Ordinary shares	1	1
Total contributed equity	1	1

12 Contingencies

Contingent Liabilities

Claims

The Directors of the Company are not aware of the existence of any legal claims as 31 December 2019 (2018: nil).

Guarantees

The Directors of the Company are not aware of any guarantees that are in place as at 31 December 2019 (2018: nil).

The Directors of the Company are not aware of any further instances.

Notes to the Financial Statements

For the Year Ended 31 December 2019

13 Key management personnel disclosures

(a) Responsible persons and executive officers

The following persons were responsible persons and executive officers of Western Sydney University Enterprises Pty Limited during the financial year.

Dr Nicolene Murdoch - CEO

(b) Board of Directors

The following persons were Non-Executive Directors of Western Sydney University Enterprises Pty Limited during the financial year.

Ms Belinda Robinson (Chair - Independent)

Mr Angelo Kourtis

Ms Caroline Hutchinson (Independent)

Ms Le Ho (Independent) - resigned 10 July 2019

Professor Michele Simons

Mr Ramy Aziz (Independent)

Mr Robin Shreeve (Independent)

Professor Simon Barrie

Professor Denise Kirkpatrick (Alternate Director)

Mr Michael Burgess (Alternate Director)

(c) Key management personnel compensation

Total remuneration to independent Board members and Executives of the Company during the year are as follows:

	2019	2018
	\$	\$
Short-term employee benefits	352,422	340,345
Post-employment benefits	29,352	27,334
Total key management personnel compensation	381,774	367,679

Notes to the Financial Statements

For the Year Ended 31 December 2019

13 Key management personnel disclosures (continued)

(d) Other key management personnel transactions

No other transactions made with key management personnel during the year (2018: nil).

14 Related Parties

(a) The Company's main related parties are as follows:

(i) Entities exercising control over the Company:

The parent entity, which exercises control over the Company, is Western Sydney University which wholly owns the Company.

(ii) Joint Venture with Navitas Ltd:

Interests in joint venture are set out in note 3.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	2019	2018
	\$	\$
Purchase of goods and services		
Payment to parent entity for capital projects	1,039,600	73,635
Purchase of catering services from parent and other related parties	30,258	24,990
Total	1,069,858	98,625
Other transactions		
Royalty to parent entity	24,405,509	23,755,693
Payment of management fee to joint venture	10,032,408	9,692,188
Recoupment of commissions, salaries and other expenses from joint venture	(3,748,810)	(3,733,246)
Service fee from joint venture	(535,401)	(608,783)
Share of profit of joint venture	(436,977)	(190,052)
Interest received on loan to joint venture	(97,960)	(104,147)
Total	29,618,769	28,811,653

Accounting Policy

The Company pays a royalty to the parent entity for access to the parent entity's intellectual property, infrastructure, premises and business services. The royalty is determined as 100% of the Company's operating surplus before royalty.

Notes to the Financial Statements

For the Year Ended 31 December 2019

14 Related Parties (continued)

(c) Loans to/from related parties

	2019 \$	2018 \$
Loans to Parent		
Beginning of the year	9,798,582	7,001,886
Loans advanced	17,958,489	13,015,929
Loan repayments received	(15,429,213)	(10,396,835)
Interest charged	205,822	177,602
End of year	12,533,680	9,798,582
Loans to Joint Venture		
Beginning of the year	654,095	214,043
Loans advanced	-	250,000
Share of profit of joint venture	436,977	190,052
End of year	1,091,072	654,095

The Company has provided interest-bearing loans to related parties. Included in the loans to joint venture above is a total loan drawdown of \$2,350,000 as of 31 December 2019. The carrying amount is adjusted to recognise the company's share of the profit or loss of the International College after the date of acquisition.

(d) Outstanding balances

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

	2019 \$	2018 \$
Current receivables (loans)		
Western Sydney University	12,533,680	9,798,582
Current receivables (provision of services)		
Western Sydney University International College Pty Ltd	1,570,143	1,292,667
Total current receivables	14,103,823	11,091,249
Non-current receivables (loans)		
Western Sydney University International College Pty Ltd	1,091,072	654,095
Total non-current receivables	1,091,072	654,095
Current payables (purchase of services)		
Western Sydney University International College Pty Ltd	2,504,758	2,393,844
Total current payables	2,504,758	2,393,844

Notes to the Financial Statements

For the Year Ended 31 December 2019

14 Related Parties (continued)

(d) Outstanding balances (continued)

No provisions for doubtful debts have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

Accounting Policy

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets.

15 Events Occurring After the Reporting Date

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

End of Audited Financial Statements



INDEPENDENT AUDITOR'S REPORT

Western Sydney University Enterprises Pty Limited

Trading as Western Sydney University The College

To Members of the New South Wales Parliament and Members of Western Sydney University Enterprises Trading as Western Sydney University The College.

Opinion

I have audited the accompanying financial statements of Western Sydney University Enterprises Pty Limited Trading as Western Sydney University The College (the Company), which comprises the Statement of Comprehensive Income for the year ended 31 December 2019, the Statement of Financial Position as at 31 December 2019, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a Summary of Significant Accounting Policies and other explanatory information, and the Directors' Declaration and the Responsible Entities' Declaration.

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 2019 and its performance for the year ended on that date
 - complying with Australian Accounting Standards and the Corporations Regulations 2001
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

Basis for Opinion

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

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

- Australian Auditing Standards
- *Corporations Act 2001*
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

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

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

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

I confirm the independence declaration, required by the *Corporations Act 2001*, provided to the directors of the Company on 6 March 2020, would be in the same terms if provided to the directors as at the time of this Independent Auditor's Report.

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

Other Information

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

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

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

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

I have nothing to report in this regard.

Directors' Responsibilities for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the PF&A Act, *Corporations Act 2001*, the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does not provide assurance:

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



Margaret Crawford
Auditor-General for New South Wales

17 March 2020
SYDNEY

Western Unlimited Ltd

ABN: 45 107 759 197

Financial Statements

For the Year Ended 31 December 2019

Statement by Directors

The directors of Western Unlimited Ltd declare that:

1. The financial statements and notes:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements (which include Australian Accounting Interpretations).
 - b. comply with the *Public Finance and Audit Act 1983* and the *Public Finance and Audit Regulation 2015*.
 - c. comply with the Australian Charities and Not-For-Profits Commission Act 2012.
 - d. give a true and fair view of the financial position as at 31 December 2019 and financial performance for the year ended on that date of Western Unlimited Ltd.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

This declaration is made in accordance with a resolution of the Board of Directors, pursuant to section 41(c) of the Public Finance and Audit Act 1983.



John Hart

Director



Bill Parasiris

Director

Dated this^{1st}..... day of April 2020

Responsible Entities' Declaration

The responsible entity declares that in the responsible entity's opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

A handwritten signature in blue ink, consisting of a stylized 'J' followed by a horizontal line and a small flourish.

John Hart

Director

Dated at Sydney 1st April 2020



To the Directors

Western Unlimited Limited

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Western Unlimited Limited for the year ended 31 December 2019, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Margaret Crawford
Auditor-General for NSW

23 March 2020
SYDNEY

Statement of Comprehensive Income

For the Year Ended 31 December 2019

	Notes	2019 \$	2018 \$
Revenue			
Sale of goods	2	3,768,733	4,508,966
Rendering of services	2	705,821	813,962
Other revenue	2	305,842	379,949
Total revenue from operations		4,780,396	5,702,877
Gain on disposal of assets	3	-	18,216
Loans forgiven by the ultimate parent entity		3,499,631	-
Total revenue		8,280,027	5,721,093
Expenses			
Employee related expense	4	(3,175,808)	(4,341,768)
Raw materials and consumables used		(1,598,199)	(2,227,332)
Occupancy expenses	4	(143,366)	(189,852)
Finance costs		(104,352)	(63,306)
Minor equipment		(12,121)	(23,696)
Depreciation and amortisation expense	4	(5,618)	(10,532)
Other expenses	4	(277,971)	(597,369)
Total expenses		(5,317,435)	(7,453,855)
Surplus / (Deficit) for the year		2,962,592	(1,732,762)
Total comprehensive income for the year		2,962,592	(1,732,762)
Comprehensive income for the year attributable to:			
Non-controlling interests		-	-
Parent		2,962,592	(1,732,762)
Total comprehensive income for the year		2,962,592	(1,732,762)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 31 December 2019

	Notes	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents	5	-	57,410
Trade and other receivables	6	-	88,281
Inventories	7	-	27,099
Other assets	8	-	30,577
Total current assets		-	203,367
Non-current assets			
Property, plant and equipment	9	-	21,758
Total non-current assets		-	21,758
Total assets		-	225,125
Liabilities			
Current liabilities			
Trade and other payables	10	-	242,705
Borrowings from the parent	11	-	2,679,303
Employee benefit provisions	12	-	238,704
Total current liabilities		-	3,160,712
Non-current liabilities			
Employee benefit provisions	12	-	27,005
Total non-current liabilities		-	27,005
Total liabilities		-	3,187,717
Net assets		-	(2,962,592)
Equity			
Retained earnings	13	-	(2,962,592)
Total equity		-	(2,962,592)

The accompanying notes form part of these financial statements.

Western Unlimited Ltd

ABN: 45 107 759 197

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

	Notes	Retained Earnings \$	Total equity \$
Balance 1 January 2019		(2,962,592)	(2,962,592)
Surplus / (Deficit) for the year		<u>2,962,592</u>	<u>2,962,592</u>
Total comprehensive income for the year		<u>2,962,592</u>	<u>2,962,592</u>
Balance at 31 December 2019	13	<u><u>-</u></u>	<u><u>-</u></u>

		Retained Earnings \$	Total equity \$
Balance 1 January 2018		(1,229,830)	(1,229,830)
Surplus / (Deficit) for the year		<u>(1,732,762)</u>	<u>(1,732,762)</u>
Total comprehensive income for the year		<u>(1,732,762)</u>	<u>(1,732,762)</u>
Balance at 31 December 2018	13	<u><u>(2,962,592)</u></u>	<u><u>(2,962,592)</u></u>

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2019

	Notes	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from customers		5,042,568	6,067,533
Payments to suppliers and employees		(5,834,489)	(7,993,287)
Interest received		2,396	3,607
Interest paid		(104,260)	(68,641)
Net cash used in operating activities		(893,785)	(1,990,788)
Cash flows from investing activities			
Proceeds from sale of plant and equipment		16,140	20,272
Net cash provided by investing activities		16,140	20,272
Cash flows from financing activities			
Proceeds from borrowings		951,508	1,885,273
Repayment of borrowings		(131,273)	-
Net cash (used in) / provided by financing activities		820,235	1,885,273
Net (decrease) / increase in cash and cash equivalents held		(57,410)	(85,243)
Cash and cash equivalents at beginning of the year		57,410	142,653
Cash and cash equivalents at end of financial year	5	-	57,410

The accompanying notes form part of these financial statements.

Notes to Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies

Western Unlimited Ltd (the Company) is a registered Company limited by guarantee and is a controlled entity of Western Sydney University (the Parent). The Company is incorporated and domiciled in Australia.

Its registered office is:

Office of Governance Services
Building K10 Hawkesbury Campus
Western Sydney University Richmond NSW 2753

The principal place of business is:

Western Sydney University
Building K8, Hawkesbury Campus
Richmond NSW 2753

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

(a) Basis of Preparation

The financial statements are general purpose financial statements which have been prepared in accordance with:

- *Australian Accounting Standards (which include Australian Accounting Interpretations),*
- *the Public Finance and Audit Act 1983,*
- *the Public Finance and Audit Regulation 2015,*
- *the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and Division 60 of the Regulation 2013.*

These financial statements comply with Australian Accounting Standards - Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board.

The financial statements have been prepared on an accrual basis and are based on historic costs, modified, where applicable, by the measurement at fair value of selected financial assets and financial liabilities.

These financial statements have been prepared on a liquidation basis. The Company ceased trading on 20 December 2019, and finalised business operations on 31 December 2019. The Company will be deregistered in 2020.

Any payments or receipts for the Company received after 31 December 2019 will be settled or received by the parent entity.

The financial statements for the year ended 31 December 2019 are authorised for issue in accordance with a resolution of the Board of Directors.

Notes to Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (Continued)

(a) Basis of Preparation (Continued)

(i) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

All significant estimates or assumptions made in the financial statements have been explained in the accounting policy notes or subsequent notes.

(ii) Functional and presentation currency

The financial statements are presented in Australian dollars.

(b) Income Tax

The Company is exempt from the payment of tax by virtue of section 50-B of the Income Tax Assessment Act 1997. Accordingly, no provision for income tax liability or future income tax benefit has been included in the accounts.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office. 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 flows.

Notes to Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (Continued)

(d) Initial application of Accounting Standards and Interpretations

The Company has applied the required amendments to new accounting standards and interpretations that have been issued and became effective for the first time for annual reporting periods beginning on or after 1 January 2019 but have not been early adopted in the financial statements.

The application of these standards has not caused any material adjustments to the reported financial position, performance or cashflow of the Company. In accordance with the provisions of the modified retrospective method transition approach, comparative information is not restated as detailed below.

(i) **AASB 15 Revenue from contracts with customers; and AASB 1058 Income of not-for-profit entities**

AASB 15 'Revenue from contracts with customers' and AASB 1058 'Income of not-for-profit entities' replace AASB 118 'Revenue' and AASB 111 'Construction contracts' and AASB 1004 'Contributions' for annual periods on or after 1 January 2019. These standards establish a comprehensive framework for determining whether, how much and when revenue is recognised.

AASB 15 establishes a comprehensive framework for determining how and when revenue is recognised. The core principle of AASB 15 is that revenue is recognised when transfers of goods or services to customers occurs in exchange for consideration which the vendor expects to be entitled to in exchange for the provision of those goods or services (i.e. fulfilment of performance obligations). Revenue will only be recognised when control over the goods or services is transferred to the customer, which is either over time or at a point in time.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit entities, in conjunction with AASB 15. The requirements of AASB 1058 more closely reflect the economic reality of not-for-profit entity transactions that are not contracts with customers. The timing of recognition depends on whether such a transaction gives rise to a liability or other performance obligation.

The Company has adopted AASB 15 and AASB 1058 with the date of initial application of 1 January 2019. The application of these standards has no material impact and no adjustments have been made to opening retained earnings at the date of initial application. Consequently, the comparative information has not been restated and continues to be reported under the previous standards. The new accounting policies regarding revenue are provided in Note 2.

(ii) **AASB 16 Leases**

AASB 16 'Leases' replaces AASB 117 'Leases' for annual reporting periods beginning on or after 1 January 2019.

AASB 16 introduces a single lease accounting model for lessees replacing the previous distinction between operating and finance leases. Under AASB 16, a lessee recognises a right of use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Company has adopted AASB 16 with the initial application of 1 January 2019 and elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payment associated with these leases as an expense on a straight-line basis over the lease term.

Notes to Financial Statements

For the Year Ended 31 December 2019

2 Revenue

	2019 \$	2018 \$
Sale of goods		
Food and beverage	3,763,394	4,365,113
Retail	5,339	143,853
Total sale of goods	3,768,733	4,508,966
Rendering of services		
Sports	697,827	802,372
Venue hire	7,994	11,590
Total rendering of services	705,821	813,962
Other revenue		
Bank interest	2,396	3,607
Other revenue	303,446	376,342
Total other revenue	305,842	379,949
Total revenue from operations	4,780,396	5,702,877

Accounting policy

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

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

(i) Sale of goods and rendering of services

A sale is recorded when goods have been delivered to the customer, the customer has accepted the goods and collectability of the related receivables is probable. Revenue from rendering of services is recognised when that service has been provided.

(ii) Other revenue

All other material revenue is accounted for on an accrual basis.

3 Gain on disposal of assets

	2019 \$	2018 \$
Proceeds from sale	16,140	20,272
Carrying amount of assets sold	(16,140)	(2,056)
Total gain on disposal of assets	-	18,216

Accounting Policy

Gains and losses are determined by comparing proceeds with carrying amount, and are included in the statement of comprehensive income.

Notes to Financial Statements

For the Year Ended 31 December 2019

4 Expenses

	2019 \$	2018 \$
Employee related expenses		
Salaries and wages	2,586,679	3,684,926
Superannuation	240,572	331,391
Annual leave	107,593	102,474
Workers compensation	68,867	95,205
Long service leave	136,513	69,061
Other	35,584	58,711
Total employee related expenses	3,175,808	4,341,768
Occupancy expenses*		
Repairs and maintenance	43,838	70,941
Cleaning and waste removal	43,604	48,831
Operating lease rentals	32,933	46,168
Utilities	22,991	19,847
Security	-	4,065
Total occupancy expenses	143,366	189,852

* Western Unlimited Ltd operated from facilities owned by the University for which there was no charge. The value of this accommodation cannot be reliably measured or quantified due to the specialised nature of the premises, therefore no expense has been recognised in the financial statements.

