

WESTERN SYDNEY
UNIVERSITY



ANNUAL REPORT
2020



Financial Statements

Volume 2

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Western Sydney University

Consolidated Financial Statements

For the year ended 31 December 2020

Statement by the Members of the Board of Trustees For the Year Ended 31 December 2020

In accordance with a resolution of the Board of Trustees of Western Sydney University dated 14 April 2021 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 2020 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 2020 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.

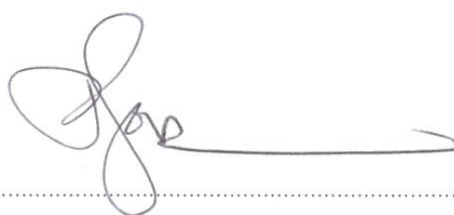
(f) We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

(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 14 April 2021

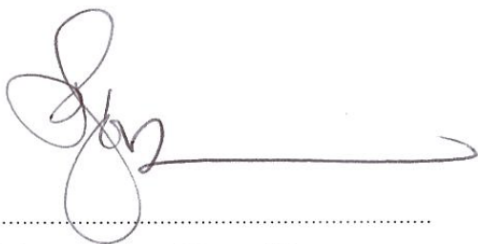
Responsible Entities Declaration

For the year ended 31 December 2020

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 dark ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Professor Barney Glover, AO
Vice Chancellor and President

Dated at Sydney 14 April 2021



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 2020, 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

12 April 2021
SYDNEY

Western Sydney University**Income Statement****For the Year Ended 31 December 2020**

		Consolidated		Parent	
		2020	2019	2020	2019
	Note	\$'000	\$'000	\$'000	\$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	346,804	332,374	338,154	332,374
HELP - Australian Government payments	2	252,362	243,535	252,362	243,535
State and Local Government financial assistance	3	59	22	59	22
HECS-HELP - Student Payments		13,747	13,919	13,747	13,919
Fees and charges	4	169,199	191,132	163,774	182,508
Investment income	5	16,522	46,542	16,430	46,414
Consultancy and contracts	6	27,438	30,800	27,435	30,791
Share of profit or loss on investments accounted for using the equity method	7	-	437	-	-
Gain/(loss) on disposal of assets	8	5,305	(2,866)	5,304	(2,859)
Other revenue and income	9	40,721	44,915	70,632	59,672
Total income from continuing operations		872,157	900,810	887,897	906,376
Expenses from continuing operations					
Employee related expenses	11	498,076	500,942	460,703	460,061
Depreciation and amortisation	12	83,822	80,406	82,459	79,227
Repairs and maintenance	13	24,119	27,314	24,078	27,226
Borrowing costs	14	13,347	12,981	13,458	13,245
Impairment of assets	15	1,467	430	350	1,331
Other expenses	16	229,294	260,238	284,870	306,202
Total expenses from continuing operations		850,125	882,311	865,918	887,292
Net result from continuing operations		22,032	18,499	21,979	19,084

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income

For the Year Ended 31 December 2020

	Note	Consolidated		Parent	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Net result for the period		22,032	18,499	21,979	19,084
<i>Items that will not be reclassified to Income Statement</i>					
Gain/(loss) on revaluation of property, plant and equipment	27(c)	55,557	28,299	55,557	27,954
Gain/(loss) on revaluation of art collection	27(c)	-	114	-	114
Gain/(loss) on revaluation of livestock	27(c)	257	14	257	14
Net actuarial gains/(losses) recognised in respect of Defined Benefit Plans	27(c)	(183)	(185)	(183)	(185)
Change in fair value of equity investments designated at fair value through other comprehensive income	27(c)	15,394	18,436	15,394	18,436
Total		71,025	46,678	71,025	46,333
Total other comprehensive income		71,025	46,678	71,025	46,333
Comprehensive result		93,057	65,177	93,004	65,417
Total comprehensive income attributable to: Members of the University		93,057	65,177	93,004	65,417

The accompanying notes form part of these financial statements.

Statement of Financial Position

As At 31 December 2020

		Consolidated		Parent	
		2020	2019	2020	2019
Note		\$'000	\$'000	\$'000	\$'000
Assets					
Current assets					
Cash and cash equivalents	17	186,839	106,027	183,377	104,239
Receivables	18	55,449	53,183	53,274	51,148
Inventories		2	2	2	2
Other non-financial assets	22	1,088	1,162	1,088	1,162
Total current assets		243,378	160,374	237,741	156,551
Non-current assets					
Receivables	18	417,806	414,911	417,914	444,456
Investments accounted for using the equity method	7	-	-	-	-
Property, plant and equipment	19	2,493,999	2,285,235	2,481,043	2,253,721
Other financial assets	21	373,236	352,423	373,236	352,423
Intangible assets	20	59,954	22,922	59,954	22,922
Other non-financial assets	22	2,408	3,299	2,408	3,299
Total non-current assets		3,347,403	3,078,790	3,334,555	3,076,821
Total assets		3,590,781	3,239,164	3,572,296	3,233,372
Liabilities					
Current liabilities					
Trade and other payables	23	89,989	61,077	79,299	60,204
Borrowings	24	7,672	49,792	23,313	64,759
Provisions	25	101,095	97,387	97,097	93,822
Contract liabilities		16,056	11,333	16,056	11,333
Other liabilities	26	50,382	37,595	45,693	35,781
Total current liabilities		265,194	257,184	261,458	265,899
Non-current liabilities					
Borrowings	24	636,315	393,983	636,315	393,983
Provisions	25	445,260	440,013	443,634	438,576
Contract liabilities		18,459	15,240	18,459	15,240
Other liabilities	26	7,626	7,873	7,626	7,873
Total non-current liabilities		1,107,660	857,109	1,106,034	855,672
Total liabilities		1,372,854	1,114,293	1,367,492	1,121,571
Net assets		2,217,927	2,124,871	2,204,804	2,111,801
Equity					
Parent entity interest					
Reserves	27	1,022,695	951,670	1,022,154	951,129
Retained earnings		1,195,232	1,173,200	1,182,650	1,160,671
Total equity		2,217,927	2,124,870	2,204,804	2,111,800

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2020

		Reserves	Parent Retained Earnings	Total
	Note	\$'000	\$'000	\$'000
Balance at 1 January 2020		951,129	1,160,671	2,111,800
Net result		-	21,979	21,979
Gain/(loss) on revaluation of property, plant and equipment	27(c)	55,557	-	55,557
Gain/(loss) on financial assets at fair value through OCI	27(c)	15,394	-	15,394
Gain/(loss) on revaluation of livestock	27(c)	257	-	257
Remeasurements of Defined Benefit Plans	27(c)	(183)	-	(183)
Other comprehensive income		71,025	-	71,025
Total comprehensive income		1,022,154	1,182,650	2,204,804
Balance at 31 December 2020		1,022,154	1,182,650	2,204,804

		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		-	(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

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2020

	Note	Consolidated		
		Reserves	Retained Earnings	Total
		\$'000	\$'000	\$'000
Balance at 1 January 2020		951,670	1,173,200	2,124,870
Net result		-	22,032	22,032
Gain/(loss) on revaluation of property, plant and equipment	27(c)	55,557	-	55,557
Gain/(loss) on equity investments at fair value through comprehensive income	27(c)	15,394	-	15,394
Gain/(loss) on revaluation of art collection	27(c)	-	-	-
Gain/(loss) on revaluation of livestock	27(c)	257	-	257
Remeasurements of Defined Benefit Plans	27(c)	(183)	-	(183)
Other comprehensive income		71,025	-	71,025
Total comprehensive income		1,022,695	1,195,232	2,217,927
Balance at 31 December 2020		1,022,695	1,195,232	2,217,927

	Note	Consolidated		
		Reserves	Retained Earnings	Total
		\$'000	\$'000	\$'000
Balance at 1 January 2019		916,288	1,165,215	2,081,503
Initial application of Australian Accounting Standards AASB15		-	(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

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2020

	Note	Consolidated		Parent	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Cash flows from operating activities:					
Australian Government grants		598,746	574,792	590,096	574,792
State Government grants		59	22	59	22
HECS-HELP - Student payments		13,747	13,919	13,747	13,919
Receipts from student fees and other customers		240,016	298,027	265,756	297,272
Dividends received		2,200	5,558	2,200	4,988
Payments to suppliers and employees (inclusive of GST)		(719,274)	(825,633)	(750,751)	(831,657)
Interest received		12,730	22,212	11,968	21,063
Interest and other costs of finance		(13,347)	(12,981)	(13,347)	(12,981)
GST recovered		25,543	28,076	25,543	28,076
Net cash provided by operating activities	36	160,420	103,992	145,271	95,494
Cash flows from investing activities:					
Proceeds from sale of property, plant and equipment		9,830	29,506	9,830	29,506
Payments for property, plant and equipment		(79,761)	(105,628)	(96,957)	(97,655)
Payments for financial assets		(3,769)	(39,206)	(3,769)	(39,206)
Loans to related parties		-	-	(14,426)	(330)
Repayments of loans by related parties		-	-	44,533	104
Net cash used in investing activities		(73,700)	(115,328)	(60,789)	(107,581)
Cash flows from financing activities:					
Proceeds from borrowings		592,500	583,500	611,290	586,000
Repayment of borrowings		(584,500)	(554,000)	(602,727)	(554,000)
Payment of lease liabilities		(13,907)	(14,428)	(13,907)	(14,428)
Net cash provided by / (used in) financing activities		(5,907)	15,072	(5,344)	17,572
Net increase / (decrease) in cash and cash equivalents		80,813	3,736	79,138	5,485
Cash and cash equivalents at beginning of year		106,026	102,290	104,239	98,753
Cash and cash equivalents at end of financial year	17	186,839	106,026	183,377	104,238

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2020

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 2020 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 14 April 2021.

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 2020

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 2020 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 2020

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 2020

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

Certain new Accounting Standards and Interpretations have been published but are not mandatory for 31 December 2020 reporting periods and have not yet been applied in the financial statements. Western Sydney University'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 University.

(k) Initial application of Australian Accounting Standards

AASB1059 became effective 1 January 2020 and is relevant for public sector agencies that are grantors in a service concession arrangement. Western Sydney University has assessed its major contracts with 3rd parties and concluded it has not participated in any service concession arrangements.

(l) Comparative Amounts

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

	2019 Reported Consolidated \$'000	2019 Revised Consolidated \$'000	2019 Reported Parent \$'000	2019 Revised Parent \$'000
Note 31 - Commitments				
Property, plant and equipment				
-Within one year	75,591	101,672	75,562	75,562
-Between one year and five years	-	40,020	-	-
-Later than five years	-	-	-	-
Total	75,591	141,692	75,562	75,562

Notes to the Financial Statements

For the Year Ended 31 December 2020

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

	Note	Consolidated		Parent	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Commonwealth Grants Scheme (CGS) and Other Grants	37(a)	307,100	300,944	307,100	300,944
Education Research	37(c)	19,928	19,176	19,928	19,176
Australian Research Council	37(e)	6,099	7,777	6,099	7,777
Total CGS and Research Grants		333,127	327,897	333,127	327,897
Other Australian Government financial assistance		13,677	4,477	5,027	4,477
Total Australian Government Grants		346,804	332,374	338,154	332,374
Higher Education Loan Programs	37(b)	252,362	243,535	252,362	243,535
Total Australian Government financial assistance		599,166	575,909	590,516	575,909

Australian Government Grants received - cash basis

	Note	Consolidated		Parent	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
CGS and Other Education Grants	37(a)	306,517	301,908	306,517	301,908
Higher Education Loan Programs	37(b)	247,101	242,753	247,101	242,753
Education Research	37(c)	19,928	19,176	19,928	19,176
ARC Grants - Discovery	37(e)	6,592	6,101	6,592	6,101
ARC Grants - Linkages	37(e)	1,026	753	1,026	753
ARC Grants - Networks and Centres	37(e)	1,414	-	1,414	-
ARC Grants - Special Research Initiatives	37(e)	419	-	419	-
Other Australian Government financial assistance		13,677	4,477	5,027	4,477
Total Australian Government grants received - cash basis		596,674	575,168	588,024	575,168
OS-Help (Net)	37(f)	2,072	(376)	2,072	(376)
Total Australian Government funding received - cash basis		598,746	574,792	590,096	574,792

Notes to the Financial Statements

For the Year Ended 31 December 2020

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	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Non-capital				
NSW Department of Primary Industries	59	22	59	22
Total Non-capital	59	22	59	22
Total State and Local Government financial assistance	59	22	59	22

Notes to the Financial Statements

For the Year Ended 31 December 2020

4 Fees and charges

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Course Fees and Charges				
Fee-paying onshore overseas students	149,050	164,117	147,894	162,802
Fee-paying offshore overseas students	891	654	891	654
Fee-paying domestic postgraduate students	4,339	4,955	4,339	4,955
Fee-paying domestic undergraduate students	785	1,050	498	585
Fee-paying domestic non-award students	1,088	1,212	815	957
Continuing education	2,249	3,793	13	59
Other domestic course fees and charges	38	113	38	113
Total Course Fees and Charges	158,440	175,894	154,488	170,125
Other Non-Course Fees and Charges				
Student services fees from students	4,139	4,155	4,139	4,155
Student accommodation	4,590	6,409	4,590	6,409
Student test fees	1,370	2,658	-	-
Graduation fees	14	441	14	441
Academic dress hire	(5)	357	(5)	357
Academic transcripts	245	251	245	251
Library fines	121	153	121	153
Other	285	814	182	617
Total Other Fees and Charges	10,759	15,238	9,286	12,383
Total Fees and Charges	169,199	191,132	163,774	182,508

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 training 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 2020

5 Investment income

	Consolidated		Parent	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Interest income	2,212	2,675	2,120	2,547
Distribution from managed funds	12,673	17,586	12,673	17,586
Dividends income	2,200	5,558	2,200	5,558
Realised investment gains/(losses)	1,087	2,052	1,087	2,052
Change in fair value of financial assets designated at fair value through profit or loss	(1,650)	18,671	(1,650)	18,671
Total investment income	16,522	46,542	16,430	46,414

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	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Consultancy	475	1,633	472	1,624
Contract research	26,963	29,167	26,963	29,167
Total consultancy and contracts	27,438	30,800	27,435	30,791

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 2020

7 Investments accounted for using the equity method

(a) Restrictions

The Group has nil restrictions from the joint venture with Navitas Pty 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	2020 \$'000	2019 \$'000
Profit/(loss) from continuing operations	-	437
Profit/(loss) from continuing operations after income tax	-	437
Total comprehensive income	-	437

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	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Proceeds from sale	69,318	29,805	9,830	29,805
Carrying amount of assets sold	(64,013)	(32,671)	(4,526)	(32,664)
Total gain/(loss) on disposal of assets	5,305	(2,866)	5,304	(2,859)

Notes to the Financial Statements

For the Year Ended 31 December 2020

9 Other revenue and income

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Service income	60	12	35,456	24,650
Recoveries	7,428	7,400	7,319	7,339
Commercial leases and other rental income	11,235	12,593	11,235	12,409
Childcare centre fees and grants	5,619	7,325	-	-
Donations and bequests	9,643	5,898	9,542	5,740
Parking fees	481	3,014	481	3,015
Scholarships and prizes	1,165	617	1,131	558
Sale of goods	1,020	2,799	1,091	914
Non-government grants	1,005	563	1,005	563
Royalties, trademarks and licences	168	165	168	165
Other	2,897	4,529	3,204	4,319
Total other revenue and income	40,721	44,915	70,632	59,672

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 AASB9.