Depreciation

Plant and equipment	5,618	8,426
Motor vehicles	-	2,106
Total depreciation	5,618	10,532

Other expenses

Consultancy, agency and service provider fees	68,609	230,964
Consumables and supplies	41,583	80,976
Equipment hire	53,481	46,445
Motor vehicle	9,775	27,515
Advertising, marketing and promotional	7,917	11,172
Other	96,606	200,297
Total other expenses	277,971	597,369

5 Cash and cash equivalents

	2019 \$	2018 \$
Cash at bank and on hand	-	57,410
Total cash and cash equivalents in the statement of financial position and statement of cash flows	-	57,410

Notes to Financial Statements

For the Year Ended 31 December 2019

6 Trade and other receivables

	2019 \$	2018 \$
Trade receivables	-	47,711
Provision for impairment	-	(18,371)
Net trade receivables	-	29,340
Prepayments	-	58,941
Total current trade and other receivables	-	88,281

Accounting policy

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are due for settlement no more than 30 days for debtors. They are presented as current assets unless collection is not expected for more than 12 months after reporting date.

As at 31 December 2019 trade receivables of \$Nil (2018: \$29,176) were past due but not impaired. The ageing of these receivables is as follows:

	2019 \$	2018 \$
Up to 3 months	-	27,872
3 to 6 months	-	1,304
Total past due but not impaired	-	29,176

The other amounts within receivables do not contain impaired assets and are not past due. Based on the credit history, it is expected that these amounts will be received when due.

7 Inventories

	2019 \$	2018 \$
Finished goods		
At net realisable value	-	27,099
Total inventory	-	27,099

Accounting Policy

All inventories are measured at the lower of cost and net realisable value. All stock is valued at weighted average cost.

Notes to Financial Statements

For the Year Ended 31 December 2019

8 Other assets

	2019 \$	2018 \$
Current		
Accrued income	-	30,577
Total other assets	-	30,577

9 Property, plant and equipment

	Plant and Equipment \$	Motor Vehicles \$	Total \$
At 1 January 2018			
Cost	209,920	193,576	403,496
Accumulated depreciation	(179,736)	(189,414)	(369,150)
Net book amount	30,184	4,162	34,346
Year ended 31 December 2018			
Opening net book amount	30,184	4,162	34,346
Disposals - written down value	-	(2,056)	(2,056)
Depreciation charge	(8,426)	(2,106)	(10,532)
Closing net book amount	21,758	-	21,758
At 1 January 2019			
Cost	185,920	121,631	307,551
Accumulated depreciation	(164,162)	(121,631)	(285,793)
Net book amount	21,758	-	21,758
Year ended 31 December 2019			
Opening net book amount	21,758	-	21,758
Disposals - written down value	(16,140)	-	(16,140)
Depreciation charge	(5,618)	-	(5,618)
Closing net book amount	-	-	-

Accounting Policy

Property, plant and equipment are stated at cost less depreciation.

Depreciation is calculated using the straight line method to allocate costs or re-valued amounts, net of their residual values, over their estimated lives.

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

Notes to Financial Statements

For the Year Ended 31 December 2019

10 Trade and other payables

	2019	2018
	\$	\$
Trade payables	-	57,740
Accrued expenses	-	160,182
Other payables	-	24,783
	<hr/>	<hr/>
	-	242,705
	<hr/>	<hr/>

Accounting Policy

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid according to the credit terms agreed with the suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

11 Borrowings from the Parent

	2019	2018
	\$	\$
Unsecured - current		
Loans from related parties	-	2,679,303
	<hr/>	<hr/>
Total current borrowings	-	2,679,303
	<hr/>	<hr/>

During the current financial year, the total borrowings from the Parent entity reached \$3,499,631 out of an approved facility limit totalling \$3.5M.

The parent entity has forgiven the debt owed by the Company following the cessation of trading and the intended deregistration in 2020.

Notes to Financial Statements

For the Year Ended 31 December 2019

12 Employee benefit provisions

Current provisions expected to be settled within 12 months.

	2019	2018
	\$	\$
Annual leave	-	105,406
Long service leave	-	85,062
Total current provisions	-	190,468

Current provisions expected to be settled after more than 12 months

	2019	2018
	\$	\$
Annual leave	-	14,592
Long service leave	-	33,644
	-	48,236
Total current provisions	-	238,704

Non-current provisions

	2019	2018
	\$	\$
Long service leave	-	27,005
Total non-current provisions	-	27,005

Accounting policy

Liabilities for short-term employee benefits such as wages and salaries including non-monetary benefits, expected to be settled wholly within 12 months after the end of the reporting period, are measured at the amounts expected to be paid when the liabilities are settled, and are recognised in other payables.

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the reporting period, is recognised in the provision for employee benefits and measured at the present value of expected future payments to be made when the liability is settled. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

Notes to Financial Statements

For the Year Ended 31 December 2019

13 Retained earnings

Movements in retained earnings were as follows:

	2019	2018
	\$	\$
Opening balance	(2,962,592)	(1,229,830)
Surplus / (Deficit) for the year	2,962,592	(1,732,762)
Closing Balance	-	(2,962,592)

14 Key Management Personnel Disclosures

(a) Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of Western Unlimited Ltd during the financial year:

(i) Names of Responsible Persons and Executive Officers

Bill Parasiris
Ellen Brackenreg

All responsible persons and executive officers are employees of Western Sydney University and are not remunerated for their executive responsibilities.

(ii) Board of Directors

John Hart (Chair)
Peter Pickering
Bill Parasiris
Ellen Brackenreg
John Banks (resigned 4 March 2019)

(b) Remuneration of Board Members

	2019 Number	2018 Number
Remuneration of Board Members		
\$10,000 to \$19,999	1	1
	1	1

Notes to Financial Statements

For the Year Ended 31 December 2019

14 Key Management Personnel Disclosures (Continued)

(c) Key management personnel compensation

	2019	2018
	\$	\$
Short-term employee benefits	12,500	13,750
Post-employment benefits	-	-
Termination benefits	-	-
Total key management personnel compensation	12,500	13,750

15 Contingencies

The Company had no contingent liabilities at 31 December 2019 (2018: Nil).

16 Commitments

(a) Operating lease commitments

There are no lease commitments as at the end of the 2019 reporting period. Lease commitments for the prior reporting period are displayed below.

	2019	2018
	\$	\$
Commitments for minimum lease payments in relation to non-cancellable leases are payable as follows:		
- no later than 1 year	-	36,293
- between 1 year and 5 years	-	22,171
Total future minimum lease payments	-	58,464

The Company has adopted AASB 16 and elected to apply the exceptions to lease accounting for both short-term leases (less than or equal to 12 months) and low-value leases.

The Company recognises the payment associated with these leases as an expense on a straight-line basis over the lease term.

(b) Capital expenditure commitments

There are no capital expenditure commitments as at the end of the 2019 reporting period (2018: \$Nil).

Notes to Financial Statements

For the Year Ended 31 December 2019

17 Related party transactions

(a) Parent entity

The ultimate parent entity of the Company is Western Sydney University.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	2019	2018
	\$	\$
Sale of goods and services		
Sale of goods and services to the ultimate parent entity	1,523,896	1,542,750
Sale of goods and services to other related parties	24,072	27,818
Total sale of goods and services	1,547,968	1,570,568

(c) Loans from the ultimate parent entity

	2019	2018
	\$	\$
Beginning of the year	2,679,303	799,365
Loans advanced	951,509	1,885,273
Interest charged	104,352	63,306
Loan repayment	(235,533)	(68,641)
Loans forgiven by the parent entity	(3,499,631)	-
End of the year	-	2,679,303

Finance costs relating to the Western Sydney University loan facilities are expensed.

Notes to Financial Statements

For the Year Ended 31 December 2019

18 Economic dependency

During the year the Company was economically dependent on Western Sydney University for the provision of office accommodation and support activities.

The Company's borrowings were from the Parent entity as mentioned in Note 17(c), with funding limited to day to day working capital.

Any payments or receipts for the Company received after 31 December 2019 will be settled or received by the parent entity.

19 Events occurring after the reporting period

The Company has ceased trading and will be deregistered in 2020.

No other matters or circumstances have arisen since the end of the financial year that significantly affected or may significantly affect the results of operations.



INDEPENDENT AUDITOR'S REPORT

Western Unlimited Ltd

To Members of the New South Wales Parliament and Members of Western Unlimited Ltd

Opinion

I have audited the accompanying financial statements of Western Unlimited Ltd (the Company), which comprises, the Responsible Entities' Declaration, the Statement of Comprehensive Income for the year ended 31 December 2019, the Statement of Financial Position as at 31 December 2019, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes comprising a Summary of Significant Accounting Policies and other explanatory information.

In my opinion, the financial statements:

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

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

Basis for Opinion

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

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

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

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

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

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

I confirm the independence declaration, provided to the directors of the company on 23 March 2020, would be in the same terms if provided to the directors as at the time of this Independent Auditor's Report.

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

Other Information

Other information comprises the information included in the Company's annual report for the year ended 31 December 2019, other than the financial statements and my Independent Auditor's Report thereon. The directors of the Company are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprises the Statement by Directors.

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

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

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

I have nothing to report in this regard.

Directors' Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does not provide assurance:

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

A handwritten signature in black ink, appearing to read 'Margaret Crawford', with a stylized, flowing script.

Margaret Crawford
Auditor-General for NSW

8 April 2020
SYDNEY

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Financial Statements

For the Year Ended 31 December 2019

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Statement by Directors

The directors of Western Sydney University Early Learning Limited declare that:

1. Under s41C (1b) of the *Public Finance & Audit Act 1983* we state to the best of our knowledge and belief the financial statements and notes, as set out on pages 149 to 164:
 - a. comply with:
 - Australian Accounting Standards - Reduced Disclosure Requirements, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board
 - *The Public Finance & Audit Act 1983*, and the *Public Finance and Audit Regulation 2015*
 - *The Australian Charities and Not-For-Profits Commission Act 2012*, and
 - b. give a true and fair view of the financial position as at 31 December 2019 and of the performance for the year ended on that date of Western Sydney University Early Learning Limited.
2. In the directors' opinion, there are reasonable grounds to believe that Western Sydney University Early Learning Limited will be able to pay its debts as and when they become due and payable.
3. We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

This declaration is made in accordance with a resolution of the Board of Directors, pursuant to section 41(C) of the *Public Finance and Audit Act 1983*.



Susan Hudson
Director



Darren Greentree
Director

Dated this 9th day of March 2020

Western Sydney University Early Learning Limited


ABN: 39 155 993 445

Responsible Entities Declaration

The responsible entity declares that in the responsible entity's opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profit Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and not-for-profits Commission Regulation 2013*.



Darren Greentree

Director

Dated this ^{9th}.....day of March 2020



To the Directors

Western Sydney University Early Learning Limited

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Western Sydney University Early Learning Limited for the year ended 31 December 2019, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Margaret Crawford
Auditor-General for New South Wales

2 March 2020
SYDNEY

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Statement of Comprehensive Income

For the year ended 31 December 2019

	Notes	2019 \$	2018 \$
Revenue			
Child care services	2	7,403,223	7,102,084
Interest	2	58,039	56,128
Other revenue	2	57,651	101,540
Total revenue		7,518,913	7,259,752
Expenses			
Employee related expenses	3	(6,598,175)	(6,293,901)
Consumables and supplies	3	(292,602)	(310,166)
Depreciation	3	(21,074)	-
Other expenses	3	(495,978)	(454,194)
Total expenses		(7,407,829)	(7,058,261)
Surplus / (deficit) for the year		111,084	201,491
Other comprehensive income for the year		-	-
Total comprehensive income for the year		111,084	201,491

The accompanying notes form part of these financial statements.

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Statement of Financial Position

As at 31 December 2019

	Notes	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents	4	508,265	425,261
Trade and other receivables	5	2,557,626	2,362,470
Prepayments	6	29,357	24,747
Total current assets		3,095,248	2,812,478
Non-current assets			
Property, plant and equipment	7	189,666	210,740
Total non-current assets		189,666	210,740
Total assets		3,284,914	3,023,218
Liabilities			
Current liabilities			
Trade and other payables	8	596,187	574,970
Deferred income		222,046	123,017
Employee benefit provisions	9	647,220	557,919
Total current liabilities		1,465,453	1,255,906
Non-current liabilities			
Employee benefit provisions	9	78,000	136,935
Total non-current liabilities		78,000	136,935
Total liabilities		1,543,453	1,392,841
Net assets		1,741,461	1,630,377
Equity			
Retained earnings	10	1,741,461	1,630,377
Total equity		1,741,461	1,630,377

The accompanying notes form part of these financial statements.

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Statement of Changes in Equity For the year ended 31 December 2019

	Notes	Retained earnings \$	Total equity \$
Balance at 1 January 2019		1,630,377	1,630,377
Comprehensive income for the year			
Surplus / (deficit) for the year		111,084	111,084
Other comprehensive income for the year		-	-
Total comprehensive income for the year		111,084	111,084
Balance at 31 December 2019	10	1,741,461	1,741,461

		Retained earnings \$	Total equity \$
Balance at 1 January 2018		1,428,886	1,428,886
Comprehensive income for the year			
Surplus / (deficit) for the year		201,491	201,491
Other comprehensive income for the year		-	-
Total comprehensive income for the year		201,491	201,491
Balance at 31 December 2018	10	1,630,377	1,630,377

The accompanying notes form part of these financial statements.

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Statement of Cash Flows

For the year ended 31 December 2019

	Notes	2019 \$	2018 \$
Cash flows from operating activities:			
Receipts for services		7,470,341	7,142,798
Payments to suppliers and employees (inclusive of GST)		(7,244,527)	(7,012,229)
Interest received		58,039	56,128
Net cash provided by operating activities		283,853	186,697
Cash flows from investing activities:			
Loans to related parties		(200,849)	(32,854)
Payment for property, plant and equipment		-	(210,740)
Net cash used in investing activities		(200,849)	(243,594)
Cash flows from financing activities:			
Net cash used in financing activities		-	-
Net decrease in cash and cash equivalents held		83,004	(56,897)
Cash and cash equivalents at the beginning of the year		425,261	482,158
Cash and cash equivalents at the end of the financial year	4	508,265	425,261

The accompanying notes form part of these financial statements.

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Notes to the Financial Statements

For the year ended 31 December 2019

1 Summary of significant accounting policies

Western Sydney University Early Learning Limited (the Company) is a not-for-profit company limited by guarantee and is a controlled entity of Western Sydney University. The Company was incorporated on 2 March 2012 and domiciled in Australia.

Its registered office is:

Western Sydney University Early Learning Limited
WSU Company Secretary, Entities, Finance Office, Building M16 College Drive, Richmond NSW 2753

The principal place of business is:

Western Sydney University, Building P18 College Drive, Richmond NSW 2753

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

The financial statements for the year ended 31 December 2019 are authorised for issue in accordance with a resolution of the Board of Directors.

(a) Basis of preparation

The annual financial statements represent the audited general purpose financial statements of Western Sydney University Early Learning Limited. They have been prepared on an accrual basis and are based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets and financial liabilities. They have been prepared in accordance with:

- Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board

- *The Public Finance & Audit Act 1983*, and the *Public Finance and Audit Regulation 2015*

- *The Australian Charities and Not-For-Profits Commission Act 2012*.

These financial statements comply with Australian Accounting Standards - Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board.

(i) Critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. All significant estimates or assumptions made in the financial statements have been explained in the accounting policy or subsequent notes.

(ii) Functional and presentation currency

The financial statements are presented in Australian dollars.

Notes to the Financial Statements

For the year ended 31 December 2019

1 Summary of significant accounting policies (continued)

(b) Income tax exemption

The Company is exempt from the payment of tax by virtue of section 50-B of the Income Tax Assessment Act 1997. Accordingly, no provision for income tax liability or future income tax benefit has been included in the financial statements.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, 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.

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

The Company is grouped with the parent entity for GST purposes and therefore the net GST receivable or GST payable is not reflected within these statements.

(d) Initial application of Australian Accounting Standards

The Company has applied the required amendments to new accounting standards and interpretations that have been issued and became effective for the first time for annual reporting periods beginning on or after 1 January 2019 but have not been early adopted in the financial statements.

The application of these standards has not caused any material adjustments to the reported financial position, performance or cashflow of the Company. In accordance with the provisions of the modified retrospective method transition approach, comparative information is not restated as detailed below.

(i) AASB 15 Revenue from contracts with customers; and AASB 1058 Income of not-for-profit entities

AASB 15 'Revenue from contracts with customers' and AASB 1058 'Income of not-for-profit entities' replace AASB 118 'Revenue' and AASB 111 'Construction contracts' and AASB 1004 'Contributions' for annual periods on or after 1 January 2019.

AASB 15 establishes a comprehensive framework for determining how and when revenue is recognised. The core principle of AASB 15 is that revenue is recognised when transfers of goods or services to customers occurs in exchange for consideration which the vendor expects to be entitled to in exchange for the provision of those goods or services (i.e. fulfilment of performance obligations). Revenue will only be recognised when control over the goods or services is transferred to the customer, which is either over time or at a point in time.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit entities, in conjunction with AASB 15. The requirements of AASB 1058 more closely reflect the economic reality of not-for-profit entity transactions that are not contracts with customers. The timing of recognition depends on whether such a transaction gives rise to a liability or other performance obligation.

The Company has adopted AASB 15 and AASB 1058 with the date of initial application of 1 January 2019. The application of these standards has no material impact and no adjustments have been made to opening retained earnings at the date of initial application. Consequently, the comparative information has not been restated and continues to be reported under the previous standards. The new accounting policies regarding revenue are provided in Note 2.