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.

Notes to the Financial Statements

For the Year Ended 31 December 2020

10 Revenue and Income from continuing operations

(a) Disaggregation

The Group derives revenue and income from:

	Consolidated Sources of funding							2020	
Revenue and Income Streams	Higher Education Loan Program ('HELP') \$'000	Student fees \$'000	Australian Government financial assistance \$'000	State and Local Government financial assistance \$'000	Commercial arrangements \$'000	Donations, including corporate sponsorship \$'000	Others \$'000	Total Revenue from contracts with customers \$'000	Total income of not-for- profit entities \$'000
Course fees and charges									
Domestic students undergraduate	223,807	15,298	-	-	-	-	-	239,105	-
Onshore overseas students undergraduate	-	145,310	-	-	-	-	-	145,310	-
Offshore overseas students undergraduate	-	891	-	-	-	-	-	891	-
Domestic students postgraduate	20,879	4,412	-	-	-	-	-	25,291	-
Onshore overseas students postgraduate	-	3,741	-	-	-	-	-	3,741	-
Continuing education and executive programs	-	2,249	-	-	-	-	-	2,249	-
Total course fees and charges	244,686	171,901	-	-	-	-	-	416,587	-
Research									
Research goods and services [AASB15]	-	-	6,099	59	23,588	-	-	29,746	-
Research income [AASB1058]	-	-	19,928	-	3,375	-	-	-	23,303
Total research	-	-	26,027	59	26,963	-	-	29,746	23,303
Recurrent government grants									
Recurrent government grants [AASB15]	-	-	304,067	-	-	-	-	304,067	-
Recurrent government grants [AASB1058]	-	-	3,033	-	-	-	-	-	3,033
Total recurrent government grants	-	-	307,100	-	-	-	-	304,067	3,033

Notes to the Financial Statements

For the Year Ended 31 December 2020

10 Revenue and Income from continuing operations (continued)

(a) Disaggregation (continued)

	Consolidated Sources of funding							2020	
	Higher Education Loan Program (‘HELP’)	Student fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial arrangements	Donations, including corporate sponsorship	Others	Total Revenue from contracts with customers	Total income of not-for- profit entities
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and Income Streams									
Non-course fees and charges									
Student services and amenities	7,676	4,139	-	-	-	-	-	11,815	-
Student accommodation	-	-	-	-	4,590	-	-	4,590	-
Parking fees	-	-	-	-	481	-	-	411	70
Use of facilities charges	-	-	-	-	11,399	-	-	11,399	-
Testing services	-	-	-	-	257	-	-	257	-
Consulting services	-	-	-	-	218	-	-	218	-
Commercial sales (e.g. sale of books and publications)	-	-	-	-	872	-	-	872	-
Other	-	2,030	-	-	2,881	10,808	12,663	17,426	10,956
Total non-course fees and charges	7,676	6,169	-	-	20,698	10,808	12,663	46,988	11,026
Royalties, trademarks and licences	-	-	-	-	168	-	-	168	-
Other									
Other [AASB15]	-	-	2,141	-	1,065	-	-	3,206	-
Other [AASB1058]	-	-	11,537	-	-	-	-	-	11,537
Total other	-	-	13,678	-	1,065	-	-	3,206	11,537
Total revenue from contracts with customers	252,362	177,949	312,307	59	45,422	-	12,663	800,762	
Total income of not-for-profit	-	121	34,498	-	3,472	10,808	-		48,899

Notes to the Financial Statements

For the Year Ended 31 December 2020

10 Revenue and Income from continuing operations (continued)

(a) Disaggregation (continued)

	Parent Sources of funding							2020	
	Higher Education Loan Program (‘HELP’)	Student fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial arrangements	Donations, including corporate sponsorship	Others	Total Revenue from contracts with customers	Total income of not-for- profit entities
Revenue and Income Streams	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Course fees and charges									
Domestic students undergraduate	223,807	15,025	-	-	-	-	-	238,832	-
Onshore overseas students undergraduate	-	144,153	-	-	-	-	-	144,153	-
Offshore overseas students undergraduate	-	891	-	-	-	-	-	891	-
Domestic students postgraduate	20,879	4,412	-	-	-	-	-	25,291	-
Onshore overseas students postgraduate	-	3,741	-	-	-	-	-	3,741	-
Continuing education and executive programs	-	13	-	-	-	-	-	13	-
Total course fees and charges	244,686	168,235	-	-	-	-	-	412,921	-
Research									
Research goods and services [AASB15]	-	-	6,099	59	23,588	-	-	29,746	-
Research income [AASB1058]	-	-	19,928	-	3,375	-	-	-	23,303
Total research	-	-	26,027	59	26,963	-	-	29,746	23,303
Recurrent government grants									
Recurrent government grants [AASB15]	-	-	304,067	-	-	-	-	304,067	-
Recurrent government grants [AASB1058]	-	-	3,033	-	-	-	-	-	3,033
Total Recurrent government grants	-	-	307,100	-	-	-	-	304,067	3,033

Notes to the Financial Statements

For the Year Ended 31 December 2020

10 Revenue and Income from continuing operations (continued)

(a) Disaggregation (continued)

	Parent Sources of funding							2020	
	Higher Education Loan Program ('HELP')	Student fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial arrangements	Donations, including corporate sponsorship	Others	Total Revenue from contracts with customers	Total income of not-for- profit entities
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and Income Streams									
Non-course fees and charges									
Student services and amenities	7,676	4,139	-	-	-	-	-	11,815	-
Student accommodation	-	-	-	-	4,590	-	-	4,590	-
Parking fees	-	-	-	-	481	-	-	411	70
Use of facilities charges	-	-	-	-	11,470	-	-	11,470	-
Testing services	-	-	-	-	254	-	-	254	-
Consulting services	-	-	-	-	218	-	-	218	-
Commercial sales (e.g. sale of books and publications)	-	-	-	-	872	-	-	872	-
Other	-	556	-	-	2,518	10,673	7,319	10,245	10,821
Total non-course fees and charges	7,676	4,695	-	-	20,403	10,673	7,319	39,875	10,891
Royalties, trademarks and licences	-	-	-	-	168	-	-	168	-
Other									
Other [AASB15]	-	-	820	-	36,460	-	-	37,280	-
Other [AASB1058]	-	-	4,207	-	-	-	-	-	4,207
Total other	-	-	5,027	-	36,460	-	-	37,280	4,207
Total revenue from contracts with customers	252,362	172,809	310,986	59	80,522	-	7,319	824,057	
Total income of not-for-profit	-	121	27,168	-	3,472	10,673	-		41,434

Notes to the Financial Statements

For the Year Ended 31 December 2020

11 Employee related expenses

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Academic				
Salaries	210,928	205,821	190,822	186,165
Contributions to superannuation & pension schemes - funded	30,888	30,724	28,608	28,275
Payroll tax	12,609	12,940	11,365	11,565
Worker's compensation	813	696	699	527
Long service leave expense	8,191	9,972	7,779	8,835
Annual leave	(2,767)	2,181	(2,881)	2,030
Total academic	260,662	262,334	236,392	237,397
Non-academic				
Salaries	190,925	186,384	180,111	173,120
Contributions to superannuation & pension schemes - funded	29,014	29,423	27,961	28,124
Payroll tax	11,777	11,894	11,066	11,259
Worker's compensation	941	791	677	514
Long service leave expense	7,499	8,344	7,261	7,837
Annual leave	(2,742)	1,772	(2,765)	1,810
Total non-academic	237,414	238,608	224,311	222,664
Total employee related expenses	498,076	500,942	460,703	460,061
Total employee related expenses, including deferred government employee benefits for superannuation	498,076	500,942	460,703	460,061

Accounting Policy

Refer to note 25 for policies on employee benefits.

Notes to the Financial Statements

For the Year Ended 31 December 2020

12 Depreciation and amortisation

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Depreciation				
Buildings and infrastructure	30,226	30,045	30,226	30,045
Plant and equipment	13,135	12,888	12,942	12,798
Library collection	1,865	1,886	1,865	1,886
Right-of-use assets	20,876	19,575	20,876	19,575
Total depreciation	66,102	64,394	65,909	64,304
Amortisation				
Leasehold property	9,828	9,532	8,658	8,443
Intangible assets	7,892	6,480	7,892	6,480
Total amortisation	17,720	16,012	16,550	14,923
Total depreciation and amortisation	83,822	80,406	82,459	79,227

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	2020	2019
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	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 2020

13 Repairs and maintenance

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Buildings	20,051	22,101	20,029	22,093
Plant and equipment	3,862	4,822	3,858	4,758
Motor vehicles	183	368	168	352
Information technology	23	23	23	23
Total repairs and maintenance	24,119	27,314	24,078	27,226

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.

14 Borrowing costs

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Interest expense	3,761	3,836	3,872	4,100
Interest expense on lease liabilities	9,586	9,145	9,586	9,145
Total borrowing costs expensed	13,347	12,981	13,458	13,245

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.

15 Impairment of assets

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Impairment of non-financial assets	215	75	214	3,586
Doubtful debts	1,252	355	136	(2,255)
Total impairment of assets	1,467	430	350	1,331

Notes to the Financial Statements

For the Year Ended 31 December 2020

15 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 18(a).

16 Other expenses

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Fees for service*	117,291	123,038	174,835	171,726
Minimum lease payments on operating lease	5,290	5,392	4,919	4,991
Scholarships, grants and prizes	32,495	28,834	32,399	28,409
Consumables	10,737	17,256	10,341	16,759
Overheads	15,065	17,728	15,049	17,716
Advertising, marketing and promotional expenses	14,325	17,444	13,754	16,723
Cleaning and waste removal	7,222	9,636	7,030	9,391
Travel and entertainment	1,306	9,587	1,296	9,510
Security costs	5,435	5,507	5,419	5,495
Student education support	4,064	5,435	4,064	5,435
Non-capitalised equipment	3,220	3,757	3,194	3,698
Staff development	1,079	3,309	1,052	3,199
Other expenses	11,765	13,315	11,518	13,150
Total other expenses	229,294	260,238	284,870	306,202

*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 2020

17 Cash and cash equivalents

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand				
Cash on hand	172,923	74,827	169,461	73,473
Short-term deposits	13,916	31,200	13,916	30,766
Total cash and cash equivalents in statement of financial position and statement of cash flows	186,839	106,027	183,377	104,239

(a) Cash at bank and on hand

The average interest rate during 2020 on bank accounts included in cash at bank and on hand was 0.90% (2019: 1.73%).

(b) Short-term deposits

The deposits are at fixed interest rates ranging between 0.14% and 1.78%. These deposits have an average maturity of 111 days.

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.

18 Trade and other receivables

		Consolidated		Parent	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
Current					
Student fees		6,799	8,363	6,614	8,206
Trade receivables		28,181	27,079	24,992	25,225
Less: Allowance for expected credit losses		(2,725)	(1,466)	(1,526)	(1,386)
Prepayments		23,194	19,207	23,194	19,103
Total current receivables		55,449	53,183	53,274	51,148
Non-current					
Trade receivables		-	-	108	29,545
Deferred government benefit for superannuation	38	416,347	412,874	416,347	412,874
Prepayments		1,459	2,037	1,459	2,037
Total non-current receivables		417,806	414,911	417,914	444,456
Total receivables		473,255	468,094	471,188	495,604

Notes to the Financial Statements

For the Year Ended 31 December 2020

18 Trade and other receivables (continued)

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

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the year (calculated in accordance with AASB139)	1,466	1,091	1,386	3,648
Additional allowance for expected credit losses recognised	1,474	300	354	1,152
Amounts written off as uncollectable	(215)	75	(214)	86
Related party loan forgiven	-	-	-	(3,500)
Balance at end of the year	2,725	1,466	1,526	1,386

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 2020

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 2019											
- 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
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 AASB16	-	-	-	-	-	-	-	-	-	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 2020

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 Year ended 31 December 2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance 1 January	103,120	360,010	233,990	1,119,878	111,363	58,055	74,179	7,702	4,839	212,099	2,285,235
Revaluation Surplus	-	22,970	(2,110)	30,021	4,676	-	-	-	-	-	55,557
Additions	85,430	1,100	-	551	-	6,927	-	820	14	198,825	293,667
Disposals	(20,785)	(20,000)	-	(63)	-	(177)	-	(13)	-	-	(41,038)
Depreciation Charge	-	-	-	(26,393)	(3,833)	(13,135)	(9,828)	(1,865)	-	(20,876)	(75,930)
Transfer to Intangible Asset	(23,492)	-	-	-	-	-	-	-	-	-	(23,492)
Transfers to Freehold Buildings and Plant and Equipment	(36,499)	-	-	-	-	-	-	-	-	-	(36,499)
Transfers from Construction in Progress	-	-	-	34,353	1,266	332	548	-	-	-	36,499
Closing net book amount	107,774	364,080	231,880	1,158,347	113,472	52,002	64,899	6,644	4,853	390,048	2,493,999
At 31 December 2020											
- Cost	107,774	1,100	-	551	-	157,883	104,347	80,192	-	460,834	912,681
- Valuation	-	362,980	231,880	1,166,901	114,750	-	-	2,233	4,853	-	1,883,597
Accumulated depreciation and impairment	-	-	-	(9,105)	(1,278)	(105,881)	(39,448)	(75,781)	-	(70,786)	(302,279)
Net book amount	107,774	364,080	231,880	1,158,347	113,472	52,002	64,899	6,644	4,853	390,048	2,493,999

Notes to the Financial Statements

For the Year Ended 31 December 2020

19 Property, plant and equipment (continued)

Parent	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 2019											
- 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
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 AASB16	-	-	-	-	-	-	-	-	-	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 and 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 2020

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 2020											
Balance 1 January	96,229	340,010	233,990	1,119,878	111,363	57,154	71,709	6,457	4,832	212,099	2,253,721
Revaluation Surplus	-	22,970	(2,110)	30,021	4,676	-	-	-	-	-	55,557
Additions	61,840	1,100	-	551	-	6,927	-	820	14	198,825	270,077
Disposals	-	-	-	(63)	-	(177)	-	(13)	-	-	(253)
Depreciation Charge	-	-	-	(26,393)	(3,833)	(12,942)	(8,658)	(1,865)	-	(20,876)	(74,567)
Transfer to Intangible Asset	(23,492)	-	-	-	-	-	-	-	-	-	(23,492)
Transfers to Freehold Buildings and Plant and Equipment	(36,499)	-	-	-	-	-	-	-	-	-	(36,499)
Transfers from Construction in Progress	-	-	-	34,353	1,266	332	548	-	-	-	36,499
Closing net book amount	98,078	364,080	231,880	1,158,347	113,472	51,294	63,599	5,399	4,846	390,048	2,481,043
At 31 December 2020											
- Cost	98,078	1,100	-	551	-	156,318	95,991	80,192	-	460,834	893,064
- Valuation	-	362,980	231,880	1,166,901	114,750	-	-	988	4,846	-	1,882,345
Accumulated depreciation and impairment	-	-	-	(9,105)	(1,278)	(105,024)	(32,392)	(75,781)	-	(70,786)	(294,366)
Net book amount	98,078	364,080	231,880	1,158,347	113,472	51,294	63,599	5,399	4,846	390,048	2,481,043

Notes to the Financial Statements

For the Year Ended 31 December 2020

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 2020 by external experts in accordance with AASB13. Land and buildings were revalued on the basis of highest and best use.

In 2020, construction costs of non-completed assets totalling \$1.333M (2019: \$Nil) 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 2019 revaluation by the valuer plus the construction costs capitalised in 2020. Due to the specialised nature of buildings and the lack of directly comparable sales evidence, the 31 August 2020 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 2020

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	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Right-of-use assets				
Buildings				
At 1 January 2020	210,967	167,778	210,967	167,778
Additions of right-of-use assets	198,766	61,343	198,766	61,343
Depreciation charge	(20,297)	(18,154)	(20,297)	(18,154)
At 31 December 2020	389,436	210,967	389,436	210,967
Right-of-use assets				
Property Plant and Equipment				
At 1 January 2020	1,132	2,024	1,132	2,024
Additions of right-of-use assets	59	530	59	530
Depreciation charge	(579)	(1,422)	(579)	(1,422)
At 31 December 2020	612	1,132	612	1,132
Total right-of-use assets	390,048	212,099	390,048	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 2020

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 2020

20 Intangible Assets

Consolidated	Software \$'000	Licences \$'000	Electronic Materials \$'000	Intangible asset under development \$'000	Total \$'000
At 1 January 2019					
- Cost	3,637	250	26,189	-	30,076
- Accumulated amortisation and impairment	(1,212)	(88)	(7,468)	-	(8,768)
Net book amount at 1 January 2019	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
Year ended 31 December 2020					
Opening net book amount	1,213	132	21,577	-	22,922
Additions	1,973	-	7,811	11,648	21,432
Amortisation charge	(1,459)	(29)	(6,404)	-	(7,892)
Transfer from property, plant and equipment	-	-	-	23,492	23,492
Net book amount at 31 December 2020	1,727	103	22,984	35,140	59,954
At 31 December 2020					
- Cost	5,610	250	42,094	35,140	83,094
- Accumulated amortisation and impairment	(3,883)	(147)	(19,110)	-	(23,140)
Net book amount at 31 December 2020	1,727	103	22,984	35,140	59,954

Notes to the Financial Statements

For the Year Ended 31 December 2020

20 Intangible Assets (continued)

Parent	Software \$'000	Licences \$'000	Electronic Materials \$'000	Intangible asset under development \$'000	Total \$'000
At 1 January 2019					
- Cost	3,637	316	26,189	-	30,142
- Accumulated amortisation and impairment	(1,212)	(154)	(7,468)	-	(8,834)
Net book amount at 1 January 2019	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
Year ended 31 December 2020					
Opening net book amount	1,213	132	21,577	-	22,922
Additions	1,973	-	7,811	11,648	21,432
Amortisation charge	(1,459)	(29)	(6,404)	-	(7,892)
Transfer from property, plant and equipment	-	-	-	23,492	23,492
Net book amount at 31 December 2020	1,727	103	22,984	35,140	59,954
At 31 December 2020					
- Cost	5,610	250	42,094	35,140	83,094
- Accumulated amortisation and impairment	(3,883)	(147)	(19,110)	-	(23,140)
Net book amount at 31 December 2020	1,727	103	22,984	35,140	59,954

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 2020

21 Other financial assets

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Non-current				
Other financial assets at fair value through profit or loss	314,637	304,770	314,637	304,770
Other financial assets at fair value through other comprehensive income	58,599	47,653	58,599	47,653
Total non-current other financial assets	373,236	352,423	373,236	352,423

Accounting Policy**Classification and measurement**

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 AASB9. 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.

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

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

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

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.

Notes to the Financial Statements

For the Year Ended 31 December 2020

21 Other financial assets (continued)

Accounting Policy (continued)

(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	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Current				
Lease incentives	1,088	1,162	1,088	1,162
Total current other non-financial assets	1,088	1,162	1,088	1,162
Non-current				
Lease incentives	1,787	2,861	1,787	2,861
Livestock holdings	621	438	621	438
Total non-current other non-financial assets	2,408	3,299	2,408	3,299
Total other non-financial assets	3,496	4,461	3,496	4,461

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 2020

22 Other non-financial assets (continued)

(a) Operating lease commitment - as lessor

	Consolidated		Parent	
	2020	2019	2020	2019
Maturity analysis of undiscounted lease payments	\$'000	\$'000	\$'000	\$'000
Within One year	9,791	9,854	9,791	9,854
Between one year and five years	23,228	28,467	23,228	28,467
Later than five years	10,348	14,900	10,348	14,900
	43,367	53,221	43,367	53,221

Western Sydney University leases and sub-leases out various properties within its campus network.

Accounting Policy

Future minimum lease payment under non-cancellable operating leases are shown undiscounted, and exclusive of GST liability.

23 Trade and other payables

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Current				
Payables	87,917	61,453	77,227	60,580
OS-HELP Liability to Australian Government	2,072	(376)	2,072	(376)
Total current payables	89,989	61,077	79,299	60,204
Total trade and other payables	89,989	61,077	79,299	60,204

Total trade and other payables include \$1.100M (2019: \$3.704M) 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.

Notes to the Financial Statements

For the Year Ended 31 December 2020

24 Borrowings

	Consolidated		Parent	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Current				
Unsecured bank loans (ii)	-	36,500	-	36,500
Unsecured other financial liabilities (i)	-	-	15,641	14,967
Lease liabilities	7,672	13,292	7,672	13,292
Total current borrowings	7,672	49,792	23,313	64,759
Non-Current				
Lease liabilities	436,628	238,483	436,628	238,483
University-issued medium term notes (iii)	199,687	-	199,687	-
Unsecured bank loans (ii)	-	155,500	-	155,500
Total non-current borrowings	636,315	393,983	636,315	393,983
Total borrowings	643,987	443,775	659,628	458,742

(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 bank provided 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 2020 was \$Nil (2019: \$192M).

(iii) The University issued a medium term note for \$200M on 8 December 2020. The interest rate on the medium term note is fixed at 1.606% until maturity 8 December 2027.

The interest rate of the bank provided borrowing facilities is variable being based on the BBSY bid rate plus a margin. The interest rate averaged 1.30% during 2020 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) University-issued term notes

The fair value of issued bonds was \$200M. Refer to Note 34(c) for details for fair value measurement.

Face Value \$'000	Fixed coupon rate	Term	Issue Date
200,000	1.606%	7 years	8 December 2020

Notes to the Financial Statements

For the Year Ended 31 December 2020

24 Borrowings (continued)

(b) Financing arrangements

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

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Credit standby arrangements				
Total facilities				
Bank guarantees	3,200	3,200	3,200	3,200
Credit cards	4,500	4,500	4,500	4,500
Leasing facilities	25,094	34,000	25,094	34,000
Total credit standby arrangements	32,794	41,700	32,794	41,700
Used at balance date				
Bank guarantees	2,922	2,922	2,922	2,922
Credit cards	151	317	151	317
Leasing facilities	9,269	13,101	9,269	13,101
Total used at balance date	12,342	16,340	12,342	16,340
Unused at balance date				
Bank guarantees	278	278	278	278
Credit cards	4,349	4,183	4,349	4,183
Leasing facilities	15,825	20,899	15,825	20,899
Total unused at balance date	20,452	25,360	20,452	25,360
Bank loan facilities				
Total facilities	425,000	425,000	425,000	425,000
Used at balance date	-	(192,000)	-	(192,000)
Total unused at balance date	425,000	233,000	425,000	233,000
Medium term note				
Total facilities	200,000	-	200,000	-
Used at balance date	(200,000)	-	(200,000)	-
Total unused at balance date	-	-	-	-

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.

Notes to the Financial Statements

For the Year Ended 31 December 2020

24 Borrowings (continued)

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.

(c) Western Sydney University as lessee

Amounts recognised in the income statement

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Interest on lease liabilities	(9,586)	(9,145)	(9,586)	(9,145)
Income from sub-leasing right-of-use assets	3,423	3,516	3,423	3,516
Expenses relating to short-term leases	(531)	(597)	(531)	(597)
Expenses relating to leases of low-value assets, excluding short term leases of low-value assets	(5,310)	(5,492)	(5,310)	(5,492)
	(12,004)	(11,718)	(12,004)	(11,718)

Maturity analysis - undiscounted contractual cash flows

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Less than one year	7,672	13,292	7,672	13,292
One to five years	68,138	61,061	68,138	61,061
More than five years	368,490	177,422	368,490	177,422
Total undiscounted lease payments	444,300	251,775	444,300	251,775
Lease liabilities recognised in the statement of financial position	444,300	251,775	444,300	251,775
Current	7,672	13,292	7,672	13,292
Non-current	436,628	238,483	436,628	238,483

Notes to the Financial Statements

For the Year Ended 31 December 2020

(c) Western Sydney University as lessee (continued)

Amounts recognised in statement of cash flows

	Consolidated		Parent	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Total cash outflow for leases	13,907	14,428	13,907	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.

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 2020

25 Provisions

		Consolidated		Parent	
		2020	2019	2020	2019
Note		\$'000	\$'000	\$'000	\$'000
Current provisions expected to be settled within 12 months					
Employee benefits					
	Annual leave	31,283	23,262	29,667	21,650
	Long service leave	13,802	13,549	13,401	13,193
		45,085	36,811	43,068	34,843
Current provisions expected to be settled after more than 12 months					
Employee benefits					
	Annual leave	4,056	12,848	3,583	12,507
	Long service leave	51,954	47,728	50,446	46,472
		56,010	60,576	54,029	58,979
Total current provisions		101,095	97,387	97,097	93,822
Non-current provisions					
Employee benefits					
	Long service leave	14,820	13,984	13,194	12,547
	Defined benefit obligation	428,252	424,114	428,252	424,114
		443,072	438,098	441,446	436,661
Total non-current employee benefit provisions		443,072	438,098	441,446	436,661
Long-term provisions					
	Make good on leases	2,188	1,915	2,188	1,915
Total non-current long-term provisions		2,188	1,915	2,188	1,915
Total non-current provisions		445,260	440,013	443,634	438,576
Total provisions		546,355	537,400	540,731	532,398

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

Consolidated and Parent

	Make good \$'000	Total \$'000
Make good on leases		
Non-current		
Carrying amount at start of year	1,915	1,915
Additional provisions	273	273
Balance at 31 December 2020	2,188	2,188

Notes to the Financial Statements

For the Year Ended 31 December 2020

25 Provisions (continued)

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.

(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.

Notes to the Financial Statements

For the Year Ended 31 December 2020

25 Provisions (continued)

Accounting Policy (continued)

(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 has recognised costs for restructuring within the scope of AASB137 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.

Notes to the Financial Statements

For the Year Ended 31 December 2020

26 Other liabilities

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Current				
Deferred income	6,282	7,642	6,060	7,531
Fees received in advance	28,743	25,309	25,750	24,270
Lease incentives	137	215	137	215
Other	15,220	4,429	13,746	3,765
Total current other liabilities	50,382	37,595	45,693	35,781
Non-current				
Scholarship liabilities	4,985	4,904	4,985	4,904
Deferred income	2,287	2,478	2,287	2,478
Lease incentives	354	491	354	491
Total non-current other liabilities	7,626	7,873	7,626	7,873
Total other liabilities	58,008	45,468	53,319	43,654

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 2020

27 Reserves and retained earnings

(a) Reserves

	Consolidated		Parent	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Reserves				
Deferred superannuation reserve	(2,796)	(2,613)	(2,796)	(2,613)
Property, plant and equipment revaluation surplus	959,455	903,898	958,914	903,357
Investment revaluation reserve	62,791	47,397	62,791	47,397
Art collection revaluation reserve	2,531	2,531	2,531	2,531
Livestock revaluation reserve	464	207	464	207
Licences revaluation reserve	250	250	250	250
Total Reserves	1,022,695	951,670	1,022,154	951,129

(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 2020 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 2020

27 Reserves and retained earnings (continued)

(c) Movements in Reserves

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Property development revaluation reserve				
Balance at 1 January	-	4,547	-	4,547
Write back on disposal of revalued assets	-	(4,547)	-	(4,547)
Balance at 31 December	-	-	-	-
Property, plant and equipment revaluation surplus				
Balance at 1 January	903,898	882,348	903,357	882,152
Revaluation - gross	55,557	28,299	55,557	27,954
Write back on disposal of revalued assets	-	(6,749)	-	(6,749)
Balance at 31 December	959,455	903,898	958,914	903,357
State superannuation funds revaluation reserve				
Balance at 1 January	(2,613)	(2,428)	(2,613)	(2,428)
Revaluation - gross	(183)	(185)	(183)	(185)
Balance at 31 December	(2,796)	(2,613)	(2,796)	(2,613)
Investment revaluation reserve				
Balance at 1 January	47,397	28,961	47,397	28,961
Revaluation - gross	15,394	18,436	15,394	18,436
Balance at 31 December	62,791	47,397	62,791	47,397
Art collection revaluation reserve				
Balance at 1 January	2,531	2,417	2,531	2,417
Revaluation - gross	-	114	-	114
Balance at 31 December	2,531	2,531	2,531	2,531
Livestock revaluation reserve				
Balance at 1 January	207	193	207	193
Revaluation - gross	257	14	257	14
Balance at 31 December	464	207	464	207
Licences revaluation reserve				
Balance 1 January	250	250	250	250
Balance at 31 December	250	250	250	250
Total Reserves	1,022,695	951,670	1,022,154	951,129

Notes to the Financial Statements
For the Year Ended 31 December 2020

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 2020.