Notes to the Financial Statements

For the year ended 31 December 2019

1 Summary of significant accounting policies (continued)

(d) Initial application of Australian Accounting Standards (continued)

(ii) AASB 16 Leases

AASB 16 'Leases' replaces AASB 117 'Leases' for annual reporting periods beginning on or after 1 January 2019.

AASB 16 introduces a single lease accounting model for lessees replacing the previous distinction between operating and finance leases. Under AASB 16, a lessee recognises a right of use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Company has adopted AASB 16 with the initial application of 1 January 2019 and elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payment associated with these leases as an expense on a straight-line basis over the lease term.

Refer to Note 12(b) for future lease commitments.

Notes to the Financial Statements

For the year ended 31 December 2019

2 Revenue

	2019 \$	2018 \$
Child care services		
Family fee revenue	7,403,223	7,102,084
Total child care services	7,403,223	7,102,084
Interest		
Investment income	58,039	56,128
Total interest	58,039	56,128
Other income		
Government childcare grants	35,922	58,125
Government traineeship funding	19,000	35,315
Related party services	2,729	8,100
Total other revenue	57,651	101,540
Total revenue	7,518,913	7,259,752

Accounting policy

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

Revenue is recognised for the major business activities as follows:

(i) Childcare services

Revenue from child care services is recognised when services have been provided to the customer, the customer has accepted the services and collectability of the related receivables is probable.

(ii) Government grants

The Company treats operating grants received from the Australian Government entities as income to the extent that performance obligations have been met at reporting date.

(iii) Investment Income

Interest income is recognised using the effective interest method.

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Notes to the Financial Statements

For the year ended 31 December 2019

3 Expenses

	2019	2018
	\$	\$
Employee related expenses		
Salaries and wages	5,210,427	5,211,735
Superannuation	483,457	470,852
Payroll tax	303,443	-
Worker's compensation	173,237	126,464
Annual and long service leave	413,152	469,954
Other	14,459	14,896
Total employee related expenses	6,598,175	6,293,901
 Depreciation		
Leasehold improvements	21,074	-
Total depreciation	21,074	-
 Consumables and supplies		
Consumables	291,322	263,388
Centre resources and supplies	1,280	46,778
Total consumables and supplies	292,602	310,166
 Other expenses		
Cleaning	190,523	185,076
Consulting	127,133	56,455
Repairs and maintenance	13,284	55,085
Non-capitalised equipment	19,999	37,774
Printing	30,246	36,683
Staff development	47,886	34,517
Advertising, marketing and promotional	29,982	20,036
Sundry expenses	36,925	28,568
Total other expenses	495,978	454,194

Notes to the Financial Statements

For the year ended 31 December 2019

4 Cash and cash equivalents

	2019	2018
	\$	\$
Cash at bank	508,265	425,261
Total cash and cash equivalents in the statement of financial position and statement of cash flows	508,265	425,261

Cash at bank is non-interest bearing.

5 Trade and other receivables

	2019	2018
	\$	\$
Current		
Trade receivables	25,428	54,053
less: Provision for impairment	(8,964)	(5,962)
	16,464	48,091
Loan to parent entity	2,432,848	2,231,999
Other receivables	108,314	82,380
Total receivables	2,557,626	2,362,470

Accounting Policy

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are due for settlement no more than 30 days for debtors. They are presented as current assets unless collection is not expected for more than 12 months after reporting date.

For trade receivables the Company applies a general approach in calculating expected credit losses. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, provision is made for credit losses from default events that are possible within the next 12 months.

Other receivables represent amounts paid to Revenue NSW which, in the view of the Company Directors, is likely to be recovered. Refer to Note 15 Contingencies for further discussion.

6 Prepayments

	2019	2018
	\$	\$
Current		
Prepayments	29,357	24,747
Total prepayments	29,357	24,747

Notes to the Financial Statements

For the year ended 31 December 2019

7 Property, plant and equipment

(a) Movements in Carrying Amounts

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

	Construction in Progress	Leasehold Improvements	Total
	\$	\$	\$
Year ended 31 December 2019			
Balance at the beginning of year	210,740	-	210,740
Transfers out	(210,740)	-	(210,740)
Transfers in	-	210,740	210,740
Depreciation expense	-	(21,074)	(21,074)
Balance at the end of the year	-	189,666	189,666

(b) Measurement by Asset Class

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and impairment losses.

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

Leasehold improvements are measured on a cost basis (cost less depreciation and impairment losses). Cost includes expenditure that is directly attributable to the asset.

(c) Depreciation

Depreciation on plant and equipment is calculated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use.

Leasehold improvements are depreciated over the estimated lives of the improvements.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. These gains and losses are included in the statement of comprehensive income.

Notes to the Financial Statements

For the year ended 31 December 2019

8 Trade and other payables

	2019	2018
	\$	\$
Current		
Trade payables	34,925	27,682
Enrolment deposits	271,531	283,890
Accrued expenses	145,060	125,667
Other payables	144,671	137,731
Total trade and other payables	596,187	574,970

Accounting Policy

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial period, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

9 Employee benefit provisions

	2019	2018
	\$	\$
Current		
Employee benefits		
Annual leave	333,220	360,808
Long service leave	314,000	197,111
Total current provisions	647,220	557,919
Non-current		
Employee benefits		
Long service leave	78,000	136,935
Total non-current provisions	78,000	136,935
Total employee benefit provisions	725,220	694,854

Accounting Policy

Liabilities for short-term employee benefits such as wages and salaries including non-monetary benefits, expected to be settled wholly within 12 months after the end of the reporting period, are measured at the amounts expected to be paid when the liabilities are settled, and are recognised in other payables.

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the reporting period, is recognised in the provision for employee benefits and measured at the present value of expected future payments to be made when the liability is settled. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Notes to the Financial Statements

For the year ended 31 December 2019

10 Retained earnings

	2019	2018
	\$	\$
Retained earnings at 1 January	1,630,377	1,428,886
Surplus / (deficit) for the year	111,084	201,491
Balance at 31 December	1,741,461	1,630,377

11 Key management personnel disclosures

(a) Responsible persons and executive officers

The following persons were responsible persons and executive officers of Western Sydney University Early Learning Limited during the financial period.

Mrs Angie Atkinson - General Manager

(b) Board of Directors

The following persons were non-executive directors of Western Sydney University Early Learning Limited during the financial period.

Susan Hudson - Chair

Susan Benzie - resigned effective 31 December 2019

Ellen Brackenreg

Darren Greentree

Michele Simons

Jane McMaster

Linda Newman

No board member is remunerated for their services.

Notes to the Financial Statements

For the year ended 31 December 2019

12 Commitments

(a) Capital commitments

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

	2019	2018
	\$	\$
- no later than 1 year	4,666	2,957
Total	4,666	2,957

(b) Lease commitments

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

	2019	2018
	\$	\$
Minimum lease payments under non-cancellable operating leases		
- no later than 1 year	7,248	8,670
- between 1 year and 5 years	3,406	7,369
Total future minimum lease payments	10,654	16,039

Accounting policy

The Company has adopted AASB 16 and elected to apply the exceptions to lease accounting for both short-term leases (less than or equal to 12 months) and low-value leases.

The Company recognises the payment associated with these leases as an expense on a straight-line basis over the lease term. Refer to Note 1(d)(ii) for further information.

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Notes to the Financial Statements

For the year ended 31 December 2019

13 Related Parties

(a) Entities exercising control over the Company

The ultimate parent entity of the Company is Western Sydney University.

(b) Transactions with related parties

	2019	2018
	\$	\$
Related party income		
Discount funding	353,272	358,774
Interest received	58,039	56,128
Other services	2,775	8,100
Total related party income	414,086	423,002
Related party expenses		
Catering charges	461	2,828
Total related party expenses	461	2,828
Related party receivables		
Loan to parent entity	2,432,848	2,231,999
Total related party receivables	2,432,848	2,231,999

Accounting policy

Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The loan to parent entity is included in Trade and other receivables in the Statement of Financial Position.

14 Economic dependency

The Company is economically dependent on Western Sydney University for the provision of accommodation for each centre and operational support activities.

Notes to the Financial Statements

For the year ended 31 December 2019

15 Contingencies

Contingent Liabilities

On 6 December 2013, the Office of State Revenue (now Revenue NSW) confirmed that wages were exempt from payroll tax.

As part of Revenue NSW's compliance program, in August 2018 Revenue NSW advised the Company that the payroll tax exemption granted by Revenue NSW was being revoked effective 1 July 2015.

In reaching its decision to revoke the Company's payroll tax exemption, Revenue NSW has determined that whilst the objectives of the Company were charitable, the Company "is classified as an educational institution; or an educational company as it provides training, research, student placements and student work experience" and, therefore, not exempt from payroll tax.

The Company's Board and management are of the view that the Company is neither an 'educational institution' nor 'educational company' and have engaged legal representation on the matter. An objection was lodged on behalf of the Company against Revenue NSW's decision not to treat wages paid by the Company as exempt from payroll tax with effect from 1 July 2015. On 11 April 2019 Revenue NSW disallowed the objection on the grounds that the Company is an educational institution or an educational company.

The Company is undertaking further legal action against this decision, and is due to serve additional evidence by 18 March 2020.

The matter is listed for directions on 23 March 2020, with the intention of setting a future hearing date.

The Company has calculated the potential payroll tax liability for the period 1 July 2015 to 31 December 2018 at \$1,009,663. This amount has not been quantified by Revenue NSW nor has the Company received an official invoice from Revenue NSW as at reporting date. As a prudent measure the Company commenced remitting payroll tax to Revenue NSW on all applicable wages during the 2019 period and will continue to do so until such time as the dispute with Revenue NSW is resolved. These payments are reflected as an expense in the 2019 Financial Statements.

The Company's Board and management remain of the view that the potential payment of payroll tax for 1 July 2015 to 31 December 2018 is not probable.

16 Events occurring after the reporting date

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



INDEPENDENT AUDITOR'S REPORT

Western Sydney University Early Learning Limited

To Members of the New South Wales Parliament and Members of Western Sydney University Early Learning Limited

Qualified Opinion

I have audited the accompanying financial statements of Western Sydney University Early Learning Limited (the Company), which comprises, the Responsible Entity's Declaration, the Statement of Comprehensive Income for the year ended 31 December 2019, the Statement of Financial Position as at 31 December 2019, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements:

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

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

Basis for Qualified Opinion

The Company has not recognised a liability and expense for payroll tax incurred in the period 1 July 2015 to 31 December 2018 of \$1,009,663 but has instead disclosed a contingent liability in note 15 to the financial statements. While the Company's liability for payroll tax is currently subject to legal action, I believe there is sufficient probability that an outflow of resources will be required to settle this obligation. This therefore constitutes a departure from Australian Accounting Standards. As a result, the Company's employee related expenses in the Statement of Comprehensive Income for the year ended 31 December 2019 and employee benefit provisions in the Statement of Financial Position as at 31 December 2019 are understated by \$1,009,663.

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

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

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

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

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

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

I confirm the independence declaration, provided to the directors of the Company on 2 March 2020, would be in the same terms if provided to the directors as at the time of this Independent Auditor's Report.

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

Other Information

Other information comprises the information included in the Company's annual report for the year ended 31 December 2019, other than the financial statements and my Independent Auditor's Report thereon. The directors of the Company are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprises the statement by directors.

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

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

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

I have nothing to report in this regard.

Director's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

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



Margaret Crawford
Auditor-General for New South Wales

17 March 2020
SYDNEY

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Whitlam Institute within Western Sydney University Limited

ABN: 50 100 342 309

Financial statements

For the year ended 31 December 2019

These financial statements of the Whitlam Institute within Western Sydney University Limited (the Company) are presented as an individual entity. The financial statements are presented in Australian currency.

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

Whitlam Institute within Western Sydney University Limited
Western Sydney University
Building EZ, Parramatta Campus
Cnr James Ruse Dr & Victoria Rd
Rydalmere NSW 2116

Registered postal address is:

Whitlam Institute within Western Sydney University Limited
Locked Bag 1797
Penrith NSW 2751

A description of the nature of the Company's operations and its principal activities is included in the director's report which is not part of these financial statements.

These financial statements were authorised for issue by the directors on 21 February 2020. The directors have the power to amend and reissue the financial statements.

Director's report

For the year ended 31 December 2019

The directors present their report on Whitlam Institute Within Western Sydney University Limited (the Company) for the financial year ended 31 December 2019.

Directors

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

The Hon. John Faulkner
Ms Patricia Amphlett OAM
Prof. Barney Glover AO
Ms Gabrielle Trainor AO
Mr Talal Yassine OAM
Ms Catherine Dovey
Mr Cameron Clyne
Dr Rebecca Huntley
The Hon Peter Collins AM QC
Ms Rebecca Mifsud

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

Company secretary

Ms Sandra Stevenson held the position of Company Secretary for the whole of the financial year and to the date of this report.

Principal activities and significant changes in nature of activities

The principal activity of the Company is to manage the Company and to act as Trustee of the Whitlam Institute Within Western Sydney University Trust. The main function of the Company is fundraising in support of the University, and the effective management control of all Trust funds held within the Whitlam Institute Trust account.

The Whitlam Institute works as an educator, policy influencer and research institute. The Institute bridges the historical legacy of the late Gough Whitlam's years in public life and the contemporary relevance of the Whitlam Program to public discourse and policy. It links policies with people - connecting communities with the decisions and policies that affect their lives. The Whitlam Institute is guided by the 'three great aims' that drove the Whitlam Program of 1972. They are to promote equality, to involve the people of Australia in the decision-making processes of our land, and to liberate the talents and uplift the horizons of the Australian people.

The Whitlam Institute supports Western Sydney University development by working with schools to bring knowledge to life in the community. In a range of practical ways we make scholarship relevant to everyday lives. We are inspired by the E.G Whitlam Prime Ministerial Collection which represents the life's work of an Australian statesman who has pursued his convictions with a constant commitment to community engagement and a determination to put words into action.

No significant changes in the nature of the Company's activity occurred during the financial year.

Review of operations

The surplus of the Company amounted to \$ NIL (2018: \$ NIL).

Dividends

No dividend is paid or payable since the commencement of the financial year and up to and including the date of signing this report (2018: \$ nil).

Events after the reporting date

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

Future developments

Future developments are not expected to significantly affect the future operations of the Company.

Environmental matters

The Company's operations are not regulated by any significant environmental regulations under a law of the

Director's report

For the year ended 31 December 2019

Environmental matters (continued)

Commonwealth or of a state or territory.

Auditors independence declaration

The Audit Office of New South Wales continues in office in accordance with section 327 of the *Corporations Act 2001*.

The lead auditors independence declaration for the year ended 31 December 2019 has been received and can be found on page 176 of the financial statements.

Information on directors

The Hon. John Faulkner

Experience

BA, DipEd (Macquarie). Chair.

Appointed as Director 8 March 2011. Senator the Hon. John Faulkner was a Labor Senator for New South Wales from 1989 to 2015. Since his election to the Senate in 1989, Senator Faulkner has held a number of ministries, serving as Minister for Veterans' Affairs, Minister for Defence Science and Personnel, Minister for the Environment, Sport and Territories, Cabinet Secretary, Special Minister of State and Minister for Defence. He served as Leader of the Opposition in the Senate from 1996 to 2004. He has also held a range of senior positions within the Australian Labor Party, including National President of the party, twenty years as a member of its National Executive and nine years as Assistant General Secretary of the New South Wales Branch. Senator Faulkner is well versed in, and passionate about the history of the Australian Labor Party. Prior to his political career, Senator Faulkner worked as a teacher of children with severe disabilities.

Ms Patricia Amphlett OAM

Experience

Non-Executive.

Appointed as Director 29 June 2010. Ms Patricia Amphlett OAM is the Federal President of the Media, Entertainment and Arts Alliance, a position she has held since 2002. With a succession of hits and as a long standing member of the Bandstand Family, she established herself as a prominent force in the Australian music industry. Her musical talents are credited with many industry awards including Best Female Singer, Most Popular Female Performer, TV Logie for Best Teenage Personality and a succession of Gold Records. A definite 'all rounder' in the music and entertainment industry, Ms Amphlett's talent spans a broad spectrum from writing, producing and performing shows for children, and hosting charity and corporate events. She maintains a high profile in the music industry, with many live performances at Festivals, Corporate Events, Clubs and Television shows. Ms Amphlett has a strong commitment to music education. She is a consultant for the NSW Government's Talent Development Project. She is a member of the Board of the National Film & Sound Archives.

Director's report

For the year ended 31 December 2019

Information on directors (continued)

Prof. Barney Glover AO

PhD (Applied Mathematics), MSc, BSc (Honours), Dip Ed (Melbourne), MAICD. Non-Executive.

Experience

Appointed as Director 1 Jan 2014. Professor Barney Glover has been the Vice-Chancellor and President of the Western Sydney University since he commenced in this role on 1 January 2014. Professor Glover is an accomplished academic leader and experienced Vice-Chancellor. Previously Vice-Chancellor at Charles Darwin University from 2009 to 2013, he has a long record of success in university management and leadership, particularly in research, intellectual property management and major capital development projects. Before relocating to the Northern Territory in 2009 Professor Glover was the Deputy Vice-Chancellor, Research at the University of Newcastle. Prior to this, he held several positions at Perth's Curtin University of Technology including Pro Vice-Chancellor, Research and Development. He has a strong research publication record and has co-authored four texts in mathematics education. Before his appointment at Curtin Professor Glover held a number of positions at the University of Ballarat in Victoria. Professor Glover holds a PhD in Applied Mathematics and has worked on both the east and west coasts of Australia. In January 2019, Professor Glover was appointed an Officer of the Order of Australia (AO) for distinguished service to tertiary education, to professional associations, and to cultural organisations.