Peter Shergold, AC
Barney Glover, AO
Alpha Possamai-Inesedy
Bob Sahota
Peeyush Gupta, AM
Gabrielle Trainor, AO
Kerry Stubbs
Carmel Hourigan
Georgia Lee
Mary Ann Bin-Sallik, AO
Elizabeth Dibbs
Linda O'Brien, AM
Joseph Carrozzi
Holly Kramer
Naomi Hastings
Ben Etherington
Rose Lewis - commenced 1 January 2020
David Harland

Notes to the Financial Statements

For the Year Ended 31 December 2020

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 2020 these were:

Barney Glover, AO
Denise Kirkpatrick - ceased 25 September 2020
Scott Bowman - commenced 28 September 2020
Deborah Sweeney
Peter Pickering
Angelo Kourtis
Simon Barrie
Linda Taylor
Michelle Trudgett
Simon Bedford
Michael Burgess
Yi-Chen Lan - commenced 1 January 2020
Annemarie Hennessy
Deborah Hatcher
Kevin Dunn
Gregory Kolt
Michele Simons
Kate Stevens - commenced 1 January 2020
Peter Hutchings
Simeon Simoff
Amir Mahmood
Kerry Holling
Anna Cody
Brian Stout
Kerry London - ceased 11 September 2020
Michail (Mike) Kagioglou - commenced 1 March 2020
Eileen McLaughlin
Tanya Meade
Andy Marks - commenced 30 March 2020
Susan Hudson - commenced 30 March 2020
Bill Parasiris - commenced 30 March 2020
Darren Greentree - commenced 30 March 2020
Caroline Smith - commenced 30 March 2020
James Arvanitakis - commenced 14 August 2020

Notes to the Financial Statements

For the Year Ended 31 December 2020

28 Key Management Personnel Disclosures (continued)

(b) Remuneration of Board Members and Executives

	Consolidated		Parent	
	2020	2019	2020	2019
Remuneration of Board Members				
Nil to \$14,999	5	5	-	-
\$30,000 to \$44,999	2	2	1	1
	7	7	1	1

	Consolidated		Parent	
	2020	2019	2020	2019
Remuneration of executive officers				
\$180,000 to \$189,999	1	1	-	-
\$200,000 to \$209,999	-	1	-	1
\$240,000 to \$249,999	1	3	1	2
\$250,000 to \$259,999	1	-	-	-
\$280,000 to \$289,999	1	-	1	-
\$290,000 to \$299,999	2	1	2	1
\$300,000 to \$309,999	6	5	5	4
\$310,000 to \$319,999	1	1	1	1
\$320,000 to \$329,999	3	5	3	5
\$330,000 to \$339,999	3	2	3	2
\$340,000 to \$349,999	2	-	2	-
\$350,000 to \$359,999	2	1	2	1
\$380,000 to \$389,999	2	1	2	1
\$400,000 to \$409,999	-	3	-	3
\$410,000 to \$419,999	3	2	3	2
\$420,000 to \$429,999	1	-	1	-
\$450,000 to \$459,999	1	-	1	-
\$460,000 to \$469,999	-	1	-	1
\$470,000 to \$479,999	1	-	1	-
\$480,000 to \$489,999	-	1	-	1
\$490,000 to \$499,999	1	-	1	-
\$500,000 to \$509,999	1	-	1	-
\$520,000 to \$529,999	-	1	-	1
\$530,000 to \$539,999	1	-	1	-
\$560,000 to \$569,999	-	2	-	2
\$570,000 to \$579,999	1	1	1	1
\$590,000 to \$599,999	1	-	1	-
\$950,000 to \$959,999	-	1	-	1
\$960,000 to \$969,999*	1	-	1	-
\$1,000,000 to \$1,009,999	-	1	-	1
	37	34	34	31

Notes to the Financial Statements

For the Year Ended 31 December 2020

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	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Short-term employee benefits	11,444	9,948	10,685	9,192
Post-employment benefits	1,579	1,269	1,512	1,203
Termination benefits	-	628	-	628
Total key management personnel compensation	13,023	11,845	12,197	11,023

(d) Loans to key management personnel

No loans were made to key management personnel during the financial year (2019: Nil).

29 Remuneration of Auditors

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

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Audit and review of the Financial Statements				
Fees paid to the Audit Office of New South Wales	425	466	306	330
Total paid for audit and review	425	466	306	330

Fees shown are exclusive of Goods and Services Tax.

Notes to the Financial Statements

For the Year Ended 31 December 2020

30 Contingencies

Contingent liabilities

It is the University's current policy to provide 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 2020 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

Capital commitments

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

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment				
- Within one year	118,466	101,672	50,863	75,562
- Between one year and five years	-	40,020	-	-
- Later than five years	-	-	-	-
Total	118,466	141,692	50,863	75,562

The above amounts included commitments for capital expenditure on joint operations of \$6.8M (2019: \$12.3M) payable within one year.

Notes to the Financial Statements

For the Year Ended 31 December 2020

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	
		2020 %	2019 %
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
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.

Western Growth Developments (Westmead) Pty Ltd and Western Growth Developments (Innovation Hub Parramatta) Pty Ltd are not included in this version of the Financial Statements. At the time of printing, these accounts were unaudited. Management's view is that there will be no change to the consolidated position.

(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:

The following transactions occurred with related parties:					
		Consolidated		Parent	
		2020	2019	2020	2019
	Note	\$'000	\$'000	\$'000	\$'000
Sale of goods and services					
Royalty payments to University		-	-	35,372	24,406
Expense recoveries from controlled entities		-	-	47	244
		<hr/>			
Total sales of goods and services		-	-	35,419	24,650
		<hr/>			
Purchase of goods					
Services to University		-	-	-	1,524
Funding to controlled entities		-	-	58,703	52,080
		<hr/>			
Total purchase of goods		-	-	58,703	53,604

Notes to the Financial Statements

For the Year Ended 31 December 2020

32 Related Parties (continued)

(e) Loans to/from related parties

Note	Consolidated		Parent	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Loans to subsidiaries				
Beginning of the year	-	-	29,545	25,779
Loans advanced	-	-	14,426	5,967
Loan repayment received	-	-	(44,533)	-
Interest charged	-	-	670	1,021
Interest received	-	-	-	(104)
Loan forgiven by Parent	-	-	-	(3,118)
End of year	-	-	108	29,545
Loans from subsidiaries				
Beginning of the year	-	-	14,967	12,031
Loans advanced	-	-	1,320	5,029
Loan repayments paid	-	-	(757)	(2,357)
Interest charged	-	-	111	264
End of year	24	-	15,641	14,967

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 2020 was \$0.108M (2019: \$29.545M). The unused facilities as at 31 December 2020 was \$217.892M (2019: \$188.455M).

(f) Outstanding balances

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

	Consolidated		Parent	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Current receivables (loans)				
Non-current receivables (loans)	-	-	-	-
- Subsidiaries	-	-	108	29,545
Current payables (loans)				
- Parent entity	-	-	15,641	14,967

No provisions for doubtful debts was raised in 2020 in relation to the outstanding balances from related parties.

Notes to the Financial Statements

For the Year Ended 31 December 2020

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 \$21.4M.

Notes to the Financial Statements

For the Year Ended 31 December 2020

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 \$35.846M 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 have 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.

(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 2020

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	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	%	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets:														
Cash and cash equivalents	0.94	1.86	170,584	73,652	13,916	31,200	-	-	-	-	2,339	1,174	186,839	106,026
Receivables (a)	-	-	-	-	-	-	-	-	-	-	26,690	23,485	26,690	23,485
Other Financial Assets														
Fair value through profit or loss (Mercer)	-	-	-	-	-	-	-	-	-	-	314,637	304,770	314,637	304,770
Fair value through other comprehensive income (Unlisted securities)	-	-	-	-	-	-	-	-	-	-	58,599	47,653	58,599	47,653
Total Financial Assets			170,584	73,652	13,916	31,200	-	-	-	-	402,265	377,082	586,765	481,934
Financial Liabilities:														
Payables	-	-	-	-	-	-	-	-	-	-	(89,949)	(56,403)	(89,949)	(56,403)
Borrowings	1.30	2.55	-	-	-	(36,500)	-	(155,500)	200,000	-	-	-	200,000	(192,000)
Other financial liabilities	-	-	-	-	-	-	-	-	-	-	(7,945)	(7,807)	(7,945)	(7,807)
Total Financial Liabilities			-	-	-	(36,500)	-	(155,500)	200,000	-	(97,894)	(64,210)	102,106	(256,210)

(a) The University's deferred government contribution for superannuation included in note 18 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 2020

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 2020.

Notes to the Financial Statements

For the Year Ended 31 December 2020

34 Fair Value Measurement (continued)

(b) Fair value hierarchy (continued)

Fair value measurements at 31 December 2020

	Note	2020 \$'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		314,637	314,637	-	-
Financial assets at fair value through other comprehensive income (Listed)		14	14	-	-
Financial assets at fair value through other comprehensive income (Unlisted)		58,585	-	58,268	317
Total financial assets	21	373,236	314,651	58,268	317
Non-financial assets					
Property, plant and equipment	19				
Land		595,960	-	980	594,980
Buildings		1,158,347	-	-	1,158,347
Infrastructure		113,472	-	-	113,472
Artwork		4,853	-	4,853	-
Rare book collection		2,233	-	2,233	-
Total non-financial assets		1,874,865	-	8,066	1,866,799

Fair value measurements at 31 December 2019

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	21	352,423	304,787	47,315	321

Non-financial assets

Property, plant and equipment	19				
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

Notes to the Financial Statements

For the Year Ended 31 December 2020

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 2020, the borrowing rates averaged 1.30% 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 the bonds disclosed in Note 24(a) are based on observable price quotations at the reporting date (Level 1).

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

Notes to the Financial Statements

For the Year Ended 31 December 2020

34 Fair Value Measurement (continued)

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

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.

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 2020 and 2019.

Level 3 Fair Value Measurement 2020	Unlisted equity securities \$'000	Buildings \$'000	Infrastructure \$'000	Land \$'000	Total \$'000
Opening balance	321	1,119,878	111,363	593,021	1,824,583
Acquisitions	-	34,904	1,266	1,100	37,270
Disposals	-	(63)	-	(20,000)	(20,063)
Non-cash adjustments	-	-	-	(1)	(1)
Recognised in profit or loss*	-	(26,393)	(3,833)	-	(30,226)
Recognised in other comprehensive income	(4)	30,021	4,676	20,860	55,553
Closing balance	317	1,158,347	113,472	594,980	1,867,116

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

*This includes gains/(losses) of \$Nil (2019: \$Nil) attributable to the change in unrealised gains/(losses) recognised in profit or loss attributable to unlisted securities, and \$30.226M (2019: \$30.045M) attributable to depreciation recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 31 December 2020

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

There has been no transfers between 1 and 3 in 2019 or 2020.

(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 2020 \$'000	Unobservable inputs*	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Buildings	1,158,347	-	-	-
Land	594,980	-	-	-
Infrastructure	113,472	-	-	-
Unlisted equity securities	317	-	-	-

*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 was 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

For the Year Ended 31 December 2020

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 2020, 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	
			2020 %	2019 %
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	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Statement of Financial Position				
Construction in Progress	(457)	(6,193)	(457)	(6,193)
Trade and other payables	(1,352)	-	(1,352)	-
Statement of Comprehensive Income				
Proceeds from sale of assets	7,542	19,326	7,542	19,326
Carrying amount of assets sold	(4,282)	(9,154)	(4,282)	(9,154)
Gain on disposal of assets	3,259	10,172	3,259	10,172
Other expenses	(151)	(383)	(151)	(383)
Interest revenue	6	49	6	49

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 2020

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

	Consolidated		Parent	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Net result for the period	22,032	18,499	21,979	19,084
Net (gain)/loss on disposal of property, plant and equipment	(5,305)	2,866	(5,304)	2,859
Depreciation and amortisation	83,822	80,406	82,459	79,227
Impairment of receivables	1,259	375	140	(2,262)
Cost of goods sold - livestock	74	55	74	55
Fair value (gains)/losses on other financial assets at fair value through profit or loss	(1,650)	(18,671)	(1,650)	(18,671)
(Increase)/decrease in trade debtors	(2,947)	21,272	(2,359)	16,168
Increase/(decrease) in other operating liabilities	28,089	(15,601)	25,325	(15,002)
(Increase)/decrease in inventories	-	28	-	1
(Increase)/decrease in other non-financial assets	1,148	681	1,148	681
Increase/(decrease) in trade creditors	28,599	(2,290)	18,782	(1,911)
Increase/(decrease) in provisions	5,299	16,372	4,677	15,265
Net cash provided by / (used in) operating activities	160,420	103,992	145,271	95,494

Notes to the Financial Statements

For the Year Ended 31 December 2020

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	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Parent Entity (University) Only															
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		292,211	288,109	2,608	2,711	11,236	10,552	425	536	37	-	-	-	306,517	301,908
Net accrual adjustments		3,083	(956)	-	(8)	(2,500)	-	-	-	-	-	-	-	583	(964)
Revenue for the period	2	295,294	287,153	2,608	2,703	8,736	10,552	425	536	37	-	-	-	307,100	300,944
Surplus/(deficit) from the previous year		-	-	-	-	62	52	1,673	1,204	12	20	69	120	1,816	1,396
Total revenue including accrued revenue		295,294	287,153	2,608	2,703	8,798	10,604	2,098	1,740	49	20	69	120	308,916	302,340
Less expenses including accrued expenses		(295,294)	(287,153)	(2,608)	(2,703)	(8,734)	(10,542)	(256)	(67)	-	(8)	(2)	(51)	(306,894)	(300,524)
Surplus/(deficit) for reporting period		-	-	-	-	64	62	1,842	1,673	49	12	67	69	2,022	1,816

#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 2020.

Notes to the Financial Statements

For the Year Ended 31 December 2020

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	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Parent Entity (University) Only									
Cash Payable/(Receivable) at the beginning of the year		(1,343)	(126)	(734)	(1,271)	(566)	(464)	(2,643)	(1,861)
Financial assistance received in Cash during the reporting period		218,203	215,108	21,278	20,223	7,620	7,422	247,101	242,753
Cash available for period		216,860	214,982	20,544	18,952	7,054	6,958	244,458	240,892
Revenue earned	2	223,716	216,325	20,970	19,686	7,676	7,524	252,362	243,535
Cash Payable/(Receivable) at end of year		(6,856)	(1,343)	(426)	(734)	(622)	(566)	(7,904)	(2,643)

Notes to the Financial Statements

For the Year Ended 31 December 2020

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	
	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	11,746	11,135	8,182	8,041	19,928	19,176
	11,746	11,135	8,182	8,041	19,928	19,176
2	11,746	11,135	8,182	8,041	19,928	19,176
	(11,746)	(11,135)	(8,182)	(8,041)	(19,928)	(19,176)
	-	-	-	-	-	-

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	Total overseas students
\$'000	\$'000
-	-
3,325	675
7,746	-
11,071	675

Notes to the Financial Statements

For the Year Ended 31 December 2020

37 Acquittal of Australian Government Financial Assistance (continued)

(d) Other Capital Funding

	Note	Linkage Infrastructure, Equipment and Facilities Grant		Total	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Parent Entity (University) Only					
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		265	-	265	-
Net adjustments		(227)	94	(227)	94
Revenue for the period	2	38	94	38	94
Surplus/(deficit) from the previous year		89	25	89	25
Total revenue including accrued revenue		127	119	127	119
Less expenses including accrued expenses		188	(30)	188	(30)
Surplus/(deficit) for reporting period		315	89	315	89

(e) Australian Research Council Grants

	Note	Discovery		Linkages		Networks and Centres		Special Research Initiatives		Total	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Parent Entity (University) Only											
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		6,592	6,101	761	753	1,414	-	419	-	9,186	6,854
Net adjustments		(2,709)	(934)	(230)	197	(325)	1,082	139	484	(3,125)	829
Revenue for the period	2	3,883	5,167	531	950	1,089	1,082	558	484	6,061	7,683
Surplus/(deficit) from the previous year		5,810	4,411	607	766	687	582	310	234	7,414	5,993
Total revenue including accrued revenue		9,693	9,578	1,138	1,716	1,776	1,664	868	718	13,475	13,676
Less expenses including accrued expenses		(1,172)	(3,768)	(300)	(1,109)	(764)	(977)	(697)	(408)	(2,933)	(6,262)
Surplus/(deficit) for reporting period		8,521	5,810	838	607	1,012	687	171	310	10,542	7,414

Notes to the Financial Statements

For the Year Ended 31 December 2020

37 Acquittal of Australian Government Financial Assistance (continued)

(f) OS-HELP

		2020	2019
	Note	\$'000	\$'000
Parent Entity (University) Only			
Cash received during the reporting period		2,820	1,986
Cash spent during the reporting period		(372)	(2,794)
Net cash received		2,448	(808)
Cash surplus/(deficit) from the previous period		(376)	432
Cash surplus/(deficit) for reporting period	23	2,072	(376)

(g) Student Services and Amenities Fee

SA-HELP revenue earned	37(b)	7,676	7,524
Student Services and Amenities Fees direct from students	4	4,139	4,155
Total revenue expendable in period		11,815	11,679
Student services expenses during period		(11,815)	(11,679)
Unspent/(overspent) student services revenue		-	-

Notes to the Financial Statements

For the Year Ended 31 December 2020

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 2020 was \$416.347M (2019: \$412.874M) and this is reflected in note 18 as Non-current receivables. This receivable is net of the University's accrued and forecasted excess salary liability as at 31 December 2020 totalling \$2.796M (2019: \$2.613M) 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 2020 was \$428.252M (2019: \$424.114M), 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 \$0.60M (2019: \$0.63M) to the defined benefit plan during the next financial year.

The weighted average duration of the defined benefit obligation is 11.1 years (2019: 11.1 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 2020	21,795	21,549	64,980	351,207	459,531
Defined benefit obligations - 31 December 2019	22,125	21,539	64,795	371,267	479,726

Notes to the Financial Statements

For the Year Ended 31 December 2020

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 AASB119.

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 2020

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:

	2020 (%)		2019 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Equity instruments	68	-	68	-
Property	2	7	4	5
Alternatives	8	16	13	11
Total	78	23	85	16

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

	2020	2019
	%	%
Discount rate(s)	0.97	1.37
Expected rate of plan assets	7.00	7.40
Expected return on reimbursement rights	1.94	2.73
Expected rate(s) of salary increase	3.20	3.20
Expected rate of CPI increase	2.00	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	0.50 %	Decrease by 5.5%	Increase by 6.1%
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 2020

38 Defined Benefits Plans (continued)

(d) Statement of financial position amounts

		SASS	SANCS	SSS	Total
	Note	\$'000	\$'000	\$'000	\$'000
Net liability reconciliation - 2020					
Defined benefit obligation		23,564	4,074	433,409	461,047
Fair value of plan assets		(8,062)	(340)	(33,171)	(41,573)
Payroll tax oncost estimate on net liability		324	78	8,376	8,778
Net liability	25	15,826	3,812	408,614	428,252
Reimbursement right	18	(13,193)	(3,190)	(399,964)	(416,347)
Total net liability/(asset)		2,633	622	8,650	11,905
Reimbursement rights - 2020					
Opening value of reimbursement right		12,508	2,942	397,424	412,874
Excess salary liability		(274)	(57)	-	(331)
Emerging liability for excess salaries		(2,036)	(487)	(273)	(2,796)
Expected return on reimbursement rights		1,858	467	5,646	7,971
Remeasurements		1,137	325	(2,833)	(1,371)
Closing value of reimbursement right	18	13,193	3,190	399,964	416,347
Present value of obligation - 2020					
Opening defined benefit obligation		24,079	4,135	447,425	475,639
Current service cost		459	121	-	580
Interest expense		308	53	6,003	6,364
		24,846	4,309	453,428	482,583
Remeasurements					
Actuarial losses/(gains) arising from changes in financial assumptions		(246)	(60)	4,529	4,223
Experience (gains)/losses		1,471	386	(7,456)	(5,599)
		1,225	326	(2,927)	(1,376)
Contributions					
Plan participants		264	-	31	295
Payments from plan					
Benefits paid		(2,566)	(462)	(18,009)	(21,037)
Taxes, premium and expenses paid		(205)	(99)	886	582
		(2,771)	(561)	(17,123)	(20,455)
Closing defined benefit obligation		23,564	4,074	433,409	461,047

Notes to the Financial Statements

For the Year Ended 31 December 2020

38 Defined Benefits Plans (continued)

(d) Statement of financial position amounts (continued)

		SASS	SANCS	SSS	Total
	Note	\$'000	\$'000	\$'000	\$'000
Present value of plan assets - 2020					
Opening fair value of plan assets		9,651	733	49,768	60,152
Interest expense/(income)		115	7	556	678
		9,766	740	50,324	60,830
Remeasurements					
Actual Return on Fund assets interest income		87	1	(92)	(4)
		87	1	(92)	(4)
Contributions					
Employers		716	160	31	907
Plan participants		264	-	31	295
		980	160	62	1,202
Payments from plan					
Benefits paid		(2,566)	(462)	(18,009)	(21,037)
Taxes, premiums and expenses paid		(205)	(99)	886	582
		(2,771)	(561)	(17,123)	(20,455)
Closing fair value of plans assets		8,062	340	33,171	41,573
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)
Payroll tax oncost estimate on net liability		299	71	8,257	8,627
Net liability	25	14,727	3,473	405,914	424,114
Reimbursement right	18	(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
Emerging liability for excess salaries		(1,923)	(460)	(230)	(2,613)
Expected return on reimbursement rights		2,192	502	8,357	11,051
Remeasurements		(1,164)	(329)	35,987	34,494
Closing value of reimbursement right	18	12,508	2,942	397,424	412,874

Notes to the Financial Statements

For the Year Ended 31 December 2020

38 Defined Benefits Plans (continued)

(d) Statement of financial position amounts (continued)

		SASS	SANCS	SSS	Total
	Note	\$'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
		<u>26,102</u>	<u>4,499</u>	<u>425,387</u>	<u>455,988</u>
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)
		<u>(195)</u>	<u>(295)</u>	<u>37,990</u>	<u>37,500</u>
Contributions					
Plan participants		306	-	32	338
Payments from plan					
Benefits paid		(1,998)	(109)	(18,384)	(20,491)
Taxes, premiums and expenses paid		(136)	40	2,400	2,304
		<u>(2,134)</u>	<u>(69)</u>	<u>(15,984)</u>	<u>(18,187)</u>
Closing defined benefit obligation		<u>24,079</u>	<u>4,135</u>	<u>447,425</u>	<u>475,639</u>
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
		<u>9,858</u>	<u>620</u>	<u>63,676</u>	<u>74,154</u>
Remeasurements					
Actual Return on Fund assets interest income		970	34	2,002	3,006
		<u>970</u>	<u>34</u>	<u>2,002</u>	<u>3,006</u>
Contributions					
Employers		651	148	42	841
Plan participants		306	-	32	338
		<u>957</u>	<u>148</u>	<u>74</u>	<u>1,179</u>
Payments from plan					
Benefits paid		(1,998)	(109)	(18,384)	(20,491)
Taxes, premiums and expenses paid		(136)	40	2,400	2,304
		<u>(2,134)</u>	<u>(69)</u>	<u>(15,984)</u>	<u>(18,187)</u>
Closing fair value of plans assets		<u>9,651</u>	<u>733</u>	<u>49,768</u>	<u>60,152</u>

Notes to the Financial Statements
For the Year Ended 31 December 2020

39 Events Occurring After the Reporting Date

There are no 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 the 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 2020, the Statement of Financial Position as at 31 December 2020, 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 2020, 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
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* (the ACNC Act) and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

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.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the year ended 31 December 2020. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, I do not provide a separate opinion on these matters.

Key Audit Matter	How my audit addressed the matter
Fair value measurement of property, plant and equipment	
<p>At 31 December 2020, the University reported \$2.5 billion in property, plant and equipment.</p> <p>In 2020, the University:</p> <ul style="list-style-type: none"> revalued land, buildings and infrastructure assets with a closing balance of \$1.9 billion recorded a net revaluation increment of \$55.6 million at 31 December 2020. <p>I considered this to be a key audit matter because of the:</p> <ul style="list-style-type: none"> financial significance of property, plant and equipment to the Statement of Financial Position extent of significant management judgements underpinning key assumptions used in the valuation process specialised and unique nature of the assets judgement and complexities associated with the application of AASB 13 'Fair Value Measurement' requirements. <p>Further information on the fair value measurement of property, plant and equipment is included in Note 19 'Property, plant and equipment'.</p>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> assessed the competence, capability and objectivity of management's independent valuer assessed the accuracy and completeness of assets included in the revaluation assessed the appropriateness of the methodology used and the key assumptions and judgements adopted assessed material changes to useful lives assessed the sufficiency and appropriateness of management's fair value assessment against the requirements of applicable Australian Accounting Standards agreed valuation amounts to the reported financial statement balances assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.
Valuation of defined benefit superannuation and long service leave liabilities	
<p>At 31 December 2020, the University reported:</p> <ul style="list-style-type: none"> defined benefit superannuation liabilities totalling \$428 million employee long service leave liabilities totalling \$80.6 million. <p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> the defined benefit superannuation and long service leave liabilities are financially significant to the University's financial position there is a risk the data used in the defined benefit superannuation and long service leave liability valuation models (the models) is not accurate and / or complete the underlying models used to value the liabilities are complex due to a high level of judgement and estimation involved in the valuation assumptions, including discount rates, salary inflation and other assumptions the total value of the liabilities is sensitive to small changes in key valuation inputs. 	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> assessed the key controls supporting the data, and the completeness and mathematical accuracy of the data, used in the models obtained management's actuarial reports and year-end adjustments, and in relation to defined benefit superannuation liabilities engaged a qualified actuary ('auditor's expert') to: <ul style="list-style-type: none"> assess the qualifications, competence and objectivity of management's independent experts assess the appropriateness of the models confirm the reasonableness of key assumptions used assess the reasonableness of the reported liability value assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.

Key Audit Matter**How my audit addressed the matter**

Further information on the valuation of defined benefit superannuation and long service leave liabilities is included in Note 25 'Provisions' and Note 38 'Defined benefit plans'.

Other Information

The University's annual report for the year ended 31 December 2020, 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 and the ACNC Act, and for such internal control as the Board of Trustees 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 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/ar5.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor 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 New South Wales

20 April 2021
SYDNEY

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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 2020

Directors' Report

31 December 2020

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 2020.

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 (Deputy Chair)
Mr Ramy Aziz	BBus, FCPA, FGIA
Professor Simon Barrie	BAppSc, PhD
Ms Caroline Hutchinson	BEc, LLB, Spec Acc (Comm Lit), GAICD
Mr Robin Shreeve	BA(Hons), MA
Professor Michele Simons	BSocSc, PhD
Associate Professor Simon Bedford	BSc(Hons), PhD - (Alternate Director - commenced 01 October 2020)
Mr Michael Burgess	BAgrSc, GradDipMkt - (Alternate Director)
Professor Denise Kirkpatrick	BEd, MEd, PhD - (Alternate Director - resigned 01 August 2020)

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 2020

2. Operating results and review of operations for the year

Despite the disruption from transitioning to remote delivery, overall student enrolments in the 2020 pathway programs were consistent with the prior year. A suite of new online Undergraduate Certificate courses was developed to support the Federal Government's COVID-19 Higher Education Relief Package. Areas of the business exposed to the international market, such as English Language Programs, study tours, English proficiency testing and international student cohorts were significantly impacted by the closure of borders and quarantine requirements.

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 (2019: 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 2020

Indemnification and insurance of officers

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.

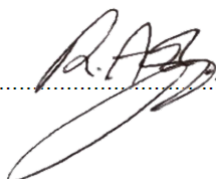
The Company was not a party to any such proceedings during the year.

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 2020 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:



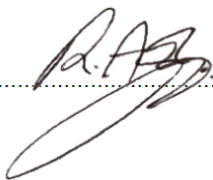
Dated at Sydney 26 March 2021

Directors' Declaration

In the directors' opinion:

1. the financial statements and notes, as set out on pages 96 to 116, 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 2020 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 

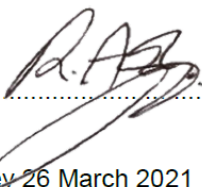
Dated at Sydney 26 March 2021

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 26 March 2021



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 2020, 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

25 March 2021
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 2020

		2020	2019
	Note	\$	\$
Revenue			
Fees and charges	2(a)	63,815,040	61,043,824
Interest revenue		159,145	312,695
Share of net profit on investments accounted for using the equity method	3,14(c)	-	436,977
Other revenue	2(b)	6,596,038	567,805
Total revenue		70,570,223	62,361,301
Expenses			
Royalty to parent	14(b)	(35,371,505)	(24,405,509)
Employee related expenses	4	(30,777,105)	(31,614,137)
Depreciation and amortisation expense	4	(1,341,909)	(1,151,763)
Impairment of assets	4	(1,116,118)	60,804
Fees for service	4	(612,872)	(2,914,834)
Other expenses	4	(1,350,714)	(2,335,862)
Total expenses		(70,570,223)	(62,361,301)
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		-	-

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 2020

	Note	2020 \$	2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	12,500,989	12,980,960
Trade and other receivables	6	774,302	380,537
Receivables from joint venture	14(d)	498,817	1,570,143
Prepayments		-	74,498
Total Current Assets		13,774,108	15,006,138
Non-Current Assets			
Loans to joint venture	14(c)	-	1,091,072
Property, plant and equipment	7(a)	1,846,950	3,188,859
Total Non-Current Assets		1,846,950	4,279,931
Total Assets		15,621,058	19,286,069
LIABILITIES			
Current Liabilities			
Trade payables		204,794	402,409
Tuition fees advance receipts		380,797	927,423
Amounts due to joint venture	14(d)	-	2,504,758
Accrued expenses	8	2,520,168	3,799,682
Provisions	9	3,316,785	2,917,481
Other liabilities	10	933,065	609,867
Total Current Liabilities		7,355,609	11,161,620
Non-Current Liabilities			
Provisions	9	1,500,000	1,359,000
Total Non-Current Liabilities		1,500,000	1,359,000
Total Liabilities		8,855,609	12,520,620
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

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 2020

	Issued Capital	Retained Earnings	Total
	\$	\$	\$
Balance at 1 January 2020	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 2020	1	6,765,448	6,765,449

	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

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 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from student fees and other customers	64,083,387	61,327,541
Payments to suppliers and employees	(72,088,977)	(61,389,654)
Receipts from JobKeeper Payment Scheme	2(b) 6,182,400	-
Interest received	159,145	312,695
Other receipts	413,638	567,806
GST recovered	770,436	1,254,207
Net cash provided (used) by operating activities	(479,971)	2,072,595
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	7(a) -	(1,150,044)
Net cash used in investing activities	-	(1,150,044)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash provided by financing activities	-	-
Net increase / (decrease) in cash and cash equivalents held	(479,971)	922,551
Cash and cash equivalents at beginning of year	12,980,960	12,058,409
Cash and cash equivalents at end of financial year	5 12,500,989	12,980,960

Notes to the Financial Statements

For the Year Ended 31 December 2020

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 26 March 2021.

(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 Pty 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 Pty 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 2020

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) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published but are not mandatory for 31 December 2020 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.

(f) 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 2020. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

Notes to the Financial Statements

For the Year Ended 31 December 2020

1 Summary of Significant Accounting Policies (continued)

(g) Comparative Amounts

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

Short term loan to parent which is payable at call and used for operating cash flow purposes is included in the cash and cash equivalents.