Ms Gabrielle Trainor AO

LLB (Melbourne). Non-Executive.

Experience

Appointed as Director 29 June 2010. Ms Gabrielle Trainor is a non-executive director and advisor. Her chair and director roles have spanned organisations in urban development, transport, education, public interest law, tourism, culture and sport. She was a founding partner and co-owner of specialist consultancy John Connolly & Partners and over 25 years advised large listed companies on the management of major transactions and significant issues across stakeholder groups including in capital markets, government, NGO's and other influencers. Ms Trainor is a member of the board of Leighton Contractors (advisory board), a director of the Barangaroo Delivery Authority, Business Events Sydney, Cape York Group, the Aurora Education Foundation and is a trustee of the Charlie Perkins Education Trust. She is a member of the board of trustees of the Western Sydney University. She is Chair of the National Film and Sound Archive and Chair of Barnardo's Australia. She co-chaired the 2012 Federal Government review of the Australia Council for the Arts. She has had a long term involvement in indigenous affairs, including as director of Cape York Partnerships and a member of the Victorian Government's Aboriginal Economic Development Group which reported in 2010. Ms Trainor was educated as LLB at the University of Melbourne and was awarded a 1986 Churchill Fellowship. She studied in the USA and UK, including as a visiting scholar at Stanford University. She is an Honorary Associate in the Graduate School of Government at Sydney University and a Fellow of the Australian Institute of Company Directors.

Director's report

For the year ended 31 December 2019

Information on directors (continued)

Mr Talal Yassine OAM

Experience

BA Lib (Macquarie), Master of Laws (Sydney), MBA (Deakin). Non-Executive.

Appointed as Director 8 October 2010. Mr Talal Yassine OAM is an experienced lawyer, banker and Non-Executive Director. After 10 years at PricewaterhouseCoopers as a Director and strategist, he joined investment firm Babcock & Brown Ltd in the Corporate Finance Group and later in the Technical Real Estate Division. Later he held leadership positions in Better Place Australia and is currently the Managing Director of Crescent Wealth. Mr Yassine currently serves on the Board of Australia Post, Sydney Ports, the Whitlam Institute, The Australian Multicultural Council and as Deputy Chairman of the Gulf Australia Business Council. He has also served on the Board of Macquarie University; and as the Deputy Chairman of a government regulator, and as Chairman as Platinum Sound Pty Ltd. Mr Yassine holds a Master of Laws, a Master of Business Administration which was focused on international business strategy, as well as holding degrees in law and diplomas from the AICD and UNE in directorship. In November 2012, he was appointed as a Professorial Fellow at the Crawford School of Public Policy, at the Australian National University. On Australia Day 2010, he was awarded a Medal of the Order of Australia (OAM) for his service to business and to the community through a range of education.

Ms Catherine Dovey

Experience

BA (UNSW), Dip Ed (Sydney Teacher College). Non-Executive.

Catherine Dovey worked in the New South Wales public service in public policy formulation and administration. Her roles include an early period as a probation and parole officer with the NSW Corrections system and later as a member of the parole Board of NSW. In the interim she served in a variety of positions at Sydney Water. Catherine graduated from the University of New South Wales as a Bachelor of Arts and with a Diploma of Education from the then Sydney Teachers' College. Catherine has always reflected a spirited engagement with community and education issues which included serving a decade as a Board member of the International Grammar School.

Mr Cameron Clyne

Experience

BA (Sydney). Non-Executive.

Cameron Clyne is currently Chairman of Camel Partners, a private advisory firm and the Camel Foundation. He is Chairman of the Australian Rugby Union; a director of SANZAAR Pty Ltd; the Western Sydney University Foundation; Camp Quality; a Patron of the Western Sydney Leadership Dialogue, and an Adjunct Professor at the WSU Business School. Cameron was Group Chief Executive Officer of National Australia Bank (NAB) from January 2009 until August 2014. He was also Chairman of Clydesdale Bank in the United Kingdom and a Director of the Bank of New Zealand. Prior to NAB Cameron was a Partner at PricewaterhouseCoopers (PwC). He worked in their Sydney, Melbourne, San Francisco and New York offices. In 2008 he was named a Young Global Leader by the World Economic Forum.

Dr Rebecca Huntley

Experience

LLB (UNSW), BA (Honors) (UNSW), PhD (USYD). Non-Executive.

Dr Rebecca Huntley is one of Australia's foremost researchers on social trends. She holds degrees in law and film studies and a PhD in gender studies. For nearly nine years, Rebecca was at the global research firm Ipsos. From 2006 until 2015, she was the Director of the Mind & Mood Report, Australia's longest-running social trends report. She is the author of numerous books, and was a feature writer for Australian Vogue, a columnist for BRW and the presenter of Drive on a Friday on Radio National. She is on the Artistic Advisory Board of the Bell Shakespeare Company and is an adjunct senior lecturer at the School of Social Sciences at The University of New South Wales. Rebecca is currently the Head of Research at Essential Media, an integrated research and communications agency in Australia and New Zealand. Her latest book, Still Lucky: why you should be optimistic about Australia and its people was published by Penguin in January 2017.

Director's report

For the year ended 31 December 2019

Information on directors (continued)

The Hon. Peter Collins AM QC

Experience

BA, LLB (SYD) FAIST. Non-Executive.

Peter Collins was Leader of the Opposition (and leader of the Parliamentary Liberal Party) for more than three years from April 1995, having previously been a senior Minister in the Greiner/Fahey Coalition Government. He delivered two budgets as Treasurer of NSW in 1993 and 1994 and served terms as the Minister for Health, Attorney General, Minister for State Development, Minister for the Arts and Minister for Consumer Affairs between 1988 and 1993. He was a member of the NSW Parliament for more than 22 years. Prior to entering Parliament, Peter was a Barrister and founding member of Edmund Barton Chambers. During the Whitlam Government, he was an ABCTV Journalist with This Day Tonight (now 7.30 Report); following which he was Policy Research Manager for the NSW Liberal Party. A keen Army and later Navy Reserve officer, he is the only former Minister - Federal or State- to see Active Service since 1945 with a 3 month deployment to IRAQ in 2007. He left the Navy as a Captain in 2012. Peter established and chaired Barton Deakin Government Relations 2009-17; has chaired several public sector boards; and, is Chairman of Industry Super Australia and Director of HOSTPLUS.

Ms Rebecca Mifsud

Experience

BA, LLB (UNE). Non-Executive.

Rebecca Mifsud is an experienced employment lawyer and industrial relations advocate, with broad corporate and Trade Union experience. She worked for the Electrical Trades Union throughout the 1990's before moving to Corporate. She has previous Board experience and was a Member of the Board of Ausgrid for several years. She is currently a Manager at Sydney Water and resident in Western Sydney. She is and a mother of two, with a strong passion for public education.

Director's report

For the year ended 31 December 2019

Meetings of directors

During the financial year, 4 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
The Hon. John Faulkner	4	4
Ms Patricia Amphlett OAM	4	4
Prof. Barney Glover AO	4	3
Ms Gabrielle Trainor AO	4	2
Mr Talal Yassine OAM	4	2
Ms Catherine Dovey	4	4
Mr Cameron Clyne	4	3
Dr Rebecca Huntley	4	2
The Hon. Peter Collins AM QC	4	4
Ms Rebecca Mifsud	4	3


Indemnification of Directors and Officers

Whitlam Institute within Western Sydney University Limited is insured externally and in line with the Western Sydney University policies for all significant areas of risk exposure and accordingly, is not a self-insurer and makes no provision in its financial statements for internal coverage.

Proceedings on behalf of company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

Signed in accordance with a resolution of the Board of Directors'.

Director: 
The Hon. John Faulkner

Director: 

CATHERINE DOVEY

Dated 21 February 2020



To the Directors

Whitlam Institute within Western Sydney University Limited

Auditor's Independence Declaration

As auditor for the audit of the financial report of the Whitlam Institute within Western Sydney University Limited for the year ended 31 December 2019, I declare, to the best of my knowledge and belief, there have been no contraventions of:

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

David Daniels
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

20 February 2020
SYDNEY

Whitlam Institute within Western Sydney University Limited

ABN: 50 100 342 309

Start of audited financial statements

Statement of comprehensive income

For the year ended 31 December 2019

	2019	2018
	\$	\$
Revenue		
Other revenue	-	-
Total revenue	-	-
Expenses		
Finance costs	-	-
Total expenses	-	-
Surplus/(deficit) for the year	-	-
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	-

The accompanying notes form part of these financial statements.

Whitlam Institute within Western Sydney University Limited

ABN: 50 100 342 309

Statement of financial position**As at 31 December 2019**

	Note	2019 \$	2018 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	1	1
Total current assets		<u>1</u>	<u>1</u>
Total assets		<u>1</u>	<u>1</u>
LIABILITIES			
Current liabilities			
Trade and other payables		-	-
Total current liabilities		<u>-</u>	<u>-</u>
Total liabilities		<u>-</u>	<u>-</u>
Net assets		<u>1</u>	<u>1</u>
EQUITY			
Contributed equity	6	1	1
Retained earnings		-	-
Total equity		<u>1</u>	<u>1</u>

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2019

	Contributed equity \$	Retained Earnings \$	Total equity \$
Balance at 1 January 2019	1	-	1
Other comprehensive income	-	-	-
Surplus for the year	-	-	-
Total comprehensive income for the year	-	-	-
Balance at 31 December 2019	1	-	1

	Contributed equity \$	Retained Earnings \$	Total equity \$
Balance at 1 January 2018	1	-	1
Other comprehensive income	-	-	-
Surplus for the year	-	-	-
Total comprehensive income for the year	-	-	-
Balance at 31 December 2018	1	-	1

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 31 December 2019

	2019	2018
Note	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	-	-
Net cash inflow/(outflow) from operating activities	-	-
Cash flows from investing activities		
Net cash (outflow)/inflow from investing activities	-	-
Cash flows from financing activities		
Net cash inflow/(outflow) from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of year	1	1
Cash and cash equivalents at end of year	1	1

5

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2019

Whitlam Institute within Western Sydney University Limited (the Company) is a not-for-profit controlled entity of the Western Sydney University. The Company is incorporated and domiciled in Australia.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied to all the years reported, unless otherwise stated.

The financial statements were authorised for issue by the Directors on 21 February 2020

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Reduced Disclosure Requirements and Australian Accounting Interpretations), the *Corporations Act 2001*, the requirements of the *Public Finance & Audit Act 1983*, *Public Finance and Audit Regulation 2015* and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

These financial statements and notes of the Company comply with Australian Accounting Standards some of which contain requirements specific to not-for-profit entities that are inconsistent with International Financial Reporting Standards (IFRS) requirements.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Revenue recognition

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

(c) Income tax exemption

The Company is exempt from the payment of tax by virtue of section 50 B of the *Income Tax Assessment Act 1997*.

(d) Foreign currency transactions and balances

The functional currency of the Company is measured using the currency of the primary economic environment which is Australian dollars. The financial statements are presented in Australian dollars which is the ultimate parent entity's functional and presentation currency.

Notes to the financial statements

For the year ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office. In this case, it is recognised as part of the cost 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 Australian Taxation Office is included with other receivables or payables in the statement of financial position.

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

(f) Comparative amounts

Comparative figures have been reclassified and repositioned in the financial statements, where necessary, to conform with the basis of preparation and classification used in the current year.

(g) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not yet been applied in the financial statements. The Company's assessment of the impact of these new standards and interpretations is that they will not materially affect any of the amounts recognised in the financial statements or significantly impact the disclosures in relation to the Company.

(h) Critical accounting estimates and judgments

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

There are no areas which involve a high degree of judgement or complexity or where assumptions and estimates are significant to the financial statements of the Company.

(i) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time for the financial year beginning 1 January 2019. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company:

2 Expenses

No expenses were paid by the ultimate parent entity on behalf of the Company during 2019 (2018: NIL).

3 Remuneration of Auditors

Full audit fees for 2019 are reflected in the books of the Whitlam Institute within Western Sydney University Trust and will be paid by the ultimate parent entity (2018: NIL).

4 Fair Value Measurement

Fair value measurements of balance sheet items are not categorised given the lack of any assets or liabilities as at 31 December 2019.

Notes to the financial statements

For the year ended 31 December 2019

5 Cash and cash equivalents

	2019 \$	2018 \$
Cash at bank and in hand	1	1
Total cash and cash equivalents in statement of financial position & statement of cash flows	1	1

(a) Accounting policy

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

6 Contributed equity

	Shares		Total	
	2019 \$	2018 \$	2019 \$	2018 \$
Ordinary shares				
Fully paid	1	1	1	1
Total contributed equity	1	1	1	1

(a) Movements in ordinary share capital

There were no movements in contributed equity during the financial year.

7 Commitments

The Company had no commitments at 31 December 2019 (31 December 2018: nil).

8 Contingencies

The Company did not have any contingencies as at 31 December 2019 (31 December 2018: nil).

9 Key Management Personnel Disclosures

No remuneration has been paid to the key management personnel of the Company during the year (2018: nil).

10 Related party transactions

(a) Parent entity

The ultimate parent entity of the Company is Western Sydney University.

(b) Transactions with related parties

There were no transactions with related parties in 2019 (2018: nil).

11 Economic dependency

The Company is economically dependent on the Western Sydney University for the provision of office accommodation and support activities.

12 Events occurring after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years (2018: nil).

End of audited financial statements

Director's declaration

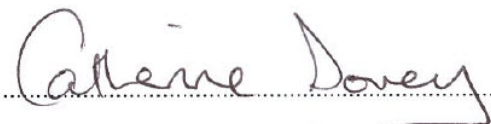
In the Director's opinion:

1. The financial statements and notes are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards and other interpretations, the *Corporations Regulations 2001*, *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015* and other mandatory professional reporting requirements; and
 - b. give a true and fair view of the Company's financial position as at 31 December 2019 and financial performance for the financial year ended on that date;
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.
3. We are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

This declaration is made in accordance with a resolution of the Directors, pursuant to section 295(4) of the *Corporations Act 2001*, and 41(C) of the *Public Finance and Audit Act 1983*.

Director 

The Hon. John Faulkner

Director 
CATHERINE DONEY.

Dated 21 February 2020



INDEPENDENT AUDITOR'S REPORT

Whitlam Institute within Western Sydney University Limited

To Members of the New South Wales Parliament and Members of the Whitlam Institute within Western Sydney University Limited

Opinion

I have audited the accompanying financial statements of the Whitlam Institute within Western Sydney University Limited (the Company), which comprise the Statement of Comprehensive Income for the year ended 31 December 2019, the Statement of Financial Position as at 31 December 2019, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a Summary of Significant Accounting Policies and other explanatory information, and the directors' declaration.

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 2019 and its performance for the year ended on that date
 - complying with Australian Accounting Standards and the Corporations Regulations 2001
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015

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

Basis for Opinion

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

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

- Australian Auditing Standards
- *Corporations Act 2001*
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

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

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

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

I confirm the independence declaration, required by the *Corporations Act 2001*, provided to the directors of the Company on 20 February 2020, would be in the same terms if provided to the directors as at the time of this Independent Auditor's Report.

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

Other Information

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

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

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

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

I have nothing to report in this regard.

Directors' Responsibilities for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the PF&A Act, *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does not provide assurance:

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

A handwritten signature in dark ink, appearing to read 'D Daniels'.

David Daniels
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

27 February 2020
SYDNEY

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Whitlam Institute Within Western Sydney University Trust

ABN: 42 247 216 279

Financial Statements

For the Year Ended 31 December 2019

These financial statements of the Whitlam Institute Within Western Sydney University Trust (the Trust) are presented as an individual entity. The financial statements are presented in Australian currency.

The registered office and principal place of business of the Whitlam Institute Within Western Sydney University Trust is:

Whitlam Institute Within Western Sydney University Trust

Western Sydney University

Building EZ, Parramatta Campus

Cnr James Ruse Dr & Victoria Rd

Rydalmere NSW 2116

Registered postal address is:

Whitlam Institute Within Western Sydney University Trust

Locked Bag 1797

Penrith NSW 2751

A description of the nature of the Trust's operations and its principal activities is included in the Trustees' report which is not part of these financial statements.

These financial statements were authorised for issue by the Trustees' on 21 February 2020. The Trustees have the power to amend and reissue the financial statements.

Whitlam Institute Within Western Sydney University Trust

ABN: 42 247 216 279

Trustees' report

For the year ended 31 December 2019

The Trustees present their report on Whitlam Institute Within Western Sydney University Trust for the financial year ended 31 December 2019.

Trustees

The Whitlam Institute Within Western Sydney University Limited (referred to hereafter as the Trustee Company) has been appointed as the Trustee of the Trust. The following persons have been directors of the Trustee Company during the financial year and to the date of this report:

The Hon. John Faulkner
Ms Patricia Amphlett OAM
Prof. Barney Glover AO
Ms Gabrielle Trainor AO
Mr Talal Yassine OAM
Ms Catherine Dovey
Mr Cameron Clyne
Dr Rebecca Huntley
The Hon. Peter Collins AM QC
Ms Rebecca Mifsud

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

Principal Activities and significant changes in nature of activities

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

The Whitlam Institute Within Western Sydney University Trust exists to support (through the provision of money, property or benefits) Western Sydney University, specifically the work of the Whitlam Institute with respect to the Whitlam Prime Ministerial Collection and the Institute's research, educational and policy activity.

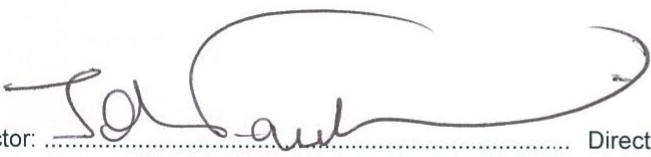
Trustees' report
For the year ended 31 December 2019

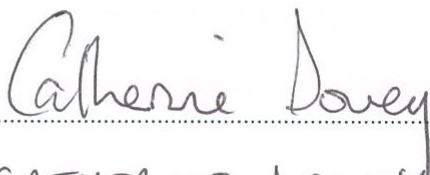
Meetings of trustees

During the financial year, 4 meetings of trustees (including committees of trustees) were held. Attendances by each trustee during the year were as follows:

	Trustees Meetings	
	Number eligible to attend	Number attended
The Hon. John Faulkner	4	4
Ms Patricia Amphlett OAM	4	4
Prof. Barney Glover AO	4	3
Ms Gabrielle Trainor AO	4	2
Mr Talal Yassine OAM	4	2
Ms Catherine Dovey	4	4
Mr Cameron Clyne	4	3
Dr Rebecca Huntley	4	2
The Hon. Peter Collins AM QC	4	4
Ms Rebecca Mifsud	4	3

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

Director: 
The Hon. John Faulkner

Director: 
CATHERINE DOVEY

Dated 21 February 2020

Start of audited financial statements

Statement of comprehensive income
For the Year Ended 31 December 2019

	Notes	2019 \$	2018 \$
Revenue			
Services	2	172,547	177,186
Other revenue	2	18,388	16,981
Contribution of assets		1,220	36,615
Total revenue		192,155	230,782
Expenses			
Contribution to Ultimate Parent Entity	3	(244,307)	(61,000)
Bank charges	3	(46)	125
Total expenses		(244,353)	(60,875)
Surplus for the year		(52,198)	169,907
Revaluation changes for property, plant and equipment		345,893	-
Other comprehensive income for the year		345,893	-
Total comprehensive income for the year		293,695	169,907
Comprehensive income for the year attributable to			
Non - controlling interest		-	-
The parent		293,695	169,907
Total comprehensive income for the year		293,695	169,907

The accompanying notes form part of these financial statements.

Statement of financial position

As at 31 December 2019

	Notes	2019 \$	2018 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	738,612	787,184
Amount owed from Ultimate Parent Entity		6,485	8,037
Trade and other receivables		751	4,045
Total current assets		<u>745,848</u>	<u>799,266</u>
Non-current assets			
Property, plant and equipment	6	<u>1,244,900</u>	<u>897,787</u>
Total non-current assets		<u>1,244,900</u>	<u>897,787</u>
Total assets		<u>1,990,748</u>	<u>1,697,053</u>
LIABILITIES			
Current liabilities			
Total current liabilities		<u>-</u>	<u>-</u>
Total liabilities		<u>-</u>	<u>-</u>
Net assets		<u>1,990,748</u>	<u>1,697,053</u>
TRUST FUNDS			
Settled fund		1	1
Reserves	7	541,140	195,247
Retained earnings	8	<u>1,449,607</u>	<u>1,501,805</u>
Total trust funds		<u>1,990,748</u>	<u>1,697,053</u>

The accompanying notes form part of these financial statements.

Whitlam Institute Within Western Sydney University Trust**ABN: 42 247 216 279****Statement of changes in equity****For the Year Ended 31 December 2019**

	Settled fund	Retained Earnings	Reserves	Total Equity
	\$	\$	\$	\$
Balance at 1 January 2019	1	1,501,805	195,247	1,697,053
Revaluation of property, plant and equipment	-	-	345,893	345,893
Other comprehensive income	-	-	345,893	345,893
Surplus for the year	-	(52,198)	-	(52,198)
Total comprehensive income for the year	-	(52,198)	-	(52,198)
Balance at 31 December 2019	1	1,449,607	541,140	1,990,748

	Settled fund	Retained Earnings	Reserves	Total Equity
	\$	\$	\$	\$
Balance at 1 January 2018	1	1,331,898	195,247	1,527,146
Revaluation of property, plant and equipment	-	-	-	-
Other comprehensive income	-	-	-	-
Surplus for the year	-	169,907	-	169,907
Total comprehensive income for the year	-	169,907	-	169,907
Balance at 31 December 2018	1	1,501,805	195,247	1,697,053

The accompanying notes form part of these financial statements.

Statement of cash flows

For the Year Ended 31 December 2019

	2019	2018
Notes	\$	\$
Cash flows from operating activities		
Receipts from customers	174,126	181,099
Payments to suppliers and employees	(244,380)	(176,789)
Investment income	21,682	16,688
Net cash provided by operating activities	(48,572)	20,998
Cash flows from investing activities		
Net cash provided by investing activities	-	-
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(48,572)	20,998
Cash and cash equivalents at beginning of year	787,184	766,186
Cash and cash equivalents at end of year	738,612	787,184

5

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the Year Ended 31 December 2019

Whitlam Institute Within Western Sydney University Trust (the Trust) is a not-for-profit controlled entity of the Western Sydney University. The Company is incorporated and domiciled in Australia.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied to all the years reported, unless otherwise stated.

The financial statements were authorised for issue by the Directors on 21 February 2020

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), the requirements of the *Public Finance & Audit Act 1983*, *Public Finance and Audit Regulation 2015* and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

These financial statements and notes comply with Australian Accounting Standards (Reduced Disclosure Requirements) some of which contains requirements specific to not for profit entities that are inconsistent with International Financial Reporting Standards (IFRS) requirements.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Income tax exemption

The Trust is exempt from the payment of tax by virtue of section 50 B of the Income Tax Assessment Act 1997. Accordingly no provision for income tax liability or future income tax benefit has been included in the accounts.

(c) Government grants

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

(d) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. For trade receivables the Trust applies a simplified approach in calculating expected credit losses ("ECLs"). Therefore, the Trust does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Trust has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in surplus/(deficit) within other comprehensive income. When a trade receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other comprehensive income in surplus/(deficit).

Notes to the financial statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office. In this case it is recognised as part of the cost 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 Australian Taxation Office is included with other receivables or payables in the statement of financial position.

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

(f) Comparative amounts

Comparative information is presented consistent with the previous year unless otherwise stated.

(g) New accounting standards and interpretations

Certain new accounting standards and interpretations have been issued but are not mandatory for 31 December 2019 reporting periods and have not been early adopted in the financial statements. Those which may be relevant to the Trust are set out below.

(i) AASB 15 Revenue from contracts with customers

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 Revenue and AASB 111 Construction Contracts.

AASB 15 is effective for annual reporting periods beginning on or after 1 January 2019. The Trust has assessed the impact on its financial statements and there is no material impact resulting from the application of AASB 15.

(ii) AASB 1058 Income of not-for-profit entities

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit entities, in conjunction with AASB 15. The requirements of AASB 1058 more closely reflect the economic reality of not-for-profit entity transactions that are not contracts with customers. The timing of recognition depends on whether such a transaction gives rise to a liability or other performance obligation.

AASB 1058 is effective for annual reporting periods beginning on or after 1 January 2019. The Trust has assessed the impact on its financial statements and there is no material impact resulting from the application of AASB 1058.

Notes to the financial statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(g) New accounting standards and interpretations (continued)

(iii) AASB 16 Leases

AASB 16 removes the lease classification test and requires all leases (including operating leases) to be brought onto the balance sheet. The definition of a lease is also amended and is now the new on/off balance sheet test for lessees.

AASB 16 is effective for annual reporting periods beginning on or after 1 January 2019. The Trust has assessed the impact on its financial statements and there is no material impact resulting from the application of AASB 16.

(h) Critical accounting estimates and judgments

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Trust's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that may have a financial impact on the Trust and that are believed to be reasonable under the circumstances.

The areas involving significant estimations and assumptions are disclosed in note 6 Property, Plant and Equipment. The Trust measures the carrying value of the Whitlam Collection at fair value with changes in fair value going through other comprehensive income. The Trust engages an independent valuation specialist to estimate fair value.

(i) Adoption of new and revised accounting standards

The Trust has adopted all standards which became effective for the first time for the financial year beginning 1 January 2019. The adoption of these standards has not caused any material adjustments to the current year and comparative reported financial position, performance or cash flow of the Trust.

Notes to the financial statements

For the Year Ended 31 December 2019

2 Revenue

	2019 \$	2018 \$
Services		
Donations	172,547	177,186
Total services	172,547	177,186
Other revenue		
Interest	9,935	10,916
Distributions from managed funds	8,453	6,065
Total other revenue	18,388	16,981
Total revenue	190,935	194,167

(a) Accounting policy

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

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

Revenue is recognised for the major business activities as follows:

(i) Donations, Scholarships and Prizes

Donations, scholarships and prizes are recognised when they are received.

(ii) Event income

Event income is recognised when it is probable the economic benefits associated with the transaction flows to the entity.

(iii) Investment income

Investment income is recognised as it accrues using the effective interest method.

3 Expenses

	2019 \$	2018 \$
Contribution to Ultimate Parent Entity	244,307	61,000
Bank charges	46	(125)
Total expenses	244,353	60,875

Notes to the financial statements

For the Year Ended 31 December 2019

4 Remuneration of Auditors

Audit fees of \$15,186 (including GST) for 2019 (2018: \$12,656) will be paid by the ultimate parent entity.

5 Cash and cash equivalents

	2019	2018
	\$	\$
Cash at bank and on hand	11,491	17,515
Term deposits	433,682	420,683
T-Corp investments	293,439	348,986
Total cash and cash equivalents in statement of financial position & statement of cash flows	738,612	787,184

(a) Accounting Policy

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

Cash at bank is interest bearing and cash on hand is non-interest bearing.

Notes to the financial statements

For the Year Ended 31 December 2019

6 Property, plant and equipment

At 1 January 2018

	Library \$	Total \$
Valuation	861,172	861,172
Net book amount	861,172	861,172

Year ended 31 December 2018

Opening net book amount	861,172	861,172
Revaluation surplus	-	-
Additions	36,615	36,615
Closing net book amount	897,787	897,787

At 31 December 2018

Valuation	897,787	897,787
Net book amount	897,787	897,787

Year ended 31 December 2019

Opening net book amount	897,787	897,787
Revaluation surplus	345,893	345,893
Additions	1,220	1,220
Closing net book amount	1,244,900	1,244,900

At 31 December 2019

Valuation	1,244,900	1,244,900
Net book amount	1,244,900	1,244,900

(a) Accounting policy

Property, plant and equipment consists only of the Whitlam Collection and is not depreciated given the nature of its contents.

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

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

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

Whitlam Collection

Assets comprising the Whitlam Collection have been donated to the Trust. Market valuations have been obtained from an independent valuer to determine the fair value of the collection in accordance with AASB 13 Fair Value Measurement and AASB116 Property, Plant and Equipment. The Whitlam Collection was revalued in 2019 in accordance with the ultimate parent entity three year revaluation cycle. In 2019 an item-based listing was made available for the first time, this allowed a more accurate assessment of the collection which resulted in a significant valuation increase.

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

Notes to the financial statements

For the Year Ended 31 December 2019

7 Reserves

	2019	2018
	\$	\$
Revaluation surplus - property, plant and equipment	541,140	195,247
	<u>541,140</u>	<u>195,247</u>

Movements

	2019	2018
	\$	\$
Revaluation surplus - property, plant and equipment		
Balance 1 January	195,247	195,247
Revaluation - gross	345,893	-
Balance 31 December	<u>541,140</u>	<u>195,247</u>

(a) Nature and purpose of reserves

(i) Revaluation surplus - property, plant and equipment

The property, plant and equipment revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in note 6(a).

8 Retained earnings

Movements in retained earnings were as follows:

	2019	2018
	\$	\$
Balance as at 1 January	1,501,805	1,331,898
Surplus for the year	(52,198)	169,907
Trust distributions for the year	-	-
Balance as at 31 December	<u>1,449,607</u>	<u>1,501,805</u>

9 Commitments

The Trust had no commitments at 31 December 2019 (31 December 2018: nil).

10 Contingencies

The Trust did not have any contingencies at 31 December 2019 (31 December 2018: nil).

Notes to the financial statements

For the Year Ended 31 December 2019

11 Key Management Personnel Disclosures

(a) Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of Whitlam Institute Within Western Sydney University Trust during the financial year:

(i) Names of Responsible Persons

Ms Leanne Smith

All responsible persons of the Trust are employees of the Western Sydney University (parent entity) and are not remunerated by either the parent entity or the Trust for their executive responsibilities.

(ii) Names of Executive Officers

The Hon. John Faulkner (Chair)

Ms Patricia Amphlett OAM

Prof. Barney Glover AO

Ms Gabrielle Trainor AO

Mr Talal Yassine OAM

Ms Catherine Dovey

Mr Cameron Clyne

Dr Rebecca Huntley

The Hon. Peter Collins AM QC

Ms Rebecca Mifsud

All executive officers of the Trust are not employees of the Western Sydney University (parent entity) except for Prof. Barney Glover and are not remunerated by either the parent entity or the Trust for their executive responsibilities.

Notes to the financial statements
For the Year Ended 31 December 2019

12 Related party transactions

(a) Parent entity

The ultimate parent entity of the Trust is Western Sydney University.

(b) Transactions with related parties

	2019	2018
	\$	\$
Matched Donations from the Ultimate Parent Entity	(12,034)	-
Payment to Ultimate Parent Entity	244,307	61,000

(c) Receivables and (payables) with related parties

	2019	2018
	\$	\$
Amount owed from Ultimate Parent Entity	6,485	8,037

The ultimate parent collected \$47,547 donations on behalf of the Trust during the year. Donations collected and T-Corp investments were used to settle amounts owed by the Trust to the Ultimate Parent.

13 Economic dependency

The Trust is economically dependent on the Western Sydney University for the provision of office accommodation and support activities.

14 Events occurring after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Trust, the results of those operations, or the state of affairs of the Trust in future financial years (2018: nil).

END OF AUDITED FINANCIAL STATEMENTS

Whitlam Institute Within Western Sydney University Trust

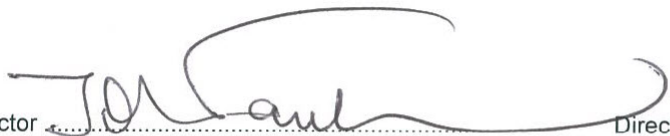
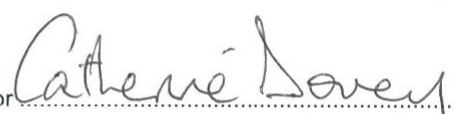
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Trustees' declaration

In the Trustee's opinion:

1. the financial statements and notes, as set out on pages 192 to 204:
 - a. comply with Australian Accounting Standards (Reduced Disclosure Requirements) and other interpretations, the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015* and other mandatory professional reporting requirements; and
 - b. give a true and fair view of the Trust's financial position as at 31 December 2019 and financial performance for the financial year ended on that date;
2. There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.
3. We are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

This declaration is made in accordance with a resolution of the Trustee Company, the Whitlam Institute with Western, pursuant to the *Public Finance and Audit Act 1983*.

Director		Director	
The Hon. John Faulkner			CATHERINE DOVEY.

Dated 21 February 2020



INDEPENDENT AUDITOR'S REPORT

Whitlam Institute within Western Sydney University Trust

To Members of the New South Wales Parliament and Members of Whitlam Institute within Western Sydney University Trust

Opinion

I have audited the accompanying financial statements of the Whitlam Institute within Western Sydney University Trust (The Trust), which comprises the Statement of Comprehensive Income for the year ended 31 December 2019, the Statement of Financial Position as at 31 December 2019, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a Summary of Significant Accounting Policies and other explanatory information.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

Other information comprises the information included in the Trust's annual report for the year ended 31 December 2019, other than the financial statements and my Independent Auditor's Report thereon. The Trustees of the Trust are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Trustees' declaration and the Trustees' report. My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

I have nothing to report in this regard.

The Directors' Responsibilities for the Financial Statements

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

In preparing the financial statements, the Directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

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

A handwritten signature in dark ink, appearing to read 'D Daniels'.

David Daniels
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

27 February 2020
SYDNEY

Western Growth Developments (Westmead) Pty Ltd

ABN: 93 625 406 411

Financial Statements

For the Year Ended 31 December 2019

These financial statements are of Western Growth Developments (Westmead) Pty Ltd as an individual entity. The financial statements are presented in the Australian currency.

Western Growth Developments (Westmead) Pty Ltd (referred to hereafter as the Company) is a company limited by shares, incorporated and domiciled in Australia.