		2019		2019
		Reported	Reclassification	Revised
	Note	\$	\$	\$
Statement of Financial Position				
Cash and cash equivalents	5	447,280	12,533,680	12,980,960
Loans to parent entity		12,533,680	(12,533,680)	-
Net effect on current assets		12,980,960	-	12,980,960
Statement of Cash Flows				
Interest received		106,872	205,823	312,695
Net effect on cash provided by operating activities		106,872	205,823	312,695
Repayments received from the parent entity		15,429,213	(15,429,213)	-
Advances made to the parent entity		(17,958,489)	17,958,489	-
Net effect on cash used in investing activities		(2,529,276)	2,529,276	-
Net increase / (decrease) in cash and cash equivalents held		(1,812,548)	2,735,099	922,551
Cash and cash equivalents at beginning of year		2,259,828	9,798,581	12,058,409
Net effect on cash and cash equivalents at end of financial year	5	447,280	12,533,680	12,980,960

Notes to the Financial Statements

For the Year Ended 31 December 2020

2 Revenue

(a) Fees and charges

	2020	2019
	\$	\$
Course fees and charges		
Domestic students undergraduate	58,557,567	52,581,984
Onshore overseas students undergraduate	3,393,252	5,041,694
Continuing education	287,123	475,210
Total course fees and charges	62,237,942	58,098,888
Non-course fees and charges		
Student test fees	1,373,316	2,666,548
Student service fees	203,782	278,388
Total non-course fees and charges	1,577,098	2,944,936
Total fees and charges	63,815,040	61,043,824

(b) Other revenue

	2020	2019
	\$	\$
JobKeeper Payment Scheme	6,182,400	-
Service fee from joint venture	408,022	535,401
Education and training revenue	790	11,435
Rental revenue	-	3,994
Other income	4,826	16,975
Total other revenue	6,596,038	567,805

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.

When the courses or trainings have been paid in advance, the Company recognises a contract liability until the services are delivered. 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, when the service is provided over a period.

Notes to the Financial Statements

For the Year Ended 31 December 2020

2 Revenue (continued)

Accounting Policy (continued)

(c) JobKeeper Payment Scheme

The Company treats operating grants received from the Australian Government entities as income when the Company has complied with all the eligibility criteria for the subsidy which includes payment of requisite salaries to the employees have been met at the reporting date.

(d) 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.

3 Investments accounted for using the equity method

In April 2015, the Company entered into a Joint Venture Agreement with Navitas Pty 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.

(a) 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 (2019: nil).

(b) Unrecognised share of losses of joint venture or associate

The Company has \$74,832 unrecognised share of losses from the joint venture with Navitas Pty Ltd (2019: 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. If the Company's share of losses from the joint venture equals or exceeds its interest in the joint venture, the Company discontinues recognising its share of further losses.

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

Notes to the Financial Statements

For the Year Ended 31 December 2020

4 Expenses

	2020	2019
	\$	\$
Employee related expense (including academic and non academic)		
Salaries and wages	24,158,385	23,721,207
Superannuation	2,859,226	3,024,901
Leave	2,058,447	2,912,932
Payroll tax	1,559,218	1,698,679
Workers compensation	141,829	199,970
Redundancies	-	56,448
Total employee related expenses	30,777,105	31,614,137
Depreciation and amortisation		
Fixtures and Fittings	1,149,018	1,067,353
Plant and equipment	192,891	84,410
Total depreciation and amortisation	1,341,909	1,151,763
Impairment of assets		
Bad and doubtful debts	1,116,118	(68,706)
Net loss on disposal of assets	-	7,902
Total impairment of assets	1,116,118	(60,804)
Fees for service		
Testing fees	465,330	1,073,395
Consultants	297,308	321,754
Study tours	158,615	501,824
Temporary contract staff	114,548	125,428
Agent's commission	(714,603)	731,229
Other	291,674	161,204
Total fees for service	612,872	2,914,834
Other expenses		
Advertising, marketing and promotional expenses	531,953	754,439
Lease of low-value assets	363,191	358,567
Postage, printing, telephone & internet	130,107	263,823
Consumables and supplies	119,299	254,113
Student expenses	99,561	390,925
Utilities and cleaning	26,163	28,807
Travel and related staff development and training	17,704	142,425
Motor vehicle expenses	17,790	17,392
Relocation expenses	14,530	13,829
Minor equipment and furniture	12,834	65,989
Sundry expenses	17,582	45,553
Total other expenses	1,350,714	2,335,862

Notes to the Financial Statements

For the Year Ended 31 December 2020

4 Expenses (continued)

(a) Impairment of assets

The Company assesses impairment at the end of each reporting period. An impairment loss of \$1.1 million was recognised in 2020 to reduce the carrying amount of the loan to the joint venture to nil. Debtor impairment accounting policy is disclosed under note 14(d) for loans and note 6 trade and other receivables.

(b) Change in estimates

In 2020, the Company conducted an extensive review of agent's commission which resulted in a change in the accrual process. Historically, a blanket accrual rate was levied across all international students. However, an improved sophisticated methodology is now being used. This resulted in a \$1.3 million decrease in agent's commission liability which is reflected in the current year's expense. Agents' commission liability is disclosed in note 8.

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

	2020	2019
Note	\$	\$
Cash at bank and on hand	29,875	20,540
TCorp Investment Facility	430,116	426,740
Short term loan to parent entity	14(c) 12,040,998	12,533,680
Total cash and cash equivalents in the statement of financial position and statement of cash flows	12,500,989	12,980,960

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 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.

Included in the cash and cash equivalents above is a short term loan to parent which is payable at call and used for operating cash flow purposes.

Notes to the Financial Statements

For the Year Ended 31 December 2020

6 Trade and other receivables

		2020	2019
	Note	\$	\$
Student receivables		184,932	157,547
Trade receivables		49,201	245,301
Less: allowance for expected credit losses	6(a)	(104,419)	(70,845)
Net student and trade receivables		129,714	332,003
Accrued revenue		644,588	44,772
Other receivables		-	3,762
Total current trade and other receivables		774,302	380,537

Accounting Policy

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 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 (ECL). 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 which is 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:

	2020	2019
	\$	\$
Opening balance as at 1 January	70,845	97,801
Provision / (recovery) for expected credit losses	43,874	(26,433)
Write-off	(10,300)	(523)
Balance as at 31 December	104,419	70,845

The creation and release of the provision for impaired receivables have 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 2020

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 2019					
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
Year ended 31 December 2020					
Opening net book amount	-	2,280,646	901,331	6,882	3,188,859
Depreciation expense	-	(1,149,018)	(192,891)	-	(1,341,909)
Closing net book amount	-	1,131,628	708,440	6,882	1,846,950
At 31 December 2020					
Cost	-	8,145,728	1,565,354	6,882	9,717,964
Accumulated depreciation	-	(7,014,100)	(856,914)	-	(7,871,014)
Net book amount	-	1,131,628	708,440	6,882	1,846,950

Notes to the Financial Statements

For the Year Ended 31 December 2020

7 Property, plant and equipment (continued)

(b) Capital commitments

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

	2020	2019
	\$	\$
- no later than 1 year	21,747	-

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
Audio Visual	3-10 years
Computer Equipment	3-4 years
Fixtures and Fittings	2-6 years
Other Equipment	3-10 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 2020

8 Accrued expenses

	2020	2019
	\$	\$
Current		
Agents' commissions	1,348,991	2,422,754
Salary	973,749	1,017,016
Non-salary overheads	197,428	359,912
Total accrued expenses	2,520,168	3,799,682

Accounting Policy

Trade and other payables are carried at amortised cost and due to their short term nature these are not discounted. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. The Company's standard terms of payment are 30 days from date of recognition.

9 Provisions

	2020	2019
	\$	\$
Current provisions expected to be settled within 12 months		
Annual leave	1,316,147	1,278,335
Long service leave	321,000	180,771
	1,637,147	1,459,106
Current provisions expected to be settled after more than 12 months		
Annual leave	472,638	341,146
Long service leave	1,207,000	1,117,229
	1,679,638	1,458,375
Total current provisions	3,316,785	2,917,481
	2020	2019
	\$	\$
Non-Current		
Long service leave	1,500,000	1,359,000

Amounts expected to be settled after more than 12 months

The current provision for employee benefits includes accrued 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 amounts reported above reflect leave that is not expected to be taken or paid within the next 12 months.

Notes to the Financial Statements

For the Year Ended 31 December 2020

9 Provisions (continued)

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.

10 Other liabilities

	2020	2019
	\$	\$
Current		
Accrued taxes	838,845	448,807
Unearned revenue	94,220	161,060
Total other liabilities	933,065	609,867

(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.

	2020	2019
	\$	\$
Payable - minimum lease payments		
- no later than 1 year	104,857	335,946
- between 1 year and 5 years	37,287	93,993
- greater than 5 years	-	-
Total future minimum lease payments	142,144	429,939

11 Issued Capital

	2020	2019
	\$	\$
Ordinary shares	1	1
Total contributed equity	1	1

Notes to the Financial Statements

For the Year Ended 31 December 2020

12 Contingencies

Contingent Liabilities

Claims

The Directors of the Company are not aware of the existence of any legal claims as at 31 December 2020 (2019: nil).

Guarantees

The Directors of the Company are not aware of any guarantees that are in place as at 31 December 2020 (2019: nil).

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

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 unless otherwise stated.

Ms Belinda Robinson (Chair - Independent)

Mr Angelo Kourtis (Deputy Chair)

Mr Ramy Aziz (Independent)

Professor Simon Barrie

Ms Caroline Hutchinson (Independent)

Mr Robin Shreeve (Independent)

Professor Michele Simons

Associate Professor Simon Bedford (Alternate Director - commenced 01 October 2020)

Mr Michael Burgess (Alternate Director)

Professor Denise Kirkpatrick (Alternate Director - resigned 01 August 2020)

Notes to the Financial Statements

For the Year Ended 31 December 2020

13 Key management personnel disclosures (continued)

(c) Key management personnel compensation

The total remuneration of independent Board members and Executives of the Company during the year are as follows:

	2020	2019
	\$	\$
Short-term employee benefits	352,811	352,422
Post-employment benefits	29,432	29,352
Total key management personnel compensation	382,243	381,774

(d) Other key management personnel transactions

No other transactions were made with key management personnel during the year (2019: 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 Pty Ltd:

Interests in the joint venture are set out in note 3.

(b) Transactions with related parties

The following transactions occurred with related parties:

	2020	2019
	\$	\$
Purchase of goods and services		
Payment to parent entity for capital projects	-	1,039,600
Purchase of catering services from parent and other related parties	7,791	30,258
Total	7,791	1,069,858

Notes to the Financial Statements

For the Year Ended 31 December 2020

14 Related Parties (continued)

	2020	2019
	\$	\$
Other transactions		
Royalty to parent entity	35,371,505	24,405,509
Payment of management fee to joint venture	4,078,412	10,032,408
Recoupment of commissions, salaries and other expenses from joint venture	(2,256,560)	(3,748,810)
Service fee from joint venture	(408,022)	(535,401)
Share of profit of joint venture	-	(436,977)
Interest received on loan to joint venture	(78,310)	(97,960)
Total	36,707,025	29,618,769

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.

(c) Loans to/from related parties

	Note	2020	2019
		\$	\$
Loans to Parent			
Beginning of the year		12,533,680	9,798,582
Loans advanced		16,900,886	17,958,489
Loan repayments received		(17,470,972)	(15,429,213)
Interest charged		77,404	205,822
End of year	5	12,040,998	12,533,680
Loans to Joint Venture			
Beginning of the year		1,091,072	654,095
Share of profit of joint venture		-	436,977
Provision for expected credit loss		(1,091,072)	-
End of year		-	1,091,072

Included in the loans to joint venture above is a total loan drawdown of \$2,350,000 as of 31 December 2020. 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 and provision for expected credit losses. The Company's assessment of expected credit losses considers the effects of COVID-19 pandemic on demand for services, restrictions on international travel and the impact that may have to the joint venture.

Notes to the Financial Statements

For the Year Ended 31 December 2020

14 Related Parties (continued)

(d) Outstanding balances

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

	2020	2019
	\$	\$
Current receivables (loans)		
Western Sydney University	12,040,998	12,533,680
Current receivables (provision of services)		
Western Sydney University International College Pty Ltd	498,817	1,570,143
Total current receivables	12,539,815	14,103,823
Non-current receivables (loans)		
Western Sydney University International College Pty Ltd	-	1,091,072
Total non-current receivables	-	1,091,072
Current payables (purchase of services)		
Western Sydney University International College Pty Ltd	-	2,504,758
Total current payables	-	2,504,758

The Company has provided interest-bearing loans to related parties. The loan to the parent entity is included in Cash and cash equivalents in the statement of financial position. It is held to meet short-term cash commitments and redeemable on demand.

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.

Impairment

The adoption of AASB 9 in 2018 has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the Company 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 Company expects to receive, discounted at an approximation of the original effective interest rate.

Notes to the Financial Statements

For the Year Ended 31 December 2020

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 Directors' Declaration, the Responsible Entities' Declaration, the Statement of Comprehensive Income for the year ended 31 December 2020, the Statement of Financial Position as at 31 December 2020, 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 2020 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 25 March 2021, 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 2020 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.

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.

The scope of my audit does not include, nor 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

1 April 2021
SYDNEY

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Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Financial Statements

For the Year Ended 31 December 2020

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Statement by Directors

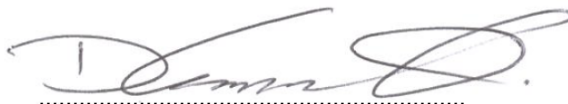
The directors of Western Sydney University Early Learning Limited declare that:

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 125 to 140:
 - a. comply with:
 - b. Australian Accounting Standards - Reduced Disclosure Requirements, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board
 - c. *The Public Finance & Audit Act 1983*, and the *Public Finance and Audit Regulation 2015*
 - d. *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 2020 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 18 March 2021

Western Sydney University Early Learning Limited

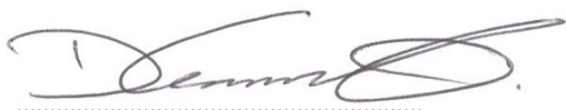
ABN: 39 155 993 445

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 18 March 2021



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 2020, 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

17 March 2021
SYDNEY

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Statement of Comprehensive Income

For the year ended 31 December 2020

	Notes	2020 \$	2019 \$
Revenue			
Child Care Services	2	6,874,173	7,403,223
Interest	2	33,669	58,039
Other Income	2	1,317,606	57,651
Total revenue		8,225,448	7,518,913
Expenses			
Employee related expenses	3	(6,523,781)	(6,598,175)
Consumables and supplies	3	(392,213)	(292,602)
Depreciation	3	(21,074)	(21,074)
Other expenses	3	(548,843)	(495,978)
Total expenses		(7,485,911)	(7,407,829)
Surplus / (deficit) for the year		739,537	111,084
Other comprehensive income for the year		-	-
Total comprehensive income for the year		739,537	111,084

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 2020

	Notes	2020 \$	2019 \$
Assets			
Current assets			
Cash and cash equivalents	4	4,202,727	2,941,113
Trade and other receivables	5	6,825	124,778
Prepayments	6	-	29,357
Total current assets		4,209,552	3,095,248
Non-current assets			
Property, plant and equipment	7	168,592	189,666
Total non-current assets		168,592	189,666
Total assets		4,378,144	3,284,914
Liabilities			
Current liabilities			
Trade and other payables	8	769,107	596,187
Deferred income		320,774	222,046
Employee benefit provisions	9	681,265	647,220
Total current liabilities		1,771,146	1,465,453
Non-current liabilities			
Employee benefit provisions	9	126,000	78,000
Total non-current liabilities		126,000	78,000
Total liabilities		1,897,146	1,543,453
Net assets		2,480,998	1,741,461
Equity			
Retained earnings	10	2,480,998	1,741,461
Total equity		2,480,998	1,741,461

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 2020

	Notes	Retained earnings \$	Total equity \$
Balance at 1 January 2020		1,741,461	1,741,461
Comprehensive income for the year			
Surplus / (deficit) for the year		739,537	739,537
Other comprehensive income for the year		-	-
Total comprehensive income for the year		739,537	739,537
Balance at 31 December 2020	10	2,480,998	2,480,998

		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

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 2020

	2020	2019
Notes	\$	\$
Cash flows from operating activities:		
Receipts for services	5,924,082	7,502,089
Receipts from Government	2,609,908	54,922
Payments to suppliers and employees (inclusive of GST)	(7,306,045)	(7,331,197)
Interest received	33,669	58,039
Net cash provided by operating activities	1,261,614	283,853
Cash flows from investing activities:		
Payment for property, plant and equipment	-	-
Net cash used in investing activities	-	-
Cash flows from financing activities:		
Net cash used in financing activities	-	-
Net increase in cash and cash equivalents held	1,261,614	283,853
Cash and cash equivalents at the beginning of the year	2,941,113	2,657,260
Cash and cash equivalents at the end of the financial year	4,202,727	2,941,113

4

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 2020

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
Office of Governance Services, Building K10, Cnr Bourke Street and Londonderry Road, Richmond NSW 2753.

The principal place of business is:

Western Sydney University, Building K8 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 2020 were authorised for issue by the Board of Directors on 18 March 2021.

(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 2020

1 Summary of significant accounting policies (continued)

(b) Income tax exemption

The Company is exempt from the payment of income 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) Accounting standards

(i) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published but are not mandatory for 31 December 2020 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.

(ii) 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 2020. The adoption of the standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

Notes to the Financial Statements

For the year ended 31 December 2020

1 Summary of significant accounting policies (continued)

(e) Comparatives

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

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

	2019 Reported \$	Reclassification \$	2019 Revised \$
Statement of Financial Position			
Cash and cash equivalents	508,265	2,432,848	2,941,113
Trade and other receivables	2,557,626	(2,432,848)	124,778
Net effect on current assets	3,065,891	-	3,065,891
Statement of Cash Flows			
Cash flows from operating activities			
Receipts from services	7,470,341	31,748	7,502,089
Receipts from Government	-	54,922	54,922
Payments to suppliers	(7,244,527)	(86,670)	(7,331,197)
Net cash provided by operating activities	225,814	-	225,814
Cash flows from investing activities			
Loans to related parties	(200,849)	200,849	-
Net cash used in investing activities	(200,849)	200,849	-
Net increase in cash and cash equivalents held	83,004	200,849	283,853
Cash and cash equivalents at the beginning of the year	425,261	2,231,999	2,657,260
Cash and cash equivalents at the end of the financial year	508,265	2,432,848	2,941,113

Notes to the Financial Statements

For the year ended 31 December 2020

2 Revenue

	2020 \$	2019 \$
Child care services		
Family fee revenue	5,553,656	7,403,223
Government payments	1,320,517	-
Total child care services	6,874,173	7,403,223
Interest		
Investment income	33,669	58,039
Total interest	33,669	58,039
Other income		
Government child care grants	141,891	35,922
JobKeeper payment scheme	1,147,500	-
Government traineeship funding	24,750	19,000
Related party services	3,465	2,729
Total other revenue	1,317,606	57,651
Total revenue	8,225,448	7,518,913

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) Child care 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.

As part of the government's COVID-19 response, child care services were made fee-free for families between 6 April 2020 and 28 June 2020. During this time the Company received \$1,320,517 in government funding, consisting of \$1,015,649 in Business Continuity Payments based on 50% of regular fee income, and a further \$304,868 in Transition Payments at 25% of regular fee income from the government.

(ii) Investment income

Interest income is recognised using the effective interest method.

(iii) Other income

The Company recognises Government child care grants from the Australian Government as income to the extent that performance obligations have been met at reporting date.

JobKeeper government grant payments were recognised as income to the extent that performance measures were met in the form of wages paid to applicable employees. The Company received the JobKeeper payment for the period covering 3 April 2020 to 20 July 2020 following which the JobKeeper payment scheme ended for the child care industry.

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Notes to the Financial Statements

For the year ended 31 December 2020

3 Expenses

	2020	2019
	\$	\$
Employee related expenses		
Salaries and wages	4,957,972	5,210,427
Superannuation	474,042	483,457
Payroll tax	396,008	303,443
Worker's compensation	236,053	173,237
Annual and long service leave	451,224	413,152
Other	8,482	14,459
Total employee related expenses	6,523,781	6,598,175
Depreciation		
Leasehold improvements	21,074	21,074
Total depreciation	21,074	21,074
Consumables and supplies		
Consumables	380,275	291,322
Centre resources and supplies	11,938	1,280
Total consumables and supplies	392,213	292,602
Other expenses		
Cleaning	187,796	190,523
Consulting	170,011	127,133
Repairs and maintenance	39,934	13,284
Non-capitalised equipment	33,065	19,999
Printing	12,509	30,246
Staff development	22,121	47,886
Advertising, marketing and promotional	39,820	29,982
Sundry expenses	43,587	36,925
Total other expenses	548,843	495,978

Notes to the Financial Statements

For the year ended 31 December 2020

4 Cash and cash equivalents

	2020	2019
	\$	\$
Cash at bank	602,573	508,265
Loan to parent entity	3,600,154	2,432,848
Total cash and cash equivalents in the statement of financial position and statement of cash flows	4,202,727	2,941,113

For presentation purposes, Cash and cash equivalents include cash at bank and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

5 Trade and other receivables

	2020	2019
	\$	\$
Current		
Trade receivables	10,443	25,428
less: Provision for impairment	(3,618)	(8,964)
	6,825	16,464
Other receivables	-	108,314
Total receivables	6,825	124,778

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.

6 Prepayments

	2020	2019
	\$	\$
Current		
Prepayments	-	29,357
Total prepayments	-	29,357

Notes to the Financial Statements

For the year ended 31 December 2020

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:

	Leasehold Improvements	Total
	\$	\$
Year ended 31 December 2020		
Balance at the beginning of the year	189,666	189,666
Depreciation	(21,074)	(21,074)
Balance at the end of the year	168,592	168,592

(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 2020

8 Trade and other payables

	2020	2019
	\$	\$
Current		
Trade payables	20,671	34,925
Enrolment deposits	338,633	271,531
Accrued expenses	141,097	145,060
Other payables	268,706	144,671
Total trade and other payables	769,107	596,187

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

	2020	2019
	\$	\$
Current		
Employee benefits		
Annual leave	300,265	333,220
Long service leave	381,000	314,000
Total current provisions	681,265	647,220
Non-current		
Employee benefits		
Long service leave	126,000	78,000
Total non-current provisions	126,000	78,000
Total employee benefit provisions	807,265	725,220

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 2020

10 Retained earnings

	2020	2019
	\$	\$
Retained earnings at 1 January	1,741,461	1,630,377
Surplus / (deficit) for the year	739,537	111,084
Balance at 31 December	2,480,998	1,741,461

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

Ellen Brackenreg

Darren Greentree

Michele Simons

Jane McMaster

Linda Newman

Anna Cody - appointed 1 August 2020

(c) Remuneration of Board Members

	2020	2019
	Number	Number
Remuneration of Board Members		
Nil to \$9,999	2	-
Total Remuneration	2	-

Notes to the Financial Statements

For the year ended 31 December 2020

12 Commitments

(a) Capital commitments

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

	2020	2019
	\$	\$
- no later than 1 year	2,083	4,666
Total	2,083	4,666

(b) Lease commitments

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

	2020	2019
	\$	\$
Minimum lease payments under non-cancellable operating leases		
- no later than 1 year	5,029	7,248
- between 1 year and 5 years	1,772	3,406
Total future minimum lease payments	6,801	10,654

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.

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Notes to the Financial Statements

For the year ended 31 December 2020

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

	2020	2019
	\$	\$
Related party income		
Discount funding	300,961	353,272
Interest received	33,669	58,039
Other services	3,465	2,775
Total related party income	338,095	414,086
Related party expenses		
Resources	47,150	-
Catering charges	-	461
Total related party expenses	47,150	461
Related party receivables		
Loan to parent entity	3,600,154	2,432,848
Total related party receivables	3,600,154	2,432,848

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 Cash and Cash equivalents 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.

15 Contingencies

The Company had no contingent liabilities at 31 December 2020.

Western Sydney University Early Learning Limited

ABN: 39 155 993 445

Notes to the Financial Statements

For the year ended 31 December 2020

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

Opinion

I have audited the accompanying financial statements of Western Sydney University Early Learning Limited (the Company), which comprises the Responsible Entities Declaration, the Statement of Comprehensive Income for the year ended 31 December 2020, the Statement of Financial Position as at 31 December 2020, 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 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 2020 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 (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 17 March 2021, 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 2020 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 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 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.

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.

The scope of my audit does not include, nor 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

1 April 2021

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 2020

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 19 February 2021. The directors have the power to amend and reissue the financial statements.

Whitlam Institute within Western Sydney University Limited

ABN: 50 100 342 309

Director's report

For the year ended 31 December 2020

The directors present their report on Whitlam Institute Within Western Sydney University Limited (the Company) for the financial year ended 31 December 2020.

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 (2019: \$ 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 (2019: \$ 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 Commonwealth or of a state or territory.

Director's report

For the year ended 31 December 2020

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 2020 has been received and can be found on page 152 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. Patricia Amphlett OAM was until recently 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 2020

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 LL.B 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 2020

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 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 2020

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 2020

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	3
Prof. Barney Glover AO	4	4
Ms Gabrielle Trainor AO	4	4
Mr Talal Yassine OAM	4	3
Ms Catherine Dovey	4	4
Mr Cameron Clyne	4	4
Dr Rebecca Huntley	4	2
The Hon. Peter Collins AM QC	4	3
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:	Director:
The Hon. John Faulkner	Ms Catherine Dovey

Dated 19 February 2021



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 2020, 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

17 February 2021
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 2020

	2020	2019
	\$	\$
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.

Statement of financial position

As at 31 December 2020

	Note	2020 \$	2019 \$
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 2020

	Contributed equity \$	Retained Earnings \$	Total equity \$
Balance at 1 January 2020	1	-	1
Other comprehensive income	-	-	-
Surplus for the year	-	-	-
Total comprehensive income for the year	-	-	-
Balance at 31 December 2020	1	-	1

	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

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 31 December 2020

	2020	2019
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 2020

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 19 February 2021

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 it satisfies a performance obligation by transferring ownership of asset through sale of goods or satisfies the performance obligation by transferring the promised service. The payment is typically due when an invoice is generated and credit terms calculated.

(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 2020

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 2020 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 2020. 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 2020 (2019: NIL).

3 Remuneration of Auditors

Full audit fees for 2020 are reflected in the books of the Whitlam Institute within Western Sydney University Trust and will be paid by the ultimate parent entity (2019: NIL).

Notes to the financial statements

For the year ended 31 December 2020

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 2020.

5 Cash and cash equivalents

	2020 \$	2019 \$
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	
	2020 \$	2019 \$	2020 \$	2019 \$
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 2020 (31 December 2019: nil).

8 Contingencies

The Company did not have any contingencies as at 31 December 2020 (31 December 2019: nil).

9 Key Management Personnel Disclosures

No remuneration has been paid to the key management personnel of the Company during the year (2019: 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 2020 (2019: nil).

11 Economic dependency

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

Whitlam Institute within Western Sydney University Limited

ABN: 50 100 342 309

Notes to the financial statements

For the year ended 31 December 2020

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 (2019: 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 2020 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

Ms Catherine Dovey

Dated 19 February 2021



INDEPENDENT AUDITOR'S REPORT

Whitlam Institute within Western Sydney University Limited

To Members of the New South Wales Parliament and Members of 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 2020, the Statement of Financial Position as at 31 December 2020, 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 Director's 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 2020 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.

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 17 February 2021, 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 2020 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.

The scope of my audit does not include, nor 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

25 February 2021
SYDNEY

Whitlam Institute Within Western Sydney University Trust

ABN: 42 247 216 279

Financial Statements

For the Year Ended 31 December 2020

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 19 February 2021. 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 2020

The Trustees present their report on Whitlam Institute Within Western Sydney University Trust for the financial year ended 31 December 2020.

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.

Whitlam Institute Within Western Sydney University Trust

ABN: 42 247 216 279

Trustees' report



For the year ended 31 December 2020

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	3
Prof. Barney Glover AO	4	4
Ms Gabrielle Trainor AO	4	4
Mr Talal Yassine OAM	4	3
Ms Catherine Dovey	4	4
Mr Cameron Clyne	4	4
Dr Rebecca Huntley	4	2
The Hon. Peter Collins AM QC	4	3
Ms Rebecca Mifsud	4	3

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

Director:  Director: 
The Hon. John Faulkner Ms Catherine Dovey

Dated 19 February 2021

Start of audited financial statements

Statement of comprehensive income
For the Year Ended 31 December 2020

	Notes	2020 \$	2019 \$
Revenue			
Services	2	208,539	172,547
Other revenue	2	10,571	18,388
Contribution of assets		-	1,220
Total revenue		219,110	192,155
Expenses			
Contribution to Ultimate Parent Entity	3	(84,154)	(244,307)
Bank charges	3	(61)	(46)
Total expenses		(84,215)	(244,353)
Surplus for the year		134,895	(52,198)
Revaluation changes for property, plant and equipment		-	345,893
Other comprehensive income for the year		-	345,893
Total comprehensive income for the year		134,895	293,695
Comprehensive income for the year attributable to			
Non - controlling interest		-	-
The parent		134,895	293,695
Total comprehensive income for the year		134,895	293,695

The accompanying notes form part of these financial statements.

Statement of financial position

As at 31 December 2020

	Notes	2020 \$	2019 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	957,300	738,612
Amount owed from Ultimate Parent Entity		7,597	6,485
Trade and other receivables		-	751
Total current assets		<u>964,897</u>	<u>745,848</u>
Non-current assets			
Property, plant and equipment	6	<u>1,244,900</u>	<u>1,244,900</u>
Total non-current assets		<u>1,244,900</u>	<u>1,244,900</u>
Total assets		<u>2,209,797</u>	<u>1,990,748</u>
LIABILITIES			
Current liabilities			
Amount owed to Ultimate Parent Entity		84,154	-
Total current liabilities		<u>84,154</u>	<u>-</u>
Total liabilities		<u>84,154</u>	<u>-</u>
Net assets		<u>2,125,643</u>	<u>1,990,748</u>
TRUST FUNDS			
Settled fund		1	1
Reserves	7	541,140	541,140
Retained earnings	8	<u>1,584,502</u>	<u>1,449,607</u>
Total trust funds		<u>2,125,643</u>	<u>1,990,748</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 2020**

	Settled fund	Retained Earnings	Reserves	Total Equity
	\$	\$	\$	\$
Balance at 1 January 2020	1	1,449,607	541,140	1,990,748
Revaluation of property, plant and equipment	-	-	-	-
Other comprehensive income	-	-	-	-
Surplus for the year	-	134,895	-	134,895
Total comprehensive income for the year	-	134,895	-	134,895
Balance at 31 December 2020	1	1,584,502	541,140	2,125,643

	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

The accompanying notes form part of these financial statements.