Its principal place of business is:

Hawkesbury Rd, Westmead NSW 2155

Its registered office is:

Western Sydney University

Building R1 Hawkesbury Campus

Londonderry Road, Richmond NSW 2753

A description of the nature of the Company's operations and its principal activities are included in the directors' report on pages 210 - 211, which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 8 April 2020. The directors have the power to amend and reissue financial statements.

Western Growth Developments (Westmead) Pty Ltd

ABN: 93 625 406 411

Directors' Report

31 December 2019

The directors present their report on Western Growth Developments (Westmead) Pty Ltd for the financial year ended 31 December 2019.

1. General information

Directors

The names of the directors during the year and up to the date of this report are:

Mr Peter Pickering (Chair)
Professor Barney Glover

Company secretary

Ms Helen Fleming held the position of Company Secretary for the whole of the financial year and to the date of this report.

Principal activities

Western Growth Developments (Westmead) Pty Ltd was incorporated on 5 April 2018 to pursue its charitable purpose of promoting scholarship, research, free inquiry, the interaction of research and teaching, and academic excellence, beginning in Greater Western Sydney.

The principal activities of the Company for the promotion of its object are:

- a) act as a co-developer in respect of the Westmead Project;
- b) use and operate its interest in the completed Westmead Project to generate rental income;
- c) undertake other development activities in Greater Western Sydney in the furtherance of Western Sydney University's strategic plan for its campuses for future sustainability and growth.

2. Other items

Significant changes in state of affairs

No significant changes in the nature of the Company's activity occurred during the financial year.

Events after the reporting date

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

Future developments and results

Future developments are not expected to significantly affect the future operations of the Company.

Environmental issues

The Company is subject to environmental regulations in respect of its land and building development activities.

Western Growth Developments (Westmead) Pty Ltd

ABN: 93 625 406 411

Directors' Report

31 December 2019

Meetings of directors

During the financial year, there was one meeting of directors.

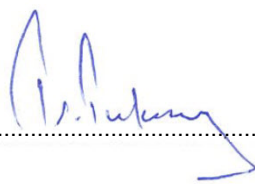
Insurance

The Company is insured externally and in line with the parent entity's policies for all significant areas of risk exposure and accordingly, is not a self-insurer and makes no provision in its financial statements for internal coverage.



Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the period ended 31 December 2019 has been received and can be found on page 214 of the financial report.

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

Director: 

Director: 

Dated this  day of  2020

Western Growth Developments (Westmead) Pty Ltd

ABN: 93 625 406 411

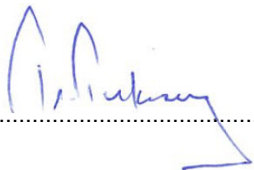
Directors' Declaration

The directors of the Company declare that:

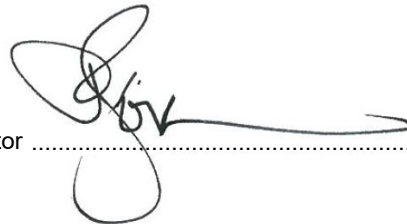
1. the financial statements and notes
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements, the *Corporations Act 2001*, *Public Finance and Audit Act 1983*, *Public Finance and Audit Regulation 2015*, the *Australian Charities and Not-for-profits Commission Act 2012* and Regulations, and other mandatory professional reporting requirements, and
 - b. give a true and fair view of the Company's financial position as at 31 December 2019 and of its performance for the financial period ended on that date, and;
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. We are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

This declaration is made in accordance with a resolution of the Board of Directors, pursuant to section 295(4) of the *Corporations Act 2001*, and 41(C) of the *Public Finance and Audit Act 1983*.

Director



Director



Date 8 April 2020

Western Growth Developments (Westmead) Pty Ltd

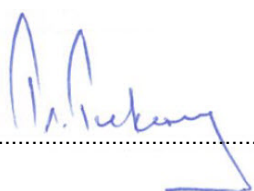
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Responsible Entities' Declaration

The responsible entities declare that in the responsible entities' opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Act 2013*.

Director


Date 8 April 2020



To the Directors

Western Growth Developments (Westmead) Pty Ltd

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Western Growth Developments (Westmead) Pty Ltd for the year ended 31 December 2019, I declare, to the best of my knowledge and belief, there have been no contraventions of:

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

Margaret Crawford
Auditor-General for New South Wales

6 April 2020
SYDNEY

Western Growth Developments (Westmead) Pty Ltd

ABN: 93 625 406 411

Statement of Comprehensive Income For the Year Ended 31 December 2019

	Note	2019 \$	2018 \$
Revenue			
Other revenue		-	-
Total revenue		-	-
Expenses			
Other expenses	2	(6,140)	(5,500)
Finance cost	7(b)	(1,848)	(95)
Total expenses		(7,988)	(5,595)
Surplus / (deficit) for the period		(7,988)	(5,595)
Other comprehensive income		-	-
Total comprehensive income for the period		(7,988)	(5,595)
Comprehensive income attributable to:			
Non-controlling interest		-	-
Western Sydney University (The Parent)		(7,988)	(5,595)
Total comprehensive income for the period		(7,988)	(5,595)

The accompanying notes form part of these financial statements.

Western Growth Developments (Westmead) Pty Ltd

ABN: 93 625 406 411

Statement of Financial Position

As At 31 December 2019

	Note	2019 \$	2018 \$
ASSETS			
Current Assets			
Cash and cash equivalents		-	-
Other receivables	4	-	3,925
Total Current Assets		<u>-</u>	<u>3,925</u>
Non-Current Assets			
Property, plant and equipment	5	<u>48,050</u>	<u>39,250</u>
Total Non-Current Assets		<u>48,050</u>	<u>39,250</u>
Total Assets		<u><u>48,050</u></u>	<u><u>43,175</u></u>
LIABILITIES			
Current Liabilities			
Accrued expenses	3	<u>5,650</u>	<u>5,500</u>
Total Current Liabilities		<u>5,650</u>	<u>5,500</u>
Non-Current Liabilities			
Loan from parent entity	7(b)	<u>55,983</u>	<u>43,270</u>
Total Non-Current Liabilities		<u>55,983</u>	<u>43,270</u>
Total Liabilities		<u><u>61,633</u></u>	<u><u>48,770</u></u>
Net Assets		<u><u>(13,583)</u></u>	<u><u>(5,595)</u></u>
EQUITY			
Issued capital		-	-
Retained earnings		<u>(13,583)</u>	<u>(5,595)</u>
Total Equity		<u><u>(13,583)</u></u>	<u><u>(5,595)</u></u>

The accompanying notes form part of these financial statements.

Western Growth Developments (Westmead) Pty Ltd

ABN: 93 625 406 411

Statement of Changes in Equity

For the Year Ended 31 December 2019

	Issued Capital	Retained Earnings	Total
	\$	\$	\$
Balance at 1 January 2019	-	(5,595)	(5,595)
Surplus / (deficit) for the period	-	(7,988)	(7,988)
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	(7,988)	(7,988)
Balance at 31 December 2019	-	(13,583)	(13,583)

	Issued Capital	Retained Earnings	Total
	\$	\$	\$
Balance at 5 April 2018	-	-	-
Surplus / (deficit) for the period	-	(5,595)	(5,595)
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	(5,595)	(5,595)
Balance at 31 December 2018	-	(5,595)	(5,595)

The accompanying notes form part of these financial statements.

Western Growth Developments (Westmead) Pty Ltd

ABN: 93 625 406 411

Statement of Cash Flows

For the Year Ended 31 December 2019

	2019	2018
	\$	\$
Cash flows from operating activities		
Net cash used in operating activities	-	-
Cash flows from investing activities		
Net cash used in investing activities	-	-
Cash flows from financing activities		
Net cash used in financing activities	-	-
Net increase/(decrease) in cash and cash equivalents held	-	-
Cash and cash equivalents at end of financial year	-	-

The accompanying notes form part of these financial statements.

Western Growth Developments (Westmead) Pty Ltd

ABN: 93 625 406 411

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies

Western Growth Developments (Westmead) Pty Ltd is a not-for-profit company limited by shares and is a controlled entity of Western Sydney University. The Company is incorporated and domiciled in Australia.

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, Australian Accounting Interpretations, the *Corporations Act 2001*, the *Public Finance and Audit Act 1983*, *Public Finance and Audit Regulation 2015*, the *Australian Charities and Not-for-profits Commission Act 2012* and *Regulation 2013*.

The financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements were authorised for issue by the Directors of the Company on 8 April 2020.

i. Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. All significant estimates or assumptions made in preparation of the financial statements have been explained in the accounting policy notes or subsequent notes.

ii. Foreign currency translations and balances

The functional currency of the Company is measured using the currency of the primary economic environment which is Australian dollars. The financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

(b) Basis for consolidation

Interest in Joint Arrangements

AASB 11 *Joint Arrangements* defines a joint arrangement as an arrangement of which two or more parties have joint control and classifies these arrangements as either joint ventures or joint operations.

Western Growth Developments (Westmead) Pty Ltd has determined that it has joint operations.

Joint operations

The Company's share of assets, liabilities, revenue and expenses of a joint operation have been incorporated into the financial statements under the appropriate headings. Details of the joint operations are set out in note 6.

Western Growth Developments (Westmead) Pty Ltd

ABN: 93 625 406 411

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies

(c) Income tax exemption

The Company is exempt from the payment of tax by virtue of section 50-5 of the *Income Tax Assessment Act 1997*.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the financial statements are shown inclusive of GST.

The Company has been grouped with the parent entity for GST purposes effective 1 January 2019 and therefore the net GST receivable or GST payable as of 31 December 2019 is not reflected with these statements.

(e) Insurance

The Company is insured externally and in line with the parent entity's policies for all significant areas of risk exposure and accordingly, is not a self-insurer and makes no provision in its financial statements for internal coverage.

(f) New Accounting Standards and Interpretations

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

Standard	Application date	Implications
AASB1059	1 Jan 2020 (early adoption may be permitted by the department if justified)	The Company does not believe that the adoption of this standard will have a material impact.

2 Expenses

	2019	2018
	\$	\$
Other expenses		
External audit costs	4,950	5,500
Software license	1,190	-
Total other expenses	6,140	5,500

Western Growth Developments (Westmead) Pty Ltd

ABN: 93 625 406 411

Notes to the Financial Statements For the Year Ended 31 December 2019

3 Accrued expenses

	2019	2018
	\$	\$
Current		
External audit costs	5,650	5,500
Total accrued expenses	5,650	5,500

4 Other receivables

	2019	2018
	\$	\$
GST receivable	-	3,925
Total other receivables	-	3,925

Accounting Policy

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are classified as current assets, except for those which are not expected to be realised within 12 months after the end of the reporting period, which are classified as non-current assets.

5 Property, plant and equipment

(a) Movements in Carrying Amounts

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

	Construction in Progress	Total
	\$	\$
Period ended 31 December 2018		
Balance at 5 April 2018	-	-
Additions	39,250	39,250
Balance at 31 December 2018	39,250	39,250
 Year ended 31 December 2019		
Balance at 1 January 2019	39,250	39,250
Additions	8,800	8,800
Balance at 31 December 2019	48,050	48,050

Western Growth Developments (Westmead) Pty Ltd

ABN: 93 625 406 411

Notes to the Financial Statements

For the Year Ended 31 December 2019

5 Property, plant and equipment

Accounting Policy

Property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Subsequent costs are not included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance, where applicable, are charged to the statement of comprehensive income during the financial period in which they are incurred.

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

6 Joint Operations

Joint operations

The Company entered into an agreement with Bieson Pty Limited (as Charter Hall Developer), The Trust Company (Australia) Limited (as Custodian) and Charter Hall Development Services Pty Ltd (as Development Manager) to develop land and building at Westmead. The Company and Bieson Pty Limited were granted a 125-year ground lease by Western Sydney University to carry out the development. Both parties each have a 50% interest in the development and operation and will share equally in the project expenses, assets, liabilities and income during the operation phase. Due to decision making being shared equally, and the equal sharing of costs and output, the Company has determined this to be a jointly controlled operation.

Name of joint operation	Nature of relationship	Principal place of business	Ownership interest/ voting rights held	
			2019 %	2018 %
Westmead land and building development	Jointly controlled operation with Bieson Pty Limited	Westmead NSW	50.00	50.00

The assets and liabilities employed in the above jointly controlled operations, including the Company's share of any assets and liabilities held jointly, are detailed below. The amounts are included in the financial statements under their respective categories.

	2019 \$	2018 \$
Statement of Financial Position		
GST receivable	-	3,925
Construction in progress	48,050	39,250

Notes to the Financial Statements

For the Year Ended 31 December 2019

7 Related Parties

(a) Parent entity

The ultimate parent entity of the Company is Western Sydney University.

(b) Loans to/from related parties

	2019	2018
	\$	\$
Loan from Parent		
Beginning of the year	(43,270)	-
Loan advanced	(10,865)	(43,175)
Interest charged	(1,848)	(95)
End of year	(55,983)	(43,270)

The Company has a maximum loan facility limit of \$91M from Western Sydney University. The loan facility was granted to pay for all costs and expenses in connection with the development of land and leasing of constructed building at Westmead NSW.

Accounting Policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

(c) Outstanding balances

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

	2019	2018
	\$	\$
Non-current liabilities (loans)		
Western Sydney University	(55,983)	(43,270)
Total non-current liabilities	(55,983)	(43,270)

Western Growth Developments (Westmead) Pty Ltd

ABN: 93 625 406 411

Notes to the Financial Statements

For the Year Ended 31 December 2019

8 Key Management Personnel Disclosures

(a) Names of responsible persons and board members

The following persons were both responsible persons and board members of Western Growth Developments (Westmead) Pty Ltd during they financial year.

Mr Peter Pickering (Chair)
Professor Barney Glover

All responsible persons and board members are employees of the parent entity and are not remunerated by the Company for their executive responsibilities.

9 Cash Flow Information

(a) Non-cash financing and investing activities

The Company had non-cash investing and financing transactions during the financial year that are not reflected in the statement of cash flows. These are included in the statement of financial position under their respective categories.

	2019	2018
	\$	\$
Loan from parent	(12,713)	(43,270)
Capital works in progress paid via loan facility from parent	8,800	39,250

10 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of Western Growth Developments (Westmead) Pty Ltd, the results of those operations, or the state of affairs of the Company in future financial years.



INDEPENDENT AUDITOR'S REPORT

Western Growth Developments (Westmead) Pty Ltd

To Members of the New South Wales Parliament and Members of Western Growth Developments (Westmead) Pty Ltd

Opinion

I have audited the accompanying financial statements of Western Growth Developments (Westmead) Pty Ltd (the Company), which comprise the Directors' Declaration, Responsible Entities' Declaration, Statement of Comprehensive Income for the year ended 31 December 2019, the Statement of Financial Position as at 31 December 2019, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes comprising a Summary of Significant Accounting Policies and other explanatory information.

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 2019 and its performance for the year ended on that date
 - complying with Australian Accounting Standards and the Corporations Regulations 2001
- are in accordance with section 41C of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

Basis for Opinion

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

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

- Australian Auditing Standards
- *Corporations Act 2001*
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

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

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

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

I confirm the independence declaration, required by the *Corporations Act 2001*, provided to the directors of the Company on 6 April 2020, would be in the same terms if provided to the directors as at the time of this Independent Auditor's Report.

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

Other Information

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

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

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

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

I have nothing to report in this regard.

Directors' Responsibilities for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the PF&A Act, *Corporations Act 2001* and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does not provide assurance:

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



Margaret Crawford
Auditor-General for NSW

20 April 2020
SYDNEY

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Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

ABN: 36 626 590 029

Financial Statements

For the Year Ended 31 December 2019

These financial statements are of Western Growth Developments (Innovation Hub Parramatta) Pty Ltd as an individual entity. The financial statements are presented in the Australian currency.

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd (referred to hereafter as the Company) is a company limited by shares, incorporated and domiciled in Australia.

Its principal place of business is:

6 Hassall Street
Parramatta NSW 2150

Its registered office is:

Western Sydney University
Building R1 Hawkesbury Campus
Londonderry Road, Richmond NSW 2753

A description of the nature of the Company's operations and its principal activities are included in the directors' report on pages 230 - 231, which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 8 April 2020. The directors have the power to amend and reissue financial statements.

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

ABN: 36 626 590 029

Directors' Report

31 December 2019

The directors present their report on Western Growth Developments (Innovation Hub Parramatta) Pty Ltd for the financial year ended 31 December 2019.

1. General information

Directors

The names of the directors during the year and up to the date of this report are:

Mr Peter Pickering (Chair)
Professor Barney Glover

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

Company secretary

Ms Helen Fleming held the position of Company Secretary for the whole of the financial year and to the date of this report.

Principal activities

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd was incorporated on 4 June 2018 to pursue its charitable purpose of promoting scholarship, research, free inquiry, the interaction of research and teaching, and academic excellence, beginning in Greater Western Sydney.

The principal activities of the Company for the promotion of its object are:

- a) act as a co-developer in respect of the Parramatta Project;
- b) use and operate its interest in the completed Parramatta Project to generate rental income;
- c) sell, lease, license, mortgage, charge or otherwise deal with the Land; and
- d) undertake other development activities in Greater Western Sydney in the furtherance of Western Sydney University's strategic plan for its campuses for future sustainability and growth.

2. Other items

Significant changes in state of affairs

No significant changes in the nature of the Company's activity occurred during the financial year.

Events after the reporting date

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

Future developments and results

Future developments are not expected to significantly affect the future operations of the Company.

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

ABN: 36 626 590 029

Directors' Report

31 December 2019

2. Other items (continued)

Environmental issues

The Company is subject to environmental regulations in respect of its land and building development activities.

Meetings of directors

During the financial year, two meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Mr Peter Pickering (Chair)	2	2
Professor Barney Glover	2	2

Insurance

The Company is insured externally and in line with the parent entity's policies for all significant areas of risk exposure and accordingly, is not a self-insurer and makes no provision in its financial statements for internal coverage.



Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the period ended 31 December 2019 has been received and can be found on page 234 of the financial report.

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

Director: 

Director: 

Dated this  day of  2020

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

ABN: 36 626 590 029

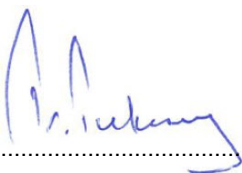
Directors' Declaration

The directors of the Company declare that:

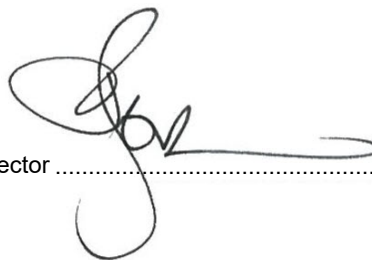
1. the financial statements and notes
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements, the *Corporations Act 2001*, *Public Finance and Audit Act 1983*, *Public Finance and Audit Regulation 2015*, the *Australian Charities and Not-for-profits Commission Act 2012* and Regulations, and other mandatory professional reporting requirements, and
 - b. give a true and fair view of the Company's financial position as at 31 December 2019 and of its performance for the financial period ended on that date, and;
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. We are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

This declaration is made in accordance with a resolution of the Board of Directors, pursuant to section 295(4) of the *Corporations Act 2001*, and 41(C) of the *Public Finance and Audit Act 1983*.

Director



Director



Date 8 April 2020

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

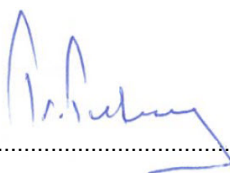
ABN: 36 626 590 029

Responsible Entities' Declaration

The responsible entities declare that in the responsible entities' opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and *Regulation 2013*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Director 

Date 8 April 2020



To the Directors

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

Auditor's Independence Declaration

As auditor for the audit of the financial statements of Western Growth Developments (Innovation Hub Parramatta) Pty Ltd for the year ended 31 December 2019, I declare, to the best of my knowledge and belief, there have been no contraventions of:

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

Margaret Crawford
Auditor-General for New South Wales

6 April 2020
SYDNEY

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

ABN: 36 626 590 029

Statement of Comprehensive Income For the Year Ended 31 December 2019

	Note	2019 \$	2018 \$
Revenue			
Other revenue		-	-
Total revenue		-	-
Expenses			
Finance costs	9(b)	(915,253)	(299,972)
Other expenses	2	(5,290)	(70,874)
Total expenses		(920,543)	(370,846)
Surplus / (deficit) for the period		(920,543)	(370,846)
Other comprehensive income		-	-
Total comprehensive income for the period		(920,543)	(370,846)
Comprehensive income attributable to:			
Non-controlling interest		-	-
Western Sydney University (The Parent)		(920,543)	(370,846)
Total comprehensive income for the period		(920,543)	(370,846)

The accompanying notes form part of these financial statements.

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

ABN: 36 626 590 029

Statement of Financial Position

As At 31 December 2019

	Note	2019 \$	2018 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	86,774	-
Other receivables	5	88,550	1,505,906
Total Current Assets		175,324	1,505,906
Non-Current Assets			
Property, plant and equipment	6	28,026,773	21,276,223
Total Non-Current Assets		28,026,773	21,276,223
Total Assets		28,202,097	22,782,129
LIABILITIES			
Current Liabilities			
Accrued expenses	3	4,300	4,200
Accrued liabilities	7	-	92,083
Total Current Liabilities		4,300	96,283
Non-Current Liabilities			
Loan from parent entity	9(b)	29,489,186	23,056,692
Total Non-Current Liabilities		29,489,186	23,056,692
Total Liabilities		29,493,486	23,152,975
Net Assets		(1,291,389)	(370,846)
EQUITY			
Issued capital		-	-
Retained earnings		(1,291,389)	(370,846)
Total Equity		(1,291,389)	(370,846)

The accompanying notes form part of these financial statements.

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

ABN: 36 626 590 029

Statement of Changes in Equity

For the Year Ended 31 December 2019

	Issued Capital	Retained Earnings	Total
	\$	\$	\$
Balance at 1 January 2019	-	(370,846)	(370,846)
Surplus / (deficit) for the period	-	(920,543)	(920,543)
Total comprehensive income for the period	-	(920,543)	(920,543)
Balance at 31 December 2019	-	(1,291,389)	(1,291,389)

	Issued Capital	Retained Earnings	Total
	\$	\$	\$
Balance at 4 June 2018	-	-	-
Surplus / (deficit) for the period	-	(370,846)	(370,846)
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	(370,846)	(370,846)
Balance at 31 December 2018	-	(370,846)	(370,846)

The accompanying notes form part of these financial statements.

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

ABN: 36 626 590 029

Statement of Cash Flows

For the Year Ended 31 December 2019

	2019	2018
	\$	\$
Cash flows from operating activities		
Net cash used in operating activities	-	-
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,275,726)	-
Net cash used in investing activities	(2,275,726)	-
Cash flows from financing activities		
Loan from parent	2,362,500	-
Net cash used in financing activities	2,362,500	-
Net increase/(decrease) in cash and cash equivalents held	86,774	-
Cash and cash equivalents at end of financial year	86,774	-

4

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd is a not-for-profit company limited by shares and is a controlled entity of Western Sydney University. The Company is incorporated and domiciled in Australia.

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, Australian Accounting Interpretations, the *Corporations Act 2001*, the *Public Finance and Audit Act 1983*, *Public Finance and Audit Regulation 2015*, the *Australian Charities and Not-for-profits Commission Act 2012* and *Regulation 2013*.

The financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements were authorised for issue by the Directors of the Company on 8 April 2020.

i. Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. All significant estimates or assumptions made in preparation of the financial statements have been explained in the accounting policy notes or subsequent notes.

ii. Foreign currency translations and balances

The functional currency of the Company is measured using the currency of the primary economic environment which is Australian dollars. The financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

(b) Basis for consolidation

Interest in Joint Arrangements

AASB 11 *Joint Arrangements* defines a joint arrangement as an arrangement of which two or more parties have joint control and classifies these arrangements as either joint ventures or joint operations.

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd has determined that it has joint operations.

Joint operations

The Company's share of assets, liabilities, revenue and expenses of a joint operation have been incorporated into the financial statements under the appropriate headings. Details of the joint operations are set out in note 8.

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Summary of Significant Accounting Policies (continued)

(c) Comparative amounts

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

	Note	2018 Reported \$	Adjustment \$	2018 Revised \$
Statement of Financial Position				
Property, plant and equipment	6(a)	21,184,140	92,083	21,276,223
Accrued liabilities	7	-	92,083	92,083
Note 6 Property, plant and equipment				
Capital works in progress	6(a)	-	92,083	92,083

(d) Income tax exemption

The Company is exempt from the payment of tax by virtue of section 50-5 of the *Income Tax Assessment Act 1997*.

(e) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the financial statements are shown inclusive of GST.

The Company has been grouped with the parent entity for GST purposes effective 1 January 2019 and therefore the net GST receivable or GST payable as of 31 December 2019 is not reflected within these statements.

(f) Insurance

The Company is insured externally and in line with the parent entity's policies for all significant areas of risk exposure and accordingly, is not a self-insurer and makes no provision in its financial statements for internal coverage.

(g) New Accounting Standards and Interpretations

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

Standard	Application date	Implications
AASB1059	1 January 2020 (early adoption may be permitted by the department if it is justified)	The Company does not believe that the adoption of this standard will have a material impact.

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Expenses

	2019 \$	2018 \$
Other expenses		
Rates and taxes	-	66,674
External audit costs	4,100	4,200
Software expenses	1,190	-
Total other expenses	5,290	70,874

3 Accrued expenses

	2019 \$	2018 \$
Current		
External audit costs	4,300	4,200
Total accrued expenses	4,300	4,200

4 Cash and cash equivalents

	2019 \$	2018 \$
Cash at bank and on hand	86,774	-
Total cash and cash equivalents in the statement of financial position and statement of cash flows	86,774	-

5 Receivables

	2019 \$	2018 \$
Trade receivables	18,863	-
GST receivable	69,687	1,505,906
Total trade and other receivables	88,550	1,505,906

Accounting Policy

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are classified as current assets, except for those which are not expected to be realised within 12 months after the end of the reporting period, which are classified as non-current assets.

Notes to the Financial Statements

For the Year Ended 31 December 2019

6 Property, plant and equipment

(a) Movements in Carrying Amounts

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

	Capital Works in Progress \$	Land \$	Total \$
Period ended 31 December 2018			
Balance at 4 June 2018	-	-	-
Additions	92,083	21,184,140	21,276,223
Balance at 31 December 2018	92,083	21,184,140	21,276,223
Year ended 31 December 2019			
Balance at 1 January 2019	92,083	21,184,140	21,276,223
Additions	6,750,550	-	6,750,550
Balance at 31 December 2019	6,842,633	21,184,140	28,026,773

Accounting Policy

Property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Land and capital works in progress are not depreciated.

Subsequent costs are not included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance, where applicable, are charged to the statement of comprehensive income during the financial period in which they are incurred.

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

(b) Capital Commitments

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

	2019 \$	2018 \$
- Within one year	26,081,248	-
- Between one year and five years	40,019,768	-
Net book value	66,101,016	-

The above amounts are for capital expenditure on joint operations.

Notes to the Financial Statements

For the Year Ended 31 December 2019

6 Property, plant and equipment (continued)

(c) Fair value hierarchy

The Company categorises property, plant and equipment based on the level of inputs used in measurements.

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

Fair value measurements recognised in the statement of financial position for property, plant and equipment are categorised into the following levels.

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Year ended 31 December 2019				
Land	-	21,184,140	-	21,184,140
Period ended 31 December 2018				
Land	-	21,184,140	-	21,184,140

7 Accrued liabilities

	2019	2018
	\$	\$
Current		
Accrued liabilities	-	92,083
Total accrued liabilities	-	92,083

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

ABN: 36 626 590 029

Notes to the Financial Statements

For the Year Ended 31 December 2019

8 Joint Operations

Joint operations

The Company entered into an agreement with Bieson Pty Limited (as Charter Hall Developer), The Trust Company (Australia) Limited (as Charter Hall Landowner) and Charter Hall Holdings Pty Limited (as Charter Hall Guarantor) to acquire land and construct a building at Hassall St., Parramatta NSW to create an Engineering Innovation Hub that will accommodate teaching and research, strategic partners and commercial tenants. The Company and Bieson Pty Limited each have a 50% interest in the development and operation and will share equally in the project expenses, assets, liabilities and income during the operation phase. Due to decision making being shared equally, and the equal sharing of costs and output, the Company has determined this to be a jointly controlled operation.

Name of joint operation	Nature of relationship	Principal place of business	Ownership interest/ voting rights held	
			2019 %	2018 %
Parramatta land and building development	Jointly controlled operation with Bieson Pty Limited	Parramatta NSW	50.00	50.00

The assets and liabilities employed in the above jointly controlled operations, including the Company's share of any assets and liabilities held jointly, are detailed below. The amounts are included in the financial statements under their respective categories.

	2019 \$	2018 \$
Statement of Financial Position		
Cash and cash equivalents	86,774	-
Trade receivables	18,863	-
GST receivable	88,550	1,505,906
Capital works in progress	6,750,550	92,083
Land	21,184,140	21,276,223
Accrued liabilities	-	(92,083)

Notes to the Financial Statements

For the Year Ended 31 December 2019

9 Related Parties

(a) Parent entity

The ultimate parent entity of the Company is Western Sydney University.

(b) Loans to/from related parties

	2019	2018
	\$	\$
Loan from Parent		
Beginning of the year	(23,056,692)	-
Loan advanced	(5,517,241)	(22,756,720)
Interest charged	(915,253)	(299,972)
End of year	(29,489,186)	(23,056,692)

The Company has a maximum loan facility limit of \$127M from Western Sydney University. The loan facility was granted to pay for all costs and expenses in connection with the acquisition and development of land and leasing of constructed building at 6 Hassall St., Parramatta NSW.

Accounting Policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

(c) Outstanding balances

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

	2019	2018
	\$	\$
Non-current liabilities (loans)		
Western Sydney University	(29,489,186)	(23,056,692)
Total non-current liabilities	(29,489,186)	(23,056,692)

Notes to the Financial Statements

For the Year Ended 31 December 2019

10 Key Management Personnel Disclosures

(a) Names of responsible persons and board members

The following persons were both responsible persons and board members of Western Growth Developments (Innovation Hub Parramatta) Pty Ltd during the financial year.

Mr Peter Pickering (Chair)
Professor Barney Glover

All responsible persons and board members are employees of the parent entity and are not remunerated by the Company for their executive responsibilities.

11 Cash Flow Information

(a) Non-cash financing and investing activities

The Company had non-cash investing and financing transactions during the financial year that are not reflected in the statement of cash flows. These are included in the statement of financial position under their respective categories.

	2019	2018
	\$	\$
Loan from parent	-	(23,056,692)
Land acquisition paid via loan facility from parent	-	21,184,140
Capital works in progress paid via loan facility from parent	4,563,374	-

12 Events Occurring After the Reporting Date

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



INDEPENDENT AUDITOR'S REPORT

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

To Members of the New South Wales Parliament and Members of Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

Opinion

I have audited the accompanying financial statements of Western Growth Developments (Innovation Hub Parramatta) Pty Ltd (the Company), which comprise the Directors' Declaration, the Responsible Entities' Declaration, the Statement of Comprehensive Income for the year ended 31 December 2019, the Statement of Financial Position as at 31 December 2019, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes comprising a Summary of Significant Accounting Policies and other explanatory information.

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 2019 and its performance for the year ended on that date
 - complying with Australian Accounting Standards and the Corporations Regulations 2001
- are in accordance with section 41C of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

Basis for Opinion

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

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

- Australian Auditing Standards
- *Corporations Act 2001*
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

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

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

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

I confirm the independence declaration, required by the *Corporations Act 2001*, provided to the directors of the Company on 6 April 2020, would be in the same terms if provided to the directors as at the time of this Independent Auditor's Report.

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

Other Information

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

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

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

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

I have nothing to report in this regard.

Directors' Responsibilities for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the PF&A Act, *Corporations Act 2001* and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does not provide assurance:

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



Margaret Crawford
Auditor-General for NSW

20 April 2020
SYDNEY

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Appendices

Western Sydney University

2019 Actual to Budget Comparative Analysis

	2019 BUDGET \$'000	2019 ACTUAL \$'000	2019 VARIANCE \$'000	2019 VARIANCE %
INCOME FROM CONTINUING OPERATIONS				
GOVERNMENT	559,461	554,862	(4,600)	(0.8%)
ACADEMIC ACTIVITIES				
International Onshore	163,515	162,802	(714)	(0.4%)
International Offshore	627	654	27	4.3%
Local fee-paying	23,839	26,355	2,516	10.6%
External Research Grants	36,008	37,232	1,224	3.4%
Consulting, Contracting & Royalties	1,008	1,736	728	72.2%
Other Academic	54,332	53,097	(1,235)	(2.3%)
Sub Total	279,330	281,876	2,547	0.9%
OTHER INCOME ACTIVITIES				
Leases & Other Commercial	11,520	12,233	714	6.2%
Investment Income	6,336	31,942	25,606	404.1%
Land/Property Development Projects	77,772	44,963	(32,809)	(42.2%)
Other Incidental	13,542	15,080	1,538	11.4%
Sub Total	109,170	104,219	(4,952)	(4.5%)
ENTITIES				
The College	61,979	62,456	477	0.8%
Whitlam Institute	178	192	14	8.1%
Early Learning Limited	7,436	7,536	101	1.4%
Western Unlimited	5,441	8,280	2,839	52.2%
Adjustments on Consolidation		(2,679)		
Sub Total	75,032	75,785	753	1.0%
TOTAL SELF-GENERATED INCOME	463,532	461,880	(1,652)	(0.4%)
TOTAL INCOME	1,022,994	1,016,742	(6,252)	(0.6%)
EXPENSES FROM CONTINUING OPERATIONS				
Schools	225,269	230,641	(5,372)	(2.4%)
Research	87,287	92,402	(5,115)	(5.9%)
Divisions	205,631	201,082	4,549	2.2%
Entities	76,726	76,371	354	0.5%
Consulting & Innovation	2,052	2,313	(261)	(12.7%)
University Wide	203,444	221,142	(17,698)	(8.7%)
Strategic Initiatives	47,530	49,347	(1,817)	(3.8%)
Minor Works (Expensed)	9,491	7,643	1,848	19.5%
External Trust & Tied Grants	21,523	16,179	5,344	24.8%
Corpus Fund Initiatives	0	270	(270)	
Depreciation	55,890	79,227	(23,337)	(41.8%)
Land/Property Development Projects	19,843	21,625	(1,783)	(9.0%)
Adjustments on Consolidation				
TOTAL EXPENDITURE	954,685	998,243	(43,558)	(4.6%)
NET OPERATING RESULT	68,308	18,499	(49,810)	(72.9%)

Western Sydney University 2020 Budget

	2020 BUDGET \$'000
INCOME FROM CONTINUING OPERATIONS	
GOVERNMENT	563,610
ACADEMIC ACTIVITIES	
International Onshore	189,342
International Offshore	685
Local fee-paying	27,940
External Research Grants	35,329
Consulting, Contracting & Royalties	1,355
Other	57,052
Sub Total	311,703
OTHER INCOME ACTIVITIES	
Leases & Other Commercial	16,593
Investment Income	4,563
Land/Property Development Projects	89,688
Other Incidental	16,322
Sub Total	127,166
ENTITIES	
The College	65,124
Whitlam Institute	169
Early Learning Limited	7,892
Sub Total	73,186
TOTAL SELF-GENERATED INCOME	512,055
TOTAL INCOME	1,075,665
EXPENSES FROM CONTINUING OPERATIONS	
Schools	244,852
Research	88,578
Divisions	208,143
Entities	75,300
Consulting & Innovation	2,201
University Wide	200,449
Strategic Initiatives	52,493
Minor Works (Expensed)	7,500
External Trust & Tied Grants	19,788
Corpus Fund Initiatives	7,179
Depreciation	78,762
Land/Property Development Projects	51,602
TOTAL EXPENDITURE	1,036,848
NET REPORTED RESULT	38,818

Accounts Payable Performance Indicators – 2019

The University's payment terms to creditors is 30 days. Any variation to these terms with due justification must be approved by the University Treasurer. University payment runs are fortnightly. The majority of payments are made via electronic transfer with the remainder being settled by cheque.