Statement of cash flows

For the Year Ended 31 December 2020

	2020	2019
Notes	\$	\$
Cash flows from operating activities		
Receipts from customers	207,426	174,126
Payments to suppliers and employees	(61)	(244,380)
Investment income	11,323	21,682
Net cash provided by operating activities	218,688	(48,572)
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	218,688	(48,572)
Cash and cash equivalents at beginning of year	738,612	787,184
Cash and cash equivalents at end of year	957,300	738,612

5

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the Year Ended 31 December 2020

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 19 February 2021

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

Income from government grants is recognised when the Trust satisfies its obligations under the grant.

Income from grants without sufficiently specific performance obligations is recognised when the Trust obtains control over the grant.

(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.

(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.

Notes to the financial statements

For the Year Ended 31 December 2020

1 Summary of Significant Accounting Policies (continued)

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

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 2020 reporting periods and have not been early adopted in the financial statements. The Trust'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 Trust.

(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 2020. 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 2020

2 Revenue

	2020	2019
	\$	\$
Services		
Donations	208,539	172,547
Total services	208,539	172,547
Other revenue		
Interest	4,354	9,935
Distributions from managed funds	6,217	8,453
Total other revenue	10,571	18,388
Total revenue	219,110	190,935

(a) Accounting policy

The Trust recognises revenue when it satisfies a performance obligation by transferring ownership of asset through sale of goods or satisfies the performance obligation by transferring the promised service. The payment is typically due when an invoice is generated and credit terms calculated.

Revenue is recognised for the major business activities as follows:

(i) Donations, Scholarships and Prizes

Donations 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 AASB9.

(ii) Event income

Event income is generally recognised as income in the year of receipt, when services are rendered and substantially complete.

(iii) Investment income

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.

3 Expenses

	2020	2019
	\$	\$
Contribution to Ultimate Parent Entity	84,154	244,307
Bank charges	61	46
Total expenses	84,215	244,353

Notes to the financial statements

For the Year Ended 31 December 2020

4 Remuneration of Auditors

Audit fees of \$17,875 (including GST) for 2020 (2019: \$15,186) will be paid by the ultimate parent entity.

5 Cash and cash equivalents

	2020	2019
	\$	\$
Cash at bank and on hand	11,643	11,491
Term deposits	-	433,682
T-Corp IM Cash Fund Investments	945,657	293,439
Total cash and cash equivalents in statement of financial position & statement of cash flows	957,300	738,612

(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 2020

6 Property, plant and equipment

At 1 January 2019

	Library \$	Total \$
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

Year ended 31 December 2020

Opening net book amount	1,244,900	1,244,900
Revaluation surplus	-	-
Additions	-	-
Closing net book amount	1,244,900	1,244,900

At 31 December 2020

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 2020

7 Reserves

	2020	2019
	\$	\$
Revaluation surplus - property, plant and equipment	541,140	541,140
	<u>541,140</u>	<u>541,140</u>

Movements

	2020	2019
	\$	\$
Revaluation surplus - property, plant and equipment		
Balance 1 January	541,140	195,247
Revaluation - gross	-	345,893
Balance 31 December	<u>541,140</u>	<u>541,140</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:

	2020	2019
	\$	\$
Balance as at 1 January	1,449,607	1,501,805
Surplus for the year	134,895	(52,198)
Trust distributions for the year	-	-
Balance as at 31 December	<u>1,584,502</u>	<u>1,449,607</u>

9 Commitments

The Trust had no commitments at 31 December 2020 (31 December 2019: nil).

10 Contingencies

The Trust did not have any contingencies at 31 December 2020 (31 December 2019: nil).

Notes to the financial statements

For the Year Ended 31 December 2020

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 2020

12 Related party transactions

(a) Parent entity

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

(b) Transactions with related parties

	2020	2019
	\$	\$
Matched Donations from the Ultimate Parent Entity	(7,418)	(12,034)
Payment to Ultimate Parent Entity	-	244,307

(c) Receivables and (payables) with related parties

	2020	2019
	\$	\$
Amount owed from Ultimate Parent Entity	7,597	6,485
Amount owed to Ultimate Parent Entity	(84,154)	-

The ultimate parent collected \$107,188 donations on behalf of the Trust during the year. Donations collected and T-Corp IM Cash Fund 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 (2019: nil).

END OF AUDITED FINANCIAL STATEMENTS

Whitlam Institute Within Western Sydney University Trust

ABN: 42 247 216 279

Trustees' declaration

In the Trustee's opinion:

1. the financial statements and notes, as set out on pages 168 to 179:
 - 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 2020 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
The Hon. John Faulkner

Director
Ms Catherine Dovey

Dated 19 February 2021



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 2020, the Statement of Financial Position as at 31 December 2020, 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:

- give a true and fair view of the Trust's financial position as at 31 December 2020 and its performance and cash flows for the year ended on that date complying 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

The Trust's annual report for the year ended 31 December 2020 includes other information in addition to 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.

Trustees' Responsibilities for the Financial Statements

The Trustees 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: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

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

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

25 February 2021
SYDNEY

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Appendices

Western Sydney University

2020 Actual to Budget Comparative Analysis

	2020 BUDGET \$'000	2020 ACTUAL \$'000	2020 VARIANCE \$'000	2020 VARIANCE %
INCOME FROM CONTINUING OPERATIONS				
GOVERNMENT	563,610	569,576	5,966	1.1%
ACADEMIC ACTIVITIES				
International Onshore	189,342	147,894	(41,448)	(21.9%)
International Offshore	685	891	206	30.1%
Local fee-paying	27,940	26,672	(1,268)	(4.5%)
External Research Grants	35,329	33,195	(2,134)	(6.0%)
Consulting, Contracting & Royalties	1,355	625	(730)	(53.9%)
Other Academic	57,052	65,176	8,124	14.2%
Sub Total	311,703	274,453	(37,250)	(12.0%)
OTHER INCOME ACTIVITIES				
Leases & Other Commercial	16,593	10,896	(5,697)	(34.3%)
Investment Income	4,563	3,512	(1,051)	(23.0%)
Land/Property Development Projects	89,688	23,542	(66,146)	(73.8%)
Other Incidental	16,322	10,153	(6,169)	(37.8%)
Sub Total	127,166	48,103	(79,063)	(62.2%)
ENTITIES				
The College	65,124	70,702	5,578	8.6%
Whitlam Institute	169	219	50	29.4%
Early Learning Limited	7,892	8,233	341	4.3%
Western Growth Developments (Innovation Hub Parramatta)		59,487		
Adjustments on Consolidation				
Sub Total	73,186	138,642	65,456	89.4%
TOTAL SELF-GENERATED INCOME	512,055	461,198	(50,857)	(9.9%)
TOTAL INCOME	1,075,665	1,030,774	(44,891)	(4.2%)
EXPENSES FROM CONTINUING OPERATIONS				
Schools	244,852	222,861	21,991	9.0%
Research	88,578	82,499	6,079	6.9%
Divisions	208,143	186,896	21,246	10.2%
Entities	75,300	138,589	(63,288)	(84.0%)
Consulting & Innovation	2,201	1,311	890	40.4%
University Wide	200,449	220,177	(19,728)	(9.8%)
Strategic Initiatives	52,493	38,324	14,169	27.0%
Minor Works (Expensed)	7,500	7,606	(106)	(1.4%)
External Trust & Tied Grants	19,788	15,537	4,252	21.5%
Corpus Fund Initiatives	7,179	3,365	3,814	53.1%
Depreciation	78,762	82,459	(3,697)	(4.7%)
Land/Property Development Projects	51,602	9,118	42,485	82.3%
Adjustments on Consolidation				
TOTAL EXPENDITURE	1,036,848	1,008,742	28,105	2.7%
NET OPERATING RESULT	38,818	22,032	(16,785)	(43.2%)

Western Sydney University 2021 Budget

	2021 BUDGET \$'000
INCOME FROM CONTINUING OPERATIONS	
GOVERNMENT	577,617
ACADEMIC ACTIVITIES	
International Onshore	106,294
International Offshore	395
Local fee-paying	28,247
External Research Grants	36,135
Consulting, Contracting & Royalties	928
Other	54,707
Sub Total	226,706
OTHER INCOME ACTIVITIES	
Leases & Other Commercial	14,044
Investment Income	11,377
Land/Property Development Projects	118,543
Other Incidental	10,111
Sub Total	154,074
ENTITIES	
The College	64,316
Whitlam Institute	134
Early Learning Limited	8,043
Western Growth Developments (Westmead)	30,284
Western Growth Developments (Innovation Hub Parra)	24,726
Sub Total	127,503
TOTAL SELF-GENERATED INCOME	508,284
TOTAL INCOME	1,085,900
EXPENSES FROM CONTINUING OPERATIONS	
Schools	237,671
Research	90,579
Divisions	186,207
Entities	91,351
Consulting & Innovation	1,650
University Wide	193,575
Strategic Initiatives	36,679
Minor Works (Expensed)	6,500
External Trust & Tied Grants	16,832
Corpus Fund Initiatives	3,440
Depreciation	86,716
Land/Property Development Projects	81,631
TOTAL EXPENDITURE	1,032,832
NET REPORTED RESULT	53,069

Accounts Payable Performance Indicators – 2020

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 - 2020

Category	First Quarter \$	Second Quarter \$	Third Quarter \$	Fourth Quarter \$
1. Schedule of Accounts Payable				
Paid within 30 days	127,472,738	63,397,618	91,258,792	179,454,707
Paid between 31-60 days	30,322,536	36,564,801	27,316,845	41,330,966
Paid between 61-90 days	4,612,919	4,364,444	5,744,877	6,309,101
Paid between 91-120 days	671,346	999,868	1,082,013	756,337
Paid more than 120 days	2,054,019	1,788,106	1,293,154	29,963
Total	165,133,558	107,114,837	126,695,681	227,881,076
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 [#]	77.2%	59.2%	72.0%	78.7%
Total dollar amount of accounts paid on time	127,472,738	63,397,618	91,258,792	179,454,707
Total dollar amount of accounts paid	165,133,558	107,114,837	126,695,681	227,881,076

[#] based on invoice date, not date received in Accounts Payable.

Investment Portfolio Performance - 2020

The University had \$373.2 million in investments at 31 December 2020 (\$352.4 million at 31 December 2019).

The Mercer Multi Manager Fund for Estate Development has returned 7.66% annualised, after fees and rebates since inception i.e. August 2018. For the 12 months to December 2020 the return has been 5.42% compared to benchmark of 3.19%. Distributions received during the year were re-invested in the respective funds.

The Mercer Multi Manager Fund for Foundation Fund has returned 5.44% annualised, after fees and rebates since inception i.e. December 2019. For the 12 months to December 2020 the return has been 5.44% compared to benchmark of 2.52%. Distributions received during the year were re-invested in the respective funds.

Fund	2020		2019		2018	
	Actual Return %	Benchmark Return %	Actual Return %	Benchmark Return %	Actual Return %	Benchmark Return %
Other Financial Assets - Non-current						
Mercer Multi Manager Funds - Estate Development ¹	5.42%	3.19%	17.00%	17.40%	-2.19%	-
Mercer Multi Manager Funds - Foundation Fund ²	5.44%	2.52%	-0.77%	-	-	-
Unlisted Securities ³	-	-	-	-	-	-

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: full year performance. The funds are invested in thirteen diversified investment funds.

3 - The University had \$58.6 million in unlisted securities as at 31 December 2020 (\$47.7 million at 31 December 2019) which are not measured for performance.

Promotion and Travel

For the 2020 year the total University expenditure for overseas travel was \$639,469. 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-quittal in a timely manner, the credit card will be cancelled.

Funds Granted to Non-Government Community Organisations

During 2020 the University provided \$1,000 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 \$
St Vincent De Paul	Community Engagement	Vinnies Sleepouts give a glimpse into the realities of homelessness by 'sleeping rough' for a night to raise awareness and funds for Vinnies homelessness services. This experience challenges your sense of home and offers unique insights into the complex issues faced by people experiencing homelessness.	1,000

Controlled Entities

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	<i>FY 2020 Actual</i>	<i>Annual 2020 Budget</i>	<i>% Full year achieved</i>
Revenue	\$8,225,448	\$7,891,958	104%
Expenses	\$7,485,911	\$7,855,248	95%
Operating Surplus	\$739,537	\$36,710	
Accumulated Retained Earnings	\$2,480,998		

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 students high quality academic pathways to study at the University through its comprehensive range of University Foundation Studies and Diploma programs, English language training and testing services. Vocational programs are offered by The College's Registered Training Organisation (RTO). The College strives to continuously be aligned 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 Pathway Programs which encompasses Foundation Studies and a variety of Diploma programs for students transitioning to a bachelor's degree at Western Sydney University. The College continues to offer the Extended Diploma in addition to the existing University Foundation Studies and Integrated Diploma courses (which are equivalent to first year degree studies). Pathways for international students are also offered through Western Sydney University International College (WSUIC) which is a joint venture between The College and Navitas Pty Ltd located in Parramatta.
- English Language Programs enable international students to gain the academic English skills essential for University entrance. This unit also provides a diversity of programs for international study groups, including industry visits and cultural immersion. The English Language Centre also conducts IELTS and other English language proficiency tests.

- The Registered Training Organisation (RTO) provides a suite of vocational courses in areas such as Training and Assessment, Leadership and Management and First Aid.

During the 2020 financial year, the Company undertook a number of strategic projects in accordance with the its overall objectives and principal activities.

Performance Measures

The performance measures of the Company are both financial and non-financial:

- To transition the WSUIC to being an independent Higher Education Provider (HEP) for international pathways in the midst of decrease in international enrolments post COVID-19.
- To sustain the English Language Centre which is continuously affected by visa issues, and now amplified by restrictions on international travel due to COVID-19.
- To provide a positive financial return to Western Sydney University.
- To provide alternative pathways options for students of Western Sydney.
- To operate a Registered Training Organisation with a VET offering.
- To develop and offer an inaugural suite of online Undergraduate Certificate courses to support the Federal Government's COVID-19 Higher Education Relief Package.

Category	FY 2020 Actual	Annual 2020 Budget	% Full year achieved
Revenue	\$70,570,223	\$65,034,260	109%
Expenses	\$70,570,223	\$65,034,260	109%
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 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 Pathway Programs Academic Committee, English Language Committee, Registered Training Organisation (RTO) Committee and the Risk Committee. An Audit Committee of the Board 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 2020 Actual	Annual 2020 Budget	% Full year achieved
Revenue	\$219,110	\$169,343	129%
Expenses	\$84,215	\$291,464	29%
Operating Surplus	\$134,895	(\$122,121)	
Accumulated Retained Earnings	\$1,584,502		

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:

- act as a co-developer in respect of the Parramatta Project;
- use and operate its interest in the completed Parramatta Project to generate rental income;
- sell, lease, licence, mortgage, charge or otherwise deal with the Land; and
- 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.

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.

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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Western Sydney University
ABN 53 014 069 881
CRICOS Provider No: 00917K
Locked Bag 1797
Penrith NSW 2751
Tel: +61 2 9852 5222



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