Accounts Payable Performance Indicators - 2019

Category	First Quarter \$	Second Quarter \$	Third Quarter \$	Fourth Quarter \$
1. Schedule of Accounts Payable				
Paid within 30 days	53,852,008	69,215,312	73,548,723	110,881,059
Paid between 31-60 days	31,577,952	31,971,072	36,595,409	39,735,267
Paid between 61-90 days	3,170,315	6,669,774	4,276,082	3,227,777
Paid between 91-120 days	1,187,058	823,028	1,183,837	555,969
Paid more than 120 days	2,539,785	1,229,153	766,359	6,185
Total	92,327,117	109,908,339	116,370,410	154,406,258
2. Accounts Paid on Time				
Target percentage of accounts paid on time	100.0%	100.0%	100.0%	100.0%
Actual percentage of accounts paid on time [#]	58.3%	63.0%	63.2%	71.8%
Total dollar amount of accounts paid on time	53,852,008	69,215,312	73,548,723	110,881,059
Total dollar amount of accounts paid	92,327,117	109,908,339	116,370,410	154,406,258

[#] based on invoice date, not date received in Accounts Payable.

Investment Portfolio Performance - 2019

The University had \$352.4 million in investments at 31 December 2019 (\$276.1 million at 31 December 2018).

The Acadian fund one-year return during 2019 is 23.65% compared to the benchmark of 25.77%. On an annualised basis the return since inception is 12.33% compared to the benchmark of 12.18%. Distributions received during the year were re-invested. Investments in Acadian were fully redeemed in December 2019 and invested in Mercer Multi Manager Funds.

Investments in JBWere were fully redeemed in November 2019 and funds were transferred to TCorp Strategic Cash. Investment performance of the fixed income portfolio was satisfactory and exceeded benchmark.

The Mercer Multi Manager Fund for Estate Development has returned 10.00% annualised, after fees and rebates since inception i.e. 23 August 2018. For the 12 months to December 2019 the return has been 17.00% compared to benchmark of 17.40%. Distributions received during the year were re-invested in the respective funds.

A new investment strategy was endorsed by the Foundation Council in November 2019 and as part of the implementation of that strategy \$60m of the Foundation Fund were invested in a combination of Mercer Multi Manager Funds in December 2019. Investment recorded a marginally negative return of 0.77% after fees and after rebates since inception i.e. 13 December 2019. Distributions received were re-invested in the respective funds.

Fund	2019		2018		2017		2016	
	Actual Return %	Benchmark Return %	Actual Return %	Benchmark Return %	Actual Return %	Benchmark Return %	Actual Return %	Benchmark Return %
Other Financial Assets - Non-current								
Mercer Multi Manager Funds - Estate Development ¹	17.00%	17.40%	-2.19%					
Mercer Multi Manager Funds - Foundation Fund ²	-0.77%	-	-2.19%					
Acadian Australian Equity High Yield Fund ³	23.65%	25.77%	-1.54%	-1.67%	7.55%	13.53%	11.41%	13.40%
JB Were ⁴	2.52%	2.49%	3.45%	2.21%	3.40%	1.75%	3.50%	2.07%
Unlisted Securities ⁵			-	-	-	-	-	-

1 - Mercer Multi Manager Funds - Estate Development: full year performance. The funds are invested in thirteen diversified investment funds.

2 - Mercer Multi Manager Funds - Foundation Fund: 1 month part performance. The funds are invested Dec 2019 in twelve diversified investment funds.

3 - Acadian Australian Equity High Yield Fund: full year performance. Investments in Acadian were fully redeemed and invested in Mercer Multi Manager Funds in Dec 2019.

4 - Fixed income portfolio managed by JBWere: part year performance till Oct 2019. Investments in JBWere were fully redeemed in Nov 2019 and funds were transferred to TCorp St. Cash.

5 - The University had \$47.7 million in unlisted securities as at 31 December 2019 (\$29.2 million at 31 December 2018) which are not measured for performance.

Promotion and Travel

For the 2019 year the total University expenditure for overseas travel was \$6,156,565. Travel was for a variety of University related purposes including research collaboration, university promotion and development of new partnerships, presentation of papers at conferences, overseas joint university projects, academic development program, student practicums and International study exchange and tours.

All Travel was in accordance with the University Travel Policy

<https://policies.westernsydney.edu.au/document/view.current.php?id=268> which complies with regulations and guidelines of NSW Treasury.

Credit Card Certification

Credit card use within Western Sydney University is in accordance with the University's corporate credit card policy <https://policies.westernsydney.edu.au/document/view.current.php?id=65> which complies with regulations and guidelines of NSW Treasury.

Credit card usage is acquitted via the online Travel and Expense Management System and checked and authorised by the appropriate senior delegated officer.

The University conducts regular reviews of credit card usage and where a cardholder is found to be in contravention of the policy regulations by either misuse or non-cquittal in a timely manner, the credit card will be cancelled.

Funds Granted to Non-Government Community Organisations

During 2019 the University provided \$5,500 in funding to non-government community organisations:

Name of recipient organisation	Program area as per budget	Nature and purpose of project including aims and target clients	Amount \$
Country Education Foundation	Community Engagement	The foundation provides funds to school leavers who need a helping hand to transition from school to higher education or the workforce.	5,500

Controlled Entities

Western Unlimited Ltd

Principal Objectives

The principal objective of the company is to provide food and beverage, catering and gym facilities across all six of the Western Sydney University campuses.

Principal Activities and Strategic Projects

The principal activity of the company during the 2019 financial year was the provision of fitness, food and beverage and other services to the Western Sydney University community including students, staff, alumni and residents of greater Western Sydney. The University has outsourced the food and beverage, catering and gym facilities, as a result the company has ceased operations as at 31 December 2019.

Performance measures

The performance measures of the company are financial and non-financial related to trading in community services.

Category	FY 2019 Actual	Annual 2019 Budget	% Full year achieved
Revenue	\$8,280,027	\$5,440,597	152%
Expenses	\$5,317,435	\$6,359,766	84%
Operating Surplus/(Deficit)	\$2,962,592	(\$919,168)	
Accumulated Retained Earnings	-		

Management and Operations

Western Unlimited Ltd is a wholly owned entity of Western Sydney University. An independent Board of Directors is responsible for the overall operations of the Company.

Western Sydney University Early Learning Limited

Principal Objectives

The principal objective of the Company is to provide affordable, high quality early childhood care and education for the children of Western Sydney University staff, students and the local community.

Principal Activities and Strategic Projects

To provide affordable, high quality early childhood care and education for the children of Western Sydney University staff, students and the local community. The provision of this service is campus based to enable staff, students and the local community the greatest opportunity to balance work and study commitments with childrearing.

Performance Measures

The performance measures of the company are both financial and non-financial. The Company has adopted the following key performance indicators

- Ensure all services at least meet Education and Care National Quality Standards
- Utilisation rates at all Centres increasing and stabilising
- Centralisation of the Financial and Administrative functions
- Financial operations of the Company now consolidated into the University's financial reporting and budgeting cycle
- Continuing to explore ways of offering casual care in addition to permanent placement
- Community Engagement

Category	FY 2019 Actual	Annual 2019 Budget	% Full year achieved
Revenue	\$7,518,913	\$7,435,569	101%
Expenses	\$7,407,829	\$7,205,576	103%
Operating Surplus	\$111,084	\$229,993	
Accumulated Retained Earnings	\$1,741,461		

Management and Operations

Western Sydney University Early Learning Limited is a wholly owned entity of the Western Sydney University. An independent Board of Directors is responsible for the overall operations of the Company.

Western Sydney University Enterprises Pty Limited (trading as Western Sydney University The College)

Principal Objectives

The principal objective of the company is to provide English and Academic Pathways programs to the University, complemented by other professional and community programs, consistent with Western Sydney University imperatives.

Principal Activities and Strategic Projects

The principal activities of the company are structured into the following three key areas:

- Academic Pathways which provides Foundation Studies and a variety of Diploma programs for students proceeding to an academic degree at Western Sydney University. The College continues to offer the Extended Four Term Diploma in addition to the existing University Foundation Studies and Diplomas courses (that are equivalent to first year University programs). The College also established the Western Sydney University International College ("the International College as a joint venture with Navitas Ltd.
- English Programs which enable international students to gain the academic English skills essential for university entrance. This unit also provides a diversity of programmes for international groups including industry visits and cultural immersion, as well as IELTS and other English-language assessment tests.
- Professional and Community Programs which delivers VET sector courses, acts as the College Registered Training Organisation (RTO), and conducts Property and Trust Management, SKILLMAX and HSC preparation courses.

During the 2019 financial year the company undertook numerous strategic projects in accordance with the company's overall objectives and principal activities.

Performance Measures

The performance measures of the Company are both financial and non-financial:

- The Extended Diploma Program provides some challenges in the prediction of load/revenue for the year. Other Academic Pathway Programs performed below expected projections.
- Shift towards International College as preferred provider for international pathways along with general decrease in international enrolments is having an impact on income.
- English Programs continue to be affected by Visa issues.

Category	FY 2019 Actual	Annual 2019 Budget	% Full year achieved
Revenue	\$62,361,301	\$61,978,549	101%
Expenses	\$62,361,301	\$61,978,549	101%
Operating Surplus	\$0	\$0	
Accumulated Retained Earnings	\$6,765,448		

Management and Operations

Western Sydney University Enterprises Pty Limited (trading as Western Sydney University The College) is a wholly owned entity of the of Western Sydney University. An independent Board of Directors is responsible for the overall operations of the company and the day to day activities are managed by a Chief Executive Officer.

The Board has oversight of the Academic Advisory Committee and the English and Professional and Community Programs Academic Advisory Committee. An Audit Committee of the Board was established in 2010 and has made a significant contribution to financial monitoring and reporting within the organisation.

Whitlam Institute within Western Sydney University Limited

Principal Objectives

The Whitlam Institute is a trustee of the Whitlam Institute within Western Sydney University Trust which was established by agreement between Western Sydney University and the Hon EG Whitlam in 2000. Its spirit is best captured in Gough's own words when signing the Deed of Gift:

'The greatest contribution that I hope to bestow is inspiration. That the work and causes championed in my parliamentary career and the statesman service that followed, will provide the basis for ongoing research and advocacy from this university into the contemporary challenges that confront and can improve the quality of life for all Australians.' [December 2003]

Principal Activities and Strategic Projects

The Whitlam Institute works as an educator, policy influencer and research institute. It is also home to the Whitlam Prime Ministerial Collection and the Whitlam Reading Room which houses selected books and papers donated by Mr. Whitlam. The collection provides on-line access to papers held both at the Institute and in the National Archives. It maintains an active public education program.

The Institute's strategic program continues to expand in accordance with the intentions outlined in its current Strategic Plan 2018-2020 and subsequently amended in the mid-term review. The strategic priorities focus on:

- The historical legacy;
- Contemporary relevance through public policy development;
- The education and outreach program;
- Governance;
- Organisation; and
- Resourcing.

Performance Measures

The performance measures of the Company are primarily of a non-financial nature and are driven by the philanthropic nature of the trust and the role of the trustee.

The Whitlam Institute is guided by the 'three great aims' that drove the Whitlam Program of 1972. They are

- to promote equality
- to involve the people of Australia in the decision-making processes of our land, and
- to liberate the talents and uplift the horizons of the Australian people.

Category	FY 2019 Actual	Annual 2019 Budget	% Full year achieved
Revenue	\$192,155	\$177,735	108%
Expenses	\$244,353	\$233,712	105%
Operating Surplus	(\$52,198)	(\$55,977)	
Accumulated Retained Earnings	\$1,449,607		

Management and Operations

The Whitlam Institute within Western Sydney University Limited is a wholly owned entity of Western Sydney University.

The Whitlam Institute Board is politically bipartisan and consists of leaders in academia, business, and government organisations. The Board participates in the strategic development of the Institute.

The Whitlam Institute is led by its Director Leanne Smith. Its small secretariat is committed to the highest quality in all its activity whether that might be its policy and research work, outreach activity, public information program or events.

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd

Principal Objectives

The Company's principal objective is to act as a co-developer and owner in respect of the Parramatta Project, 6 Hassall St Parramatta.

Principal Activities and Strategic Projects

The Company's principal activities for the promotion of its object are to:

- (i) act as a co-developer in respect of the Parramatta Project;
- (ii) use and operate its interest in the completed Parramatta Project to generate rental income;
- (iii) sell, lease, licence, mortgage, charge or otherwise deal with the Land; and
- (iv) undertake other development activities in Greater Western Sydney in furtherance of WSU's strategic plan for its campuses for future sustainability and growth.

The Company entered into an agreement with Bieson Pty Limited (as Charter Hall Developer), The Trust Company (Australia) Limited (as Charter Hall Landowner) and Charter Hall Holdings Pty Limited (as Charter Hall Guarantor) to acquire land and construct a building at Hassall St., Parramatta NSW to create an Engineering Innovation Hub that will accommodate teaching and research, strategic partners and commercial tenants. The Company and Bieson Pty Limited each have a 50% interest in the development and operation and will share equally in the project expenses, assets, liabilities and income during the operation phase.

Performance measures

The performance measures of the company are financial and non-financial related to the co-development of 6 Hassall St, Parramatta.

Category	FY 2019 Actual	Annual 2019 Budget	% Full year achieved
Revenue	\$-	\$-	
Expenses	\$920,543	\$947,996	97%
Operating Surplus/(Deficit)	(\$920,543)	(\$947,996)	
Accumulated Retained Earnings	(\$1,291,389)		

Financial KPI's ensure that the development is delivered within the parameters established by the approved business case.

Non-financial performance measures are currently centred on the delivery of the development within the approved timeframe.

Management and Operations

Western Growth Developments (Innovation Hub Parramatta) Pty Ltd is a wholly owned entity of Western Sydney University. A Board of Directors is responsible for the overall operations of the Company.

Western Growth Developments (Westmead) Pty Ltd

Principal Objectives

The Company's principal objective is to act as a co-developer in respect of the Westmead commercial building project.

Principal Activities and Strategic Projects

The Company's principal activities are to:

- (i) act as a co-developer in respect of the Westmead Project;
- (ii) use and operate its interest in the completed Westmead Project to generate rental income; and
- (iii) undertake other development activities in Greater Western Sydney in furtherance of WSU's strategic plan for its campuses for future sustainability and growth.

The Company entered into an agreement with Bieson Pty Limited (as Charter Hall Developer), The Trust Company (Australia) Limited (as Custodian) and Charter Hall Development Services Pty Ltd (as Development Manager) to develop land and building at Westmead. The Company and Bieson Pty Limited were granted a 125-year ground lease by Western Sydney University to carry out the development. Both parties each have a 50% interest in the development and operation and will share equally in the project expenses, assets, liabilities and income during the operation phase.

Performance measures

The performance measures of the company are financial and non-financial related to the co-development of Westmead.

Category	<i>FY 2019 Actual</i>	<i>Annual 2019 Budget</i>	<i>% Full year achieved</i>
Revenue	\$-	\$-	
Expenses	\$7,988	\$-	
Operating Surplus/(Deficit)	(\$7,988)	\$-	
Accumulated Retained Earnings	(\$13,583)		

Financial KPI's ensure that the development is delivered within the parameters established by the approved business case.

Non-financial performance measures are currently centred on the delivery of the development within the approved timeframe.

Management and Operations

Western Growth Developments (Westmead) Pty Ltd is a wholly owned entity of Western Sydney University. A Board of Directors is responsible for the overall operations of the Company.

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